

17BB211-BUSINESS ETHICS AND CORPORATE GOVERNANCE

Course Description and Objective:

To discuss the theories of ethics and Corporate Governance and explain how they can be applied in various business situations, importance of ethics in conducting business. Corporate social responsibility and ethical dilemmas at work place and corporate governance – Codes and Laws.

Learning Outcomes

By the end of this course it is expected that the student will be able to:

1. Understand nature and objectives of ethics
2. Importance of ethics in conducting business
3. Ethical organization and its corporate code
4. Ethical issues in marketing
5. Corporate social responsibility and ethical dilemmas at work place
6. Corporate governance – Codes and Laws

UNIT-I

- 12 Hrs

Ethics- Nature of Ethics - Objectives of Ethics – Need - Business Ethics – Nature of Business Ethics – Relationship between ethics and business - The Utilitarian view – Separatist view – Integrated view of ethics – Stages of Ethical Consciousness.

Importance of Ethics in Business – Ethical theories – Meta ethics – Normative ethical theory –Theory of Justice – Theory of Rights – Ethics of Care – Law and Ethics - Trust and ethics – Suppliers, Customers, Employees Integrative Social Contact Theory – Hyper norms.

UNIT-II

- 15 Hrs

Ethical Organization and its corporate code – Characteristics of ethical organization - Corporate Moral Excellence – Stakeholders – Corporate Governance – Corporate Code – Implementation of Corporate Code.

Ethical issues in Marketing – Ethics in marketing strategy, Marketing Mix, Marketing Research - Ethical issues in Operations – Role of Operations Manager, Quality Control, Ethical Problems in operations - Ethical issues in Purchase – Role, Purchase Code of Ethics, Global Buyer-Supplier Relations - Ethical Issues in HRM – Principles of Ethical Hiring, Promotion, Equality of Opportunity, Ethics in remuneration and retrenchment – downsizing workforce - Ethical Issues in Finance – Ethics in Financial Markets – Investor protection measures –

Ethical responsibility towards competitors and business partners.

UNIT-III

- 12 Hrs

Corporate Social Responsibility – Historical perspective of CSR from Industrial Revolution to Social Activism – Stake Holders – Share Holders – Employees – Management – External Stake Holders – Consumers – Suppliers – Competitors – Creditors – Community – Corporation as a moral person – Corporate expectations of Society - Current CSR Practices of firms in India.

UNIT-IV

- 10 Hrs

Ethical Dilemmas at work place –Ethical dilemmas in decision making – power – authority – secrecy – confidentiality – trust and loyalty - Ethical Leadership – Managerial integrity and decision making.

UNIT-V

- 10 Hrs

Corporate Governance – Codes and Laws – Committees of Corporate Governance –Role and functions of Chairman and Managing Director – Role and functions of Committees – Audit Committee – Remuneration Committee – Nomination Committee – Cadbury committee – OECD committee – KM Birla committee on Corporate Governance.

Skill Development:

(These activities are only indicative, the Faculty member can innovate)

1. Students are expected to study any five CSR initiatives by Indian organizations and submit a report for the same.
2. A group assignment on “The relationship between Business houses and Society in Indian Context and relating the same with respect to the models studied.
3. Mini Project: Collect details of unethical practices by businesses in today’s context in the areas of Production, Marketing, HRM, and Financial services and make a report.
4. Case studies/Role plays related ethical issues in business with respect to Indian context.

Text Books:

1. Sadri – Business Ethics Concepts and Cases, TMH, 1998
2. Business Ethics and Corporate Governance – ICFAI Publications.

3. Business Ethics – An Indian Perspective by Francis, TMH 2010.

Reference Books:

1. R.C.Shekar - Ethical Choices in Business.
2. LaRue Tone Hosmer - The Ethics of Management , Universal books.
3. Ethics in Business & Corporate Governance by Mandat, TMH, 2010.