



BUSINESS ETHICS



Scan to review worksheet

Expemo code:
19M9-T6XF-PX5Z

1 Warm up

Look at the logos of different companies and discuss the questions.



Facebook



Enron

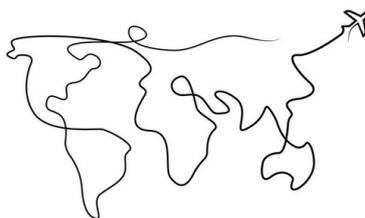


Volkswagen



Wells Fargo

1. What do you know about these companies?
2. All of the companies above got in trouble in the past. Do you know what for?
3. Why do you think these companies made the decisions that led to them getting into trouble?
4. How do you recognize an ethical business?
5. What exactly is your "moral compass"?





2

Focus on vocabulary

Part A: Match the words to the definitions.

- | | |
|-----------------------------|--|
| 1. <u>ethics</u> (n.) | a. the practice of forcing people to work for you for free and treating them like property |
| 2. <u>slavery</u> (n.) | b. acting in a manner that is legal |
| 3. <u>sweatshop</u> (n.) | c. the rules that someone uses to decide what is important to them and how they should behave in particular situations |
| 4. <u>morale</u> (n.) | d. a place where people produce a lot of goods while being paid very low wages and often working in poor or dangerous conditions |
| 5. <u>lawfully</u> (adv.) | e. having positive effects for someone or something |
| 6. <u>beneficial</u> (adj.) | f. acting in a way that is not concerned with what is the right or justified thing to do |
| 7. <u>operate</u> (v.) | g. function as a business |
| 8. <u>amoral</u> (adj.) | h. a level of confidence and happiness that people have in a particular situation |

Part B: Now write the words from Part A in the correct gaps in the following sentences. You may need to change the form of the word.

1. My family's business has been _____ in this town since the 1950s.
2. They create a luxury image around their products, but there have been reports that they're mostly manufactured in _____ in South-East Asia.
3. I was shocked to find out my manager was fired. Apparently, his business deals were made _____, and they caused a lot of problems for the company.
4. It's easy to think of _____ as something that happened a long time ago, but there are many people around the world working in horrible conditions where they receive no money.
5. It might be a good way to make a profit, Daniel, but it's entirely _____ and I will not allow it.
6. I love that company. Their products are really good quality, and they have strong _____ that I really agree with.
7. We have had to freeze salaries this year, and unfortunately, it has really lowered staff _____.
8. I spoke to their Head of Sales, and we've come to an agreement that I think will be really _____ to both companies.



Now in pairs, answer the following questions.

1. What products are usually made in **sweatshops**? What have you seen in the news about sweatshops?
2. Do you believe that if a company is acting **lawfully**, then everything it is doing is right? Or is it more complicated than that? Why?
3. What examples can you think of where a business has acted in an **amoral** way?
4. What rules or bonuses does your company have that are especially **beneficial** to its employees?
5. Where does your business operate? Is it likely to **operate** in new places in the future? Why/why not?
6. What examples of modern-day **slavery** have you heard or read about? Why do you think it still happens?

3

Listening for general information

Listen to the interview with a Business Professor and write the number next to the questions in the order they are asked.



"... as long as you're not breaking the law, then it's fine, isn't it?" ____

"... can you tell us a little about that?" ____

"So what is your hope for businesses then, Professor?" ____

"What are the benefits to businesses that run in this way, Professor?" ____

"What kind of things in a day-to-day situation would an ethical business be concerned with?" ____





4 Listening comprehension

Listen to the interview again and complete each gap in the summary with one or two words.



Business is vital for our productivity, development and _____¹ . But it's important to act ethically and not just simply follow _____² . There are four types of business: The first is the 'amoral' business that is focused on _____³ without any regard for morals or the law. The second is the 'legalistic' business which will follow the law but not necessarily act ethically. The third is the responsive business which will be ethical, but only when it is _____⁴ for them. Finally, there is the truly ethical business that will always consider their _____⁵ on others in everything that they do, even when it affects profit. A truly ethical business will also consider things such as how it treats employees and suppliers, how it pays tax, and making sure that it pays a fair _____⁶ to all of its workers. The benefits of running a truly ethical business are that it's very positive for staff _____⁷ and people will stay in the company longer and not leave as often. You'll also attract the best employees and customers. Your good reputation will improve product recognition and _____⁸ .

5 Scanning for details

Quickly scan through the article on page 5 and write down what the following numbers mean.

- 3.3: _____
- 56: _____
- 319: _____
- 4.1: _____
- 22: _____
- 60: _____
- 40: _____
- 150: _____



The ethics of modern business

Who are the victims of globalization?

1. On January 9th, 2007, in San Francisco, Steve Jobs, CEO of Apple, announced a new technology they had developed: the iPhone. The smooth smartphone with its touchscreen, 'apps', built-in camera, and ability to send and receive text messages and emails quickly became a must-have. It was released in June of that year, and by January 2008, they had already sold 3.3 million phones. By the time Steve Jobs passed away at only 56 years of age in October 2011, the iPhone 4S was released, and Apple reported a total of 319 million phones sold the following January. By 2016, at its height, the iPhone was selling around 6.4 million units in the UK alone, generating some £4.1 billion in this one market.
 2. Yet, it didn't take long for reports to start leaking out around *Foxconn*, the Taipei-headquartered company, which manufactured the electronic parts required for the iPhone. In January 2012, the New York Times reported a string of ethical violations and poor working conditions. These included workers forced to live in overcrowded rooms and being made to stand for excessive periods of time, causing some of them to have difficulty walking and experiencing swelling in their legs. There were also reports of some of the employees being underage and paid the equivalent of less than \$22 per day while many were working in excess of 60 hours per week. The conditions were so bad that many people had attempted suicide. Still, in 2020, Foxconn employed 1,290,000 people globally, and it is thought to make roughly 40% of the world's electronic parts.
 3. Unfortunately, abuses of workers aren't limited to the electronics industry. Dubai, in the United Arab Emirates, is a favorite of the rich and famous. With its beautiful beaches, shining towers, and high-end hotels and restaurants, it appeals to businesses and investors from around the world. Its rapid rate of growth means that it is a major hub for development in the construction industry. It also has a darker side. Workers from poorer countries come to the city hoping to find work and a better way of life for their families. However, when they arrive, life can be far from what they imagined. *Human Rights Watch* described the conditions construction workers live in as 'less than human', citing squalid and dangerous living conditions. A 2006 report by NPR observed 8 to 10 men living in the same room, each making only around \$150 per month. Often, the money they make goes to paying off loans which they took out to pay for their flights, and many of them have not seen their children or families for years. Not only this but their passports are often taken away from them on arrival, without which they are unable to leave. So, many of them are left trapped in a cycle of poverty.
 4. For a company that uses Apple products or does business in the UAE, it presents a real difficulty. Boycotting the product or the place doesn't solve the problem, as those who will suffer are undoubtedly the workers who will lose their jobs. Instead, there needs to be a change in the system. Companies can insist on basic living standards for workers being met before they will engage with other businesses. After all, these abuses do have consequences for the reputation and the public relations of a company. Apple did recognize the violations of workers' rights and now has its own Apple Supplier Responsibility webpage where it lays out the standards and Human Rights policies it adheres to.
 5. Yet businesses must hold each other accountable to maintain progress. Globalization is happening regardless of whether you think it is a positive or a negative step. It's essential that we *all* act to ensure that we *all* reap the benefits together and that the profits of some aren't made on the backs of the unhappiness of others.
- Sources: echr.org.uk; amnesty.org; npr.org; wikipedia.org; businessnewsdaily; bbc.co.uk; finder.com; apple.com



6 Reading comprehension

Read the text on page 5 again. Decide if the following statements are True (T), False (F), or Not Given (NG).

1. When the iPhone was first released, it immediately became very popular.
2. Workers for Foxconn did not have to live with as many workers as construction workers in Dubai.
3. All the workers for Foxconn are based in Taipei.
4. Dubai is a city that is quickly expanding.
5. The majority of workers in Dubai originally come from India.
6. Some workers have to borrow money to afford to travel to the UAE in the first place.
7. According to the article, if a company is not behaving ethically, the best thing to do is to stop buying its products.
8. Apple responded to the bad publicity about workers making its products and now sets standards.

7 Finding vocabulary

Find words in the article on page 5 that mean the same as the following.

1. _____ (v, para. 2) publishing information that some people do not want to be made public, often because it makes them look bad
2. _____ (n, para. 2) a situation when a rule or a standard is broken
3. _____ (n, para. 2) get bigger, often because of a health problem
4. _____ (n, para. 3) a center of a particular activity
5. _____ (adj., para. 3) really unpleasant and dirty living conditions
6. _____ (n, para. 4) refusing to buy a particular product as a way to protest against the company that makes it
7. _____ (v, para. 4) follows a particular set of rules or laws
8. _____ (v, para. 5) get all of the benefits from something



8 Talking point

In pairs, discuss the following questions.

1. What rules do you think a company needs to follow in order to act ethically?
2. Do you think your company always follows these rules?
3. Do you think that in business, there is always an element to making a profit that is unethical? Why/why not?
4. What do you think can be done about the situation for Foxconn workers and the construction workers in Dubai to improve their lives from a business perspective?
5. Do you agree with the Professor from the Interview that acting ethically will ultimately lead to higher sales and a better reputation? Why/why not?

9 Extended activity/homework

Research one of the ethical scandals from the Warm up at the beginning of the lesson or choose your own. Write an explanation of what happened and what could have been done differently.

You should:

- Write at least 250 words
- Be sure to use your own words
- Check your grammar, spelling, and punctuation