

LGST 100-006

Ethics and Social Responsibility

Spring 2019

Professor Chelsea Schein
Huntsman Hall 627
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Office Hours: Tuesdays 12:00-1:30

Course Overview

This course is a multi-disciplinary exploration of business ethics. In addition to exploring ethical theories that can inform moral decision making, we will examine business ethics from a psychological perspective: how can we harness our knowledge of human psychology to thrive as individuals and create more ethical organizations?

During the beginning of the semester we will concentrate on understanding your own values and purpose and will address issues faced by individuals in organizations. Next, we will explore ethical issues that confront the leadership of organizations. We will also examine business ethics as a design problem: looking at how we can best foster ethical cultures, before concluding with a discussion of current ethical challenges facing organizations.

The class will be interactive. We will use readings, cases, videos, and lively discussions to examine real issues confronting managers of organizations, and to practice analyzing and solving the issues.

Objective

Overall course objectives are:

- To contribute insight into your leadership and professional responsibilities in your future careers;
- To increase awareness of the ethical dimension of business conduct;
- To understand how to better design ethical cultures.

Grade Overview

- Legacy Assignment (5%)
- Quizzes (30%)
- Midterms (40%, 20% each)
- Classroom Assignments (5%)
- Designing Ethical Organization (20%)

There are no group assignments. All assignments should be completed independently.

Assignments

Legacy Assignment (5%): Students will be required to submit a short note two pages in length (12-point type, doubled spaced) on *My Legacy*: In 2050, when you look back at your life (both personal and professional) what will you consider to be your main achievement – your legacy?

Quizzes (30%): Every class for which readings (or other media) are assigned, there will be a 50% chance of having to take a short quiz that tests your knowledge of what was assigned for that day. Each quiz will be graded on a scale from 0 to 2. You will receive a score of zero if you are absent or late for a quiz. At the end of the semester, your lowest quiz score will be dropped. Occasionally you may need to miss class for entirely legitimate reasons (e.g. sickness or an interview). You can erase that day's quiz from your record if, prior to the start of class, you submit a well-written summary and analysis of that day's readings. You should submit this summary via email to me. This document should include ~250 words of summary and ~250 words of thoughtful analysis (500 words total). There is, of course, a 50% chance there will not be a quiz that day, in which case the summary will not impact your grade. You may avail yourself of this option up to **three times** per semester. If you added the class late, you should contact me ASAP about making up the quizzes you missed.

Midterm exams (40%): There will be two midterm exams comprised of essay-type questions, each worth 20% of the final grade. They are checkpoints for your progress in the course.

Classroom Assignments (5%): From time to time, you will be asked to complete an assignment for class (e.g. an online survey). Pass/Fail grade.

Designing an Ethical Organization (20%): In the final project, you will take the concepts we learned about in class to provide an “ethical audit” of an organization. As part of this assignment, you will be required to describe basic details of the organization, identify likely points of ethical risk in the organization based on course content, describe how the organization currently handles these ethical risks, and describe design solutions that could minimize these risks. Your goal will be to design as “good” an organization as you can. I will distribute further details and grading rubrics for this assignment midway through the semester. Your write-up should be between 2300–2700 words, and will be due by 5PM on the first day of final exam period.

CLASS POLICIES

1. **GRADING POLICY:** Grading will be at my discretion and in accordance with Wharton policies. With the exception of clerical/coding errors, no change of grades will be issued after final grade sheets are delivered to the University

Registrar. Late assignments will be accepted, but will have a 5-point deduction per day past the due date.

2. ATTENDANCE: I will be taking attendance for this class. More than 3 unexcused absences will result in your grade going down by a letter grade. Students who regularly fail to attend class will find that they have trouble keeping up with the lectures they do attend and with the assignments. Students who miss class will also lose out on quiz points.
3. EXTENUATING CIRCUMSTANCES: You might come to face unusually difficult circumstances during the course of the semester. I am amenable to making alternate arrangements for you, provided that you have your academic advisor contact me to explain the exceptional circumstances.
4. MAKE-UP EXAM: One make-up exam will be provided to any student who requests it, for any reason, once during the course of the semester. There will be no additional make-up exams if the make-up date is missed, and students may not request a make-up exam more than once in the course of the semester.
5. LAPTOP POLICY: In order to ensure your full engagement, you may **not** use any electronic device during class, unless otherwise approved by me.
6. HONOR CODE VIOLATIONS. Do not cheat. Seriously. This is an ethics class. That would be sad. I have a zero-tolerance policy for cheating, and all violations will result in substantial penalties. I intentionally have a lenient late policy (only a 5-point deduction per day late), to discourage cheating. Stressed and tempted to cheat? I guarantee you that a 5-point deduction is much better than failing the course.

Course Material

The latest course syllabus, readings, announcements, and all relevant course information can be accessed on Canvas: <https://canvas.upenn.edu/>

We will read Bazerman & Tenbrunsel's Blind Spots in full. It can be read for free online through Penn Library, or purchased for under \$15 on Amazon.

About the instructor

Dr. Schein is a Postdoctoral Fellow and Lecturer in Legal Studies and Business Ethics at Wharton. She received her PhD in Social Psychology from UNC, Chapel Hill. Dr. Schein has over 15 publications in top-tier academic journals as well as the New York Times. In her research, she adopts methods of social cognition to explore how people form moral judgments and how understanding our moral psychology can increase well-being and create a more tolerant society. Currently, she is examining how organizations can best navigate political polarization.

Course Outline

Date	Topic	Reading & Assignment
Introduction		
1/17/19	Course Overview	
Individual Values and Purpose		
1/22/19	Personal & Professional Values	Christensen, How Will You Measure Your Life? (HBR) Smith, Why I am Leaving Goldman Sachs Grant, In the Company of Givers and Takers(HBR) Brooks, The Moral Bucket List
1/24/19	Myths About Morality I	Blind Spot, Chapters 1-2 ** LEGACY ASSIGNMENT DUE
1/29/19	Myths About Morality II	Blind Spot Chapters 3-4 Pinker, The Moral Instinct. Epley & Tannenbaum, Treating Ethics as a Design Problem
1/31/19	Ethical Awareness	Gino & Bazerman, When Misconduct Goes Unnoticed: The Acceptability of Gradual Erosion in Others' Unethical Behavior Mazar et al, The Dishonesty of Honest People: A Theory of Self-Concept Maintenance
Personal Values in the Workplace		
2/5/19	Ethics in Negotiation	Shell, When Is It Legal to Lie In Negotiations? In-Class Negotiation
2/7/19	What Money Can't Buy	Sandel Intro & chapter 1 Brenan & Jaworski. "Part 1: Should Everything be for Sale?"
2/12/19	Conflict of Interest	Blind Spots, Chapter 5 Carlat, Dr. Drug Rep Bazerman et al., Why Good Accountants Do Bad Audits (HBR)
2/14/19	Politics in the Workplace	Korschun and Smith, Companies Can't Avoid Politics – and Shouldn't Try To Dholakia, Why (Most) Companies Should Avoid Taking Political Stances Roth, Why Businesses Should Think Twice About Getting Involved in Political Issues

		Bergstein, Should Companies Comment On Politics? A Branding Expert Weighs In
Corporate Values		
2/19/19	Social Responsibility of Business	Friedman, "The Social Responsibility of Business Is to Increase Its Profits" Sen A., "Does Business Ethics Make Economic Sense?" Bower & Paine, The Error at the Heart of Corporate Leadership
2/21/19	Corporate Social Responsibility	Porter & Kramer Creating Shared Value Kreps & Monin, "Doing Good by Doing Well" Merck & Co, Inc. (A): The Business Enterprise Trust (case study)
2/26/19	IN-CLASS MIDTERM#1	
Ethical Cultures		
2/28/19	Ethical Cultures	Blind Spot Chapters 6-8 Gino et al., Contagion and differentiation in unethical behavior: The effect of one bad apple on the barrel
3/12/19	Social Norms	Goldstein et al., A room with a viewpoint: Using social norms to motivate environmental conservation in hotels Nolan et al., Normative Social Influence is Underdetected
3/14/19	Nudges	Ethics of Nudges
3/19/19	Moral Courage & Whistleblowing	Dungan, Waytz, & Young, The psychology of whistleblowing CASE: Waytz, Through the eyes of a whistleblower Mayer, Why Are Some Whistleblowers Vilified and Others Celebrated?(HBR)
3/21/19	Case Studies	Dirty Money Episode
Ethical Leadership		
3/26/19	Status & Power	Fehr, R., Yam, K. C. S., & Dang, C. (2015). Moralized leadership: The construction and consequences of ethical leader perceptions. DeCelles et al., Does power corrupt or enable?
3/28/19	Reputation	John et al., Hiding personal information reveals the worst

		Cohn, Fehr, Marechal, Business culture and dishonesty in the banking industry
4/2/19	Crises	Schweitzer et al., The Organizational Apology(HBR) Unintended Acceleration: Toyota's Recall Crisis (case study)
The Responsible Company		
4/9/19	Ethical Issues in a Diverse Workplace	McKinsey & Company, Women in the Workplace 2017 Slaughter, "Competition and Care"
4/11/19	Ethical Issues in a Diverse Workplace II	Case: It Wasn't About Race or Was It? Kunstman & Maner, Sexual overperception: Power, mating motives, and biases in social judgment Bertrand & Mullainathan, Are Greg and Emily More Employable than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination
4/16/19	Global Business Ethics	Fadiman, A Traveler's Guide to Gifts and Bribes (HBR) Ludden, Your Guide to the World Cup's Corruption Scandals
4/18/19	IN CLASS MIDTERM #2	
4/23/19	Ethics On Campus	Topics: TBD
4/25/19	Ethics of AI	Ethics of Self-Driving Cars
4/30/19	Wrap-Up	