

**MACQUARIE UNIVERSITY**



**MACQUARIE  
UNIVERSITY**

**STUDY GUIDE**

**SECOND SEMESTER, 2010**

**FACULTY OF BUSINESS AND ECONOMICS**

**DEPARTMENT OF BUSINESS LAW**

**UNIT: BUSL 204 -**

**BUSINESS ETHICS AND RISK MANAGEMENT**

**Macquarie University**  
**Department of Business Law**  
**Division of Law**

**BUSL 304 – Business Ethics and Risk Management**

**STUDY GUIDE**  
**Second Semester 2010**

**Credit Points: 3**  
**Unit Convenor: Julie Zetler**  
**Prerequisites: BUSL201 or BUSL250**

Students in this unit should read this subject outline carefully at the start of semester. It contains valuable information about the unit. If there are any queries please consult one of the teaching staff in the unit

**1. ABOUT THIS UNIT**

**Credit Points:** 3 Credit Points

**Unit rationale and description:**

Business ethics and risk management issues have become increasingly important and relevant to modern business practice in recent years. Practical examples of situations where appropriate business ethics and risk management procedures have been absent are readily available – high profile corporate collapses, debacles over public sector infrastructure initiatives, fraudulent conduct in the workplace and current concerns of management practices. Resulting government interventions have been controversial and issues of public accountability present new challenges for business managers in the workplace.

This unit is designed to give students an understanding of the fundamental principles of business ethics and risk management, which will involve both technical and practical considerations.

We will be primarily examining Financial, Occupational Health and Safety and Environmental risk management issues.

**2. TEACHING STAFF AND ADMINISTRATIVE STAFF**

**Course Convenor and Lecturer**

Julie Zetler  
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Consultation Hours: Thursday 1.30 – 2.30pm

**Administrative Staff**

Alma Urbiztondo  
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Telephone No. (02) 9850 8452  
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**3. CLASSES AND STUDY TIMES**

- Classes consist of one 1 x 2-hour lecture and 1 hour tutorial

- Weekly attendance of classes is compulsory.
- The timetable can be found on the University web site at: <http://www.timetables.mq.edu.au/>
- Lecture class is held on Thursday 9 to 11 in E6A room 131

**NOTE:**

**Lectures start on Thursday 5<sup>th</sup> August**

**4. REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS**

**Required Text:**

Andrew Crane & Dirk Matten, *Business Ethics* (2010), Oxford

**Recommended Text:**

Alan R. Andreasen (Ed), *Ethics in Social Marketing* (2001), Georgetown University Press, USA.

Jordan Belfort, *The Wolf of Wall Street* (2007), Hachett Australia Press

Marvin Brown, *Corporate Integrity* (2005), Cambridge University Press.

Dexter Dunphy, Andrew Griffiths, Suzanne Benn, *Organizational Change for Corporate Sustainability* (2<sup>nd</sup> Ed, 2007) Routledge Publications

Damian Grace, Stephen Cohen, *Business Ethics* (3<sup>rd</sup> Ed, 2005), Oxford University Press.

CCH, *Planning Occupational Health & Safety* (8<sup>th</sup> Ed, 2009), Australia

Andrew Hopkins, *Safety, Culture and Risk* (2005), CCH

Andrew Hopkins, *Failure to Learn* (2008), CCH

Andrew Hopkins, *Lessons from Longford* (2008), CCH

Andrew Hopkins, *Lessons from Gretley* (2007), CCH

John Farrar, *Corporate Governance* (2<sup>nd</sup> Ed, 2006), Oxford University Press

Ragnar Lofstedt, Asa Boholm (Ed), *Risk* (2009) Earthscan Publications

Joe Isaacs, Russell Lansbury, *Labour Market Deregulation* (2005), Federation Press

Paul McCarthy, Jane Rylance, Robin Bennett, Helga Zimmermann, *Bullying* (2<sup>nd</sup> Ed, 2001), Federation Press

Greg Pynt, *Australian Insurance Law* (2008) LexisNexis Butterworths

Jonathan Reuvid, *The Sustainable Enterprise* (2<sup>nd</sup> Ed, 2006), Simmons & Simmons, Kogan Page Limited.

Rick Sarre, Tim Prenzler, *The Law of Private Securities in Australia* (2<sup>nd</sup> Ed, 2009) Thomson LawBook Co.

Anne Summers, *The End of Equity* (2003), Random House Press

Anne-Marie Spanolo, *The Ethical Investor* (2007) Penguin Books

P Thew, K Eastman, J Bourke (Co-authors), *Age Discrimination: Migrating Risk in the Workplace* (2005), CCH

Walmsley, Abadee, Zipser, *Professional Liability in Australia* (2002), Thomas LawBook Co.

## 5. UNIT WEB PAGE

The web page for this unit can be found at: <http://online.mq.edu.au/pub/BUSL204/>, or via the Macquarie University website under On Line Teaching Facility. You will need to login under your MUOTF login which will require a number and password. You will then be directed to the BUSL204 website where you will find icons including – Outline, Resources, Assessment, Marking guide, Lecture areas, Seminar areas, Lecture slides, Self-help, and Tutorial – Legal Information Skills.

## 6. LEARNING OBJECTIVES AND OUTCOMES

The objectives of this unit are to:

- Identify and examine the nature and importance of issues concerning business ethics and risk management in a commercial context;
- Apply current practical concerns addressing business ethics and risk management to modern business practices, in particular in relation to decision-making processes;
- Identify how considerations of law and ethics can be applied to meet the everchanging demands present in the work place; and
- Enable students to appreciate that actions which may be legally permissible are not necessarily “morally” or “ethically” right.
- To build upon and reinforce student knowledge gained in core subject areas in Business Law

In addition to the discipline-based objectives, all academic programs at Macquarie seek to develop students’ generic skills in a range of areas. One of the aims of this unit is that students develop their skills in the following:

### **Communication skills – written and oral, by:-**

- Participation in class discussions
- Expressing relevant views and opinions
- Communicating with people from various background/countries/cultures
- Writing one assignment and exam questions

### **Self-awareness – through:-**

- Self discipline and time management skills
- Identifying and setting targets
- Actively participating in class discussions and debate
- Reading current newspapers and magazine articles
- Listening to diverse opinions and views by other class members

### **Critical analysis skills – through:-**

- Participating in class discussions and debate
- Reading current media reports and reporting back to class
- Researching in preparation for written assessment assignment
- Analysing legal case studies in class and via the exam process

## 7. Teaching and Learning Strategy

The classes will be a combination of lectures and tutorial discussion. As assessment includes a written assignment and participation based on class discussions, students will be expected to complete required reading (including current newspapers) and contribute to class discussion.

## Lecture Timetable

Seminar Dates	Week Number	Topic Title	Assessment
August 5	1	Introduction to Business Ethics and Risk Management	Student presentation topic areas 'Lessons from Enron'
August 12	2	Business Ethics	'Lessons from Enron'
August 19	3	Business Ethics	'Capitalism: A Love Story'
August 26	4	Risk Management	Financial/OHS & Environmental
September 2	5	Professional Liability/Guest Lecture	Student Presentation, scenario question p10 (text)
September 9	6	Public Accountability	Student Presentation, scenario question p12
September 16	7	Fraud and Offences of Dishonesty	Student Presentation, scenario question pp39-42 <i>Assignment due</i>
September 17	RECESS	RECESS	RECESS
October 5	RECESS	RECESS	RECESS
October 7	8	Unconscionable Conduct under the Trade Practices Act	Making decisions in business ethics scenario question pp146-147
October 14	9	Whistleblowing	Student Presentation, scenario question pp254-256
October 21	10	Governance Issues and Initiatives	Student Presentation, scenario question p308
October 28	11	Corporate Social Responsibility	Student Presentation, scenario question, Wal-Mart: The High Cost of Low Price video, pp204-205
November 4	12	Revision	<u>Revision</u>
November 11	13	Class Test	CLASS TEST During lecture time 9-11am in lecture room, closed book

**Please note:**

because this is a new subject for Business Law the lecture topic area *may* be subject to change. Lecture material will be available on a week-by-week basis.

## Tutorial Topic Areas

Students (Groups) will be required to pick one topic for their case study and presentation from the following areas:

- White collar crime
- Ethical investment
- Environmental risk management
- Financial risk management

- **The Glenbrook case study**
- **The Sustainable Enterprise**
- **Lessons from Longford**
- **Lessons from Gretley**
- **The BP Texas City Refinery Disaster**
- **Collapse of Financial Houses**
- **Enron**
- **Corporate integrity**
- **The Pharmaceutical Industry**
- **Women in the workplace**
- **The Biotechnology Industry**
- **Outsourcing Issues**
- **Other relevant topic (must discuss with lecturer)**

## 7. RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

The assessment (described in detail below) adopted in this unit will evaluate the extent that students achieve the learning outcomes (as stated above), namely, developing a basic understanding about:-

- The development of our business ethics and risk management, its origins and enforcement (class seminars, case study, class presentations, class participation)
- The role of business ethics and risk management in Australia and globally (class presentation, case study, class participation and class test question)
- The principal rules that will apply to business ethics and risk management and their application to different types of businesses (case study, presentation, class test)
- The identification and analysis of the legal aspects of particular case studies relevant to business ethics and risk management (class presentation, case study, class participation and class test).

## 8. ASSESSMENT

<b>Preparation, class attendance and class participation</b>	<b>10%</b>
<b>Class case study assignment</b>	<b>20%</b>
<b>Class Presentation</b>	<b>10%</b>
<b>Final examination</b>	<b>60%</b>

All assignments must be footnoted and have a comprehensive bibliography.

*Assignments must also have a cover sheet (see end of study guide). Assignments without coversheets will not be marked and returned to the student with a zero mark.*

## 9. ASSESSMENT DETAILS

### **Preparation, Class Attendance and Class Participation** **10%**

- Attendance is required for all students and a roll will be taken at each class.
- Students are expected to do the required readings or research, prepare for and participate in class discussions
- Criteria upon which class participation is to be assessed are: frequency of active participation, attitude towards participation, following through on current topics/debates, and quality of participation.

1. **Excellent performance (8 marks or above out of 10 marks):** details on Blackboard unit website

2. **Very good performance (7 marks out of 10 marks):** details on Blackboard unit website
3. **Good performance (6 marks out of 20 marks):** details on Blackboard unit website
4. **Satisfactory performance (5 marks out of 10 marks):** details on Blackboard unit website
5. **Poor performance (0-4 marks out of 10 marks):** failing to achieve the minimum requirements for satisfactory performance (see detailed explanations provided on Blackboard unit website)

<b>Class Case Study Assignment – 20%</b>
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Student's will be required to form a study group of no more than 3 people for this assessment. This is a 'case study' written assignment question that will be given to students in the second week of semester.

- Each group assignment must have a length of up to **1,000 words** (not including footnotes and biography). For penalties for failure to comply with word length please see Blackboard unit website for details.
- Assignment **must include a word count** at the end of the assignment
- Students must hand in the case study assignment by **7pm on 16<sup>th</sup> September 2010** to:  
**B.E.S.S. – Business & Economics Student Services** (formally ERIC), **E4B 106.**  
**Opening Hours – 9am – 7.30pm.**
- Late submissions will be **penalised at 5%** of the marks for each day late. See details Blackboard unit website
- Submissions made on the due date but after 7.25pm is considered as one day late. Late submissions made after **18<sup>th</sup> September, 2010** will not be accepted
- It is your responsibility to photocopy the **cover sheet** and attach it to the front of your assignment. Assignments without coversheet will not be marked and will be returned to the student with a zero mark.
- Handwritten assignments will not be accepted. All assignments must be typed, in A4 sized white paper, in the following format: **Font size: 12 points**; Font: Times New Roman; Spacing: one-and-a-half-line.
- **Referencing:** All assignments must have: - Referencing by **footnotes** (NOT endnotes or in-text referencing); and detailed bibliography of ALL source materials. For further information about referencing refer to the subject WebCT.
- **Plagiarism**, inadequate, negligent or misleading referencing will result in a zero mark and possible disciplinary action.

The assignment is **researched based**. Students will not be able to rely simply on the required and/or recommended reading materials for classes. Students are expected to conduct a research, provide his/her own reasoned answers, which will demonstrate that he/she has thought about the task and not merely paraphrased materials. Be aware of the **standard** of your references when using the net (for example: References to Wikipedia or blogs as primary source is unacceptable at this level).

**Criteria for assessment are:** - student's knowledge and understanding about the topics covered in the unit prior to the test concerned. It will also take into account student's own research into the area.

1. **Excellent performance ( 18 or above out of 20 marks):** detailed explanations of minimum requirements provided see Blackboard site of unit.
2. **Very good performance ( 17-15 out of 20 marks):** See Blackboard website for detailed explanations.
3. **Good performance ( 14-12 out of 20 marks):** see Blackboard webpage for detailed explanations
4. **Satisfactory performance ( 11-10 out of 20 marks):** see Blackboard webpage for detailed explanation

5. **Poor performance (0-9 out of 20 marks):** see Blackboard webpage for detailed explanations.

Failing to achieve the minimum requirements for satisfactory performance - see Blackboard unit website.

The above are not definitive statements about marking and are not to be used as a basis for disputing marks of any of the assessment.

<b>Class Presentation</b>	<b>10%</b>
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- Student's will be allocated to a group in the first seminar (no more than 3 people).
- The group will pick a topic area (from the list) and present to the class an analysis of the subject matter
- The presentation will be in the form of a short summary (to be handed to other student's and lecturer in the class, no more than 500 words) plus a verbal presentation
- The presentation will be at least 15-20 minutes long
- It can include slides, powerpoint, artwork, cartoons or any other appropriate media method
- The presentation must not just be a summary of facts
- Students will be required to ask questions and go into depth with their presentation
- Each student within the group is expected to contribute fairly to the presentation
- Marks will be awarded to the group (in most cases)
- Students presenting will be expected to include a class evaluation sheet as part of its presentation package

**Criteria for assessment are:** - student's knowledge and understanding about the topics covered in the unit prior to the test concerned. It will also take into account student's own research into the area.

6. **Excellent performance ( 8 or above out of 10 marks):** detailed explanations of minimum requirements provided see Blackboard site of unit.
7. **Very good performance ( 7 out of 10 marks):** See Blackboard website for detailed explanations.
8. **Good performance ( 6 out of 10 marks):** see Blackboard webpage for detailed explanations
9. **Satisfactory performance ( 5 out of 10 marks):** see Blackboard webpage for detailed explanation
10. **Poor performance (0-4 out of 10 marks):** see Blackboard webpage for detailed explanations.

Failing to achieve the minimum requirements for satisfactory performance - see Blackboard unit website.

The above are not definitive statements about marking and are not to be used as a basis for disputing marks of any of the assessment.

<b>Class Test –</b>	<b>60%</b>	<b>11<sup>th</sup> November 2010</b>
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This assessment task will consist of **two scenario type questions**, each question is worth 30 marks and will be held at the end of semester. It is closed book and will be conducted during the lecture time (11<sup>th</sup> November 2010, start at 8.50 – 10.50am (complete) ).

- Students are reminded the **class test** will be based on the topics covered in the course. The test is closed book
- Students will be required to satisfy this assessment requirement (obtain a pass mark, satisfactory performance) in order to pass this subject

## 10 ASSESSMENT CRITERIA

The case study assignment will be marked according to the following criteria for assessment. Not all the criteria are of equal importance. They are not definitive statements about marking and are not to be used as a basis for disputing an assignment/exam result.

- **Content:** - covers all the relevant and important points; Does not include irrelevant material (sticks to the point); Well-defined approach to the topic; Provides a structured argument (introduction, middle and conclusion); Shows a basic understanding of the material; Includes relevant legislation and case law examples; Is not merely descriptive in nature; Is properly referenced.

**This is very important and will attract a large portion of your marks.** You will need to show that you understand the basic material. This means that you should demonstrate that you have an accurate knowledge of the laws and/or legal issues and broader context within which such laws operate. It is important that you show your understanding of the material by selecting what is relevant to the question and not just summarising the materials on the topic. Comprehensive and detailed answers will be rewarded. If you quote or paraphrase large amounts of material or include large amounts of irrelevant material, you will lose marks. Remember that if the assignment task asks you a question you must make sure that you answer the question and support your view.

- **Reflective skills:** - Quality and depth of reflection on materials in the subject in light of the question; Material analysed and not copied; full discussion and critique the issues; Selective use of material relevant to the question.

This is important and will attract a high proportion of the marks. The material should be chosen thoughtfully to answer the question. You should discuss the key issues and provide considered analysis of the issues relevant to the question.

- **Arguments:** - Logical and well organised arguments; Clear exposition of the issues; An acknowledgement of other peoples ideas and work.

This is extremely important and will attract a high proportion of the marks. Your arguments should be well-organised and provide evidence to fully develop and support them. Logically developed, clear, well-reasoned and coherent arguments will be rewarded. Do not seek to be complex at the expense of clarity. You should provide a well-reasoned conclusion. You should not make assertions unsupported by evidence or argument. Unsubstantiated statements will cause you to lose marks.

- **Structure and presentation:** - Clarity and conciseness of expression; Considered theme; Smooth flow of arguments; Coherence between different parts/selections of the assignment; Presentation; Interesting and engaging to the reader; Use of correct terminology.

Clear expression, consistent theme, smooth flow of arguments, coherence in the assignment and good presentation will assist communication of ideas. Clear expression also shows that you understand the material. You will lose marks if your expression is poor or you present the issue/points in such a way that your arguments become confused or blurred. You will also lose marks for inaccurate use of terminology. It demonstrates that you do not know what you are really talking about

- **Synthesis/innovation:** - Originality of ideas; application of theory and ideas to issues discussed.

This is required in order to achieve excellent results. You will need to demonstrate individual thought on the topic and a deep and sophisticated understanding of the relevant law/legal issues and the way the system operates. You may do this by drawing upon and synthesizing ideas from a range of different

sources. This is not a definitive statement about marking and is not to be used as a basis for disputing an examination result.

**Legal Reference Requirements** - It is a requirement that all submitted work (assignments) are adequately referenced (see subject website for examples and includes footnotes and bibliography). This will ensure the integrity of your work. If student's do not reference or adequately reference their material there may be loss of marks and/or disciplinary consequences. Student's may wish to refer to numerous legal referencing texts and guides available through the library or online.

## **11. PLAGIARISM**

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism.

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Disciplinary Committee.

## **16. DETERMINATION OF OVERALL GRADING**

You will be given a numerical mark (or a grade signifying a range of numerical marks) for each of your assessment tasks. Your final grade will be determined having regard to your results in each of the assessment tasks subject to any requirements, procedures or practices (including scaling) relevant to the unit

Grade categories (HD,D,C,P,PC and F) are explained in the Handbook of Undergraduate Studies. Knowledge of how the law operates, the ability to analyse the relevant issues and class room participation are key determinates of your performance in this subject.

To investigate the nature of legal disputes including the litigation process, and its application in a business context

## **17. RIGHTS AND RESPONSIBILITIES OF STUDENTS**

Students have the responsibility to:

- Be aware that the major objective of assessment is to aid learning rather than the achievement of grades
- Be informed of the rules and requirements for progression in the degree program, ensuring that they are fully aware of the advice implications of discontinuation or withdrawal from a unit of study
- Be aware of, and abide by, the assessment policies including academic honesty and the consequences for acts of dishonesty that include cheating, collusion, plagiarism and fraud
- Be aware of the means for seeking assistance in the department, faculty and institution
- Behave ethically and responsibly in their conduct of assessment tasks and avoid any action that would unfairly disadvantage or advantage another student
- Use assessment to engage in critical self evaluation in terms of their progress towards the espoused learning expectations
- Submit work on time, ensuring that it is their own except when shared ownership is part of the task
- Notify staff as soon as possible if difficulties arise in terms of substantial absences and submit an application for Special Consideration with the appropriate documentation
- Be aware of mechanisms for appeal

## **18. STUDENT SUPPORT SERVICES**

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.mq.edu.au/studyskillssupport>

