

SEMESTER AT SEA COURSE SYLLABUS

Voyage: Spring 2014

Discipline: Commerce

SEMS 3500-103: International Business Ethics

Division: Upper

Faculty Name: Paul Harvey

COURSE DESCRIPTION:

The goal of this course is to understand the individual, organizational, and cultural factors that influence ethical/unethical workplace behaviors. Emphasis will be placed on cultural factors that determine what is considered unethical behavior and the psychological factors that cause employees to violate culture-specific ethical norms.

This course uses a combination of news articles, textbook readings, and cases to introduce students to the ethical challenges faced by organizations. The articles, which will be provided in class, are used to provide "real-life" examples of unethical behavior. We will examine these to determine the likely causes and consequences of these behaviors. The textbook readings provide additional insight into these causes and consequences. They also provide solutions for preventing unethical behavior based on modern research. The case studies allow us to use this knowledge to analyze hypothetical ethical dilemmas and to develop solutions. This experience should help students respond appropriately to ethical dilemmas they face in their own work experiences.

COURSE OBJECTIVES:

At the end of the course, students should:

- Understand how ethical norms differ between cultures
- Be familiar with individual-level factors that motivate unethical behavior
- Be familiar with organization-level factors that motivate unethical behavior
- Understand what organizational managers can do to prevent unethical behavior

REQUIRED TEXTBOOKS:

AUTHOR: Roland Kidwell and Christopher Martin

TITLE: Managing Organizational Deviance

PUBLISHER: Sage

ISBN #: 0-7619-3014-0

DATE/EDITION: 2005

AUTHOR: Debi S. Saini

TITLE: People Management Fiasco in Honda Motorcycles and Scooters India, LTD

PUBLISHER: Harvard Business School

ISBN #: NA

DATE/EDITION: 2006 (available online - hbsp.harvard.edu/product/cases)

AUTHOR: Neale O'Connor and Grace Loo
TITLE: Sunshine Fashion: Fraud, Theft and Misbehavior Among Employees
PUBLISHER: Harvard Business School
ISBN #: NA
DATE/EDITION: 2011 (available online - hbsp.harvard.edu/product/cases)

TOPICAL OUTLINE OF COURSE

A1- January 16: Course Overview

Key questions (to be considered over the course of the semester):

- How do we decide what is unethical?
- What are some examples of behaviors universally seen as unethical?
- What are some examples of behaviors considered ethical in some cultures but not in others?
- What motivates employees to engage in behaviors that are considered unethical in their cultures?
- How can organizational leaders prevent these behaviors?

A2- January 18: Can Ethics be Taught?

Readings:

- **News Article:** Before Teaching Ethics, Stop Kidding Yourself (Chronicle of Higher Education)
- **News Article:** Phoney "Ethics" (Capitalism Magazine)

Key questions:

- What are the challenges of teaching ethics?
- What aspects of ethics can be taught?
- What are the practical purposes of learning about business ethics?
 - Here I will emphasize that the goal of the class is not so much to teach “right from wrong” but to teach about how people perceive ethical violations and how these perceptions differ around the world

January 20-21: Hilo

A3- January 22: How do different cultures define unethical behavior?

Readings:

- **Textbook chapter 1 and 13**
- **News Article:** Helped by Technology, Piracy of DVD's Runs Rampant in China (NY Times)
- **News Article:** Some Russian Tycoons Resort to Honesty (NY Times)
- **News Article:** Jayson Blair lands a book deal (USA Today)
- **News Article:** WiFi theft (DesignNine Technology Futures)

Key questions:

- What is the difference between “deviant” and “unethical” workplace behavior?
- Can a behavior be deviant but ethical? Unethical but not deviant?

- What is the difference between the universalist and relativist perspectives on ethics?
- How can the cultural dimensions of individualism/collectivism, power distance and uncertainty avoidance affect ethical judgments?
 - What can managers do with this information?
- How can organizations cope with broad shifts in cultural norms regarding the ethicality of behaviors?

A4- January 24: Causes of Workplace Deviance (Part 1 – the cost/benefit analysis)

Readings:

- **Textbook chapter 2**
- **KPMG Integrity Survey (will be emailed to students)**

Key questions:

- How common is unethical behavior in the workplace? (KPMG report)
- How do cost/benefit perceptions affect the probability of unethical workplace behavior?
- What factors can distort cost/benefit perceptions, making unethical behaviors more likely?

A5- January 28: Causes of Workplace Deviance (Part 2 – withholding effort)

Readings:

- **Textbook chapter 5**
- **News article: No-work state worker big surprise to legislators: Leaders of legislative insurance panels to grill agency about how investigator lacked duties (Times Union)**

Key questions:

- Why might withholding effort be considered an unethical workplace behavior?
- Why do employees withhold effort?
- How do employees get away with it?
- What are the challenges managers face in preventing this?
- Is withholding effort more common in individualistic cultures like the U.S. or in relatively collective cultures like Japan?

A6- January 30: Case analysis – “The Low Performing Loafers” (case in textbook)

February 1-5: Yokohama, Transit, Kobe

A7- February 6: Case analysis – “Sunshine Fashion: Fraud, Theft and Misbehavior Among Employees”

- This case examines widespread theft in a Chinese company and illustrates a number of the concepts outlined in the previous classes

February 8-13: Shanghai, Transit, Hong Kong

A8- February 14: Causes of Workplace Deviance (Part 3 – entitlement)

Readings:

- **Textbook chapter 12**
- **News article: Coping with the coworker you hate (ABC News)**

Key questions:

- What is psychological entitlement?
- How can entitlement cause deviant/unethical behavior?
- Where does psychological entitlement come from?
- How does workplace entitlement seem to differ in China vs. the U.S.?
- How can entitlement be managed?

A9- February 16: Causes of Workplace Deviance (Part 4 – entitlement in family businesses/large-scale organizational deviance)

Key questions:

- In terms of ethical behavior, what are the advantages and disadvantages of hiring family members into a family business?
- What is nepotism? How is it viewed in Asian cultures vs. in the U.S.?
- Why is psychological entitlement common in family businesses?
- Why is this entitlement especially problematic for these businesses?
- How can entitlement-driven unethical behavior in family organizations be prevented?
- How can group dynamics facilitate large-scale organizational deviance, such as shown by the Khmer Rouge during the Pol Pot regime?

February 17-22: Ho Chi Minh City

A10- February 24: Can Managers Influence Employee Ethics?

Readings:

- **Textbook chapter 3**

Key questions:

- Why are managers able to influence employee ethics?
 - Moral development theory, social learning theory, social exchange theory
- *How* can managers influence employee ethics?
- What cultural factors are likely to limit this ability?
 - What challenges are likely to arise in a multi-cultural society like Singapore?
- What are the potential dangers of transformational and charismatic leadership?

February 25-26: Singapore

Independent Field Assignment #1 (details on pp. 7-8 below)

A11- February 28:

Class Discussion:

Topic 1: CEO Pay in the U.S., Europe and Asia

Readings:

- News article: HSBC's letter defends top pay package (Financial Times)
- News article: HSBC's highest paid executive defends huge payouts

Topic 2: Sustainability, Profit, or Both?

Readings:

- News article: The Do-Gooder (Financial World)
- News article: The Social Responsibility of Business is to Increase Profits (NY Times Magazine)
- News article: The Good CEOs (BusinessWeek)
- News article: A Deadly Blunder? (The Economist)

March 2-6: Rangoon

Independent Field Assignment #1 (details on p. 8 below)

A12- March 7: Case Analysis – “People Management Fiasco in Honda Motorcycles and Scooters India, LTD”

A13- March 10: Exam

March 11-16: Cochin

Independent Field Assignment #2 (details on p. 8 below)

A14- March 18: Violence in the Workplace

Readings:

- Textbook chapter 10

Key questions:

- What behaviors qualify as workplace violence?
- What motivates employees to engage in workplace violence?
- What situational and individual factors can increase the likelihood of workplace violence?
- Which of these factors were in place in the Indian Honda plant case (from March 7 class)?
- How can workplace violence be prevented?

A15- March 21: Violence in the Workplace

Video and Discussion: Murder by Proxy: How America Went Postal

March 23: Port Louis

A16- March 24: When the Whistle is Blown

Readings:

- Textbook chapter 4 and 7
- News article: Wikileaks and Iceland MPs Propose ‘Journalism Haven’ (BBCnews)

- **Whistle-Blower's Compensation Win (BBCnews)**

Key questions:

- What is “whistle-blowing”?
- What motivates employees to become whistle-blowers?
- Psychologically, how is this motivation similar to the motivation behind workplace violence? Why does it result in a different behavioral outcome (i.e., W-B instead of violence)?
- How can organizations create a culture where whistle-blowers are not afraid to come forward?

A17- March 27: Encouraging Ethics by Encouraging Justice

Reading: Textbook chapter 9

- What is the relationship between “justice” and “justification”?
- How do justice perceptions relate to employee theft?
- How can managers communicate bad news without creating perceptions of injustice?

A18- March 29: Apartheid and the Workplace

Readings:

- **Work Restructuring in Post-Apartheid South Africa (journal article)**

Key questions:

- What ethical challenges arose for South African organizations in the post-Apartheid era?
- How have organizational leaders responded to these challenges?

March 30-April 4: Cape Town

A19- April 6: Managing Workplace Deviance

Readings:

- **Textbook chapter 6**

Key questions:

- What options are available to managers when employee deviance occurs?
- Given differences in cultural norms and laws, how do these options differ around the world?
- How do we know which option is best?
- How can violent/aggressive reactions to punishment be avoided?

A20- April 9: Creating and Sustaining an Ethical Organization

Video and discussion regarding the intertwined roles of culture and structure: Rogue Trader (part 1)

April 11-15: Tema

Independent Field Assignment #3 (details on p. 8 below)

A21- April 16: Creating and Sustaining an Ethical Organization

Video and discussion regarding the intertwined roles of culture and structure: Rogue

Trader (part 2)

A22- April 19: Course summary and review

- **Re-visit questions from first class**

A23- April 22: A Day Finals

April 23-26: Casablanca

April 30: Arrive in Barcelona

FIELD WORK

***FIELD LAB** (At least 20 percent of the contact hours for each course, to be led by the instructor.)*

Proposal 1: Cape Town Journey of Remembrance

Two recurring themes of the course are the ability of individuals to psychologically justify behaviors that violate ethical norms and the notion that these ethical norms can vary significantly across cultures. The South African apartheid era is a particularly strong illustration of both of these themes and relates well to the course as it involved laws and social practices/norms that permeated the workplace. The Journey of Remembrance tour is conducted by individuals who were directly impacted by apartheid-era policies, giving students the opportunity to interact with people with the unique experienced of being affected by behaviors that most would see as unethical but that were fully consistent with apartheid-era ethical norms.

Proposal 2: Elmina Castle Tour (Ghana)

Elmina castle was used in the Atlantic slave trade and therefore represents an organization that required its members to behave in accordance with a set of ethical norms that most modern people find difficult to comprehend. Although it is an extreme example, this tour would help to illustrate the ability of organizational members to justify what most would consider unethical behaviors given the right combination of individual and contextual factors.

Proposal 3: Ho Chi Minh War Remnants Museum Tour

As noted, a recurring theme of the course is that people are often motivated to behave in ways that are consistent with the norms of their culture (and the culture of their organization), and often view some behaviors as justifiable that members of other cultures might view as unethical. Although it is an unpleasant subject, war provides a strong illustration of this such that citizens often see the behaviors of their “organizations” (armies, etc.) as more acceptable than the behaviors of those of the adversary. Assuming that many students in the class will be Americans, visiting a former opponent’s war museum would be a unique way to view the behaviors of their representative organizations (e.g., use of Agent Orange) from an a different perspective.

FIELD ASSIGNMENTS

Primary Field Assignment: The specifics of this field assignment will depend on which of the three proposals are approved. I believe the Cape Town tour (Proposal 1) probably fits the best with the course although all three would incorporate a somewhat similar assignment format. I typically begin each class session begins with a set of questions students should be able to answer by the time the class is done. Similarly, I will give students a set of questions that they should be able to answer by the time the field visit is over. For example, if the Cape Town tour proposal is used, I would ask students to identify one way in which organizational structures were designed to enforce apartheid-era policies and the challenges they faced in changing these structures in the post-apartheid era. Students will be required to write up detailed responses to these types of questions. Grading will be based on the extent to which course material is used to support responses and the depth of each response.

Independent Field Assignment: In addition to the primary field assignment, students will be asked to complete two out of three independent assignments involving the Singapore, Cochin, and Tema ports. To complete these assignments students will need to identify, from an English-language news source, a local example of ethical misconduct in the workplace (e.g., employee theft, price-fixing). An important aspect of this assignment is that the behavior should violate a **local** ethical norm as opposed to norms from the students' home countries (the use of local newspapers is meant to facilitate this).

For the first assignment, students are required to prepare a short written analysis of the causes and consequences of an incident in either Singapore or Cochin and explain which local cultural norms the behavior violates. For the second assignment, students are asked to provide the same information for an incident in Cochin (if not used in the first assignment) or Tema as well as a comparison with the incident identified in the first assignment. In this comparison, students must a) compare the cultures of the two countries, b) speculate on whether or not the incident analyzed in the first country would be considered more or less deviant in the second country and vice versa, and c) justify the conclusions in part b based on the cultural differences identified in part a.

METHODS OF EVALUATION / GRADING RUBRIC

Mid-Term Exam: 25%

Final Exam: 25%

Primary Field Lab Assignment: 20%

Independent Field Assignments: 5%

Ethical Dilemma Assignment: 15%

In-class Exercises: 10%

Exams - Two exams will be given during the semester. The exams will include material from assigned readings and class discussions.

Primary Field Lab Assignment: (see above)

Independent Field Assignments: (see above)

Ethical dilemma assignment: Each student will identify an ethical workplace problem that they have experienced or have learned about from news reports. Working independently, students will be asked to provide information on what caused the ethical problem, the possible solutions to the problem, and their own opinion on the best way to solve it. Students must provide a brief written summary of their ethical dilemma by the midterm exam and receive approval from the professor. The assignment will be due during the final class of the course.

In-Class Exercises: During some classes we will engage in exercises designed to illustrate or clarify important course concepts. These will often take the form of group decision-making tasks and will require that a short written summary of the activity be turned in at the conclusion of the exercise. Grading is primarily based on the depth and completeness of these written summaries.

ELECTRONIC COURSE MATERIALS

AUTHOR: Edward Webster and Rahmat Omar

ARTICLE/CHAPTER TITLE: Work Restructuring in Post-Apartheid South Africa

JOURNAL/BOOK TITLE: Work and Occupations (journal)

VOLUME: 3

DATE: 2003

PAGES: 3-22

HONOR CODE

Semester at Sea students enroll in an academic program administered by the University of Virginia, and thus bind themselves to the University's honor code. The code prohibits all acts of lying, cheating, and stealing. Please consult the Voyager's Handbook for further explanation of what constitutes an honor offense.

Each written assignment for this course must be pledged by the student as follows: "On my honor as a student, I pledge that I have neither given nor received aid on this assignment." The pledge must be signed, or, in the case of an electronic file, signed "[signed]."