



MOR 421 Social and Ethical Issues in Business
Fall 2022

Tuesday & Thursday 4-5:50 pm

Professor Jody Tolan
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Office – HOH 430
Office hours: Tuesdays 6-7:30 pm or by appointment
We can meet in person or via Zoom.

Course Description

What are social and ethical issues in business? How do they arise? How do organizations – and more importantly, leaders of organizations – deal with these issues? Ethical dilemmas arise when we have moral confusion, moral disagreement, OR a legitimate tension between conflicting goals and objectives. No human endeavor is value neutral. Moreover, business, government, and society are part of a complex and interdependent system. This course will help you develop a foundation of knowledge and skills that you will be able to use to critically examine this system.

We will use broad themes and diverse source materials to study social and ethical issues in business that are related to such things as: corporate social responsibility, financial practices; marketing tactics, product development and product liability; responsibilities to customers and other stakeholders; ethical issues in international business; the duties and responsibilities of employers; and managing in a regulated environment. You will also explore your own choices and actions when faced with ethical challenges in order to answer the questions: “What if I were going to act on my values? What would I say and do? How could I be most effective?”.

The course is structured around case-studies and interactive exercises. These cases give us the opportunity to examine very particular – *REAL WORLD* – situations that illuminate the intersection of corporate strategy, organizational values, the competitive environment, and decision-making. Interactive and reflective exercises help develop your own ethical plan when you will inevitably face difficult decisions and ethical dilemmas. MOR 421 will immerse students in a multi-disciplinary approach to the normative analysis of business issues.

Learning Objectives

Upon successful completion of this course, students will be able to:

- Describe the extent to which business shapes and is shaped by society
- Identify ethical and socially sensitive issues in business
- Use various analytic models to critically examine these issues
- Reach decisions regarding these issues and develop accompanying policy and/or process recommendations

- Apply the Giving Voice to Values framework to manage challenges to personal integrity and ethical principles

Our Inclusive Learning Community

Our USC Principles of Community state “USC is a multicultural community of people from diverse racial, ethnic, gender, and class backgrounds, national origins, faith backgrounds, political beliefs, abilities, and sexual orientations. Our activities, programs, classes, workshops, lectures, and everyday interactions are enriched by our acceptance of one another, and we strive to learn from each other in an atmosphere of positive engagement and mutual respect.”

<https://diversity.usc.edu/usc-principles-of-community/>

As Trojans, we understand the value of the perspectives of individuals from all backgrounds that reflect the rich diversity of our USC community and beyond. The study of business – especially social and ethical issues in business – requires us to recognize how diversity, equity and inclusion is not only the ethical approach, but also creates a competitive advantage for organizations. Together, we will strive to make this classroom a psychologically safe and inclusive environment for all of us to develop and practice inclusive behaviors. As such, we will:

- Respect the dignity and essential work of all individuals,
- Promote a culture of respect within the university community,
- Respect the privacy, property, and freedom of others,
- Reject bigotry, discrimination, violence or intimidation of any kind,
- Practice personal and academic integrity and expect it of others, and
- Promote the diversity of opinions, ideas and backgrounds which is the lifeblood of the university.

If you see ways I can improve, please let me know. We will establish a learning community contract of shared norms and expectations in our first week of class.

Course Materials

TEXTBOOK: Business Ethics by Stephen M. Byars & Kurt Stanberry (OpenStax; 2018)
<https://openstax.org/details/books/business-ethics> (free OER)

COURSE READER: Digital Course Reader available on HBS Publishing – Link published on Blackboard (Cases & articles vary by semester; Approximate cost \$45)

OTHER MATERIALS: Other assigned articles & videos will be noted on Blackboard

Course Information: Blackboard

All course information is available through your Blackboard account. Blackboard is the primary channel of communication for this course so take note of announcements and other email messages you receive. Each week's activities – readings, assignments, etc. – will be outlined under Weekly Content. Assignment and exam scores are posted here as well. You can also communicate directly with your Professor, your project team members, and other classmates from your section. To access Blackboard from your web browser, enter <https://blackboard.usc.edu>, and use your USC username and password to log in. You may also choose to download the Blackboard app for your smartphone.



Grading

	<u>% of Grade</u>
Participation	15%
Case Discussion Lead (in groups)	10%
Corporate Culture Memo & Presentation	10%
Midterm	25%
Final Research Case Study & Presentation	40%

Class Participation: This part of your grade will be based on consistent and active engagement in class discussions and activities. You are expected to attend every class session having read, thought about, and prepared any assigned material. You should also be prepared to share your ideas and to actively listen to and interpret the ideas presented by others.

Comments that are vague, repetitive, unrelated to the discussion, or disrespectful of others will be evaluated negatively. Quality comments possess one or more of the following attributes:

- Offer a relevant concept or personal experience;
- Provide careful analysis by applying theory and concepts from readings and lectures;
- Move the discussion forward by building on previous contributions with new insights;
- Ask thoughtful and challenging questions.

Our learning community operates in an environment of openness, respect, encouragement and engagement. Discussions will be richer if you share your unique perspective. Real world problems rarely have right or wrong answers given the complexity of stakeholders' interests and competing values. It may take courage or patience or imagination to engage with the course material, our classmates and our experiences. In our classroom, I aim to develop a psychologically safe space where we can all learn together and benefit from the diversity that leads to increased innovation, better problem solving and, in our case, what I hope will be new friends and a great semester!

Participation requires your attendance in class. **If you are absent three or more times prior to the last day to withdraw from a course with a grade of "W", I may ask you to withdraw from the class by that date.**

Case Discussion Lead: Once we have settled on the final syllabus of topics and case studies, I will ask you to lead one of the case discussions in class. You will complete this requirement in small groups. You will be asked to submit a write-up of your analysis of the case or topic selected and any presentation materials prior to class. Although the cases will differ, each assignment will be specific regarding the components you must include in your write-up and presentation. You are required to prepare to brief me at least one week prior to the class session with a summary of the case and lesson plan.

Corporate Culture Memo: You will analyze a company of your choice against the criteria set forth in an article by Epley & Kumar, *How to Design an Ethical Organization* (week 7). You will submit a 3-page single-spaced memo of your analysis along with a copy of your presentation (i.e. PPT slides or other media). You will make a 7-min presentation of your findings (not of the whole analysis). More information will be provided on Blackboard.

Mid-Term Exam: The mid-term exam (week 8) will include short-answer questions about material covered in class up to that point in time and a mini-case study with specific case questions.

Research Case Study: The Research Case Study is an in-depth analysis of an organizational situation, social problem, or contemporary issue with *substantive ethical dimensions*. This assignment will be done in teams that I assign. Group size is limited to no more than 4-5 students. In a 15-20 page paper you will:

- ✓ Describe the topic in detail and clearly articulate your research question
- ✓ Report on the important facts discovered in your research
- ✓ Identify the stakeholders and their interests
- ✓ Identify the ethical issues clearly
- ✓ Identify and describe the major social, economic, and/or legal factors that impact the issue
- ✓ Provide a detailed answer to your research question

Each team will make a presentation of their research case study to the entire class on one of the last two scheduled class meetings.

Final Grades

Final grades for this course will reflect the weighted sum of your assignment grades and will adhere to the grading policy approved by Marshall. Your grade will not be based on a mandated target, but on your performance. Historically, the average grade for this class is about a (B+).

Three items are considered when assigning final grades:

1. Your average weighted score as a percentage of the available points for all assignments (the points you receive divided by the number of points possible).
2. The overall average percentage score within the class.
3. Your relative ranking among all students in the class. Target GPA is 3.5 for electives.

Students with Accommodations

USC is committed to making reasonable accommodations to assist individuals with disabilities in reaching their academic potential. If you have a disability which may impact your performance, attendance, or grades in this course and require accommodations, you must first register with the Office of Student Accessibility Services (<https://osas.usc.edu/>). OSAS provides certification for students with disabilities and helps arrange the relevant accommodations. Any student requesting academic accommodations based on a disability is required to register with OSAS each semester. A letter of verification for approved accommodations can be obtained from OSAS. Please be sure the letter is delivered to me as early in the semester as possible. OSAS is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for OSAS is (213) 740-0776. Email: ability@usc.edu.

Academic Conduct

Students are expected to make themselves aware of and abide by the University community's standards of behavior as articulated in the [Student Conduct Code](#). Plagiarism – presenting someone else's ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences – you will fail the course. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Part B, Section 11, "Behavior Violating University Standards" <https://policy.usc.edu/scampus-part-b/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct>.

Emergency Preparedness/Course Continuity

In case of a declared emergency (i.e. earthquake or fire), the *USC Emergency Information* web site (<http://emergency.usc.edu/>) will provide safety and other information, including electronic means by which instructors will conduct class using a combination of USC's Blackboard learning management system (blackboard.usc.edu), teleconferencing, and other technologies.

Student Well-being Support Systems

Counseling and Mental Health - (213) 740-9355– 24/7 on call

<https://studenthealth.usc.edu/counseling/>

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call or call 988

suicidepreventionlifeline.org

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

Relationship and Sexual Violence Prevention Services (RSVP) - (213) 740-9355(WELL), press "0" after hours – 24/7 on call

<https://studenthealth.usc.edu/sexual-assault/>

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

Office of Equity and Diversity (OED)- (213) 740-5086 | Title IX – (213) 821-8298

equity.usc.edu, titleix.usc.edu

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants. The university prohibits discrimination or harassment based on the following *protected characteristics*: race, color, national origin, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, age, physical disability, medical condition, mental disability, marital status, pregnancy, veteran status, genetic information, and any other characteristic which may be specified in applicable laws and governmental regulations. The university also prohibits sexual assault, non-consensual sexual contact, sexual misconduct, intimate partner violence, stalking, malicious dissuasion, retaliation, and violation of interim measures.

Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298

https://usc-advocate.symplicity.com/care_report/

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office of Equity and Diversity | Title IX for appropriate investigation, supportive measures, and response.

USC Campus Support and Advocacy - (213) 821-4710

<https://uscsa.usc.edu/>

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

Diversity at USC - (213) 740-2101

diversity.usc.edu

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call

dps.usc.edu, emergency.usc.edu

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

USC Department of Public Safety - UPC: (213) 740-6000 – 24/7 on call

dps.usc.edu Non-emergency assistance or information.

Trojans Care for Trojans – (213) 740-0411; <https://campussupport.usc.edu/trojans-care-4-trojans/>

USC Trojans Care for Trojans (TC4T) is an initiative within the Office of Campus Wellbeing and Crisis Intervention that empowers USC students, faculty and staff to take action when they are concerned about a fellow Trojan challenged with personal difficulties. This **private and anonymous request form** provides an opportunity for Trojans to help a member of our Trojan Family.

COURSE CALENDAR, READINGS & CASES
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COURSE CALENDAR, READINGS AND CASES

We will be co-creating the syllabus schedule to add value, relevance and authenticity to your learning experience. It also promotes the collaboration and engagement I expect throughout the course.

The course is set up to explore ethics and ethical responsibility (dare I say leadership!?) across a range of domains – personal, organization, society. We begin by focusing on creating our own ethical game plan using the Giving Voice to Values framework. Situational factors may differ but understanding what type of leader we want to be will help us learn to recognize, clarify, speak and act on our values when conflicts arise.

Please review the assigned topics and cases. I have found these to be relevant and meaningful to the goals of the course as well as fun to explore. Discussion to refine the syllabus will take place over the first 2-3 weeks of class. Come prepared with your own ideas of what you'd like to explore and learn about.

There are lots of examples of ethics in action – some are laudable, others are head-scratchers! Some topics that come to mind include entrepreneurship & start-ups, artificial intelligence and business ethics, diversity/equity/inclusion issues both here and applied abroad, social movements and business ethics/responsibility, ESG (Environment, Sustainability, Governance) and decision making, remote work and ethics/employer-employee obligations, data breach and ethical obligations, more leadership discussions, recent financial crises, #MeToo, racial tensions & social unrest, etc. Alternatively, we can choose to explore individual companies and their ethical standards and practices, codes of conduct, ethical frameworks, and what it might be like to work there or if we'd like to work there.

Week 1

Aug 23 – Introduction to the course

Video Exercise (TedX Talk & Discussion)

How do we want to learn?

Course co-creation

Class contract (preparation, participation, assessments)

Aug 26 – Syllabus Co-Creation

What do we want to learn?

Discussion of topics and companies to include

Using Case Studies

Guest Speakers

Week 2

Aug 30 – Finalize Syllabus

Settle on final topics, issue areas and companies to explore
Review assessment policies
In-class Exercise

Sept 1 – Moral Development and Moral Responsibility

Readings

An Introduction to Ethics (CR)
The Parable of the Sadhu (CR)
Optional Textbook: Chapter 2 – Ethics from Antiquity to the Present

Week 3

Sept 6 – Our Foundation: Personal Ethics, Values and Emotional Intelligence

Readings

Note on Human Character Behavior and Ethics (CR)
The VIA Survey: 31 Ways to Recognize Your Strengths and Act on Them
(<https://positivepsychology.com/via-survey/>)
Emotional Intelligence web article
(<https://globalleadershipfoundation.com/deepening-understanding/emotional-intelligence>)
What People Still Get Wrong about Emotional Intelligence by Daniel Goleman (HBR web)
(<https://hbr.org/2020/12/what-people-still-get-wrong-about-emotional-intelligence>)

Assessments

Emotional Intelligence (<http://globalleadershipfoundation.com/geit/eitest.html>)
VIA Assessment (via.org)
In-class Exercises/Reflection

Sept 8 – Giving Voice to Values I (GVV)

Introduction to GVV
GVV Seven Pillars of Action
Readings/Video links on Blackboard

Week 4

Sept 13 – Giving Voice to Values II

Developing Skills & Action Plans
In-class exercises
Readings/Video links on Blackboard

Sept 15 – Giving Voice to Values III

Challenges and Opportunities
In-class exercises
Readings/Video links on Blackboard

Week 5

Sept 20 – Introducing Corporate Responsibility & Decision Making

Readings

The Normative Foundations of Business (CR)
Textbook: Chapter 3 – Defining and Prioritizing Stakeholders

Classic Case – Johnson & Johnson Tylenol Poisoning (CR)
Prepare case questions on Blackboard

Sept 22 – Informal Discussion About Forming Groups/Research Topics

Current Events: In-class exercise
Potential Guest Speaker

Week 6

Sept 27 – Corporate Political Activity: The Activist CEO

Readings

The New CEO Activists: A playbook for polarized times by A.K. Chatterji & M.W. Toffel
(<https://hbr.org/2018/01/the-new-ceo-activists>) or available via online USC Libraries search (libraries.usc.edu) if you hit a paywall

What CEO Activism Looks Like in the Trump Era by L. Gaines-Ross
(<https://hbr.org/2017/10/what-ceo-activism-looks-like-in-the-trump-era>) or available via online USC Libraries search (libraries.usc.edu) if you hit a paywall

Ensuring Religious Freedom in Indiana (https://www.wsj.com/articles/mike-pence-ensuring-religious-freedom-in-indiana-1427757799?st=n2a5sg29kcbkxnd&reflink=desktopwebshare_permalink) OpEd in Wall St Journal by then-Gov. Mike Pence, 3/31/15

Case: Blurring the lines between Business and Government: Salesforce and CEO Activism (CR)

WATCH Blackboard for any update to assigned readings

Sept 29 – Corporate Culture: Wells Fargo

Readings

Epley, N., & Kumar, A. (2019). How to design an ethical organization. Harvard Business (ARES)
Textbook: Chapter 11 - Epilogue: Why Ethics Still Matter

Case – Sales Misconduct at Wells Fargo Community Bank (CR)

Week 7

Oct 4 – Team presentations of corporate culture memo

Oct 6 – Team presentations of corporate culture memo & Mid-Term Review

Week 8

Oct 11 – Mid-Term Exam

Oct 13 – NO CLASS/FALL BREAK

Week 9

Oct 18 – OPEN

Topic/Case Discussion
Potential Guest Lecturer – TBD

Oct 20 – OPEN

Topic/Case Discussion
Potential Guest Lecturer – TBD

Week 10

Oct 25 - OPEN

Topic/Case Discussion
Potential Guest Lecturer – TBD

Oct 27 – OPEN

Topic/Case Discussion
Potential Guest Lecturer – TBD

Week 11

Nov 1 – OPEN

Topic/Case Discussion
Potential Guest Lecturer – TBD

Nov 3 – OPEN

Topic/Case Discussion
Potential Guest Lecturer – TBD

Week 12

Nov 8 – Project Updates & Current Events Discussion

In-class exercise

Nov 10 – OPEN

Topic/Case Discussion
Potential Guest Lecturer – TBD

Week 13

Nov 15 – Issues in International Business TBD

Topic/Case Discussion
Potential Guest Lecturer – TBD

Nov 11 – Issues in International Business TBD

Topic/Case Discussion
Potential Guest Lecturer – TBD

Week 14

Nov 22 – Remote Team Project Work

Class & team meetings on Zoom

Nov 24 – NO CLASS/THANKSGIVING BREAK

Week 15

Nov 29 – Research Project Presentations

Papers & PPTs due for all teams before class begins

Dec 1 – Research Project Presentations

Please note: The date/time of the Final Exam is determined by the University. For the date and time of the final for this class, consult the USC *Schedule of Classes* at www.usc.edu/soc. Select the corresponding semester to view and click on the “Final Examinations Schedule” link on the left side of the screen.

Healthy Food for thought:

