



## Bentley Doctoral Program

### Thematic Seminar Ethics and Corporate Responsibility in a Changing Environment

Spring 2015

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**Course meeting:** Tuesday, 1:45-4:45 p.m.  
**Office Hours:** As needed/by appointment

#### **COURSE DESCRIPTION**

The seminar focuses on three primary domains of inquiry: 1) an exploration of questions of ethics and responsibility in the context of commerce and profit; 2) the role of the corporation in the larger society; and 3) the role of the individual in the corporation. Within each of these areas, the course examines a range of ethical and social performance issues and challenges that managers must confront. Our goal is to broaden student understanding of the different theoretical arguments and tensions in this area, with a concomitant focus on application to the world of practice in general and one's dissertation research in particular.

#### **COURSE LEARNING OBJECTIVES**

This thematic seminar is designed to provide students with a broad understanding of the role of business in society, with a focus on questions of legitimacy, government regulation, ethics, corporate responsibility, stakeholder management, corporate culture, and the role of management in a changing environment.

#### **READINGS AND LEARNING MATERIALS**

##### **Pre-course Readings:**

- William Frederick, *Corporation Be Good!* Dog Ear Publishing (Indianapolis, IN), 2005.
- Mark Timmons, *Moral Theory*, Roman & Littlefield, 2002.

##### **Pre-course Assignment:**

Prior to the semester please read *Moral Theory* by Mark Timmons and *Corporation Be Good!* by Bill Frederick. Your assignment is to draw out 2 or 3 themes in each book that you find compelling, focusing on the ideas, issues and questions that are of most interest to you personally. In a 5-7 (max) page paper on each book, explain your reasoning and thoughts about these themes, why you find them compelling, exploring their implications for the study, research and practice of management. The paper on *Moral Theory* is due our first class

meeting; the paper on *Corporation Be Good!* is due during our second session. These papers will serve as the basis for our initial class discussion of ethics, ethical theory and corporate responsibility, and will be used over the course of the semester to ground our analysis of other topics in these areas.

The paper will be graded and factored as part of your class participation grade for the course.

### Course Readings:

- Russ Shafer-Landau & Terence Cuneo (Eds.), *Foundations of Ethics: An Anthology*. Blackwell, 2007. **(FE)**
- James Dreier (Ed.), *Contemporary Debates in Moral Theory*, Blackwell, 2006. **(CDMT)**
- Articles on Blackboard **(B)**, the web **(W)** and Reserve **(R)**. Note: Over the course of the semester, some articles may be changed or added based on class discussion and interest.

### COURSE PEDAGOGY

The course will include lecture/discussions, case/reading discussion, and student presentations. Students will be asked to take an active part in each of the three domains in the course, by presenting material to the seminar members, shaping discussion questions for the week, and incorporating course materials into their research agenda as appropriate.

### GRADING/PERFORMANCE EVALUATION

Class participation will be based on an informed discussion of the readings for the week, with members of the seminar taking responsibility for presenting the articles. Students will be expected to write critical comparative reviews/applications of readings in ethics and CSR, drawing and reflecting on the latest research in the field in which they explore the conceptual and applied aspects of ethical and corporate social responsibility issues. The final presentation is based on an application of course material to your field of study and dissertation research.

The paper (and due dates) and presentation assignments will be discussed in class.

Paper 1	Reflections on Ethical Theory	25%
Paper 2	Reflections on CSR Theory & Practice	25%
Presentation	Ethics/CSR End of Semester Application	25%
Class Participation	Pre-course Paper & Semester-long Contributions	25%

Please note that the course strictly adheres to the Bentley Academic Honesty Policy.

### LIST OF TOPICS (Note: Assigned readings may be revised over the course of the semester)

#### I Course Introduction and Overview: Reactions to and Implications of Ethical Theory and Corporate Social Responsibility

##### Meeting 1 Course Introduction and Overview I: Ethics

Tues Jan 20 Student presentations and discussion of pre-course assignment on Mark Timmons' *Moral Theory*

## Meeting 2 Course Introduction and Overview II: CSR

Tues Jan 27 Wrap-up of Week 1

Student presentations and discussion of pre-course assignment on William Frederick's *Corporation Be Good!*

As part of our discussion, we will also consider the UN Global Compact initiative, its academic counterpoint in the PRME (Principles for Responsible Management Education) initiative, and the emergence of sustainable practice as a potentially new perspective on corporate social responsibility. As background reading for this discussion, two brief pieces have been added to our Blackboard site: (1) a thought piece focusing on next steps following the 2012 Rio + 20 Global Earth Summit and (2) a brief discussion of the role of Bentley's Alliance for Ethics & Social Responsibility and its relationship with Conscious Capitalism in EFMD's *Global Focus* magazine.

## II Ethical Theory

This part of the course focuses on ethical theory and its ramifications for the business world. Class discussion will explore such issues as the nature of property, the extent to which ownership yields ethical obligations, who deserves what (notion of desert), what it means to have a moral obligation, the notion of viable principles of justice, and the extent to which such principles are universal.

### Suggested Background Readings (for further exploration):

- Feinberg, J., "Justice and Personal Desert," In J. Feinberg, *Doing and Deserving* (Princeton University Press, 1970).
- Nagel, T. & Murphy, L., *The Myth of Ownership* (Oxford University Press, 2002).
- Nozick, R., *Anarchy, State and Utopia* (Basic Books, 1974)
- Minogue, K., "The Concept of Property and Its Contemporary Significance," in Kenneth & Chapman (Eds.), *Property* (New York University Press, 1980).
- Rawls, J., *A Theory of Justice* (Harvard University Press, 1971)
- Stout, L., *The Shareholder Value Myth* (Berrett-Koehler Publishers, 2012)

### Meeting 3: Moral Skepticism

Tues Feb 3 Read:

- J. Mackie, "The Subjectivity of Values" (FE: #1)
- R. Joyce, "The Myth of Morality" (FE: #2)
- A.J. Ayer, "Critique of Ethics and Theology" (FE: #3)
- Horgan & Timmons, "Morality without Moral Facts" (CDMT: #13)

### Meeting 4: Moral Realism

Tues Feb 10 Read:

- P. Railton, "Moral Realism" (FE: #14)
- J. Hampton, "The Authority of Reason" (FE: #15)

- R. Shafer-Landau, “Ethics as Philosophy: A Defense of Ethical Nonnaturalism (FE: #16)
- G. Sayre-McCord, “Moral Realism,” *Stanford Encyclopedia of Philosophy*. [URL: <http://plato.stanford.edu/entries/moral-realism/>]

### **Meeting 5: Moral Motivation**

Tues Feb 17 Read:

- M. Smith, “The Externalist Challenge” ((FE: #17)
- N. Zangwill, “Externalist Moral Motivation” (FE: #18)
- Wallace, “Moral Motivation” (CDMT: #11)

### **Meeting 6: Moral Explanation, Disagreement, and Knowledge:**

Tues Feb 24 Read:

- N.L. Sturgeon, “Moral Explanations ((FE: #26)
- Zangwill, “Moral Epistemology and the Because Constraint” (CDMT: #15)
- Brink, “Moral Disagreement” (FE: #29)
- P. Railton, “Moral Explanation and Moral Objectivity,” *JSTOR* [URL: <http://www.jstor.org/stable/pdfplus/2653637.pdf?acceptTC=true>]

### **Meeting 7: Psychology and Ethics**

Tues Mar 3 Read:

- Jonhan Haidt & Fredrik Bjorklund Lund, “Social Intuitionists Answer Six Questions about Moral Psychology” (W / R)
- Joshua Green, “Beyond Point-and-Shoot Morality: Why Cognitive (Neuro)Science Matters for Ethics” (B)
- Gabriel Abend, “What the Morality of Science Doesn’t Say About Morality” (B)
- Jeanette Kennett & Cordelia Fine, “Will the Real Moral Judgment Please Stand Up?” (B)

← **SPRING BREAK – Tuesday, March 9** →

## **II Corporate Social Responsibility**

This part of the course will focus on the role of the corporation in the larger society, exploring the tensions between shareholder and stakeholder perspectives on the role of business, the social contract, and corporate performance and the ideal of corporate social responsibility (CSR).

A number of practical business ethics/CSR questions will be examined, including business and the environment, outsourcing, philanthropy and volunteerism, issues in stakeholder management, the role of government, and so forth.

**Suggested Background Readings** (for further exploration):

- Buono, A.F. & Nichols, L.T., *Corporate Policy, Values and Social Responsibility* (Praeger, 1985)
- Donaldson, T. & Dunfee, T.W., *Ties that Bind: A Social Contracts Approach to Business Ethics* (Harvard Business School Press, 1999).
- Freeman, R.E., *Strategic Management: A Stakeholder Approach* (Pitman, 1984).
- Freeman, R.E. & Gilbert, D., *Corporate Strategy and the Search for Ethics* (Oxford University Press, 1989)
- Freeman, R.E., Harrison, J.S., Wicks, A., Parmar, B.L. & de Colle, S., *Stakeholder Theory: State of the Art* (Cambridge University Press, 2010).
- Post, J.E., Preston, L.E. & Sachs, S., *Redefining the Corporation: Stakeholder Management and Organizational Wealth* (Stanford University Press, 2002).
- Sisodia, R., Wolfe, D. & Sheth, J., *Firms of Endearment: How World-Class Companies Profit from Passion and Purpose* (Wharton School Publishing, 2007).

**Meeting 8: Shareholder and Stakeholder Perspectives on Corporate Performance**

Tues Mar 17 Read:

- CLASSIC: Friedman, “The Social Responsibility of Business is to Increase Its Profits,” *New York Times Magazine* (B)
- Stout, “Commentary on the Social Responsibility of Corporate Entities: Bad and Not-So-Bad Arguments for Shareholder Primacy,” *Southern California Law Review* (B)
- Stout, “Why We Should Stop Teaching Dodge vs. Ford” (B)
- Ghosal, “Bad Management Theories are Destroying Good Management Practices,” *Academy of Management Learning & Education* (B)
- Parmar, et al, “Stakeholder Theory: The State of the Art,” *Academy of Management Annals* (B)
- Buono & Nichols, “Corporate Responsiveness Policies and the Dynamics of Bank Reinvestment Policy,” *Research in Corporate Social Policy and Performance* (B)

**Meeting 9: Business’ Societal Role: The UN Global Compact, the PRME initiative, and the Post-2015 Sustainable Development Agenda**

Tues Mar 24 Read:

- BACKGROUND: Review the UNGC and PRME websites:
  - ♦ <http://www.unglobalcompact.org/AboutTheGC/index.html>
  - ♦ <http://www.unprme.org>
- K. Leisinger, “Capitalism with a Human Face: The UN Global Compact,” *Journal of Corporate Citizenship* (B)
- Kell, G, “12 Years Later: Reflections on the Growth of the UN Global Compact” (B)
- Sethi & Schepers, “UNGC: Promise-Performance Gap” (B)
- The 50+20 Agenda: Management Education for the World (B)

## Meeting 10: Issues in CSR Research & Measurement

Tues Mar 31 Read:

- Aguinis & Glavas, “What We Know and Don’t Know about Corporate Social Responsibility: A Review and Research Agenda” (B)
- Matten & Moon, “‘Implicit’ and ‘Explicit’ CSR: A Conceptual Framework for A Comparative Understanding of Corporate Social Responsibility” (B)
- Margolis, et al, “Does it Pay to be Good? A Meta-Analysis and Redirection of Research on the Relationship Between Corporate Social and Financial Performance” (B)
- Barnett & Salomon, “Does it Pay to be Really Good: Addressing the Shape of the Relationship between Social and Financial Performance” (B)
- UNGC, “Architects for a Better World: Building the Post-2015 Business Engagement Architecture” (B)

## III The Individual and the Corporation

What is a corporation? How are they designed? How do they change? Do members of a corporation have particular obligations towards each other? What are the ethical and social responsibility challenges that managers face in dealing with the complex realities of the global business world?

### Suggested Background Readings:

- Bird, F.B. & Waters, J.A., “The Moral Muteness of Managers,” *California Management Review*, 1989, 32 (Fall), 73-88.
- Donaldson, T. & Dunfee, T., “When Ethics Travel,” *California Management Review*, 1999 (Summer).
- Driscoll, D.M. & Hoffman, W.M., *Ethics Matters: How to Implement Values-Driven Management* (Center for Business Ethics, 2000)

## Meeting 11: Creating a Global Ethical Culture: Governance and Organizational

Tues Apr 7 Challenges

Read:

### Creating a Global Ethical Culture: Governance and Organizational Challenges

#### **Background:**

- Kerber & Buono, “Rethinking Organizational Change: Reframing the Challenge of Change Management,” *Organization Development Journal* (B)
- Buono, “Evolution of Organizational Forms,” Teaching Note (B)

#### **Reading:**

- Ng, “Inside the Boardroom,” *DePaul Business & Commercial Law Journal* (B)
- Epstein & Roy, Improving the Performance of Boards,” *Journal of General Management* (B)

- Daboub & Calton, “Stakeholder Learning Dialogues: How to Preserve Ethical Responsibility in Networks,” *Journal of Business Ethics* (B)
- Fletcher, et al, “A Longitudinal Study of the Effectiveness of Business Ethics Education,” *Journal of Academic Ethics* (B)
- Gentile, “Giving Voice to Values” (B)

**Meeting 12: Why Good People Do Bad Things: Applications in Corporate and Academic Life**

Tues Apr 14 Read:

- S. Gellerman, “Why ‘Good’ Managers Make Bad Ethical Choices” (W / R)
- R. Jackell, “Moral Mazes” (W / R)
- Messick & Bazerman, “Ethical Leadership and the Psychology of Decision Making” (W / R)
- M.R. Banaji, M.H. Bazerman & D. Chugh, “How (Un)Ethical Are You?” *Harvard Business Review* (W / R)
- Solitander, N., et al, “We are the Champions: Organizational Learning and Change for Responsible Management Education,” *Journal of Management Education* (B)
- Andreas Rasche and Dirk Ulrich Gilbert, “Decoupling Responsible Management Education: Why Business Schools May Not Walk Their Talk,” *Journal of Management Inquiry* (B)

**Meeting 13: Integrating Ethics & CSR/Sustainability**

Tues Apr 21 Reflections on Ethics and Responsible Management

**Meeting 14: Applications in Research and Field of Study**

Tues Apr 28 Student presentations

**Meeting 15 Applications in Research and Field of Study**

Tues May 5 Student presentations