

**Ethical Practice:
Professionalism, Social Responsibility, and
The Purpose of the Corporation
15.270
Instructor: Leigh Hafrey
TA: Trip Bellard
Spring 2009/H2
MW 2:30-4 pm, E51-149
6 units**

I. Course Description

15.270—“Ethical Practice: Professionalism, Social Responsibility, and the Purpose of the Corporation” is designed as an introduction to ethics in business, with a focus on business management. Over 13 sessions, students will have the opportunity to explore theoretical concepts in business ethics, as well as cases that represent the challenges they will likely face as managers; they will also have the opportunity to work with guest faculty and business and other professional practitioners. Individual sessions will take the form of moderated discussion, with occasional short lectures from the instructor.

“Ethical Practice” walks students through three ever-wider circles of ethical complexity: 1) individual, professional commitments; 2) the rights and responsibilities of corporations; and 3) the social, ethical underpinnings of business as an activity. We seek to define terms central to each of these circles, culminating in a brief historical assessment of business and capital in the early 21st century.

II. Course Requirements

Students will be graded on their participation in class discussions (40%), an introductory 2-page individual paper (5%), five weekly 3- to 4-page team papers (5 x 5% = 25%), and one 7- to 10-page paper (30%), submitted at the end of the semester, in which students reflect on the evolution of their views during the half-semester (see “Writing Assignments” below).

III. Course Outline and Schedule

1. Course Introduction: What is Business Ethics?

- 3/30 Jaan Elias and J. Gregory Dees, “The Normative Foundations of Business” (HBS Note 9-897-012*).
Patricia H. Werhane, “A Note on Moral Imagination” (UVA-E-0114)
*all readings are included in course packet

2. Personal and Professional Practice

- 4/1 Ashish Nanda, “Who Is a Professional?” (HBS Note 9-904-047), and Albert Z. Carr, “Is Business Bluffing Ethical?” (*HBR* Reprint 68102).
*2-page write-up: “What are my ethical principles in business?” due 4/3.
- 4/6 Joseph Badaracco and Jerry Useem, “Kathryn McNeil” (A&B; HBS Case 9-394-111, 9-394-112).
- 4/8 Joseph Badaracco, “Personal Values and Professional Responsibilities” (HBS Note 9-304-070) and “The Discipline of Building Character” (*HBR* Reprint 1725).
*Team paper #1 due 4/10.
- 4/13 Panel on Business and the Professions:
Steven Pinker, “The Moral Instinct,” (*NYT Magazine*, Jan. 13, 2008)
Panelists: to be announced

3. Corporate Social Responsibility

- 4/15 Lynn Sharp Paine, “Corporate Purpose and Responsibility” (HBS 9-396-201); “The Graduation Pledge” and “Thunderbird Professional Oath.”
*Team paper #2 due 4/17.
- 4/20 Holiday—no class.
- 4/22 MicroCredit Enterprises: materials to be determined
*Team Paper #3 due 4/24.
- 4/27 Regina Abrami, “Worker Rights and Global Trade: The U.S.-Cambodia Bilateral Textile Trade Agreement” (HBS Case 9-793-034).
- 4/29 Alex Gibney, Dir., *Enron: the Smartest Guys in the Room* (film; optional showing Tue 4/28, 7 pm, E51-XXX); Joel Bakan, *The Corporation: the Pathological Pursuit of Profit and Power*, pp. 56-59; and Thomas C. Schelling, “The Marketplace Is No Excuse,” in *Choice and Consequence: Perspectives of an errant economist*, pp. 53-56.
*Team Paper #4 due 5/1.

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4. The Purpose of a Corporation

- 5/4 Plato, *The Republic*, Part II, Book II (selections); and Aristotle, *The Politics*, Book I: 9-10.
- 5/6 Robert Frank, “What Price the Moral High Ground?” in *What Price the Moral High Ground? Ethical Dilemmas in Competitive Environments*, pp. 71-91; and Paul Hawken, Amory Lovins, and L. Hunter Lovins, “Once Upon a Planet,” in *Natural Capitalism: Creating the Next Industrial Revolution*, pp. 309-322.
*Team Paper #5 due 5/8.
- 5/11 Alexis de Tocqueville, *Democracy in America* (selections); Charles Handy, “Tocqueville Revisited: The Meaning of American Prosperity” (*HBR* Reprint R0101C); and George Soros, “The Capitalist Threat” (*Atlantic Monthly*, February 1997)

5. Conclusion: Next Steps

- 5/13 Reports from the field: using the Aspen Institute Business and Society Program’s Center for Business Education series, “Giving Voice to Values,” participants will recount a time they faced an ethical challenge in the workplace. In small-group sessions in advance of the last class, and then in class plenary session, students will establish and discuss a list of methods of championing values in difficult situations.
*final paper due, 7-10 pages: revisit your two-page introductory essay, and explore how your statement now looks, refracted through the materials we covered during H2 and the story that you presented to your team before the last class.

IV. Writing Assignments

This section offers a brief introduction to the writing assignments students will prepare during the course of H2 for 15.270. The assignments take two forms: individual hard copy, and team electronic submissions. Students will submit:

1) Individual writing assignments:

- The first writing assignment, due Friday, April 3, is an individual project; two pages, double-spaced, due as hard copy at the instructor’s office. This assignment represents 5% of your grade.

- The first paper will serve as the basis for your final, longer paper (7-10 pages, double-spaced), to be submitted as hard copy in the last class, on Wednesday, May 13. This assignment represents 30% of your grade.
- 2) Team writing assignments:
- Five team assignments, each due on a Friday by 5 pm. The specific topics will be indicated in the study questions for the Wednesday class preceding the assignment. The dates are: 4/10, 4/17, 4/24, 5/1, 5/8. Each of these assignments is worth 5% of your individual grade.
 - Team Process: the TA for 15.270, Trip Bellard, will randomly compose teams of 5 students each following the second class; these teams will continue for the duration of H2.

In all cases, the topic will correlate with the subject of one of our Wednesday classes. During the 48 hours following these class discussions, the teams will meet to discuss the assigned topic and compose an appropriate 3- to 4-page, double-spaced response. The response is to be submitted electronically on Stellar, by 5 pm on the specified Friday.

Each member of the 5-person team will be responsible for writing one of the five team assignments, which he or she will sign; the four other members of that team are required to contribute to the reflection that generates the paper, and to confirm their participation; failure to contribute will result in a “0” for that assignment.

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