

STRT 282-03
Social Responsibilities of Business
Spring 2018 | TR 11:00am-12:15pm | Hariri 155

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Course Content

It is often said that business ethics is an oxymoron. But this isn't just a criticism offered by those outside business; it reflects an attitude of many *in* business, that the ethics of daily life don't apply in the same way to questions about what sort of business one should create or work for, and how businesses themselves should be run. In the 1960s, Albert Carr likened business to a poker game. You don't apply your daily ethics to poker, he argued, you just try to win the game, and as long as you play by the rules of that game, there's no objection. In the first part of this class, we consider this and competing views about the ethical responsibilities of businesses and the people who create and run them.

While business (and the market more broadly) have made many if not all of us better off, there remain serious concerns about the consequences of a culture in which "going into business" has become synonymous with "trying to make as much money as possible." In the second part of the class, two group projects offer an opportunity to explore the possibilities of combining business with personal (or other) values.

In the final part of the class, we explore two key ethical and legal debates in the business ethics literature: ethical limits on what should be bought and sold; and sweatshops. These are issues that must be confronted by those in business, but also by the broader community of those of us judging (and voting on regulations on!) business practices.

Course Objectives

- Sharpen analytical thinking, writing, presentation and debating skills.
- Learn basic issues and theory in business ethics.
- Practice thinking through moral dilemmas on one's own and in teams.
- Confront difficult moral questions about the good life, ethical ideals, conflicts between self-interest and morality, and justice.
- Reflect on personal values and goals.

Course Materials

Readings will be available on Blackboard.

Assignments and Grades

The Business Project	46%
Competitor Assessment	14%
Business Plan	14%
The Dilemma	18%

Reading Quizzes	24% (12 x 2%)
Reading Assignments	10%
Marketing Project	10%
Participation	10%

The Business Project (46%)

A group project. Full description provided at the end of this syllabus.

Reading Quizzes (24%)

A reading quiz is due before each class for which a reading is assigned. These will be completed on Blackboard.

Reading Assignments (10%)

Each student will complete a reading assignment (one of three types) during the semester. At the beginning of each class for which a reading is assigned, one student will offer a *reading presentation*, a 10-15 minute overview of the day's reading. For each such reading, a different student will be assigned to write a *reading summary*, which will be provided to the class after I've had a chance to look it over. Students not assigned a reading presentation or summary will select one reading during the semester and respond to a writing prompt in a brief (1-2 double-spaced pages) *reading response*.

Marketing Project (10%)

Student groups will develop a marketing campaign for a Georgetown sports team that expresses Jesuit values. Further information will be provided in class.

Participation (10%)

Everyone begins with a full participation grade. Points can be lost when students are absent for their role in class discussion (to be explained). Under certain circumstances, points may be regained through exceptional participation.

Per MSB policy, the course will be curved to a 3.3/4.0 average.

Laptop Policy

Laptops (and tablets, etc.) are not permitted to be used in class (unless you are presenting). All student presentations will be made available on Blackboard to aide with studying (and of course you are welcome to take notes by hand).

Academic Integrity

Information about the Honor Code and plagiarism is available here: <http://scs.georgetown.edu/academic-affairs/honor-code>. You are responsible for knowing and abiding by the Honor Code and all rules regarding academic integrity.

As a faculty member, I am bound by the Honor Code to report all apparent violations. Any students found guilty of violating the Honor Code will fail the class, in addition to whatever other sanctions the Honor Council issues.

Just don't cheat.

Course Schedule (subject to change)

- 01.11** First Day of Class
- 01.16** Class Exercise
- 01.18** Friedman, "The Social Responsibility of Business Is to Increase Its Profits"
- 01.23** Freeman, "Stakeholder Theory of the Modern Corporation"
- 01.25** Hasnas, "Whither Stakeholder Theory?"
- 01.30** Heath, "A Market Failures Approach to Business Ethics"
- 02.01** Class Exercise
- 02.06** Bazerman & Tenbrunsel, "Ethical Breakdowns"
- 02.08** Discussion and Marketing Project Prep
- 02.13** Marketing Project
- 02.15** Marketing Project
- 02.20** Marketing Project Debrief / Business Project Prep
- 02.22** Competitor Critique Presentations
- 02.27** Competitor Critique Presentations
- 03.01** Competitor Critique Discussion
- 03.06** No Class (Spring Break)
- 03.08** No Class (Spring Break)
- 03.13** Donaldson, "Values in Tension"
- 03.15** Business Model Presentations
- 03.20** Business Model Presentations
- 03.22** Business Model Discussion
- 03.27** Sandel, "What Money Shouldn't Buy"
- 03.29** No Class (Easter)
- 04.03** Dilemma Presentations
- 04.05** Dilemma Presentations
- 04.10** Brennan & Jaworski, "Markets Without Symbolic Limits"
- 04.12** Radcliffe-Richards, "Nephrarious Goings On"
- 04.17** Powell, "Out of Poverty"
- 04.19** Zwolinski, "Sweatshops, Choice, and Exploitation"
- 04.24** Kates, "The Ethics of Sweatshops and the Limits of Choice"
- 04.26** Last Day of Class

The Business Project

The Business Project has several stages, each corresponding to preceding debates in class. For each, there will be two days of group presentations lasting about 25 minutes each (including Q&A).

Stage 1: Competitor Assessment

Your group will assess the moral (and possibly legal) standing of a competitor's practices. This should be an *actual company* that has recognizable overlap in terms of the kinds of ethical challenges your company will face (as well as, ideally, in terms of product, customer base, business model, etc.).

Your group will present its assessments to the class, which will act as the **press**. Your goal is to convince them that they should report on the ethical shortcomings of your competitor.

Assessment (12%)

- How creative were you?
- How well did you lay out relevant ethical issues?
- How good were your arguments? How persuasively were they made?

Stage 2: Business Plan

Your group will develop a business plan for your company, keeping in mind the ethical pitfalls your competitors faced. Your business plan should include information on how you will address ethical issues that might arise given what your company does, especially those raised in your competitor assessment.

Your group will present your business plan to the class, who will function as **potential investors**. Your job is to persuade them that they should invest in your company.

Assessment (14%)

Business Model

- How well thought-out is it?
- How creative is it?
- How well did you address the ethical issues you raised in your competitor assessment?
- How well did you address other potential ethical issues?
- Did you consider all relevant financial issues?
- How familiar are you with the type of business you plan to open?

Stage 3: The Dilemma

Your company will face a tailor-made dilemma forcing you to choose between your ethical commitments and (typically) your profitability. Your group must decide on a course of action to take in response.

Your group will present its dilemma and your solution to the class, who will act as your **shareholders**. Your mission is to persuade them that you are doing what is, all things considered, best.

Assessment (18%)

- How well thought-out is your solution?
- How creative is it?
- How well are you covered from a PR perspective?
- How well did you assess the relevant ethical issues?
- Did you consider possible alternatives?
- How effective is your solution likely to be?

Peer Assessment (just for fun)

After your presentation, your shareholders (the class) will anonymously rate your group's presentation on the scale below.

- 4 – Dilemma? What dilemma?
- 3 – They made the right choice... I guess.
- 2 – I'm taking my money elsewhere.
- 1 – You'll be hearing from my lawyers.

The average score will also be used to determine a probability distribution for best-case, worst-case, and medium-case possible outcomes of your group's decision. We will then roll a 10-sided die to determine what happens to your company. This last is just for fun; it will play no roll [sic.] in determining your grade.

Note: By default, I assume each member of each group contributed his or her fair share, and thus each group member gets the same grade on all assignments. I expect for you to resolve problems—such as a group members trying to free-ride on others—without my intervention. Should this prove impossible, it is your responsibility to arrange a meeting with me.