PROFESSIONAL ETHICS AND CORPORATE RESPONSIBILITY

DEGREE: BACHELOR IN BUSINESS ADMINISTRATION
DEGREE COURSE YEAR: 3rd YEAR
1º SEMESTER X 2º SEMESTER ☐
CATEGORY: ☐ BASIC ☑ COMPULSORY ☐ OPTIONAL
NO. OF CREDITS (ECTS): 3
LANGUAGE: ENGLISH
TUTORIALS: 
FORMAT: 
PREREQUISITES: NONE

1- SUBJECT DESCRIPTION

Professional Ethics is the part of ethics which applies to the practice of a profession. For this course, the business ethics concept will be identified to best practices in business meaning doing the right thing from a holistic approach to ethics and corporate responsibility. As students have already completed an introductory ethics course, they are now familiar with moral dilemmas, tools and practical knowledge to be applied in everyday life problems. With this new course we want to go a step further. Students are required to accomplish in depth knowledge of business ethics that enable them to acquire the necessary skills to solve ethics conflicts and moral dilemmas that will appear in their future business careers as a managers or entrepreneurs and to manage the corporate responsibility inside their business.

Therefore, we develop a theoretical framework to professional ethics and corporate responsibility focusing on practical tools to understand and apply business ethics issues. Our approach is person-centered as we believe that people are the ultimate responsible for the development of ethical cultures and responsible behavior in business organizations.

Students will be expected to understand the current topics, ethical issues and dilemmas generally discussed in the business ethics field and its relation with the corporate sustainability strategy. Moreover, they should become familiar with the tools used in business organizations to reduce ethics and reputational risks. We will provide numerous cases to be discussed, along with illustrative examples in order for students to get a practical knowledge that they could apply in their future business careers. But above all, they should understand that ethics is a foundation of human excellence, and deontology an indispensable pillar in entrepreneurship or business excellence to become better companies to work, to invest or to buy.
2- OBJECTIVES AND SKILLS

The main objective of this course is to grow in personal commitment to building organizational cultures that promote and reinforce ethical conduct and corporate responsibility.

The course is designed:
- To understand the role of ethics in business
- To gain an understanding of the individual responsibility within the Organization
- To acquire an idea of the mainstream theories and approaches used in business ethics
- To identify the risks to misconducts, malpractice and other unethical actions in business
- To awake a conciseness for the value and necessity of ethics in business
- To develop a compromise with deontology practice as an indispensable pillar towards achieving business excellent
- To understand the fundamental tools used in corporations to develop ethical cultures and corporate responsibility
- To manage the main tools of CSR management: strategy, materiality, reporting, accountability and measuring
- To understand the value generated by the CSR implementing inside and outside the Company
- To appropriate a desire to help oneself and others act ethically at work and in life in general

3- CONTENT

The course consists of four parts.

The first part is introductory. This begins with a session that explores the role of ethics in business by discussing frequently asked questions on business ethics, about such topics as the relationship between ethics and profitability, and the use of ethics as a tool for public relations or green washing.

The second session introduces the role of ethics in the economic and social context of business. We will analyses prompts and problems of the free market and the role of laws, along with social demands directed at business. Specifically, we will discuss why business ethics is necessary if market, laws and social claims already provide economic and social controls for business. The last session of this introduction will deal with culture diversity and standards of international ethical and corporate responsibility. Particular attention will be paid to the controversy on cultural relativism, as well as universal ethical principles and common human values.

Part II, “The individual within the organization” starts with session 4 where we will consider human action and how ethics is at its core. We will also present the person-centre approach used in the course, along with an overview of the mainsteam theories of business ethics.

Next session deals with individual responsibility and how to make sound judgments in decision making. Some principles and criteria will be proposed to overcome dilemmas in business and management. Finally, in session 6 we will discuss frequently arising ethical issues in business, such fraud, bribes, extortion, questionable payments, insider trading, conflict of interest, tax evasion and whistle-blowing. A mid-term exam will take place in session 7 comprehensive of the first two part of the course.

Part III focuses on managerial ethics, with some insights for corporate governance ethics. The first session of this part will pose a crucial question: For the sake of whom should a company be managed? The answer, which has enormous ethical consequences, passes for discussions of different views of the firm and conceptions of its purpose within society and with the stakeholders. In the next session we will discuss how power can be used with justice in corporations, reviewing misuses of managerial power and good practices both in corporate governance and management and how it is reflected on the culture of the organization. In final session of this part we will consider leadership and some human virtues especially relevant to being a moral leader.

Part IV deals with organizational ethics. The key idea in this part is that organizational structure, culture and activities should respect people’s dignity and rights. In session 11 we will talk about the role of corporate values, codes of conduct and ethical programs in favoring an ethical
culture. Session 12 will tackle Strategic Corporate Social Responsibility and the concept of creating share valued. Finally, in session 13 and 14 all the groups will make a presentation of their final project on ethical leadership. The final exam exams will take place in session 15.

Every session will begin with a student’s group presentation of an ethical dilemma or case study announced in class and posted in campus online. An introductory case will follow. These cases generally include scandals and questionable behaviors, and permit us to introduce the topic of each session. A class discussion of the case will serve to learn what to avoid. Then, conceptual foundations and a theoretical framework will be explained. At the end of each session, we will discuss another case that is generally much more positive. These cases present companies or managers who seek to put business ethics into action.

PART ONE: INTRODUCTION TO BUSINESS ETHICS

SESSION 1
The Role of Ethics in Business

SESSION 2
Business in Society: Are the market and regulations sufficient?

SESSION 3
Cultural Diversity, Common Values and International Standards for Business

PART TWO: THE INDIVIDUAL WITHIN THE ORGANIZATION

SESSION 4
Ethics, at the Core of Human Action

SESSION 5
Individual Responsibility and Moral Judgments in Business

SESSION 6
Frequent Ethical Issues in Business

SESSION 7
Midterm exam (parts 1 and 2)

PART THREE: MANAGERIAL ETHICS AND CORPORATE SOCIAL RESPONSIBILITY

SESSION 8
The Purpose of the Firm and Mission-Driven Management

SESSION 9
Ethics in Organizational Cultures and Structures

SESSION 10
Human Virtues in Leadership of Organizations

PART FOUR: ORGANIZATIONAL ETHICS AND CORPORATE SOCIAL RESPONSIBILITY

SESSION 11
Codes of Conduct and Ethics: self-regulation mechanisms

SESSION 12
Strategic CSR: creating shared value. How to manage corporate social responsibility? Reporting, dashboards, Accountability

SESSION 13 and 14
Groups’ presentations: final project.

SESSION 15
Final Exam (parts 3 and 4)
4- METHODOLOGY AND ECTS WEIGHTING

Our methodology approach share the idea that students learn extremely effectively from practical activities carefully balanced with theoretical background. Therefore, we weigh theory with practice through case studies that are discussed in class as well as prepared by group work outside class. Due to the characteristics of this course, it is particular relevant to obtain a practical knowledge of how to apply ethics in the work place and how to solve moral dilemmas arising in business organizations. Consequently, each session will consist of a lecture and cases studies and the following debate in which students are expected to participate actively.

**Teaching Methodology Weighting**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Weight</th>
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</thead>
<tbody>
<tr>
<td>Lectures (in class)</td>
<td>10%</td>
</tr>
<tr>
<td>Discussions (in class)</td>
<td>20%</td>
</tr>
<tr>
<td>Case studies (in class)</td>
<td>20%</td>
</tr>
<tr>
<td>Group work (outside class)</td>
<td>30%</td>
</tr>
<tr>
<td>Individual studying</td>
<td>20%</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong></td>
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5- EVALUATION SYSTEM

5.1. GENERAL OBSERVATIONS

Evaluation system will measure individual work as well as group work. Each of them will weight 50% of the final grade. It is mandatory to attend 70% of the classes. Students who do not comply with this percentage of attendance lose the 1st and second exams and go directly to the 3rd one (each student can take 4 exams per subject in 2 consecutive courses).

5.2. EVALUATION AND WEIGHTING CRITERIA

**Written and Presentation of final project**

There will be one group final project written assignment of 15 pages minimum consisting of a case study on ethical leadership in business proposed by each group and approved by the professor. Each group will make a presentation of this project in the last session of the course. This work will constitute 30% of the grade.

**Ethics Dilemma Presentation/Corporate Responsibility Presentation**

Students will have to prepare in group and make class’ presentation of the ethics dilemmas announce in class and posted in campus online. The dilemma presentations will constitute 20% of the grade.

**Test**

There will be two tests: one for the first two parts of the course and the other for the last two. Each test will constitute 20% of the grade.

**Class participation**

The course will consist of a mixture of lecture and dialogue formats, with ample opportunities for class discussions. In order for students to participate effectively, it will be necessary for them to read the assigned materials and to be prepared to discuss them in class. Participation will constitute 10% of the grade.
5.3. RETAKE POLICY

- Those students, who failed the subject in the first round of exams, pass to the 2nd session, except those who do not comply with the percentage of attendance to class and go directly to the 3rd session.
- The maximum grade that a student may obtain in the 2nd exam session is 8
- The RETAKE exam will consist of 20 short questions that cover the five parts of the course and a case study where students must answer in detail the ethical dilemmas proposed from a real business situation.

6. USE OF ELECTRONIC DEVICES IN CLASS

This subject does not require the use of a laptop in class; nevertheless, if you want to bring your laptop, please contact your professor.