BUSINESS ETHICS
Quarter IV, Spring 2009

FACULTY

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COURSE DESCRIPTION

The purpose of this course is to enable you to reason about the role of ethics in business administration in a complex, dynamic, global environment. Specific course objectives include:

1. To be able to recognize ethical issues in business.
2. To be able to apply several important frameworks for moral reasoning to complex business issues.
3. To appreciate the role of ethics as central in business decision-making.
4. To develop a general management perspective that includes an ability to formulate, analyze, and defend decisions in ethical terms.
5. To analyze the ethical issues that appear in other Darden courses.
6. To critically examine your own ethics and test them in conversation with your peers.

Ethics is an ongoing conversation about human interrelationships, so ethics is as much a part of management as finance, accounting and organizational behavior. Ethics concerns how our actions affect each other, and it is about the choices that we make for ourselves and for others. You have an extraordinary opportunity to discuss the role of ethics in business with 60 of your peers. The faculty’s role is to lead and facilitate that discussion. You should note that it is easy to generate heat in ethics discussions, but more difficult to generate light. Our focus will be on cases without easy answers, we will try to find some viable alternatives in extremely difficult situations, and we will develop reasoning skills to defend these alternatives from a managerial perspective.
REQUIRED MATERIALS

The cases and technical notes included in this case packet are part of the required course materials.

GRADING

Grades for the course will be assigned on the basis of three items:

1. *Class Participation* (40%): The participation grades will be based on quality of comment, not on quantity. Discussion that relates the cases to the background readings will be particularly valued, and despite the importance of your golf game, indoor chip shots are discouraged.

2. *Prepared Caselet* (20%): Students will be asked to briefly describe an ethics problem they have encountered (or could imagine encountering) and then outline a response to the problem (i.e. roughly 2 pages total).

3. *Final Exam* (40%): This will be a written response to a case (or cases). You will be evaluated on the quality of the answer you give, not based on choosing one course of action over another.
# Business Ethics

## Course Outline

Quarter IV, Spring 2009

## MODULE I: Corporate Responsibility and Ethics

<table>
<thead>
<tr>
<th>Class</th>
<th>Materials</th>
<th>Topic</th>
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| 1     | Merck & Co., Inc. (A) [Business Enterprise Trust - 9-991-021]  
        An Introduction to Ethics [UVA-E-0340] |       |
| 2     | Wal-Mart in 2005 (A) [UVA-E-0282]  
        “The Social Responsibility of Business is to Increase its Profits,” by Milton Friedman,  
        *Corporate Responsibility*: 51-55  
        “Managing For Stakeholders,” by R.E. Freeman |       |
| 3     | Davis Press and Meccan Madness [UVA-E-0073]  
        Note on Islam [UVA-E-0072]  
        Moral Relativism [UVA-E-0341]  
        Moral Theory and Frameworks [UVA-E-0339] |       |
| 4     | Ethics Simulation (be sure to complete the simulation online before class)  
        Turning Gears, Inc. |       |

## MODULE II: Ethics and Sustainability

ExxonMobil and the Chad/Cameroon Pipeline [UVA-E-0262]  
Memo: Caselet Instructions

**STUDENT CASELETS ARE DUE ON 9 APRIL**
6 Food Versus Fuel  [UVA-E-0302]  
   Web-Based Assignment

7 Lecture/Discussion Day

MODULE III: Understanding Personal Values

   Questionable Payments  [UVA-E-0178]  
   A Note on Questionable Payments in Business  [UVA-E-0179]  
8 Moral Justification and Reflective Equilibrium  [UVA-E-0183]  

STUDENT CASELETS ARE DUE

9 Marge Norman and MiniScribe Corporation  
   [UVA-C-2168]  
   “The Moral Muteness of Managers,” by Frederick B. Bird & James A. Waters,  
   California Management Review, Vol 32,  
   (Fall 1989): 73-88

10 Marge Norman and MiniScribe Corporation  
   [UVA-C-2168] – Continued

11 In-class presentations of student-written caselets

12 In-class presentations of student-written caselets; Final comments

MODULE IV: Developing Judgment

13 Danville Airlines  [UVA-E-0265]  
   A Note on Rights  [UVA-E-0188]

14 Yahoo! and Customer Privacy (A)  [UVA-E-0300]


Exam