SEMESTER AT SEA COURSE SYLLABUS

Voyage: Spring 2014
Discipline: Commerce
Course Title: SEMS 3500-103 International Business Ethics
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 though UVA bookstore or online - hbsp.harvard.edu/product/cases)
COURSE OUTLINE

A1- January 12: 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 14: 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?
     o 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

A3- January 16: 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?

January 17: Hilo

A4- January 19: 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 22: 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 25: Case analysis – “The Low Performing Loafers” (case in textbook)

A7- January 27: 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

January 29-February 3: Yokohama, Transit, Kobe

A8- February 4: 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?

February 6-11: Shanghai, Transit, Hong Kong

A9- February 12: 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 14-19: Ho Chi Minh City

A10- February 20: 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 22-23: Singapore

Independent Field Assignment #1 (details below)

A11- February 24: 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)

February 27-March 4: Rangoon
**Independent Field Assignment #1** (details on p. 8 below)

A12- March 5: Case Analysis – “People Management Fiasco in Honda Motorcycles and Scooters India, LTD”

A13- March 7: Exam

March 9-14: Cochin
**Independent Field Assignment #2** (details below)

A14- March 15: 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 18: Violence in the Workplace
**Video and Discussion:** Murder by Proxy: How America Went Postal

A16- March 20: 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?

March 21: Port Louis

**A17- March 23: 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 26: 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 28-April 2: Cape Town

**A19- April 3: 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 5: Creating and Sustaining an Ethical Organization**
Video and discussion regarding the intertwined roles of culture and structure: Rogue Trader (part 1)

**A21- April 8: Creating and Sustaining an Ethical Organization**
Video and discussion regarding the intertwined roles of culture and structure: Rogue Trader (part 2)

April 10-14: Tema
- Independent Field Assignment #3 (details below)

**A22- April 15: Class Discussion of Independent Field Assignments**
A23- April 17: TBA

A24- April 20: Course summary and review
  - Re-visit questions from first class

April 23-27: Casablanca

A25- April 28: A Day Finals

FIELD WORK

FIELD LAB – March 28, Cape town, South Africa

Two recurring themes of this 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. It also provides an example of how social practices and norms can become institutionalized and affect the workplace. To gain an intimate perspective on life during apartheid we will participate in the Journey of Remembrance tour. This 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.

FIELD ASSIGNMENTS

Primary Field Assignment: Before arriving in Cape Town you will be given a set of questions to answer during your time in port. For example, you will be asked to identify one way in which organizational structures were designed to enforce apartheid-era policies and the challenges faced in changing these structures in the post-apartheid era. You will be required to write up detailed responses to these questions and grading will be based on depth of these responses and your ability to incorporate relevant course material.

Independent Field Assignment: In addition to the primary field assignment, you 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].”