

'Fundamentals of Canadian Business Law and Ethics'
(AP/ADMS 3060 3.0)
Internationally Educated Professionals (IEP) Program
(Note: Subject to Further Revision)

Faculty of Liberal Arts and Professional Studies
School of Administrative Studies
York University
Fall 2013

**Course Directors: Robert Levine (Business Law - Classroom) and
Mark Schwartz (Business Ethics - Online)**

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Business Law Component Classroom: TBA

Business Ethics Component (Online): Moodle Course Website: Please go to
<https://moodle.yorku.ca/> to log in to Moodle course website.

Required Texts: For the first half of the course ("Business Law") the required text is: *Fundamentals of Canadian Business Law*, (2008) 2nd Edition, J.A. Willes & J.H. Willes, McGraw-Hill Ryerson ("Textbook"). For the second half of the course ("Business Ethics"), there will be a course kit with a selection of readings and cases. Both will be available at the York University Bookstore.

There may also be supplemental readings posted on the course website throughout the semester.

Important Date: November 8th, 2013
Last date to drop course without receiving a grade.

MID-TERM EXAM: TBA

MAKE UP TEST: Location TBA

NOTE ON MAKE UP TEST:

This make-up mid-term exam is **ONLY** for students who missed the mid-term for an urgent and valid reason. Students must advise the instructor within two days of having missed the mid-term exam and must provide a completed "Attending Physician's Statement"
http://www.yorku.ca/grads/forms/NEW/attending_physician_statement.pdf
which must include the name and phone number of a contact person who can verify the reason for absence. Students who fail to take either the mid-term or the make-up mid-term test will receive a grade of 0 on that test, with no exceptions.

Fundamentals of Canadian Business Law and Ethics
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Course Outline

Course Description: This course is intended to provide students with the basic legal and ethical principles and frameworks that are necessary when one is operating within a business context. The course is designed to essentially combine the most critical components of two typical undergraduate business courses, one in “Business Law”, the other in “Business Ethics”. The “Business Law” component of the course, covered during the first half, will introduce students to the fundamental building blocks of business law, contracts and torts (e.g., negligence). This will be followed by a discussion of the legal aspects of the different forms of business organization including: sole proprietorships; partnerships; and corporations. Other important areas of business law to be covered include: employment law; consumer law; competition law; environmental law; bailment; real estate law (including mortgages); as well as intellectual property. The course is not designed to turn students into lawyers, but to provide them with the basic knowledge and understanding of legal principles so that they are more fully aware of the legal implications of their actions in business and can more easily navigate within the Canadian legal system.

The second half of the course (“Business Ethics”) introduces students to the relevance and importance of ethics and social responsibility in business. Important learning objectives are to increase students’ awareness and understanding of ethical issues in business, and to provide students with useful conceptual tools to guide analysis and decisions. The ultimate intent of the course is to leave students better equipped to identify, think critically about, and resolve ethical issues that are encountered in one’s working life at the individual, organizational, and societal levels. The course will apply various conceptual tools and ethical frameworks to the treatment by business of their various stakeholder groups including: shareholders; employees; and consumers. The course concludes with a discussion of how companies can better establish ethical corporate cultures (e.g., compliance and ethics programs).

Course Learning Objectives:

The primary learning objectives of this course are as follows:

- a. To have a basic understanding of the key legal concepts and principles that relate to business activity, whether as an owner, professional, employee, manager, executive, or director.
- b. To become more aware of the legal implications that can arise while engaged in business activity in order to know when to engage the assistance of a lawyer, as well as how to be a more informed and knowledgeable legal client.
- c. To enhance awareness and increase understanding of the nature of business ethics and corporate social responsibility in the Canadian as well as global business environment.
- d. To develop critical ethical decision-making skills via the application of concepts and ethical theories to business cases.

Course Relevance

The course is required for all students admitted to the Bridging Program for Internationally Educated Professionals in Business Finance and Administration and is one of the two core courses in the Foundation Skill's segment of the program. Students must successfully complete this course to continue to the specialized skills segment of the bridging program which is comprised of upper level (i.e., 3000 and 4000 level) courses in the BAS, BAS-ITEC programs.

Student Assignments and Grading:

Assignment	Grade Weight	Due Date
1) Business Law Mid-Term Exam	60%	TBA
2) Business Ethics Case Analysis Assignment	40%	Posted: Friday, November 29 th Due: Monday, December 9 th , 3:00 pm
<i>TOTAL</i>	100%	

Mid-Term: The Mid-term Examination will cover materials discussed during Sessions 1 through 6 of the course ("Business Law"). The Mid-term Examination will take place during session 7 and will consist of a series of multiple choice questions, true/false, short answer, and/or case analysis questions. The mid-term exam is an open-book exam. Not all materials are permitted however, only your business law textbook and class notes can be brought to the mid-term. You

are also entitled to bring a print (not electronic) dictionary into the exam, to assist in translation.

Final Assignment. The Final Assignment will cover sessions 8-12 of the course (“Business Ethics”) and will consist of an ethical case analysis utilizing the frameworks and other materials (cases and readings) from the business ethics component of the course.

Class Expectations and Participation

In general, the readings each week for the course will be quite heavy, but it is important that you take the time to do the readings and not fall behind. This will help with one’s understanding of the material presented during the lectures. It is also important to read all the assigned cases beforehand so you will be prepared to discuss them in class.

Much of the learning from the course comes from the analysis and discussion of the material. You are expected to be prepared to provide thoughtful contributions in class to advance our understanding. While class participation is not formally evaluated, attendance is required and failure to attend could affect one’s final grade. Absences should occur only under exceptional circumstances and should be discussed with the instructor.

**“FUNDAMENTALS OF CANADIAN BUSINESS LAW AND ETHICS”
AP/ADMS 3060 3.00**

PART ONE: INTRODUCTION, CONTRACTS and TORTS		
Session/Dates	Topics Covered	Readings and Cases
Session 1 Introduction Sept. 11th or 12th	Course Content, Nature and Sources of Law, The Canadian Constitution, The Charter of Rights and Freedoms, Judicial System, Court Procedure, Administrative Tribunals, Alternative Dispute Resolution (ADR), the Legal Profession	<i>Readings</i> (Textbook): <ul style="list-style-type: none"> • Ch. 1 (pp.1-28) <i>Cases</i> : <ul style="list-style-type: none"> • No Assigned Cases
Session 2 Contracts Sept. 18th or 19th	Elements of a Valid Contract, Intention, Offer and Acceptance, Consideration, Capacity, Legality, Form and Writing, Mistake, Misrepresentation, Undue Influence, Duress, Assignment, Performance, Breach, Remedies for Breach	<i>Readings</i> (Textbook): <ul style="list-style-type: none"> • Ch. 3 (pp.62-94); • Ch. 4 (pp.100-126); • Ch. 5 (pp.131-157). <i>Cases</i> : <ul style="list-style-type: none"> • Ch. 3, Case 1 (p.96); • Ch. 4, Case 3 (p.128); • Ch. 5, Case 1 (p.159)
Session 3 Torts Sept. 25th or 26th	Intentional Torts, Assault and Battery, False Imprisonment, Defamation, Trespass, Nuisance, Negligence, Professional Negligence, Defences and Remedies	<i>Readings</i> (Textbook): <ul style="list-style-type: none"> • Ch. 2 (pp.29-56). <i>Cases</i> : <ul style="list-style-type: none"> • Ch. 2, Case 1 (p.58); Case 5 (p.59)

PART TWO: BUSINESS ORGANIZATIONS		
Session 4 Forms of Business Organization Oct. 2nd or 3rd	Sole Proprietorships, Agency Relationship, Partnerships, Nature of a Corporation, Duties and Liability of Directors, Shareholders' Rights, Securities Regulation	<i>Readings:</i> (Textbook) <ul style="list-style-type: none"> • Ch. 6 (pp.163-186); • Ch. 7 (pp.193-215). <i>Cases:</i> <ul style="list-style-type: none"> • Ch. 6, Case 4 (pp.190-191); • Ch. 7, Case 2 (p.218)
PART THREE: BUSINESS RELATIONSHIPS		
Session 5 Stakeholder Law Oct. 9th or 10th	Employment law, Consumer Protection, Competition law, Environmental law	<i>Readings</i> (Textbook): <ul style="list-style-type: none"> • Ch. 8 (pp.221-244); • Ch. 9 (pp.251-273); • Ch. 15 (pp.415-435) <i>Cases:</i> <ul style="list-style-type: none"> • Ch. 8, Case 2 (p.247); • Ch. 9, Case 1 (p.276); • Ch. 15, Case 3 (p.439)
Session 6 Property Law Oct. 16th or 17th	Bailment, Interests in Property, Land Transactions, Leasehold Interests, the Law of Mortgages, Intellectual Property	<i>Readings</i> (Textbook) <ul style="list-style-type: none"> • Ch. 12 (pp.330-340); • Ch. 13 (pp.356-384); • Ch. 14 (pp.392-409) <i>Cases:</i> <ul style="list-style-type: none"> • Ch. 13, Case 1 (p.389); • Ch. 14, Case 4 (p.413)
Session 7 Mid-term Examination (covering sessions 1-6) Date 9 (TBA): Sunday, October 20th or 27th?		

PART FOUR: ETHICAL FRAMEWORKS		
Session 8 Introduction To Business Ethics Oct. 30th or 31st (In-Class)	What is Business Ethics? What is Social Responsibility? Ethics versus the Law, Religion, and Etiquette, Moral Responsibility, Moral Development	<i>Readings</i> (Course kit): <ul style="list-style-type: none"> • “Business Ethics Fundamentals” (Carroll and Buchholtz) <i>Cases</i> : <ul style="list-style-type: none"> • “Parable of the Sadhu”
Session 9 Moral Standards Nov. 6th or 7th (In-Class)	Core Ethical Values, Relativism, Egoism, Utilitarianism, Kantianism, Moral Rights, Justice	<i>Readings</i> (Course kit): <ul style="list-style-type: none"> • “The Nuts and Bolts of Ethical Responsibility” (Schwartz) <i>Cases</i> : <ul style="list-style-type: none"> • “Heinz’ Dilemma”
Session 10 Corporate Social Responsibility By Nov. 15th (Online)	Purpose of Business, Stakeholder Theory, Social Responsibility Theory, Social Investment, Social Auditing and Reporting	<i>Readings</i> (Course kit): <ul style="list-style-type: none"> • “The Social Responsibility of Business is to Increase its Profits” (Friedman) <i>Cases</i> : <ul style="list-style-type: none"> • “Merck & Co.” • “Union Carbide in Bhopal” • “Not a Fool, Not a Saint” (Malden Mills)
PART FIVE: PRACTICAL APPLICATION		
Session 11 Employees and Consumers By Nov. 22nd (Online)	Greed, Conflicts of Interest, Gifts and Entertainment, Insider Trading, Theft and Fraud, Manufacturer’s Obligations to Consumers, Product Recalls, Ethical Crisis Management	<i>Readings</i> (Course kit): <ul style="list-style-type: none"> • “The Employee’s Obligations to the Firm” (Velasquez); • “The Ethics of Consumer Production and Marketing” (Velasquez) <i>Cases</i> : <ul style="list-style-type: none"> • “Hot Coffee at McDonalds” • “The Ford Pinto”

Session 12 Global Business Ethics and Ethical Corporate Culture By Nov. 29th (Online)	Bribery, Repressive Regimes, Overseas Suppliers (Child Labour), Corporate Ethics Programs, Review of Course.	<i>Readings</i> (Course kit): <ul style="list-style-type: none"> • “Values in Tension: Ethics Away From Home” (Donaldson); • “Getting Religion on Corporate Ethics” (Zipkin)
<p> Posted: Friday, November 29th Final Assignment: Case Analysis Due: Monday, December 9th by 3:00 pm </p>		

Course Kit for “Business Ethics” Module: Table of Contents

1. “Business Ethics Fundamentals” (ch.6) in Carroll, Archie and Buchholtz, Anne. *Business and Society: Ethics and Stakeholder Management* (5th Ed), Cincinnati, Ohio: South-Western College Publishing, 2003, pp.163-179; 190-193.
2. Case: “The Parable of the Sadhu,” McCoy, Bowen, *Harvard Business Review*, May/June, 1997, pp.2-7.
3. “The Nuts and Bolts of Ethical Responsibility”, Mark Schwartz, adapted from chapter two of *Corporate Social Responsibility: An Ethical Approach*, Broadview Press, 2011, pp.29-49.
4. Case: “Heinz’ Dilemma” from Kohlberg, Lawrence, *The Psychology of Moral Development*, San Francisco: Harper & Row, 1984, p.186.
5. “The Social Responsibility of Business is to Increase its Profits,” Friedman, Milton, *New York Times Magazine*, Sept. 13, 1970, pp.239-244.
6. Case: “Merck & Co. Inc.” (A), The Business Enterprise Trust, Harvard Business School Publishing, 1991.
7. Case: “Union Carbide and Bhopal,” in Jennings, Marianne, *Case Studies in Business Ethics* (2nd Ed.), Minneapolis/St. Paul: West Publishing, 1996, pp.113-116.
8. Case: “Not a Fool, Not a Saint,” Thomas Teal, *Fortune*, November 11, 1996, 201-203.
9. “The Ethics of Consumer Production and Marketing” (ch.6), in Velasquez, Manuel, *Business Ethics Concepts and Cases* (5th Ed.), Upper Saddle River, NJ: Prentice Hall, 2002, pp.318-341.
10. Case: “Hot Coffee at McDonald’s,” in Shaw, William, from *Business Ethics* (3rd Ed.), Belmont, CA: Wadsworth Publishing, pp.386-387.
11. Case: “The Ford Pinto,” in Hoffman, W.M. and Moore, J.M. *Business Ethics: Readings and Cases in Corporate Morality*, 2nd Ed, 1984, pp.585-592.
12. “Values in Tension: Ethics Away from Home,” Donaldson, Tom, *Harvard Business Review*, September-October, 1996, pp.5-12.
13. “Getting Religion on Corporate Ethics,” *The New York Times*, Zipkin, Amy, October 18, 2001.