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## UNIT 1 Ethics, Values, and Social Responsibility in Business

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- 1. Thinking Ethically: A Framework for Moral Decision Making**, Manuel Velasquez et al., *Issues in Ethics*, Winter 1996  
Outlined here are key steps and five different approaches to dealing with moral issues and helping to resolve **ethical dilemmas**. 2
- 2. Business Ethics: Back to Basics**, William I. Sauser, Jr., *Society for Advancement of Management*, 2005  
William Sauser gives an eight-point action list for establishing a strong **ethical culture**. He also provides a decision checklist when **ethical dilemmas** loom. 5
- 3. Integrating Ethics into the Business Curriculum: The Northern Illinois University Initiative**, Linda J. Matuszewski, PhD, CPA and Pamela A. Smith, PhD, CPA, *Strategic Finance*, May 2008  
Both business and academic leaders have an interest in ensuring that the next generation of **managers** have a solid **ethics foundation**. 10
- 4. Building an Ethical Framework**, Thomas R. Krause and Paul J. Voss, *CRO*, May/June 2007  
The authors examine 10 questions that should be considered to build an **ethical framework** and to encourage an **ethical corporate culture**. 12
- 5. Moral Management Methodology/Mythology: Erroneous Ethical Equations**, Andrew Sikula, Sr., *Ethics & Behavior*, 19(3), 2009  
Understanding the falsity of certain common beliefs helps one to move toward better **business ethics** and a higher degree of **moral management**. 14
- 6. Create a Culture of Trust**, Noreen Kelly, *Leadership Excellence*, April 2008  
Noreen Kelly believes that leaders should take the responsibility for creating a culture of shared **values** and meaning, promoting **ethical behavior**, and looking after their **brand** and reputations. 20
- 7. Building Trust: How the Best Leaders Do It**, Stephen M. R. Covey, *Leadership Excellence*, January 2009  
Stephen Covey describes the importance of a **leader** to extend **trust**—not a blind trust but a smart trust with clear expectations and strong accountability. 22

The concepts in bold italics are developed in the article. For further expansion, please refer to the Topic Guide.

8. **The Ethical Employee**, Michele Compton, *WIB*, May/June 2007  
The article highlights the importance and ramifications of **management** taking time to make **ethics** a priority with **employees**. 24



## UNIT 2

### Ethical Issues and Dilemmas in the Workplace

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##### Part A. Employee Rights and Duties

9. **Employers Are Stung with a Hefty Price When Employees Suffer an Identity Theft**, Stephanie Shapson Peet, Esq., *Supervision*, July 1, 2008  
Stephanie Peet examines some of the **legal** background and consequences associated when **identity theft** occurs in the **workplace**. 28
10. **For Office Romance, the Secret's Out**, Sue Shellenbarger, *WallStreetJournal.com*, February 10, 2010  
The article discusses how **office romance** is coming out of the closet as well as reflecting the negative spillover effect it has on **co-workers**. 31
11. **Are You Too Family Friendly?**, Susan J. Wells, *HR Magazine*, October 2007  
As the proportion of single and childless workers increases, so do **complaints of unfairness in employees' benefits and policies**. 33

##### Part B. Organizational Misconduct and Crime

12. **High Rates of Misconduct at All Levels of Government**, Curtis C. Vershoor, CMA, *Strategic Finance*, July 2008  
The results of the National Government Ethics Survey (NGES) show that the high incidence of **ethical misconduct** can be found both in the public sector of business as well as in the governmental sector. 38
13. **Under Pressure, Teachers Tamper with Test Scores**, Trip Gabriel, *NewYorkTimes.com*, June 10, 2010  
Recent **scandals** illustrate the many ways, some subtle, that educators improperly boost students' test scores. 41
14. **When You're Most Vulnerable to Fraud**, Rob Johnson, *Wall Street Journal*, August 16, 2010  
Rob Johnson describes a sad situation for small businesses—when times are great—watch out, since this is the time when entrepreneurs are most vulnerable to **fraud**. 43

##### Part C. Sexual Treatment of Employees

15. **More Men Make Harassment Claims**, Dana Mattioli, *Wall Street Journal*, March 23, 2010  
Since the start of the recession, a growing number of **sexual harassment** complaints have come from men. 47

**Part D. Discriminatory and Prejudicial Practices**

- 16. Older Workers: Running to the Courthouse?**, Robert J. Grossman, *HR Magazine*, June 2008  
Robert Grossman reflects on the question: “Do greater numbers of baby boomers result in more **age discrimination suits?**” 49

**Part E. Downsizing of the Work Force**

- 17. Cost Reductions, Downsizing-related Layoffs, and HR Practices**, Franco Gandolfi, *SAM Advanced Management Journal*, Vol. 73, No. 3, Summer 2008  
When firms need to cut costs, too often they start **laying people off**. Layoffs, according to the author, should be the last resort, not the first, because of their widespread negative effects. 53

- 18. The Factory That Refused to Die**, Nanette Byrnes, *BusinessWeek*, August 3, 2009  
In an Ohio town with rampant **unemployment**, the mayor, the workers, and 12 local families fought to save Norwalk Furniture. 60

**Part F. Whistleblowing in the Organization**

- 19. Protecting the Whistleblower**, R. Scott Oswald and Jason Zuckerman, *CRO*, January/February 2008  
According to the authors, companies should fine-tune internal probes to make **whistleblowing** investigation more of an asset than a liability. 63

- 20. Whistleblowers Get a Raise**, Jesse Westbrook, *Bloomberg BusinessWeek*, August 2–August 8, 2010  
The Securities & Exchange Commission has asked Congress to increase **whistleblowing** bounties and expand its authority to reward tipsters for leads on other types of **misconduct** including **Ponzi schemes** and accounting **frauds**. 65

**Part G. Handling Ethical Dilemmas At Work**

- 21. The Parable of the Sadhu**, Bowen H. McCoy, *Harvard Business Review*, May/June 1997  
The parable presented in this reading has significance for managers as they encounter **ethical dilemmas** that involve merging the individual ethic (**personal values**) and the corporate ethic (**organizational values**) to make the best decisions within the **corporate culture**. Bowen McCoy stresses the importance of management agreeing on a process for dealing with dilemmas and **conflicts of interest**. 66

- 22. At Work, a Drug Dilemma**, Stephanie Simon, *Wall Street Journal*, August 3, 2010  
**Employers** are facing a **dilemma**: how should they deal with an employee who is caught using medical marijuana at work. 72

- 23. His Most Trusted Employee Was a Thief**, Shel Horowitz, *Business Ethics*, Winter 2005  
A situation is furnished where a trusted **employee embezzled** \$20,000 to pay for her child’s medical care. 74



## UNIT 3

### Business and Society: Contemporary Ethical, Social, and Environmental Issues

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#### Part A. Changing Perspectives In Business and Society

24. **Trust in the Marketplace**, John E. Richardson and Linnea Bernard McCord, McGraw-Hill/Dushkin, 2000  
The authors scrutinize the significance of companies being cognizant of the precarious nature and powerful advantages of gaining and maintaining trust with their **customers** in the **marketplace**. 78

#### Part B. Contemporary Ethical Issues

25. **Privacy and the Internet: Lives of Others**, *The Economist*, May 22, 2010  
Facebook and Google face a backlash, from **users** and **regulators** alike, over the way they have handled **sensitive data**. 81
26. **The New E-spying Threat**, Brian Grow, Keith Epstein, and Chi-Chu Tschang, *BusinessWeek*, April 21, 2008  
A *BusinessWeek* probe of rising attacks on America's most sensitive **computer networks** uncovers startling security gaps. 83

#### Part C. Global Ethics

27. **Emerging Lessons**, Madhubalan Viswanathan, José Antonio Rosa, and Julie A. Ruth, *Wall Street Journal*, October 20, 2008  
The authors delineate that for **multinational** companies, understanding the needs of poorer consumers can be both profitable and **socially responsible**. 92



## UNIT 4

### Ethics and Social Responsibility in the Marketplace

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#### Part A. Marketing Strategy and Ethics

28. **Honest Innovation**, Calvin L. Hodock, *Marketing Management*, March/April 2009  
**Ethics issues** in **new product development** could be stalling innovation growth. 98
29. **Serving Unfair Customers**, Leonard L. Berry and Kathleen Seiders, *Business Horizons*, 2008  
Companies commonly adapt "The customer is always right" maxim as a basic premise for delivery **quality service**. A close examination of **customer behavior**, however, reveals that customers can be not only wrong but also blatantly unjust. 102

**Part B. Ethical Practices in the Marketplace**

- 30. Swagland**, David Weddle, *Los Angeles Times Magazine*, January 16, 2005

Some **ethicists** argue that the proliferation of swag has undercut the integrity of the press and has blurred the lines between **advertising** and editorial and encouraged some publications to mislead their readership.

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## **UNIT 5**

### **Developing the Future Ethos and Social Responsibility of Business**

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- 31. Creating an Ethical Culture**, David Gebler, *Strategic Finance*, May 2006

David Gebler examines how **values-based ethics programs** can help **employees** judge right from wrong.

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- 32. Outside-the-Box Ethics**, Luis Ramos, *Leadership Excellence*, April 2009

Luis Ramos discusses five key characteristics of an **ethical culture**.

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- 33. Hiring Character**, Dana Telford and Adrian Gostick, *Sales & Marketing Management*, June 2005

In an excerpt from Dana Telford and Adrian Gostick's new book, *Integrity Works*, they present a look at business leader Warren Buffett's practice of hiring people based on their **integrity**.

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- 34. The Business Case for Diversity**, Adrienne Selko, *Industry Week*, September 2008

Far from being just another feel-good initiative, **diversity in the workplace** has become a competitive advantage for manufacturers.

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- 35. Managing Part-Time Employees**, Mark Rowh, *Office Solutions*, April 2008

Part-time employees are becoming more important to organizations than ever before. As such, they need to be treated with the respect they are due because they are an increasingly important part of their organization.

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- 36. Strategic Organizational Diversity: A Model?**, Frederick Tesch and Frederick Maidment, *The International Journal of Diversity in Organizations, Communities and Nations*, Vol. 8, No. 6, 2009

Contemporary organizations pursue diversity for many reasons—for example, economic, ethical, regulatory, legal, and social. Ideally, an organization's human diversity matches its strategic goals. Little attention has been given, however, to a theoretical basis for diversity as an organizational goal. Modigliani's theory of diversity in investments might provide a model for managing an organization's human diversity and reducing its business risks.

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<b>37. When Generations Collide</b> , Piper Fogg, <i>The Chronicle of Higher Education</i> , February 2007 There are now four generations in the workforce: Traditionalists; Baby Boomers; Generation X; and Generation Y. Getting them to work together can be a real challenge. This is especially true on university campuses.	<b>135</b>
<b>38. This Time It's Personal</b> , Karen Coomer, <i>The Safety and Health Practitioner</i> , 25(6), June 2007 The environment where employees work can have a marked impact on how they feel, their morale, and their ability to complete their work. This article explores some of the psychological reasons for this phenomenon.	<b>138</b>
<b>39. Multiple Choice</b> , Lori Chordas, <i>Best's Review</i> , March 2009 A one-size-fits-all approach to benefits is not going to work for a company with employees in different countries. Each nation and the employees in that nation will have different requirements and expectations. While the home office can provide general guidelines, the benefits required for employees in each country will be somewhat unique.	<b>141</b>
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