

MGTO 60710 – Foundations of Ethical Business Conduct
Sections 01, 02, 05 & 6
University of Notre Dame MBA Program
Fall 2018

Facilitator: Joe Holt
Office: 261 Mendoza College of Business
Notre Dame, IN 46556
Office Hours: By appointment
Twitter Handle: @busethicdude
Telephone: (574) 631-2715 (Office); (773) 220-8598 (Cell Phone)
Email: jholt@nd.edu
Sections: M/W 1pm is Section 1; M/W 3pm is Section 2; T/R 1pm is Section 5; and T/R 3pm is Section 6

COURSE OVERVIEW

We will reflect on the ethics of leadership and of business on the following three levels:

- Part I – We will reflect on our respective purposes, values, principles and goals with respect to the personal level of moral behavior, and on the foundations that must be in place for us to accomplish our purposes or goals consistently with our values and principles.
- Part II - We will reflect on our respective purposes, values, principles and goals with respect to the organizational level of moral behavior, and on the foundations that must be in place for us to accomplish our purposes or goals consistently with our values and principles at that level.
- Part III – We will assume that business and society share the goal of long-term prosperity and complete a reading and case on social impact.

Please note that there will be no regularly scheduled second class meeting the week of September 24th. Instead all students should come to the Jordan Auditorium from 7pm to 9pm on Wednesday, September 26th, for a debate and discussion of select alumni front line ethical dilemmas. Please schedule accordingly.

COURSE FORMAT

Our primary method of learning will be discussions enriched by prior reading and reflection. We will have a number of small group discussions. Mini-lectures will round out consideration of certain topics in our discussions as needed.

Business leaders are often called upon to take a position on difficult ethical issues that arise unexpectedly. Skill in that area will be enhanced by a certain amount of cold-calling (in addition to voluntary participation) as deemed necessary for the achievement of our learning goals. That will challenge individual students or student teams to take a reasoned public position on an ethical issue on the spot and subject to follow-up questioning by the facilitator and/or classmates.

In our classroom as generally in business, to be present is to communicate that you are prepared to be cold called.

With respect to the place and importance of the assigned readings themselves, we will try to strike an ideal balance between the contrasting positions of Ralph Waldo Emerson and Mark Twain on the subject:

“Books are the best of things, well used; abused, among the worst. What is the right use? What is the one end, which all means go to effect? They are for nothing but to inspire. I had better never see a book, than to be warped by its attraction clean out of my own orbit, and made a satellite instead of a system. The one thing in the world, of value, is the active soul.”

Ralph Waldo Emerson

“The [person] who does not read good books, has no advantage over the [person] who can't read them.”

Mark Twain

Consistently with the wisdom of Twain, we will avail ourselves of the opportunity to benefit from the insights of thought leaders on the intersection of ethics and business. Consistently with the wisdom of Emerson, we will regard those writings as a stimulus to rather than a substitute for our own thinking on the topics we consider.

LEARNING OBJECTIVES

Given that more ethical business leaders help create more ethical businesses, and that more ethical businesses are better for customers, employees, communities, shareholders and society as a whole, this course seeks to reinforce the following pillars of ethical business leadership:

1. **Who you are.** Effective values-based leadership is rooted in a clear and strong sense of the personal values, principles and purpose that underlie your decisions and actions and provide a reassuring consistency to those decisions and actions.
2. **What your character strengths are.** Effective values-based leaders have a clear understanding of their character strengths and of how to leverage those strengths to leads more effectively and to find greater satisfaction and success in work and in life beyond the workplace as well. They also understand how developing lesser character strengths also makes them more effective.
3. **How you decide.** Leaders invariably encounter moral dilemmas. Effective leadership requires knowing how to make a sound moral decision systematically and comprehensively when dilemmas arise, and how to explain those decisions to the people you lead in a way that is clear and compelling to them.
4. **How you handle moral disagreement.** Moral disagreement or conflict arises when people have competing values, beliefs, priorities or points of view. So conflict in the workplace is inevitable with respect to moral and other issues. Effective leaders handle moral disagreement constructively rather than avoid it. Our discussions and debates of ethical dilemmas will enable you to learn how better to handle exchanges

with good and intelligent people who strongly hold moral points of view that differ from your own.

5. **How and why you lead.** Effective leadership requires a clear, strong and teachable understanding not only of the values and beliefs underlying your exercise of leadership, but also of how and why you lead. You will be challenged to articulate your leadership purpose. You will also be challenged to develop the tactical savvy that is needed beyond good values, intentions and moral judgment to accomplish good in the distinctive, complex and changing contexts in which you will operate. You will also be challenged to articulate how you want to be remembered as a leader and whether you are on track to be remembered that way.

REQUIRED READINGS

A course pack is available for purchase at the Harvard Business School Publishing website at <https://hbsp.harvard.edu/import/558036>. The course pack has been published and the cost is \$25.50.

Other readings will be available through course reserve or electronically on Sakai.

We will also read *The Death of Ivan Ilyich* (New York, N.Y.: Bantam Books, 1985), by Leo Tolstoy, which is available online or at the Bookstore.

COURSE REQUIREMENTS:

Class Participation	30%
Quiz	25%
Final Exam	45%

Class Participation: Class participation is a very important part of the learning process in this course. You will be evaluated based on both the quantity and the quality of your contributions and insights. High quality comments possess one or more of the following properties:

- offer a different or unique, but relevant, perspective
- contribute to moving the discussion and analysis forward
- build on or constructively challenge comments from other students
- apply concepts from the readings to the issue or topic the class is discussing

The participation grade, like many performance ratings you will receive in your careers, is partially subjective; but it is not random or arbitrary. By way of a rough guideline to the basis for determining class participation grades, I offer the following (with “plusses” such as B+ and minuses such as “B-“ given as deemed appropriate at the margins):

A	Regular and timely attendance; frequent, clear and consistent evidence of thorough class preparation; consistently thoughtful, insightful, relevant and constructive comments and/or questions that forward the discussion materially and so contribute substantially to individual and class learning
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B	Generally regular and timely attendance; frequent evidence of generally solid class preparation; generally thoughtful, insightful, relevant and constructive comments and/or questions that tend to forward the discussion and so contribute to individual and class learning
C	Possibly some absences; some evidence of class preparation that is adequate but not thorough or solid; comments and/or questions that only occasionally contribute to individual and class learning in the manner described above

Quiz: There will be a quiz the first 20-30 minutes of class of our second class meeting the week of September 3rd (September 5th for Sections 1 and 2; September 6th for Sections 5 & 6). It will be based on our readings and discussions to that point of the course and will be comprised of a mix of objective questions (definition, multiple choice) and short essays). Thank you in advance for not, pursuant to the Notre Dame Honor Code, communicating to any student in any other section of this course or taking the course in the future the questions asked on the quiz.

Final Exam: We will have a two-hour written final exam in our regularly scheduled room. The final exam for both MW sections will take place on Thursday, October 4th in our regularly scheduled classroom for Section 1, but in Room 158 for Section 2. The final exam for the TR sections will take place in our regularly scheduled room and at our regularly scheduled times on Friday, October 5th. Your scheduling of travel, other exams, interviews, etc. should be made with those dates and times in mind.

The exam will be closed book and closed notes. A final review topics sheet will be provided the week before the exam to facilitate preparation for it. The final exam will be comprised of a Part I involving a small number of objective questions (e.g. definitions, fill in the blanks, multiple choice), a Part II consisting of 2 short essay questions and a Part III involving resolution of a moral dilemma, provided by me, through application of your personal framework for moral decision-making (on that, see more below).

Students will have the option to take the final exam in oral rather than written form. **Those who would prefer to take the exam orally should express that preference to me by email before the start of class on *(please do not include the oral exam request in an email conveying any other course deliverable since they are destined for different sub-folders in my Inbox)* by the start of class on September 17th (for M/W sections) or 18th (for T/R sections) as the case may be. Those who do not express a preference will be deemed to have chosen the written exam format as of that time and do not need to contact me to express that preference.**

Final Option:

You also have the option of writing a final paper instead of taking the final written or oral exams. This is a good opportunity especially for any student who has an issue at the intersection of business and ethics that he or she would like to explore more in depth. The purpose of the paper would be to provide background information, identify the issue(s) arising from that background, and provide your well-reasoned view of who should do what when and where and why with respect to those issue(s). The paper should demonstrate a grasp of topics covered in our course, but by no means should be restricted to that. Paper topics should be cleared with me no later than Monday, September 24th (less for approval purposes than to make sure the focus is specific

enough to be covered in 3-5 pages). Papers will be due in electronic form only his assignment is due by Midnight EST on Sunday, October 7th.

When grading your paper, I will be looking for a demonstration of the issue chosen and of a solid working grasp of our readings and discussions. The position you take on the issue will not affect your grade at all, but the solidity of the foundation for your position will. You should cover all bases that should be covered in arriving at a conclusion with respect to the issue you choose. It will be a plus, for exam purposes as well as for life in most cases, if your thoughts are well-organized, well-written, grammatically correct, comprehensive (all major issues that should be covered are covered), engaging and insightful.

Non-graded Deliverables: There will be three short, non-graded deliverables:

- Before the start of our first class meeting the week of September 3rd, each student should take the VIA Character Strengths survey at <http://www.viacharacter.org/www/Character-Strengths-Survey>. The survey is free with registration, and there is a “select language” tab at the top of the survey page so you can take it in whichever of the available languages you would prefer. After taking the survey and finding your results, please write a 2 page reflection paper (A) explaining briefly how your top five strengths have helped you accomplish your goals to date, (B) how those top five strengths could help you become the leader you would like to become, and (C) how strengthening any 3 of your lesser strengths could help you become an even more effective leader.
- Before the start of our first class meeting the week of September 10th, each student should submit a “Front Line Ethics” form describing a challenging moral situation he or she encountered in the workplace. The front line ethics form should be submitted in both hard and electronic (Word format only please) copies if you are giving permission to share your dilemma and electronically only if not. We will discuss select front line ethics cases during our final class meeting, and at other points of our course if and as our schedule allows. The front line ethics form itself will be uploaded to our Sakai web-page. For database purposes, it is important to follow the format provided in that document.
- **Leadership Point of View Statement:** This 2-4 page paper, **which is due before the start of our second class meeting the week of September 17th,** is intended to help you clarify the experiences, beliefs and values that inform your view on leadership and make you want to be a leader and to better enable you to teach your leadership point of view to others in the future. To prepare for writing it, please read “Determining Your Leadership Point of View,” Chapter 13 of *Leading at a Higher Level*, by Ken Blanchard (which will be uploaded to Sakai). He provides two examples of personal leadership points of view. Please write your own thoughtful responses to the 7 questions posed by Blanchard.

You can address those questions point-by-point, as the first example provided by Blanchard does, or just integrate them into an overall statement, as the second example does. Your leadership point of view statement should reflect your values, beliefs and personality.

There is no right or wrong leadership point of view, but statements of those points of view can be more or less clear, complete, compelling, well-organized and articulated, and thoughtful and I will grade them on that basis as well as based on how well they are written (writing and speaking well makes an important difference in the real world of business after all). My hope is that this document will be helpful to you long after you receive your MBA degree from Notre Dame.

Reminder: Grades will be curved up or down if and as necessary to meet the University requirement that the average GPA for our course falls between 3.3 and 3.6.

CLASS VALUES

The profitability of our time together will depend above all on the values and attitudes that guide our interactions with one another. Discussions about controversial moral dilemmas can be mutually beneficial rather than fruitless if approached on the basis of certain values and principles of dialogue. The values listed on Appendix A are intended as the bases of our mutually beneficial interactions; it is important that we understand and commit ourselves to each one.

MENU OF TOPICS AND READINGS (Readings are available on Sakai, or online via the links below as indicated; remaining cases can be found in our course pack.)

WEEK OF AUGUST 20th	
First Meeting	<ul style="list-style-type: none"> ■ INTRODUCTORY CONCEPTS: ■ Foundational issue discussion: Can ethics be taught? ■ Ethical Theory Introduction ■ Initial case discussion: Should Facebook, Apple, Spotify and YouTube have banned Alex Jones and Infowars from their platforms? Should Twitter have done the same?
	<p>Required Reading:</p> <ul style="list-style-type: none"> ■ “Deciding What’s Right: A Prescriptive Approach,” pages 95-109 of <i>Managing Business Ethics: Straight Talk About How to Do It Right</i>, by Linda K. Trevino & Katherine Nelson (Focus: a solid grasp of the 3 main ethical theories and ability to use them) (Sakai) ■ “Why Infowars’ Alex Jones was banned from Apple, Facebook, Youtube and Spotify, by Manuela Tobias, Politifact, August 7, 2018, online at https://www.politifact.com/truth-o-meter/article/2018/aug/07/why-infowars-alex-jones-was-banned-apple-facebook/ ■ “The Infowars Bans Aren’t About Alex Jones, They’re About Big Tech’s Control Over What We See,” by Holly Sheer, The Federalist, August 7, 2018, online at https://thefederalist.com/2018/08/07/infowars-bans-arent-alex-jones-theyre-big-techs-control-see/ ■ “The Case for Banning Alex Jones,” by Jonathan Last, The Weekly Standard, August 8, 2018, online at https://www.weeklystandard.com/jonathan-v-last/facebook-youtube-and-apple-are-right-to-ban-alex-jones-and-infowars ■ “Twitter’s decision not to ban Alex Jones, a drama in 10 tweets,” by Simone Stolzoff, Quartz, August 8, 2018, online at https://qz.com/1351203/twitters-jack-dorsey-explains-decision-not-to-suspend-alex-jones/ ■ Discussion Questions: Were Apple, Facebook, Spotify and YouTube right to have banned Alex Jones, in whole or in part, from their platforms? Should Twitter have done the same? In both cases, why or why not?
Second Meeting	<p>PART I – GOALS AND FOUNDATIONS AT THE PERSONAL LEVEL</p> <ul style="list-style-type: none"> ■ The dimensions of good work ■ What distinguishes jobs, careers and callings and why it matters ■ Foundational issue discussion: What matters most in life and how should we shape our lives accordingly?
	<p>Required Readings:</p> <ul style="list-style-type: none"> ■ “Love and Work,” pages 219-223 of <i>The Happiness Hypothesis: Finding Modern Truth in Ancient Wisdom</i>, by Jonathan Haidt (Sakai) (Discussion Questions: What distinguishes jobs, careers and callings? What difference

	<p>would it make to consider one’s work a job, career or calling (or to lead people who do)?)</p> <ul style="list-style-type: none"> ■ <i>The Death of Ivan Ilyich</i>, by Leo Tolstoy (Discussion Questions: What matters most in life? How should we live accordingly? What mattered most in life to Ivan Ilyich and what can we learn from how he lived based on his values?)
WEEK OF August 27th	
First Meeting	<ul style="list-style-type: none"> ■ Foundational case discussion: Does motive matter? ■ The nature of “defining moments” ■ When good moral judgment and intentions are not enough
	<p>Required Readings:</p> <ul style="list-style-type: none"> ■ “The Discipline of Building Character,” by Joseph Badaracco, HBR, March-April 1998, 115-124 (Foci: what is a “defining moment” and what is your takeaway from the defining moment of Peter Adario?) (Course Pack) ■ “Lonestar,” by Michael Wheeler, HBSP (Course Pack) ■ Discussion Questions: In what ways has Jack DeCoste handled the situation described well or poorly so far? What should he do now and why? In what ways will that reveal, test and shape him going forward?
Second Meeting	<ul style="list-style-type: none"> ■ Identifying important ethical leadership qualities ■ The difference between being morally good and morally courageous
	<p>Required Readings:</p> <ul style="list-style-type: none"> ■ “The Leader’s Character,” pages 70-82 of <i>Meeting the Ethical Challenges of Leadership: Casting Light or Shadow</i>, by Craig Johnson, 6th edition (Sakai) (Discussion Questions: What are the virtues that Johnson describes as having particular significance for leaders? What is the meaning of each of those virtues and why is it important to effective leadership?) ■ “Going Deeper (And Higher) Into Values and Ethics,” Chapter 3 of <i>Courage: The Backbone of Leadership</i>, by Gus Lee (Discussion Questions: What is the difference between being morally good and morally courageous and how important is moral courage for effective business leadership?) (Sakai) ■ “Ethics, loyalty are tightly woven at mill : It seems Aaron Feuerstein was all business when he responded in an unlikely way to a plant disaster,” by David Lamb, LA Times, Dec. 19, 1996, online at http://articles.latimes.com/1996-12-19/news/mn-10581_1_malden-mills. ■ “Was Aaron Feuerstein Wrong?” by David Gill, Ethix, June 25, 2011, online at http://ethix.org/2011/06/25/was-aaron-feuerstein-wrong ■ “Despite bankruptcy, former Malden Mills owner glad he saved jobs after historic fire,” by Paul Tennant, The Eagle-Tribune, December 11, 2015, online at http://www.pressherald.com/2015/12/11/former-owner-who-saved-jobs-glad-he-did-it-despite-struggle/

	<ul style="list-style-type: none"> ■ (Discussion Questions: In what ways did the 1995 fire reveal, test and shape Feuerstein? What seem to be his greatest strengths/limitations as a leader? What light do the defining moment stories of Peter Adario and Aaron Feuerstein shed on the question whether good character and moral judgment are enough to do good as a business leader? How will Feuerstein likely be remembered as a person and as a leader?)
WEEK OF SEPTEMBER 3rd	
First Meeting	<ul style="list-style-type: none"> ■ VIA Character Strengths Survey reflections due ■ Living in moral alignment
	<p>Required Readings:</p> <ul style="list-style-type: none"> ■ “Your Moral Compass,” Chapter 3 of <i>Moral Intelligence</i>, by Lennick & Kiel (Sakai) (Focus: What does it mean to live in alignment?) ■ “The Journey to Authentic Leadership,” pages 3 to 8 of <i>Truth North</i>, by Bill George (Sakai) (Discussion Questions: What values did Howard Schultz’s life story lead him to hold deeply? What values and beliefs has your life story led you to hold? Note, this will be helpful in writing your leadership point of view paper). ■ Chapters 4, 28 and 33 of <i>Young Money</i>, by Kevin Roose (Sakai) (Discussion Questions: What are the competing values in Derrick’s life and on a scale of 1 to 10 how well does he seem to be balancing them? On a scale of 1 to 10, to what extent is Derrick living in alignment? What could he do differently to handle any of the dilemmas he is facing better?) ■ “Seven Deadly Sins Overview,” by Joe Holt (Sakai). These are central tendencies that keep us from being our best morally and spiritually. Grasp the meaning of each and think of examples of any of them you have experience in the workplace.
Second Meeting	<ul style="list-style-type: none"> ■ Autonomous vs. controlled behavior. ■ Managing in an autonomy-supportive manner ■ The drivers of moral behavior.
	<p>Required Readings:</p> <ul style="list-style-type: none"> ■ “Authority and Its Discontents,” from <i>Why We Do What We Do: Understanding Self-Motivation</i>, by Edward Deci (Sakai) (Discussion Questions: What is the difference between autonomous and controlled behavior? What is the relationship between autonomy and authenticity?) ■ “Directing People,” from <i>Corps Business: The Thirty Management Principles of the U.S. Marines</i>, by David Freedman (Sakai) (Discussion Questions: How do the Marines direct people? In what ways is that autonomy-supportive?) ■ “The Four Component Model,” by James Rest (Sakai) (Discussion Questions: What are each of the components and which is deficient in notable ethics scandals?) ■ “VW Emissions and the 3 Factors That Drive Ethical Breakdown,” by Carlos Santos and Luann Lynch, online at

	<p>https://ideas.darden.virginia.edu/2016/10/vw-emissions-and-the-3-factors-that-drive-ethical-breakdown/</p> <ul style="list-style-type: none"> ■ (Discussion Questions: Which of the four components in their weakness or deficiency best explain the behavior of leaders and rank-and-file employees in the VW diesel scandal? What role did leadership style play? Is it likely or not that VW employees at various levels experienced themselves as autonomous at work? Why or why not? What does VW need to do to regain trust?)
<p>WEEK OF SEPTEMBER 10th</p>	
<p>First Meeting</p>	<ul style="list-style-type: none"> ■ FRONT LINE ETHICS FORM DUE ■ When authority and conscience conflict.
	<p>Required Readings:</p> <ul style="list-style-type: none"> ■ “Just Following Orders,” Chapter 6 of <i>Willful Blindness: Why We Ignore the Obvious At Our Peril</i>, by Margaret Heffernan (Discussion Questions: To what extent and under what circumstances will people violate their own conscience when following orders?) (Sakai) ■ Class viewing of “Obedience” experiment video by Stanley Milgram (Discussion Questions: Based on the readings and videotaped experiment, under what circumstances will people follow or deviate from their respective voices of conscience in response to a command from someone in authority?)
<p>Second Meeting</p>	<p>PART II – GOALS AND FOUNDATIONS AT THE ORGANIZATIONAL LEVEL</p> <ul style="list-style-type: none"> ■ Foundational issue discussion: What is the fundamental purpose of a business?
	<p>Required Reading:</p> <ul style="list-style-type: none"> ■ “The Social Responsibility of Business is to Increase Its Profits,” Milton Friedman, <i>The New York Times Magazine</i>, September 13, 1970, available online at http://www.colorado.edu/studentgroups/libertarians/issues/friedman-soc-resp-business.html and elsewhere ■ “The Profit-Seeking Paradox: How the Most Profitable Companies Are Not the Most Profit-Oriented,” from <i>Obliquity: Why Our Goals Are Best Achieved Indirectly</i>, by John Kay (Sakai) ■ “Managing for Stakeholders,” Chapter 1 of <i>Managing for Stakeholders: Survival, Reputation, and Success</i>, by R. Edward Freeman, Jeffrey Harrison, and Andrew Wicks (Sakai) ■ “Shareholder Return is the Wrong Measure of Performance,” from <i>What Were They Thinking? Unconventional Wisdom About Management</i>, by Jeffrey Pfeffer (Sakai) ■ “Missions Motivate, Dollars Don’t,” Chapter 4 of <i>Authentic Leadership: Rediscovering the Secrets to Creating Lasting Value</i>, by Bill George (Sakai)

	<ul style="list-style-type: none"> ■ (Discussion Questions: What view does this reading offer of the overriding purpose of a business, what are the strengths and weaknesses of each view, and which do you find most compelling and why?)
WEEK OF SEPTEMBER 17th	
First Meeting	<ul style="list-style-type: none"> ■ FRAMEWORKS FOR MORAL DECISION-MAKING DUE ■ Why it's important that a leader's values are clear ■ Values-based vs. compliance-based approaches to ethics management ■ Competing voices in ethics
	<p>Required Readings:</p> <ul style="list-style-type: none"> ■ IBM/Bayer CEO code of conduct cover letters (Class handout) (Discussion Question: What are the differences between the two CEOs in terms of what their ethics goal was, why they seemed to be interested in ethics, and how they viewed their employees?) ■ "Managing for Organizational Integrity," by Lynn Sharp Paine (Discussion questions: Is business ethics a personal or organizational issue? What are the differences between the compliance-based and integrity- or values-based approaches to ethics management? What are the hallmarks of an effective integrity-based approach?) (Course Pack) ■ "Years of Internal BP Probes Warned That Neglect Could Lead to Accidents," by Abrahm Lustgarten and Ryan Knutson, ¹¹ProPublica, June 7, 2010, available online at http://www.propublica.org/article/years-of-internal-bp-probes-warned-that-neglect-could-lead-to-accidents (Sakai) ■ Case discussion: "Drilling Safety at BP: The Deepwater Horizon Accident," Stephen Kaufman and Laura Winig, Harvard Business School Publishing Case No. 9-611=017 (Course pack) ■ (Discussion Questions: What was not sufficiently in place at BP such that the tragedies discussed in the case occurred? What would the Board of BP need to put in place or do to prevent a similar tragedy from happening at a BP facility?)
Second Meeting	<ul style="list-style-type: none"> ■ LEADERSHIP POINT OF VIEW PAPER DUE ■ Leading a values-based organization ■ Social impact of business
	<p>Required Reading:</p> <ul style="list-style-type: none"> ■ "FACT SHEET: SUGARY DRINK SUPERSIZING AND THE OBESITY EPIDEMIC," Harvard T.H. Chan School of Public Health, 2012, online at https://cdn1.sph.harvard.edu/wp-content/uploads/sites/30/2012/10/sugary-drinks-and-obesity-fact-sheet-june-2012-the-nutrition-source.pdf ■ "Coke, Pepsi Funded Health Groups Yet Fought Anti-Obesity Policies," by Mary Brophy Marcus, October 11, 2016, online at http://www.cbsnews.com/news/cole-pepsi-soda-companies-sponsored-96-health-groups-fought-obesity-legislation/

	<ul style="list-style-type: none"> ■ “Former Coke executive slams ‘share of stomach’ marketing campaign,” by N.C. Aizenman, June 7, 2012, Washington Post, online at https://www.washingtonpost.com/national/health-science/former-coke-executive-slams-share-of-stomach-marketing-campaign/2012/06/07/gJQAKwgKMV_story.html?utm_term=.4d67709aec3 ■ Case: “PepsiCo, Profits, and Food: The Belt Tightens,” HBSP, 9-314-055 (Course Pack) ■ (Discussion Questions: How does PepsiCo balance “performance with purpose”? What are 2-3 helpful lessons BP could learn from PepsiCo or from Indra Nooyi in terms of creating a values-based organization? What do Nooyi’s most important leadership character strengths seem to be? How valid is the criticism that PepsiCo cannot consistently be for improved health while fighting anti-obesity policies and deriving a significant percentage of its revenues from sugary and otherwise unhealthy drinks? In what ways does the social impact of the product being sold affect a marketing executive’s chance of having a calling rather than only a job or career?)
WEEK OF September 24th	
First Meeting	<ul style="list-style-type: none"> ■ Cross-cultural ethical dilemmas in business: When in Rome should one do what the Romans do?
	<p>Required Readings:</p> <ul style="list-style-type: none"> ■ “The Multinational’s Dilemma: Cultures in Conflict,” by Doug Allen, pages 173-184 of Good Business, edited by James O’Toole and Don Mayer (Discussion Questions: What approach and key insights does the author provide with respect to what to do when operating in a culture that has different moral and legal standards than your home culture?) (Sakai) ■ CASE: “Going Global – Working in Jumandia,” Columbia Business School (HBSP Course Pack) (Discussion Questions: What do you think Sonya should do under the circumstances described and why? In what ways will her decision one way or the other likely shape her future personally and professionally?)
Second Meeting	<p style="text-align: center;">NO REGULARLY SCHEDULED SECOND CLASS MEETING THE WEEK OF SEPTEMBER 24TH. ALL STUDENTS SHOULD INSTEAD BE AT THE JORDAN AUDITORIUM FROM 7PM TO 9PM ON WEDNESDAY, SEPTEMBER 26TH, FOR A DISCUSSION AND DEBATE OF ALUMNI FRONT LINE ETHICS DILEMMAS WITH GUEST SPEAKERS.</p>
WEEK OF OCTOBER 1st	
Sole Meeting	<ul style="list-style-type: none"> ■ Shared Lessons from the Front Lines – A discussion of select front line ethics dilemmas presented by select members of your section

	<ul style="list-style-type: none"> ■ Foundational issue discussion: What is the importance of solitude to effective business leadership?
	<p>Required Reading:</p> <ul style="list-style-type: none"> ■ “Self-Reflection,” chapter 1 of <i>From Values to Action</i>, by Harry M. Jansen Kraemer Jr. (Discussion Question: What do you find most important or helpful in what he has to say?) (Sakai) ■ “Solitude and Leadership,” by William Deresiewicz, <i>The American Scholar</i>, Spring 2010 (Discussion Questions: What is the meaning of solitude? How do most ascend to positions of leadership? In what ways is solitude important for effective business leadership?) (Sakai)

APPENDIX A

CLASS VALUES

Intellectual Curiosity. We grow in insight and understanding in a given subject area only if we take an active and intrinsic interest in it. Intellectual curiosity motivates us beyond mere memorization and recitation of facts presented by others to active reflection of our own. Intellectual curiosity is fueled by recognition of both the importance and value of a given subject and our need for growth in knowledge and understanding. It presupposes restless and yet hopeful dissatisfaction stemming from the beneficial recognition of a gap between where we are and where we would like to be in our understanding of an important subject.

Civility. John Courtney Murray described the essence of democracy as “conflicting opinions locked in civil conversation.” Some of our opinions differ but we will nevertheless in the spirit of effective democracy remain “locked in civil conversation.” The emphasis in this description is on the terms “locked” and “civil.” To be locked in conversation with someone whose opinions differ from our own is to be committed to staying with the conversation until it bears fruit in mutual insight and understanding. We will remain fruitfully engaged in such conversations only to the extent they remain civil. Civility is a quality necessary to persons living harmoniously in community. At a minimum, it requires avoidance of rudeness; in the ideal it extends to courteousness, which implies a more active consideration for others consistently with due of respect for them. Consistently with the value of civility we should focus our disagreements on the positions advanced by other class participants rather than on the participants themselves in a manner that becomes needlessly personal and sadly counter-productive. Commitment to mutually enlightening conversation requires both that we not abandon our conversations prematurely and that we remained locked in them in a courteous and yet lively desire to reach insight rather than in a combative desire to prevail at all costs.

Fairness. Fruitful conversation requires that we treat ideas and persons fairly. This requires endeavoring to understand ideas and persons before taking a clear position on them. One test of this is to consider whether the author or spokesperson of a given view would accept our description of his or her view as accurate. We should not too readily place the view of another into this or that pre-existing category of thought but should rather listen to the particular argument being made and the particular reasons being advanced in support of that argument. Fruitful conversation further requires an inclination to see the strengths and not only the limitations of views that differ from our own, and to recognize the limitations and not only the strengths of our own views. Consistently with the Golden Rule, we should strive to put the best possible construction on differing views rather than examining them with the principal aim of finding and exploiting their most vulnerable points; we all hope that our own views will be treated likewise. Fairness requires not that our own views prevail but rather that they are given a fair hearing.

Constructive criticism. Constructive criticism seeks to understand and build on the views of others rather than to tear them down. Success in this activity requires actively listening to others’ views rather than waiting more or less patiently until it is our turn to speak. None of us will grow in knowledge and understanding unless we strive to become at least as ready to listen

as we are to speak. Constructive criticism is compatible with appropriate humor but requires that we refrain from firing off one-liners that are unkind or otherwise lack positive purpose. More generally the disposition to be constructively critical requires that we are for something rather than merely against the view of another.

Humility. The original meaning of humility pertains to accurate self-knowledge. The humble person knows both his or her strengths and his or her limitations. Recognizing the strengths of our insights and experience will leave us more inclined to contribute to our discussions. Recognizing the limitations of our insights and experience will leave us more inclined to benefit from the insights and experience of others. Humility requires at a minimum recognizing that no one of us has a monopoly on the truth on any given subject such that the bare assertion by us of a given position is sufficient to establish that position in the mind of any fair and intelligent person. We should rather regard each statement we make as a hypothesis or an assertion in need of a justification. In cultivating humility it is helpful to recall some time in the past—and we have all had them-- when we were certain that something was true but ultimately wrong in that assumption.

Appreciation. Consistently with the values of civility, fairness and humility, we must at a minimum tolerate or patiently endure the differing views of others. In the ideal, however, we will move from mere tolerance to positive appreciation of those who lead us to insights and understanding we would not otherwise have achieved at that time on our own. The person who challenges my pre-existing views without changing them has done me the favor of confirming my views by allowing me to test them against a worthy counter-argument. The person who challenges my view and leads me to modify those views on the basis of new insight has done me the considerable favor of deepening my knowledge and understanding. For such a benefit, we should be inclined to give thanks rather than to brood over having “lost” the argument.