Business Ethics (1 ECTS)

Introduction

A course on business ethics does not demand justification. Corporate scandals, the experience of pervasive malpractices, growing social expectations on business, and open questions about justice and human dignity on the eve of a new technological revolution are more than enough justifications. However, in the pragmatic context of business education, a course on Ethics may demand an explanation. Let us give one.

Business Ethics is not mainly about fraud and corruption or other negative business phenomena. Ethics is –in a way- like Medicine: it is not about curing diseases and mitigating pain.; it is about helping people and organizations to live long, happy, and productive lives, preventing future trouble, and developing healthy habits. Nonetheless, it is also helpful for avoiding major reputational crises or even jail.

Business Ethics is not another technical field of business education, providing instrumental tools to achieve business purposes (profit or otherwise). Ethics is transversal and normative-evaluative. It provides the occasion to discuss the ultimate aims of business in human life and society, the reason behind your whole management career. All the other sciences and techniques are instrumental.
Business Ethics is not about black or white principles. It is about applying those principles to real-life situations with imperfect agents in imperfect environments.

Business Ethics is not about having abstract conversations about artificially defined dilemmas or learning theories and applying them. It is about human beings making decisions in particular situations by taking the perspective of life as a unity, and by looking at the impact of business management over time and across the different dimensions of human flourishing.

Business Ethics is not about expressing your opinions without rigor or rationally valid thoughts. Debate and discussion are necessary to broaden our perspective, refine our reasoning, and eventually be open to changing our minds. Hence, a course like this one focuses on how to think rather than what to think about the issues discussed.
Business Ethics is not only about principles, rules, and responsibility for consequences. It is mainly about pursuing human excellence and contributing to social welfare by shaping character, driving cultural change, and leading by example.

Business Ethics is not a purely philosophical field. It intends to develop skills and intellectual competencies to broaden our diagnostic capabilities beyond the economic dimension of firms and markets, by understanding the connections between financial, relational, legal, and moral dimensions. Business ethics also provides specific managerial tools (such as stakeholder management) for dealing with complex problems in human organizations.

Business ethics is a call to leave a trace, to have an impact, to change the world —but not in a merely aspirational way. It pushes you to think in what direction you want to lead organizations and society through your daily work in business, shoulder-to-shoulder with many people —but starting with yourself.

Objectives

This course has three main objectives:
• First, analyzing organizational dynamics associated with ethically problematic situations such as corruption, mobbing, sexual harassment, etc.
• Second, learning how to develop personal leadership skills and how to design effective policies to prevent and eventually manage ethically problematic situations.
• Third, developing a critical and positive perspective of the social impact of business activities, as well as managers' responsibilities and liabilities.

This course intends to nurture a critical and alternative perspective of traditional managerial processes through:
• Assessing the ethical dimension of business problems.
• Using specific tools for enhancing the culture of organizations.
• Critical Thinking: not WHAT to think, but HOW to think.

Content
This course consists of three parts:
• In the first part, we will discuss cases focused on individuals dealing with morally ambiguous and corrupted environments, also introducing organizational perspectives and tools to deal successfully with fraud.

• In the second part, we will focus on the relationship between individual character, organizational culture and formal rules, and the exercise of leadership in driving organizations towards higher levels of excellence.

• The third part introduces new instrumental tools for multiple-stakeholder management -beyond merely shareholder-oriented management- and a normative discussion on the mission and purpose of the business firm in society in a context of increasing social demands towards businesses and technological disruption.

Evaluation

Students will be evaluated in the following manner:

Individual class participation (40 %)
• Quality is more important than quantity. For quality, I understand reasoned and considered opinions. The right to disagree implies the duty to justify one's opinions.

Individual short case (30%)
• Students should write a business ethics case and analyze it. For this analysis, they may use the frameworks presented in the readings for the course, exploring the pros and cons of the decision to make, and proposing a solution.
• This assignment evaluates your sensitivity to ethical dilemmas and your analysis capacity: the more complex and real the dilemma, the better grade you will get.

Team project on SGDs and Responsible Leadership (30%)

Competences

Basic
CB6. Possess and understand knowledge that provides a basis or opportunity to be original in the development and / or application of ideas, often in a research context.
CB7. The students know how to apply the knowledge acquired and their ability to solve problems in new or unfamiliar environments within broader (or multidisciplinary) contexts related to their area of study.
CB8. The students can integrate knowledge and face the complexity of formulating judgments based on information that, being incomplete or limited, includes reflections on social and ethical responsibilities linked to the application of their knowledge and judgments.
CB9. Students know how to communicate their conclusions and the knowledge and ultimate reasons that support them to specialized and non-specialized audiences in a clear and unambiguous way.

General
CG2. Identify, address, and resolve interpersonal conflicts promptly and deeply without damaging the personal relationship within the organization and in its immediate environment of stakeholders (shareholders, customers, suppliers, etc.)
CG4. Understand and apply the mechanisms that generate an environment of collaboration, communication, and trust between the members of a team or organization.
CG7. Effectively distinguish and categorize relevant information for business decision-making.
CG9. Interpret the global context to analyze and judge the threats and opportunities for the organization.
CG11. Formulate and evaluate business strategies in decision making, anticipating the economic consequences of action plans.
CG14. Analyze, discuss, and apply ethical criteria to behave honestly in any situation.

Specific
CE01. Apply a structured and rigorous process of analyzing business situations that integrates all the business dimensions (personal, strategic, financial, etc.) and concludes with a reasonable and feasible action plan.
CE02. Prepare structured, synthetic, and clear executive reports for the analysis and decision-making of business situations.
CE04. Transfer quantitative optimization tools to unstructured business environments with uncertainty

to help decision-making.

CE05. Measure and become aware of the personal attitude towards risk and uncertainty through methodologies to identify risk factors, evaluate them, and study their impact on decisions. Some of the methodologies are based on sensitivity studies, advanced simulations, and scenario analysis.

CE11. Learn the instruments and control mechanisms to prevent, detect and resolve fraud, corporate scandals, and crime in organizations.

CE12. Formulate a personal ethical framework for decision-making in the organization through critical reflection and discussion of traditional ethical thought systems.

CE13. Understand the opportunities associated with Corporate Social Responsibility (CSR) and develop a strategic CSR plan using different planning tools.