

Business Ethics

BUSI 404

Instructor: Dr. Timothy Kundro (please just call me Tim)

About Me: timkundro.com

E-mail: timothy_kundro@kenan-flagler.unc.edu

Office: McColl 4722

Office Hours: 11:00am – 12:00 on Wednesday (just give me a heads up you're coming if you can).

Head TA: Iniyan Subramanian: iniyan_subramanian@kenan-flagler.unc.edu; Please CC on emails about attendance or make-up exams.

Grader: Madhulika Shastry (mshastry@unc.edu)

Section Specific TAs: Anna Gore (Section 5); Virginia Llewellyn (Section 6); Catherine Su (Section 7)

Course Meeting Info

Monday and Wednesday

Section 005 (Mod 4): McColl 3500. 12:30am – 1:45pm

Section 006 (Mod 4): McColl 3500. 2:00pm – 3:15pm

Section 007 (Mod 4): McColl 3500. 3:30pm – 4:45pm

Course Description and Objectives

This course is a multi-disciplinary exploration of business ethics. In the first part of the class, we will adopt a philosophical lens to business ethics. The goal is to build a framework to identify and analyze a wide range of ethical issues that arise in business. This class will not tell you what is right or what is good. Rather, we will consider a range of perspectives, and develop skills to consider them critically.

The second part of the class will adopt a psychological approach to business ethics. We will examine scientifically-grounded ways of navigating the cognitive biases and blind spots that stand in the way of ethical behavior. We will explore strategies for how to act more in line with our own values, and more generally, live a happier, more fulfilled life.

The class will be interactive. We will use readings, cases, videos, debates, and lively discussions to examine real issues confronting managers of organizations, and to practice analyzing and solving the issues.

What is in this course, anyway?

I will go into more detail in class, but the course can be summarized in two parts. When it comes to ethical and moral issues at work...

- *What should we do?*
- *What do we actually do – and how can we fix it?*

Instructional Methods

This course uses readings, lectures, exercises, cases, assignments, and class discussion. Reading assignments provide an important foundation for class discussion and must be completed prior to each class session.

Note that there are two types of readings: required and “deep cuts.” The required readings are, as you would imagine, required. You will be expected to know the assigned reading material for the team project and exam. The “deep cut” readings are not required but may help on your podcast and group assignments. I will not test you on the “deep cut” readings.

Lectures will be used to highlight key points from the readings and provide additional information to supplement the readings. Exercises and cases will provide you with the opportunity to apply what you have learned to real world issues and scenarios. Because each of you brings unique perspectives and experiences to the class, participation in class discussions and class exercises is essential to your own learning as well as that of other class members.

Textbook and Materials

Textbook: None. This class is custom designed and not based off a textbook. In addition, I want to reduce the financial burden on students as much as possible. In my view, most textbooks are unnecessarily expensive and are either redundant or unrelated to lectures. Instead, I will post slides after each class.

Coursepack: **This is required.** I continue to minimize the cost of this. The cost is now \$21.20, which is down from ~\$40 when the class started. Buy the correct one, otherwise you will not be able to participate in the simulation (and will likely have to re-purchase). If this is a financial burden, please let me know ASAP.¹ If you can't secure funding through personal or UNC sources, I can cover the cost via Venmo. If you do not purchase this by 3/27/25, you will receive a deduction for participation.

Section 002 (12:30PM): <https://hbsp.harvard.edu/import/1273195>

Section 003 (2:00PM): <https://hbsp.harvard.edu/import/1273196>

Section 004 (3:30PM): <https://hbsp.harvard.edu/import/1273197>

Supplemental materials: Again, to reduce the financial burden of this course, I will post as much content as I can on Canvas. Most of your supplemental readings will be found there. I have done everything I can to post as much as I can on Canvas (without violating copyright law).

It is important that you have completed the required readings thoroughly *before* class on the day shown in the schedule. We will not have time to talk about everything covered in readings in class, but I will often invite requests for questions on the reading material. This is a great time to air any specific questions you may have (others in the class may be lost as well) or at the very least you should feel free to ask questions during office hours about anything that you do not understand.

¹ The Melwani Belonging Fund, founded by UBP Associate Dean Shimul Melwani, provides financial assistance to undergraduate business students to help pay for textbooks, club dues, business attire, passports, technology, emergency items, etc. Students can apply for funds at go.unc.edu/MelwaniBelongingFund. For any questions, please email belonging@kenanflagler.unc.edu.

Class Participation and Attendance

One of the most important skills we will try to gain from this course is the ability to articulate analyses and ideas. Sometimes this will involve writing, but usually it will involve just discussing ideas. In order to train our mind to think like a manager, we have to maintain an intellectual discourse about the topics during our class sessions. There will often be no right answer, and it is almost assured that we will sometimes disagree, but that will only help us better construct arguments to substantiate our analyses. Class participation represents a relatively substantive portion of your grade as it one of the most important elements of the course. Here are ways to ensure you receive a quality participation grade:

- **Do the readings.** Maybe this will shock you, but the reality is many students do not come prepared to discuss readings. While this may work in “tools” classes (e.g., finance, accounting, etc.), it will act to the detriment of this class. A majority of this course is about thinking through ideas and articulating them well. In order to sharpen this skill, we have to hold good class discussions. Good class discussion cannot occur if people have not read the materials in advance.
- **Be in class.** If you’re not here, you can’t contribute much to class discussion. As a result, unexcused absences will result in a lower grade in the course. If you need to miss class for a predictable reason, please notify me at least 24 hours in advance so that I can make arrangements for any in-class exercises and so that you can obtain the materials distributed during the class. I will also appreciate advance notice if you know that you need to arrive late or leave early on a particular day.
- **Make quality contributions.** I am not as interested in the quantity of comments in class as I am in the quality of those comments. Indeed, I understand some students are simply less prone to talking and prefer to contribute in more meaningful ways. With that being said, do not be afraid to express your comments or opinions even if you think they might sound unconventional. Please note that this is the most significant portion of your participation grade.

Assignments

Goodlife Assignment: At its core, the study of ethics is the study of the good life. To start the semester, I will ask each of you to seriously reflect on your conception of the good life. Students will be required to submit a short note (12-point type, doubled spaced, 1-2 pages). The prompt is as follows: in your opinion, what value do humans undervalue the most? Why? Please try and make this meaningful for you. I am not grading your choice in value. This task will be graded on completion (e.g. did you do the assignment fully and with effort). There is no more information on Canvas – this is the assignment.

Podcast: In groups of 3 students, you will have the chance to record a mini-podcast about a) common practice within organizations that you believe is unethical or b) a common practice within organizations that is considered unethical but you think is morally acceptable. More information can be found on Canvas.

Midsemester Quiz: There will be a (non-collaborative) midsemester assessment during class hours. The assessment will consist of multiple-choice questions. It may cover information from the required readings, lectures, cases, exercises, and class discussions.

Organizational Audit: In the final project, you will take the concepts we learned about in class to provide an “ethical audit” of an organization in groups of 5 students. As part of this assignment, you will be required to describe basic details of the organization, identify likely points of ethical risk in the organization based on course content, describe how the organization currently handles these ethical risks, and describe design solutions that could minimize these risks. Your goal will be to design as “good” an organization as you can. More information can be found on Canvas.

Grading

Out of the 1000 total points:

If you earn at least 930 points (93%), you will receive an A.

If you earn at least 900 points (90%), you will receive a grade of at least an A-.

If you earn at least 800 points (80%), you will receive a grade of at least a B-.

If you earn at least 700 points (70%), you will receive a grade of at least a C-.

If you earn at least 600 points (60%), you will receive a grade of at least a D.

If you earn less than 300 points (< 60%), you will receive a grade of F.

<u>Assignment</u>	<u>Points</u>
Goodlife Assignment	15
Podcast	250
Quiz	320
Ethical Audit Project	250
Participation	165

Quiz Make-Ups and Reviewing Scores

NO make-up exams will be given after the exam date. If a student demonstrates and proves an *exceptional extenuating circumstance*, arrangements to take an exam early can be made IN ADVANCE of the actual exam date. You will coordinate with the head TA to find availability, which may be limited.

Because I have so many students, the quiz score review period is your only opportunity to review which answers you got right or wrong. I will have one review period (see syllabus). Please let me know, in advance, if you have a documented conflict and would still like to review your exam so we can coordinate an earlier time. After the review period, there will not be opportunities to review the exam.

Policy for Late Assignments

As in the business world, work must be received on time in order to receive full credit. If you are late on an assignment, your grade on that assignment will be reduced by 25% for each day it is late. You are always welcome to hand in an assignment before its due date if you know that you will be busy as the due date approaches. If you think that you will not be able to complete an assignment by the stated due date, please speak with me in advance to make alternative arrangements. My policy on late assignments will depend on the specific circumstances surrounding the problem, and thus may differ from student to student. Providing me with advance notice about a late assignment will *minimize* the penalty you receive on that assignment (as compared to providing me with no notice about the problem) but does not guarantee that there will be no penalty for turning the assignment in late.

Other Important Information

Technology Policy

During lecture, I ask that you not use your computer during our time together. I find it disconcerting to look up and see the impersonal back of a computer. I trust you understand. The same is true for cell phones and other electronic communication devices. Please make sure you turn these devices off or in silent mode before we begin class. I understand the temptation to multitask by using class time to catch-up on Snapchat, Reddit, or TikTok. But this is an unwise use of class time. Additionally, other students could be as distracted by your use of such devices as you are. **To protect the learning environment for you and your classmates, there is a “no-gadgets” policy during lectures and cases.** If you need to take/make an important call during class, please take that conversation outside of the classroom.

Of course, there are exceptions to this policy, such as during simulations and our exam. I will let you know when to bring laptops in advance.

Undergraduate Academic Code of Honor

This is an ethics class, and we both would like to avoid the irony associated with students cheating.

<https://nymag.com/intelligencer/2015/01/64-dartmouth-students-cheat-in-ethics-class.html>

Don't be a cheater. Let's not end up in the news.

It is your sole responsibility to be familiar with the honor code and associated policies -- see:

honor.unc.edu and instrument.unc.edu and <https://studentconduct.unc.edu/>

Use of Artificial Intelligence

I expect you will use AI (e.g., ChatGPT and image generation tools) in this class. Learning to use AI is an emerging skill. Practicing and honing this skill, is an added benefit from the class. Careful and creative use of these tools and discussions of how it can affect teamwork is encouraged.

Be aware of current limits of AI in generating content:

- If you provide minimum effort prompts, you will get low quality results. You will need to refine your prompts to get good outcomes.
- Don't trust anything AI produces. If it provides a number, fact, citations, or name, assume it is wrong unless you either know it to be accurate or can check with additional sources. You are responsible for any errors or omissions provided by the tool. It works best to enhance your ability to communicate on topics you understand.
- AI is a tool, but one that you need to acknowledge using. Please include at the end of assignments that utilized AI, a paragraph/footnote explaining how AI was used and describing relevant prompts. Failure to do so is a violation of the honor code.
- Be thoughtful about when this tool is useful. Don't use it if it isn't appropriate for the case or circumstances.

Accommodations

The priority of the UNC Office of Accessibility Resources & Services is to identify and eliminate barriers through consultation and partnership with faculty, staff, and students to support the University's commitment to an accessible environment. The office works with the MBA Program Office to develop reasonable accommodations and services to identify and address barriers that may limit a student's

ability to independently meet the numerous demands of University life. Services are available to all students who meet eligibility requirements. The accommodations and services are designed to address individual needs as well as developed to promote independent learning, while at the same time maintaining the integrity of the program. Students who seek reasonable accommodation for disabilities are required to identify themselves to the Accessibility Resources & Services office, whose staff will inform and work with the students about the process to become eligible to receive assistance. Students seeking a testing accommodation must also submit requests in writing to a member of the undergraduate Program Office staff so that they can coordinate this process with the Accessibility Office and arrange the appropriate accommodations in a timely and efficient manner. **Unless communicated prior, those taking the quiz through ARS should take it the same day as listed on the syllabus.** The Office of Accessibility Resources & Services is located on the second floor, Suite 2126, of SASB North, 450 Ridge Road, and is open 8:00am to 5:00pm Monday through Friday. The staff can be contacted by telephone at 919-962-8300 (V) 711 (T), by email at accessibility@unc.edu, or on the web at <http://accessibility.unc.edu/>.

Feedback and Questions

I am committed to making this course a valuable learning experience for you. After the first portion of the course, we will spend part of a class session evaluating our progress, and I will make any necessary changes to keep us on track. However, I welcome your feedback regarding the class at any time in the semester. Also, please feel free to ask questions as they arise.

Note about Office Hours: Please use them! Not only do they help me get to know each of you better, but I can often answer your questions much more thoroughly (and quickly) than by email.

I will of course respond to emails (within 24-48 hours). **Please feel free to ping me again if I do not respond for whatever reason.** For assignments, there is a 48-hour email rule, so please do not email me time-sensitive questions the day an assignment is due. I need up to 24 hours to respond to your email, and you need up to 24 hours to implement my suggestions. Email is best for quick questions. Anything that requires a detailed response is best asked during office hours.

Resources for harassment, violence, stalking and discrimination

Any student who is impacted by discrimination, harassment, interpersonal (relationship) violence, sexual violence, sexual exploitation, or stalking is encouraged to seek resources on campus or in the community. Reports can be made online to the EOC at <https://eoc.unc.edu/report-an-incident/>. Please contact the University's Title IX Coordinator (Elizabeth Hall, interim – titleixcoordinator@unc.edu), Report and Response Coordinators in the Equal Opportunity and Compliance Office (reportandresponse@unc.edu), Counseling and Psychological Services (confidential), or the Gender Violence Services Coordinators (gvsc@unc.edu; confidential) to discuss your specific needs. Additional resources are available at safe.unc.edu.

UNC Kenan-Flagler Wellness Statement

As a student, you may experience a range of challenges that can interfere with learning, such as strained relationships, increased anxiety, substance use, feeling down, difficulty concentrating and/or lack of motivation. These mental health concerns or stressful events may diminish your academic performance and/or reduce your ability to participate in daily activities.

Recognizing the signs and symptoms of mental or emotional health concerns can help you or others to seek care that can help. Here are some signs that may be reasons for concern:

1. Feeling hopelessness, worthlessness, depressed, angry or guilt
2. Withdrawal from friends, family, and activities that used to be fun
3. Changes in eating or sleeping patterns
4. Feeling tired or exhausted all of the time
5. Trouble concentrating, thinking, remembering or making decisions
6. Restlessness, irritability, agitation or anxious movements or behaviors
7. Neglect of personal care
8. Reckless or impulsive behaviors (e.g., drinking or using drugs excessively or being unsafe in other ways)
9. Persistent physical symptoms (e.g., headaches, digestive problems or chronic pain) that do not respond to routine treatment
10. Thoughts about death or suicide*

Do your best to take care of yourself and begin (or maintain) a healthy lifestyle this semester by eating well, exercising, maintaining a healthy and responsible relationship with alcohol and prescribed drugs, getting enough sleep and taking some time to relax. This will help you achieve your personal and academic goals and cope with stress effectively.

All of us benefit from support during times of struggle. There are many helpful resources available on campus and an important part of your academic experience is learning how to ask for help. Asking for support sooner rather than later can be the key to bouncing back and thriving through the remainder of the academic year.

If you or anyone you know experiences any academic stress, difficult life events, or feelings like anxiety or depression, we strongly encourage you to seek support. Please reach out to one of the following resources for support:

UNC Resources Angie Harris, Wellness Specialist UNC Kenan-Flagler Office: McColl 3124 Email: wellness@kenan-flagler.unc.edu Phone: 919-962-9315	Counseling and Psychological Services (CAPS) Location: James A. Taylor Building, 320 Emergency Room Dr. Office Hours Phone: 919-966-3658 (8:00a – 5:00p) After Hours Phone: 919-966-2281 Email: caps@unc.edu	National Crisis Hotlines National Suicide Prevention Lifeline: 1-800-273-8255 Crisis Text Line: Text 741741
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* If you or someone you know is experiencing thoughts about death or suicide, please reach out for assistance immediately. Please contact both CAPS and Angie. If you or the person you are concerned for is uncomfortable with speaking to someone in CAPS or with Angie, please reach out to one of the national crisis hotlines listed above immediately.

CLASS SCHEDULE

Date	Topic	Assignment Due	Required Readings Due	"Deep Cut" Readings (Optional)
5-Mar	Introduction		Syllabus (Canvas) + WSJ Business Schools (Canvas)	
17-Mar	Philosophical Approaches Part 1		80,000 hours – <u>Chapter 2</u> (Canvas)	Utilitarianism Chapter 1 + 2 (Canvas)
19-Mar	Philosophical Approaches Part 2	Goodlife Assignment Due Tomorrow Night	Uber Case (Canvas)	Kant Simplified Account (Canvas)
24-Mar	Markets			
26-Mar	Markets		What Money Can't Buy <u>Only Lecture 1</u> (Canvas)	Creating Shared Value (Canvas)
31-Mar	Behavioral Ethics Part 1	Podcast Due at 11:59PM	"Bountygate Case" (Canvas)	Behavioral Ethics - Bazerman (Canvas)
2-Apr	Behavioral Ethics Part 2		Ethical Breakdowns (Canvas); "Sexual Harassment in the Service Industry" (Canvas)	"Cover-ups" (Canvas)
7-Apr	QUIZ			
9-Apr	Pressure	<i>Sign up for group project due</i>	Wells Fargo Case (Coursepack)	Goals Gone Wild (Canvas)
14-Apr	Ethical Leadership	Bring your laptops - Simulation in Class (Optional) REVIEW QUIZ SCORES TONIGHT (5-7:30pm)	Listen or read Prologue and Act 1 (25 min total): https://www.thisamericanlife.org/451/back-to-penn-state	Growing up Penn State (Canvas)
16-Apr	Moral Conflict		Take MFQ-2 and bring results: https://yourmorals.org/ (you need to register an account, see below for more info)	The Organizational Apology (Canvas) "Think Again" Chapter 6 (Canvas)
21-Apr	Governance and Whistleblowing		Theranos Case (Canvas)	The psychology of whistleblowing (Canvas) \\\ Why Are Some Whistleblowers Vilified (Canvas)
23-Apr	Integration			
28-Apr	Project Workday	<u>Audit Due at date of final</u>		

Note that this schedule is tentative and may change at the instructor's discretion

For the MFQ2: You need to register an account. You can skip most of the demographic questions if you don't want to answer them. After you complete the MFQ2, hit "get PDF of my results" and bring your percentiles to class (i.e. percentiles for each foundation). You need your percentiles for each foundation.