

CIMBA  
Contemporary Topics in Management and Organization  
Law and Ethics  
Mgmt:07850:EX8  
Spring 2015

Course Dates: March 5 (9am-1pm), March 6 (9am-6pm) and March 7  
(9am-1pm)

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Class Webpage (Iowa Courses Online - **ICON**):  
<http://icon.uiowa.edu/index.shtml>

## **Introduction**

This course will have two overlapping foci: ethics and law. We will consider various ethical issues that arise in business and in the lives of individuals who participate in business activities. The readings that are specific to ethics are chosen to facilitate thoughtful discussion about a wide variety of ethical dilemmas. While most of the issues appear to clearly present themselves as ethical problems, there are issues that we will also consider that are more subtle and where we are less likely to arrive at a consensus response.

The law readings will offer not only some substantive legal rules but will encourage you to think about the rationale behind certain laws and the often competing priorities that are reflected by the choice of a specific legal outcome. We will explore the ways in which laws reflect, influence and maintain societal norms and ethical viewpoints.

A primary goal for the course is to encourage you to broadly consider the various interests and values that are at stake in most ethical **and** legal dilemmas. Rather than assume that a response to an ethical or legal problem is the **only** right response, you will be encouraged to focus on identifying the priorities are reflected in a particular response, what the effects of a particular response are likely to be, and what

other responses were possible. I will also encourage you to consider what the boundaries of a particular decision are: that is, if we change certain facts in a particular case, would the response change as well. For example, when you think about whether a company should pay for damages caused by its product, do you care to whom the damages are paid, e.g., the original consumer or a later buyer? Or, in the case of pharmaceuticals for instance, do you care if the injury occurs in the lifetime of the original patient or in later generations?

The purpose of this class is to enhance your problem solving skills and to give you more familiarity with certain aspects of law. I will not endeavor to prescribe an ethical code of conduct for you nor convince you that the U.S. way of responding is the only correct or even necessarily the best way to respond! The legal concepts presented are similar across most countries.

The legal discussions will focus on several areas of law that are important in the international arena: the legal system generally, contracts, torts, product liability, damages, sexual harassment. All of these areas of law are important in international business and all have strong ethical components. The primary readings will be from the U.S. but I will incorporate international cases as pertinent. In addition, you will be asked to find examples of ethical and legal issues in your local press. **I encourage you to send me cases or articles at any time!**

The first half day of class will be devoted to materials that are explicitly related to ethics, though some legal concepts may be introduced. The classes that follow will weave ethical considerations into the various topics of law that are included.

### **Class Format**

The course will emphasize class discussions **so your presence in class is important.** The discussion will focus on the assigned readings for the week as well as current events that might be reported in the media and available to everyone in the class.

It is possible, indeed probable, that we may look at additional readings especially as new cases come to light. If I do so I will post announcements on the class ICON site and send you an email.

## **Course Readings**

Assigned readings should be done before class on the dates indicated in the **Reading Assignment** section herein. I will integrate the readings into our discussions so you should come to class prepared to discuss the readings. To some extent, the pace at which the class progresses will depend on the quality and quantity of our discussion; i.e. it is possible that we will continue a discussion beyond the scheduled dates and so readings may continue to be discussed in the following class period. Again, any additional readings will be posted to ICON and announced in class.

## **Required Texts**

Various readings will be distributed or posted on the course *ICON* website. **Some of the readings are websites and a link to the same is provided on the course website. Please let me know at once if you encounter any problems with the links.**

## **Course Requirements and Evaluation Criteria**

### **Course Requirements**

Your grade for the course will be based on three requirements:

- (1) **Class Participation.** This requirement includes reading the assignments before class, considering the questions on the material which the Professor distributes and contributing to class discussions. Regular classroom attendance is expected. If you are going to miss a class, I expect to have notice at least 24 hours in advance. Since we only meet 3 times, class attendance is critical!
- (2) **Short Writing Assignments.** There will be a few short (1-2 pages) papers. **These should be typed using 12 pt font and single spaced.** BE SURE TO PUT YOUR NAME ON YOUR PAPERS. **All writing is to be individual work (except you may have someone read the paper to check grammar, spelling and prose style generally).** Do note that your paper will be graded both for substance and process, i.e. **how** it is written will matter as well as what you say in the paper.

**\*\*The following three SHORT papers are due at least one week prior to the first class period, i.e. no later than Thursday, February 26, 2015. YOU ARE CERTAINLY WELCOME TO TURN THE ASSIGNMENTS IN EARLIER. Please post your assignments under the appropriate drop-box folder on ICON. (Alternatively you may email the paper to me if you cannot access ICON.)** Please keep copies of your paper on your computer or saved in case of any error in uploading or in my receipt of the same.

(a) **PAPER ONE: This paper asks you to consider the term "ethics."** The first paper assignment gives you the opportunity to consider how a frequently used concept has applied in your own life. For this paper (approximately one to two pages in length), please include the following:

1. What does the term "ethics" mean to you generally and personally? I am not expecting a definition based necessarily on lofty academic terms but rather how you might explain to someone else what ethics means. **If you do use a definition from the web or a book or any source other than your own thoughts, please be sure to correctly and fully cite your sources.**
2. Identify a situation in your life in which ethics was an issue. It may or may not be a business situation. Describe the situation. Explain whether or not you feel the decision was ethical. If the decision or outcome was not ethical please explain what would have been necessary to have the outcome be one you considered ethical. How do you think the other person or people involved would have responded to this change?

(b) **PAPER TWO:** Find a current (within the last year) media story which presents what you believe to be an ethical issue. You can search such sources such as or the Wall Street Journal, International Herald Tribune, Financial Times, Corriere della Sera or one of your local or national papers. Your paper should (1) identify the ethical issue; (2) indicate what makes it an ethical issue, and (3) indicates what you believe should have been done to address the issue or whether you agree with what action was taken to address the issue. Please attach to your critique a copy of the story on which you rely or cite to a news story about the

event, i.e. where can I read about the event. While it would be great if the news story is in English, it certainly is not necessary.

**(c) PAPER THREE:** Please see the Kidney Allocation Exercise under the contracts materials. Please read the Kidney Exercise Information and briefly tell me which candidate you would select to receive the kidney. **This can be only a paragraph and it will not be graded but is a requirement and will count against you if you fail to turn it in.** This is not intended to reflect the actual process by which organ allocation is determined. It is an exercise in values and decision making in uncertainty.

- (3) **Final Exam/Paper. This paper is due no later than Sunday, March 15, 2015 at midnight.** You should post it in the appropriate drop box folder on ICON. Be sure to keep a copy of your work just in case it gets lost in cyberspace!

You will receive an essay question which will represent your final paper for the class. The question will be broad enough to allow you to reflect upon and include the readings and discussions we have in class. This will not be a question for which there is a "right or wrong" answer; instead, your grade will depend on your ability to explain your reasoning and offer a careful and thorough consideration of the various issues. **You will receive the question on Friday, March 6, 2015 so that you can ask questions about the same on Saturday, March 7, 2015.**

**\*\*PLEASE NOTE:** Unless I specifically and explicitly state otherwise, all writing assignments are to be individual projects and should be entirely your own work **except** that you may get assistance with grammar and writing style if necessary. If you have your paper read by someone else for the purpose of checking your grammar or style, please note the same at the end of your paper. This is for purposes of information and will not affect your grade.

**I will expect all sources to be correctly cited. If you are in doubt about when or what to source, err on the side of over citing! In general, if you quote, cite it. If you substantially take an idea from an article or any source, you must cite it. This website might be useful if you are unfamiliar with the**

**appropriate form(s) for citing or when you should cite.**

<http://www.library.georgetown.edu/guides/turabianfoot/>

I will retain the option of posting any and all papers to Turnitin.com, a website that checks for plagiarism or work that is similar to another source.

### **Course Evaluation, i.e. Grading!**

Class participation will count for 25% (25 points) of your grade. Each short paper will count for 15 points (45 points in total) and the final paper will count for 30 points. 90% and above will be in the A range, i.e. A-, A or A+, 80-89% will be in the B range.

### **Class Accommodations**

Please contact me as soon as possible if you have a disability or condition that may require some modification of seating, testing, or any other class requirement, so that appropriate arrangements can be made. If you have any emergency medical information about which I should know, or if you need special arrangements in the event the classroom must be evacuated, please let me know.

### **Academic Misconduct**

It is my sincere hope that no student in this class does work which is not his or her own. However, it seems prudent to clarify in advance the policy on cheating. If I determine that any written assignment is not written solely by the student whose name appears on the project and the original work is not cited, you will receive a "0" for the assignment and have your course grade lowered by at least one full letter grade. If I determine that the misconduct was particularly egregious, e.g., a sizable portion of the paper was copied, or if this is a second offense in the course or the MBA program, the student will receive a failing grade in the course. Moreover, a letter will be sent to the Dean of the School of Management.

The Honor Code for the Tippie College of Business will determine the appropriate appeal process.

<http://tippie.uiowa.edu/mbapm/honorcode/>

## **FIRST IN CLASS SESSION: Thursday, March 5, 2015.**

### **I. Introduction:**

- a. Class introductions: meeting each other.
- b. Introduce law course generally and overarching themes
  - i. What is the role of law?
  - ii. What are the goals of law?
  - iii. How does law answer the questions of who is responsible to whom, for what are they responsible and how much (remedy-wise) are they responsible?
- c. What is the difference between law and ethics?
- d. Is law a good standard by which to judge "ethical" behavior? Why or why not?
- e. Does law create or maintain values?

### **II. Ethics:**

#### **A. Consideration of the Ethical Decision-making Model.**

The Model will be in your course materials. We will apply the model to several cases.

(1) Ethical Decision-making model

#### **B. Ethical Issues from news stories.**

We will spend some time discussing some of the articles which you found in various newspapers.

#### **C. Consideration of some current ethical issues in business: (all readings on ICON)**

(1). "Connecting the Dots Between Leadership, Ethics and Corporate Culture," by James O'Toole (on ICON)

(2) Current ethical issues, e.g., failure to report malfunctions (GM), stealing documents and hacking computers and cell phones (News of the World), and issues raised by your articles.

#### **D. Intersection of Law and Ethics: Can Ethical Conduct be Legislated?**

(1) Is it ever ethical to break the law of the country or the rules of a corporation?

- a. "Whistle-blowers tell of cost of conscience" (**see ICON**)
- b. Whistle-blowers pdf (**see ICON**)
- c. "US wants Snowden Extradited" (**see ICON**)
- d. Americans Should thank Snowden (**see ICON**)

## **SECOND IN-CLASS SESSION: Friday, March 6, 2015**

- III. Intersection of Law and Ethics: Torts, Product Liability and Ethics.** We will begin with a general overview on tort law. Please see PowerPoint Slides on ICON.  
**\*\*Consider: How tort LAW reflects the ETHICS of society?**

Please read the following:

**A. Tort generally:** Law and remedies

**B. Privacy:** *Should job applicants have privacy in process? Should employees have privacy expectations?*

1. Facebook and privacy: Jobseekers Getting Asked for Facebook Password

- e. Employees sanctioned for public postings, e.g., on Facebook or Twitter.
- f. Should there be Protected Social Network Speech?

**C. Product Liability**

- 1. Hot Coffee Case
- 2. Reporting Product failures or warnings

**IV. Intersection of Law and Ethics: Some Issues in Contract Law.**

**A. General consideration of basic contract law principles.**

**\*\*Consider: How does contract law reflect ethical considerations?**

**B. What are the boundaries of contract law?**

- 1. Organ Contracts
- 2. Surrogacy Contracts
- 3. Substandard Work Conditions
- 4. Other?

**Read (on course website):**

- 1. "Thriving trade in body parts under scrutiny", MSNBC, March 10, 2004;



2. Illegal Harvesting and Sale of Body Parts, Tissue, and Organs- Dr. Frankenstein Would Have Been Proud (2006) <http://www.yourlawyer.com/articles/read/11533>
3. Opt-In Opt-Out Policies, *The New York Times*, September 2009.
4. Giving Life After Death Row, *the New York Times*, March 5, 2011.
5. A Lifesaving Legal Ruling On Organ Donation, Wall Street Journal, December 6, 2011 by Sally Satel.
6. "For Sale: Body Parts?" May 2, 2010

### **C. Kidney Allocation Exercise**

- a. See Kidney Case General Info (Kidney Case on ICON)
- b. Read Descriptions of Candidates for Kidney Allocation A-F. **Choose your candidate and be able to discuss your rationale. Turn this in to Professor the week before class starts.**

## **THIRD CLASS SESSION: March 7, 2015.**

### **V. Intersection of Law and Ethics: Achieving A Respectful Workplace**

#### **A. Sexual Harassment:**

1. *Jean Y. Jew v. University of Iowa* (**available on course website**)
2. Sexual Harassment Hypotheticals (**available on course website**)
3. U.S. Sexual Harassment Case Summaries (**available on course website**)