

MSc_IB HS21: Applied Business Ethics

HS 2021

Seminar Outline

Description and Program

Seminar Facilitator: Prof. Dr. phil. Mathias Schüz, M.A.

Dates: Tu 16 + Fr 26 November, Tu 7 December 2021

Problem Outline

Economic action is based on fair exchange. There are many reasons for exploitative exchange and, thus, global economic crises. One of its origins is the widespread "corporate misconduct", i.e. the questionable behavior of corporations and their managers leading to unfair transactions. Leaving aside the question of what exactly constitutes corporate misconduct, globalization of corporate activity and outsourcing of processes to external contractors makes it increasingly difficult to guarantee fairness in all business transactions. There is enormous pressure on suppliers to offer better prices. While this results in cheaper goods, the social and ecological side effects are becoming increasingly severe.

In particular non-governmental organizations (NGOs) are complaining about the fact that profits flow into private pockets, while the resulting social and ecological costs are externalized. NGO's efforts to fight corruption, exploitative working conditions, child labor, the depletion of natural resources, and the irreversible destruction of ecosystems are become more successful. At the same time, end users are less and less prepared to accept products that do not meet specific social and ecological standards or may be harmful to their own health. They choose providers that can prove better manufacturing conditions and products.

More stringent controls to force companies to comply with the law can barely do so much to eradicate all the problems, especially since a lot of misconduct is not (yet) legally prosecuted or takes place in foreign countries and thus beyond control.

Calls for sustainably ethical responsibility on the part of corporations is becoming louder and more persistent. Most managers only have a vague idea, however, what this might mean. Can a company's sustainable, ethical corporate responsibility guide the behavior of its staff to act in a way that it generates more benefit than harm for society as a whole, even in the longer term? If this is indeed possible, what would be the nature of such sustainable, ethical responsibility to enable it to be implemented in a corporation without having a detrimental effect on its economic goals?

In this seminar, participants explore the reasons for the need for corporations to embrace ethical conduct, as well as possible standards for ethical business decisions. They will discuss the following questions, among others:

- What does corporate ethical responsibility mean?
- Where are the limits of corporate ethics?
- How can the key concepts of ethics be effectively applied in an organization?
- How do we deal with moral dilemmas?

Participants become familiar with the main principles of sustainable corporate responsibility in general and business ethics in particular and apply these to various problems, dilemmas, and risks in real-world business situations. After completing this seminar, participants will be in a better position as managers to account for their corporate decisions vis-à-vis their subordinates, superiors, and all other stakeholders – as well as to themselves.

Δims

Participants acquire the ability to justify their management decisions responsibly and ethically. They assess the possibilities and limitations of sustainable corporate responsibility and applied ethics in the corporate world. This enables them to understand the most important ethical theories and to apply them to different problems, dilemmas, and risks in their daily work.

Goals/ Benefits

Participants

- Understand the difference and the relationship between Sustainable Corporate Responsibility and Business Ethics
- Understand the most important ethical theories and apply them in the business world
- Consider the complex consequences of their decisions for all involved stakeholders and are able to communicate them
- Make their decisions based on both economic and ethical criteria
- Understand how to minimize the negative effects of their entrepreneurial activities
- Become immune against temptation, i.e. from the omnipresent "pigdogs"

Contents (Selection)

- Symptoms of corporate misconduct
- Reasons for the need for responsibility and ethics in the business world
- Definition of ethics and traditional approaches: utilitarian, deontological, virtue ethics with practical applications
- Challenges of modern ethics: responsibility for future generations (sustainability), integration of non-human life (biocentrism), dealing with one's own shadow (deep psychology and ethics)
- Opportunities and limitations of business ethics
- Responsible leadership, sustainable corporate responsibility and ethical dilemmas at Profuma AG
- Solving one's own business issues and/or dilemmas responsibly and/or ethically

Methodology

Introductive lectures, interactive learning through discussion, group works, case studies, panel discussions; students working on their own cases

Contact lessons (units): 28 Self-study: 40

Compulsive and Advanced Literature

Compulsive:

- Schüz, M. (2019): Applied Business Ethics Foundations for Study and Daily Practice. Singapore/ London/ New Jersey: World Scientific.
- Schüz, M. (2017): Foundations of Ethical Corporate Responsibility. Essentials No. 1, Winterthur: SML.
- Schüz, M. (2nd ed, 2017): "Developing Sustainably Responsible Strategies in Business", in: Molthan-Hill, Petra (ed.): The Business Students' Guide to Sustainable Management Principles and Practices, New York, NY: Routledge, p. 532-570.
- Schüz, M. (2016): "Sustainably Responsible Leadership and Innovation", in: Innovation Management, Entrepreneurship and Corporate Sustainability, 26-27 May 2016, Proceedings of the 4th International Conference (ed. by Martin Lukes et. al.), Prague: Nakladatelství Oeconomica VSE, 2016, pp. 634-656, available in: DOI 10.18267/pr.2016.svo.2153.4.
- Schüz, M. (2012): "Sustainable Corporate Responsibility The Foundation of Successful Business in the New Millennium", in: Central European Business Review, No 2, Prague: VSE, p. 7-15 [available at http://cebr.vse.cz/cebr/article/view/34]

Advanced:

- Blowfield, Michael/ Muray, Alan (2008): Corporate Responsibility A Critical Introduction. Oxford: University Press.
- Collins, Denis (2012): Business Ethics How to Design and Manage Ethical Organisations. Hoboken, NJ.
- Crane, A. / Matten, D. (2007): Business Ethics Managing Corporate Citizenship and Sustainability in the Age of Globalization. Oxford: University Press.
- Sandel, Michael J. (2009): Justice What's the Right Thing to Do? New York 2009.

Performance Record:

Attendance, Group Presentation and Term-Paper

Applied Business Ethics for MSc_IM

Prof. Dr. phil. Mathias Schüz

Tuesday, 16 November 2021

Sustainable Corporate Responsibility – Reasons and Dimensions

08:15-09:45	Introduction, Reasons and Purpose of Corporate Responsibility? (2 U)	
	Coffee Break	
10:00-11:30	What do "Responsibility", "Ethics", and "Morality" Mean in Business? – Definitions, Dimensions, and Conflicts (2 U)	
Traditional Measures for Ethical Decisions		
11:30-12:15	Definition of "Ethics" in Comparison to "Moral" (1 U)	
	Lunch break	
13:15-14:45	Utilitarian Ethics – Utility as Measure (2 U)	
	Coffee Break	
15:00-16:30	Exercise 1: The Consequences of Corruption (2 U)	

Friday, 26 November 2021

08:15-09:00	Review, Q&A (1 U)
09:00-09:45	Deontological Ethics – Duties, Imperatives and Compliance as Measures (1 U)
	Coffee Break
10:00-11:30	Exercise 2: Deontological Ethics – The Challenger Case: Conflict between Functional and Ethical Demands? (2 U)
11:30-12:15	Situational Virtue Ethics – Capabilities and Integrity as Measure (1 E)
	Lunch break
13:15-14:00	Exercise 3: Situational Virtue Ethics – Dilemma of Middle-Managers in Sales (1 E)
14:00-14:45	Developing Virtues for a Better Corporate Culture – Exercises and Discussion (1 U)
	Coffee Break
15:00-16:30	Introduction to make ethically responsible decisions (2 U)

Tuesday, 7 December 2021

08:15-09:00	Review (1 U)	
New Approaches of Ethics		
09:00-09:45	Intergenerational Ethics – Sustainability as measure for protection of Future Generations (1 U)	
	Coffee Break	
10:00-10:45	Exercise 4: Genetic Engineering – Ethical Risks of the "Green Revolution": Agriculture for Future Generations (1 U)	
10:45-11:30	Biocentric Ethics: Only Human Beings under Ethical Protection? – Reverence for Life as measure for protecting nature (1 U)	
11:30-12:15	Exercise 5: Live Animal Transports: The Way of All Flesh – Reverence for Life in Business? (1 U)	
Lunch break		
13:15-14:00	Depth Ethics: Success with evil methods? (1 U)	
14:00-14:45	Exercise 6: Panel Discussion (1 U)	
	Coffee Break	
15:00-16:30	Students' Film-Presentations (2 U)	
16:30-17:15	Review and Feedback (1 E)	

End of seminar