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# KNW 3375: CORPORATE SOCIAL RESPONSIBILITY AND ETHICAL LEADERSHIP

## January 2019 – Taos Campus

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### COURSE OVERVIEW

The design of this course offers a set of readings and cases aimed at integrating **ethical reflection**, **business decision-making**, and **human rights issues**. Four primary criteria have guided the selection and organization of these materials: **conceptual relevance** to applied ethics, **topical relevance** for contemporary business majors and professionals, **curricular relevance** to the BBA program at Southern Methodist University, and **historical and geographical relevance** to New Mexico.

The syllabus and readings for the course cover three major areas that move outward in concentric circles. In **Section A**, you will become acquainted with moral traditions of the West, and examine ethical quandaries faced by **individuals and managers**. You will also be introduced to the emphasis on human rights that exists within important documents like America's Declaration of Independence, the Bill of Rights, and the U.N.'s Universal Declaration of Human Rights.

**Section B** explores ethical cases from the **organizational** world that are framed by shareholder and stakeholder relationships. As a result of America's strong legal network the term "human rights" is seldom used in reference to domestic commercial events. However, the road to being a human rights supporting company moves from obeying laws, to developing organizational norms, and finally embracing a corporate culture with shared values that support and respect human rights.

Consequently, the readings and cases in this section consistently refer to the "**rights**" of stakeholders such as employees, customers, communities, vendors, and others. In many of these resources we will note that human rights issues are at play, or need to be added, to both the domestic and global corporate market.

**Section C** opens out to more systemic issues, specifically the larger roles that ethics plays in a democratic society, the conduct of business on the international scene, and sustainability.

# LEARNING OUTCOMES AS APPLIED TO THE UNIVERSITY CURRICULUM

## For Pillar: Philosophical and Religious Inquiry and Ethics (level 2) (PRE 2)

1. You will be able to demonstrate the ability to critically reflect on or apply the theoretical methods of, one of the fields of philosophy, religious studies, or ethics via a focus on a specific area or set of issues.

**Specifically, you will be able to:**

- Describe different ethical theories such as rights and duties, utilitarianism and virtue.
- Identify personal core values, describe why they are significant, how they drive actions, and how one can “voice” them in difficult situations.
- Describe stakeholder management and give examples of stakeholders.
- Describe the concept of corporate social responsibility.
- Define corporate governance and explain the requirements and specific part of the organization that is responsible for this oversight.
- Define Human Rights and describe some of the declarations, codes and guidelines used to move businesses and governments toward support of these rights.

**Since this course carries the “Pillar Offering” a final “End of Semester: Ways of Knowing” assignment will be given. It will present three comprehensive questions to which you will provide written answers. This paper is worth a possible 60 points.**

## For Proficiency: Oral Communication (OC)

1. You will be able to select and use appropriate forms of evidence in a public presentation.
2. You will be able to design verbal messages to suit particular audiences and purposes.
3. You will be able to use visual cues (such as presentation software, staging, props, costumes, makeup, and gesture) to enhance a public presentation.

**Course Credit Opportunities:** This course is very flexible as to course credit options. It can be used for: **Cox course credit, Cultural Formations CFB course credit, Embry Human Rights major or minor credit, and the new University Curriculum for Pillars (Philosophical and Religious Inquiry and Ethics (level 2) and Oral Communication Proficiency credit.**

**Course Prerequisites:** For Cox School of Business majors: MNO 3370: Management. For non-Cox majors: 6 credit hours of ANY combination of social science courses from human rights, economics, sociology, psychology, anthropology, or political science; AND completion of the sophomore year.

## REQUIRED COURSE MATERIALS

In place of a textbook, a collection of current readings, cases, and instructor notes will be used for learning purposes in this course. Materials will be provided by your instructor.

## ACHIEVING THE COURSE OBJECTIVES

### A. Readings

You are expected to complete all required readings prior to the class session. The readings are both complementary and supplementary to classes and cases. The content of the readings will be considered the “starting point” as background for class discussions.

### B. Class and Case Discussion

Classes will involve the case-study method where the case describes an ethical business situation, and places you in the role of decision-maker. Some cases are simple, others are more complex, and can take more time to prepare than their length suggests. As a result, you must use rigorous analysis, the identification of options, and the creation of recommendations, prior to the class.

In preparing for the discussions you must first, clarify what you really believe. Second, you must then decide how you will present your beliefs in the classroom. Finally, in class you must carefully articulate for your classmates the reasons for your prescribed actions.

Because of the importance of the case discussion process, the following grade scale will be used to evaluate your participation with each case and with general class discussions. On many class days you might have multiple entries for the class and case discussion grade.

**0 = Not in class.**

**1 = In class but NO PARTICIPATION.**

**2 = SOME COMMENTS MADE but the content was a repeat of other questions/answers, and/or not significant in substance.**

**3 = EXCELLENT PARTICIPATION. You took a stand and supported it in a quality way. Comments were thought provoking and helped move the discussion into new realms.**

### C. Final Examination

This examination will test your understanding of the three parts of the course: ethical theory, business decision making, and human rights. A portion of the final will require you to describe how all three of these parts come together as a whole through the material in this course.

## GRADING

	<b>Your Points</b>
<b>Case Discussion</b>	<b>100</b>
<b>Individual Presentation</b>	<b>50</b>
<b>Team Presentation</b>	<b>50</b>
<b>Field Trip Assignments</b>	<b>150</b>
<b>Final Examination</b>	<b><u>100</u></b>
<b>Total</b>	<b>400</b>

**All grading will be based on the 97/93/90 % standard.**

## CLASS POLICIES

**Professionalism:** There is no long behavior list of do and don't for this course. Rather, all behaviors such as classroom interactions, use of technical toys, completing course assignments, punctuality, etc., are to be guided by the highest levels of professional and ethical standards of personal conduct.

**Disability Accommodations:** The SMU-in-Taos campus is not staffed for assessment and documentation of disability accommodations. If you will need academic accommodations for a disability, please have all documentation completed with the SMU Disability Accommodations & Success Strategies (DASS) Office at the Dallas campus before arrival at the Taos campus. Have the official DASS authorization letter sent to your professor by January 5, 2018 at the Dallas campus.

**Religious Holy Days:** If the observance of a religious holy day includes a requirement that will prevent you from attending a class session, please make an appointment to meet with your professor after the first class session on January 8, to discuss.

**Honor Code:** The SMU Faculty has the responsibility of encouraging and maintaining an atmosphere of academic honesty by being certain that students are aware of the value of it, that they understand the regulations defining it, and that they know the penalties for departing from it. The faculty should, as far as is reasonably possible, assist students in avoiding the temptation to violate the honor code.

Students must share the responsibility for creating and maintaining an atmosphere of academic honesty and integrity. Students should be aware that personal experience in completing assigned work is essential to learning. Permitting others to prepare their work, using published or unpublished summaries as a substitute for studying required materials, or giving or receiving unauthorized assistance in the preparation of work to be submitted are directly contrary to the honest process of learning. Students who are aware that others in a course are cheating or otherwise acting dishonestly have the responsibility to inform the professor and/or bring an allegation to the SMU Honor Council.

As a student you have the responsibility of knowing the regulations of the SMU Honor Code (found in the SMU Policies For Community Life), and the penalties for departing from it. This includes all areas of dishonesty including plagiarism, cheating on tests, use of the work of others (published or unpublished), and the observance and knowledge that others are cheating. If you are uncertain if a behavior is a violation of the SMU Honor Code, you have an obligation to contact your course professor for clarification

**SCHEDULE AND OUTLINE**  
**Taos Jan Term Schedule – January 7 – 16, 2019**

**SECTION A: Ethical Quandaries For Individuals and Managers**

**January 7(M am) *Course Introduction and the Role of Values and Moral Courage***

**A. Readings:**

1. “What is Ethics?”
2. “A Framework for Thinking Ethically”
3. “Values Based Leadership”

**B. DVD Case: “Malden Mills”**

**(M pm) *Ethical Principles, Theories, and Decision Making***

**A. Readings:**

1. “Descriptions of Ethical Principles”
2. “A Framework for Making Ethical Decisions”
3. “Adam II”

**B. Case: 1. “The Parable of the Sadhu”**

**SECTION B: Ethical and Human Rights Responsibilities of Individuals and Organizations**

**January 8(TU am) *The Modern Corporation, Shareholder Model and Profit Maximization***

**A. Main Readings:**

1. “The Social Responsibility of Business is to Increase its Profits”
2. “Maximizing Shareholder Value”

**B. Case:**

1. “Pinto Madness”

**(TU pm) *Standards of Ethics for Professionals; Whistleblowing***

***A. Readings:***

- 1. “Encouraging Internal Whistleblowing”**
- 1. “After the Whistle”**

***B. DVD Cases:***

- 1 “Bad Medicine”**
- 2. “Lethal Medicine”**

**January 9(W) *The Opening of Pandora’s Box: Dropping the Atomic Bomb*  
(am/pm) *A Field Trip to Santa Fe and Los Alamos, New Mexico***

***A. Readings:***

- 1. “Los Alamos, NM”**
- 2. “Los Alamos History”**
- 3. “The Decision to Use the Atomic Bomb: Background”**
- 4. “Arguments Supporting the Bomb”**
- 5. “Arguments Against the Bomb”**

***B. DVD:***

**In preparation for the field trip watch: “The Town That Never Was.” – *YouTube***

***C. Field Trip to Santa Fe and Los Alamos (Entire Day)***

**This visit will highlight the past significance of Los Alamos in the Manhattan Project and the development of the Atomic Bomb. We will start the day in Santa Fe, where Professor Emeritus Jim Hopkins will first describe current ethical issues in the state of New Mexico. He will then describe his father’s role as one of the pilots in the Nagasaki, Japan bombing in 1945.**

**In Los Alamos we will tour the site of the Atomic bomb construction by the Director of the Los Alamos Historical Museum, and will visit the Bradbury Science Museum.**

**January 10 (TH am) Reviewing Los Alamos and The Atomic Bomb**

**(Th pm) *Corporate Responsibility: Protecting the Rights of Customers, Employees, the Community and All Stakeholders***

**A. Readings:**

1. “Universal Declaration of Human Rights”
2. “Top 10 Business & Human Rights Issues: 2018”

**B. Case:** 1. “Nike Hits the Wall”

**January 11 (FR am) *Corporate Dishonesty: Fraud and Corruption***

**A. Readings:**

1. “10 Truths You Need to Know About Fraud”
2. “The Ten Largest Global Business Corruption Cases”
3. “Putting Corruption Out of Business”

**B. DVD Cases:**

1. “It Takes One to Know One”

**(FR pm) *Philanthropy and Charitable Giving***

**A. Readings:**

1. “Big Charity Admits Wildly Overstating Donated Goods”
2. “Charity Regulators (Finally) Eye Overvaluation of Donated Goods”
3. “The Red Cross CEO...”
4. “Red Cross: How We Spend Sandy Money....”

**B. Video:**

1. “Feeding Puerto Rico”

**SECTION C: Systemic Issues and The Confusing Role of Business in a Global Economy**

**January 14 (M am/pm) *Past and Future Homes? Field Trip to “Taos Pueblo” and “Earthship Homes”***

Today we will visit what is considered to be the “oldest continuously inhabited community” in the U.S., the Taos Pueblo. They are a very private and conservative people, and have undergone dynamic events over the centuries of existence. We will eat a native American lunch prior to our visit. We will also hear the story of how the rights to their mountain land, and their sacred Blue Lake was taken away by President Theodore Roosevelt to create the Carson National Forest, but was also returned by President Richard Nixon.

We will also visit the home of the “Earthships”...sustainable “Green” buildings made with recycled materials.

**A. Readings:**

1. “Earthship Homes: Living Off the Grid”
2. “Taos Blue Lake”

**January 15 (TU am) *Corporate Responsibility: Externalities, Sustainability and Profit Making***

**A. Readings:**

1. “Leadership in the Age of Transparency”
2. “TEEB For Business Coalition Study”
3. “Why Sustainability is Now the Key Driver of Innovation”

**B. DVD Cases:**

1. “130 Million Tons of Waste”
2. “Jack Abramoff: The Lobbyist’s Playbook”

**(TU pm) *Merging Ethical & Business Theories and Examples***

**A. DVD:**

1. “Eye in the Sky”
2. The Taos Pueblo and Earthship assignment is due

**January 16 (W am) *Final Examination Day***

***A. Individual Presentations***

***B. “Ways of Knowing” assignment is due***