

Global Business Ethics and Social Responsibility

SUBMITTED BY: Knowledge@Wharton Summer Educator

SUBJECT(S): Management

GRADE LEVEL(S): 9, 10, 11, 12

≡ OVERVIEW:

This lesson introduces students to the idea of business ethics and social responsibility from a global perspective. The emphasis will be on unveiling the hidden costs of production and consumption and how students, as individuals, are implicated in this system. This lesson is the first of a four-lesson unit that will explore ethics and socially responsible behavior in the business world. It can be used as a launching point for studying social responsibility and ethics in a variety of ways.

≡ NBEA STANDARD(S):

- Management, V. Ethics And Social Responsibility

≡ RELATED ARTICLES:

- [“Volkswagen’s Smog-filled Scandal”](#)
- [“Thinking Ethically and Philosophically About the Decisions Companies Make”](#)
- [“The Global Climate Strike and How Business Is Responding in the Face of Activism”](#)
- [“The ‘Green’ Path from Corporate Social Responsibility to Brighter Earth Days”](#)
- [“Take 5: The Economic Impact of the Coronavirus”](#)
- [“South Sudan: Business Ethics Can Help the World’s Youngest Country”](#)
- [“Just Do It – But Ethically, Please”](#)
- [“Insights from the Fall of Aleppo”](#)

- “Fighting for Environmental Justice”
- “Career Insight: Thinking about Business Ethics in a Practical Way”
- “Career Insight: Serguei Netessine on the Importance of Thinking Globally”
- “Career Insight: 3 Honest Reflections from Foreign Policy Expert Susan Rice”

Common Core Standard(s):

- CCR Standard for Reading: Read closely to determine what the text says explicitly and make logical inferences from it; cite specific textual evidence when writing or speaking to support conclusions drawn from the text.
- CCR Standard for Reading: Determine central ideas or themes of a text and analyze their development; summarize the key supporting details and ideas.

Objectives/Purposes: To engage students in thinking about the social cost of production and its current and future roles in the business process. To encourage critical thinking on the information they gather. To encourage students to think about the ethical and custodial nature of leadership.

Other Resources/Materials:

The Story of Stuff: <http://www.youtube.com/storyofstuffproject#p/u/0/9GorqroigqM>

Activities:

1) Prepare students to watch the YouTube video: “The Story of Stuff” with the following questions in mind: (video 20 mins)

- a. Where am I located in the tale of this video?
- b. How can I be a part of the solution to the problems presented in the video?
- c. What businesses or products come to mind as you watch this video?
- d. What things were you surprised to learn about through the video?
- e. What might the consequences be if we did things differently?

2) Discuss with the students their reaction to the video and record their comments. Refer to the questions above. (12 mins)

3) Wrap up: (6 mins) Inform students that the video was chosen as an introduction to examining business ethics and social responsibility. From here, they will examine more specific cases of

these issues and their impending role as future workers and leaders, in addition to their current role as consumers. Before going further, the students should pair up or form small groups and work on defining the following terms: (5-7 mins)

- a. What are “ethics” (the rules and principles that define right and wrong behavior)?
- b. What does it mean to be “socially responsible”?

4) Report out: (7 mins) The teacher will write the students’ responses on newspaper print and encourage students to refine their answers based on others’ responses. Ask students how these two terms are related?

Tying It All Together: Inform students that the video was chosen as an introduction to examining business ethics and social responsibility. From here, they will examine more specific cases of these issues and their own impending role as future workers and leaders, in addition to their current role as consumers.

Practice Outside of the Classroom: Ask students to reflect on a product, business or industry practice that they appreciate. How does this product/business/industry practice make the community better?

What Worked and What I Would Do Differently: The students consistently enjoyed the “Story of Stuff” video. It packs a lot of information into one video, so there is much to talk about afterwards. Some teachers might want to focus the students’ attention towards a couple of particular ideas. The first time I showed the video, I gave the students questions to think about while they watched the video. In another showing, I did not include guiding questions beforehand, and relied on the students to talk about the things that struck them the most. In either case, the discussion that followed was quite good. Students often reported that they were feeling much more aware of issues than before. To my surprise, a number of students did not feel guilty about benefiting from cheap labor and the resources used abroad in the production of the goods they desired. In many cases, they felt that people in developing nations had simply made bad choices in taking low-wage jobs, rather than seeing the situation as exploitation.

Hence, it was important that I highlighted how their own livelihoods were affected in this process (loss of jobs) and how it was important for them to consider other choices. I also did not anticipate that students wouldn’t recognize the profit margin factor as the reason why companies produced so many goods abroad. They only focused on the discounted pricing aspect for themselves, without considering the huge profit margins embedded within these manufacturing choices. I used an example of a designer handbag maker that I had read about last year to broadly illustrate this point. I walked the students through an exercise of breaking down the

production cost of a \$300 handbag. They did a great job of identifying the various aspects involved with this, such as materials, advertising, personnel costs, transportation, packaging, etc.

Overall, the ethics and social responsibility lessons were my favorite because they helped students to look at the big picture of a capitalist economy, which is: making money. One student was startled when I told the class that with today's technology, medical diagnoses could be made by foreign doctors for a lower fee while they as patients still paid the same medical and insurance costs. The additional money pocketed in this arrangement becomes profit for insurance companies. Making these issues more personal really increased the students concerns about ethics and social responsibility.

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