

Ethics

1. Be prepared to define, explain, give examples of, and distinguish between the following terms:
 - a. business ethics
 - b. moral minimum
 - c. duty-based ethics
 - d. utilitarian ethics
2. Review the section of the chapter on making ethical decisions. Discuss the following questions:
 - a. Who are the identified “stakeholders” in a code of ethics? What is a stakeholder?
 - b. Why is it important that a company protect the interests of each of these stakeholders? Is it a community service? Is it profitable? How does it benefit the company? How does it benefit the community at large?
 - c. What is the affect of having a printed, published code of ethics? Do you see a risk, a possible downside? What is the benefit, the upside?
3. Read and be prepared to orally brief and discuss the following cases:
 - *In Re: the Exxon Valdez* [on-line]
 - *SEC v. WorldCom, Inc.* [on-line]

As you discuss these cases, be sure to address the following questions:

- a. What issue is being addressed by the court in these opinions?
 - b. What do the Courts’ rulings teach us as business owners about society’s ethical expectations of us?
 - c. How are these cases similar? How are they different, or distinguishable, from each other?
4. Review media reports and current events involving the Enron case, the Merck/Vioxx matter, and the Martha Stewart case. In all these instances, be prepared to discuss:
 - a. What did these business owners do wrong?
 - b. Was their behavior illegal as well as unethical?
 - c. What if their behavior had not been illegal? Might it have still been unethical?
 - d. What is the business owner to do when an action he considers is technically allowed by law, but may result in harm to some segment of the community he serves, whether it be his employees, his suppliers, or the community in which he is located? For example, should an employer close down a plant in the United States and ship that work overseas for cheaper labor costs? Discuss all the possible arguments pro and con.
 5. Read “Reviewing Ethics and Business Decision Making” and be prepared to discuss the Questions..
 6. Conclusion(s):
 - a. What can we, as business students in the university setting, do now to contribute to a more ethical society? What choices appear before us on a regular basis that allow us to have a substantial affect on the ethical nature of our community? How do you envision your future opportunities, challenges, obligations as to ethical behavior?