Financial university under the Government of the Russian Federation

Human Resources management and psychology department

Maria A. Gagarina

Professional Ethics and Business Standards

**SYLLABUS**

***Level of Study:*** *Master’s Degree*

***Field of Study:*** *38.04.01 Economics*

***Study Program:*** *International Finance*

**Syllabus**

**1. Name of a subject Professional Ethics and Business Standards**

**2. Mapping of learning outcomes (list of competences), with the relevant indicators described and subject learning outcomes indicated**

Table 1

|  |  |  |  |
| --- | --- | --- | --- |
| Competence code | Competence | Competence development indicators[[1]](#footnote-1) | Learning outcomes (skills[[2]](#footnote-2), and knowledge) and indicators that show competence development |
| UC-4 | Ability to organize interpersonal relationships and intercultural communication taking into account the cultural diversity | 1. Demonstrates an understanding of the diversity of cultures in the process of intercultural communication.  2. Builds interpersonal interactions by creating universally accepted cultural self-expression rules.  3. Uses constructive dialogue building methods with different cultures’ representatives based on the principle of mutual respect, acceptance of cultural diversity and appropriate interaction partners assessment. | 1.  Knowledge: methods, key achievements and trends in the development of business ethics;  Skills:  be engaged in interpersonal relationships taking into account the socio-cultural characteristics of communication;  2.  Knowledge: domestic and foreign theories and concepts;  Skills: to be able to organize interaction in a group;  3.  Knowledge: rules of business etiquette, corporate ethics, features of ethics and etiquette of foreign countries;  Skills: apply methods and techniques of business communication in the professional field |
| PC-5 | Ability to manage economic risks, investment, cash flow based on the use of knowledge of adjacent disciplines, bear responsibility for administrative and managerial decisions taken | 1. Uses theoretical knowledge and economic laws to develop algorithms for managing economic risks, investment projects, and cash flows.  2. Demonstrates knowledge of the basic investment project financial support methods and their characteristics.  3. Substantiates investment project and cash flow management decisions using knowledge of various disciplines. | 1.  Knowledge: to know the basic concepts and specifics of ethical issues;  Skills: to develop recommendations for risk management in the implementation of international economic activity;  2.  Knowledge: principles of professional activity  Skills: to search for information on the received task, to collect, analyze the data necessary to solve economic problems,  3.  Knowledge: the content and nature of moral problems in the economic sphere  Skills: resolve the contradictions between the personal interests of employees and the interests of the organization |
| AC-1 | Is ready to build an internal control system and conduct internal audit in a company or group of companies | 1. Develops an internal audit department work plan.  2. Collects and examines the data that are necessary for the internal audit department management.  3. Compares the actual and planned indicators and monitors the economic entity’s internal audit system operations.  4. Uses financial monitoring methods to counter money laundering and terrorism financing in a company. | 1.  Knowledge: principles of organization of internal audit  Skills: develop an internal audit service work plan  2.  Knowledge: sources of information necessary for the work of the internal audit service  Skills: analyze the information needed to guide the internal audit function  3.  Knowledge: possible errors (heuristics) when making financial decisions  Skills: be able to determine the likelihood of heuristic errors and propose measures to prevent them  4.  Knowledge: methods of financial monitoring  Skills: apply financial monitoring methods |

**3. Place of the subject in the curriculum**

The section describes what place is occupied by the subject in the program curriculum.

Professional ethics and business standards is included into compulsory part of Master’s Degree, Field of Study: 38.04.01 Economics, International Finance.

Professional ethics and business standards is based on knowledge obtained during Bachelor’s Degree, field of study 38.03.01 Economics.

Requirements for knowledge and skills:

Knowledge of the conceptual apparatus, basic theoretical models and research methods of psychological and economic science.

The ability to select, process and analyze data on psychological processes.

Skills in analyzing psychological data and presenting the results of psychological assessments.

**4. Workload in credits and academic hours, with class work (lectures and seminars) and self-study indicated**

The data are presented in the form of a table.

Table 2

|  |  |  |  |
| --- | --- | --- | --- |
| **Type of work** | **Total**  **(in credits and hours)** | **Semester (Module)1 (in hours)** | **Semester**  **(Module)2**  **(in hours)** |
| **Overall workload** | 4, 144 | 144 |  |
| ***Class work*** | 40 | 40 |  |
| *Lectures* | 10 | 10 |  |
| *Seminars, practicals* | 30 | 30 |  |
| ***Self study*** | 104 | 104 |  |
| Formative assessment | essay | essay |  |
| Summative assessment | exam | exam |  |

**5. Subject content (with the thematic components indicated).** This subsection lists the academic subject itemized thematic contentin the form of a text. The text volume should not exceed 3 pages.

1. Ethics as a scientific discipline

The subject and categorical apparatus of ethics. Levels of ethical knowledge. The history of the development of ethical teachings. Morality as a regulator of social behavior. The historical development of morality. Ethical standards of conduct. Characteristics of moral standards. Stages of the development of morality (L. Kolberg).

Ethics and etiquette. Features of public speaking and the culture of the business meeting. A culture of business conversation and debate. Speech etiquette. Etiquette of greetings and presentations.

Culture of business communication by phone. Written Communication Strategies: A Business Letter. Business card in business communication. Business gift. Guest etiquette and business protocol.

Business meetings, their organization and conduct. Ethics and etiquette of business negotiations.

2. International business ethics

Ethical principles in business: pros and cons. Regulation of ethical relations, principles and rules of activity in the legislation of the Russian Federation. Ethical principles in international and intercultural relations. Relativism. Imperialism Universalism. The principles of international business ethics: integration, implementation, internationalization.

The principles of professional activity: the principle of legality, the principle of accountability, the principle of self-government, the principle of equality. Moral problems in professional activity and the requirements of professional ethics. Conflict of interest. The principle of confidentiality. The principle of reliability. The principle of honesty.

3. Ethics and organizational culture

Values ​​of employees of the organization. Terminal and instrumental values. Manager and organization values. Attitudes. Motives and needs of the organization’s employees. Modern organization as a system of interdependencies. Interethnic culture of employee interaction.

Ethical model of organization: values, integrity, leadership effectiveness. Business ethics and organization structure. Ethics and corporate culture. Types of organizational cultures: adhocracy, clan, market, hierarchy.

Moral and ethical leadership. Individual and organizational factors in the management of the organization. Types of ethical conflicts in business: conflict of interests, loyalty vs. truth, honesty vs. integrity.

Organizational ethics: drafting legal documents; compliance with the requirements of official etiquette; compliance with the requirements of speech etiquette. Code of Business Ethics. Corporate ethics.

4. Ethics of work-place relationship

The concept of "Psychological contracts at work". The structure and types of psychological contracts at work. The consequences of the violation.

The main areas of counseling in the field of ethics: 1) maintaining a moral reputation; 2) ethics of employees; 3) the resolution of moral and ethical problems and conflicts. Ethical relations of company employees (relations with ordinary employees, with shareholders, with business owners). Ethical issues related to the professional status of an economist.

Moral dilemmas. Corrupt practices. Discrimination. Sexual harassment.

Power, managerial authority and management styles.

The Anglo-German model of business relations. Chinese business relationship model. Japanese business relationship model. Arab-Muslim model of business relations.

5. Ethics in research and academic activities

Scientific conflicts of interest, academic conflicts of interest. Basic types of intellectual property: copyrights, patents, trademarks. Authorship: criteria, order of authors, duplication of publications. Plagiarism. Responsibility and social responsibility of the researcher. Scientific forgery.

6. Psychology of decision making under risk and uncertainty

Analysis of the basic concepts of economic psychology. Economic Psychology and Behavioral Finance. Economic behavior and its types. The adoption of economic decisions (Kahneman D., Tversky A.). Criteria for a rational decision. The reasons for bounded rationality of economic entities. Heuristics and their consequences. The psychology of effective debt management.

7. Ethical foundations of investment activity

The content and nature of moral problems in the economic sphere. Moral challenges in the profession of an economist. Conflict of interests. Whistleblowing. Codes of conduct. Ethical principles: 1) the principle of legality, 2) the principle of confidentiality, 3) the principle of responsibility, 4) the principle of objectivity. CFA standards.

**6. List of teaching and methodological materials needed for the students self-study**

**6.1. List of questions for student self-study and types of out-of-class activities**

The section lists types of out-of-class activities that correspond to items in the subject content description.

There is a list of questions the students should answer while working independently.

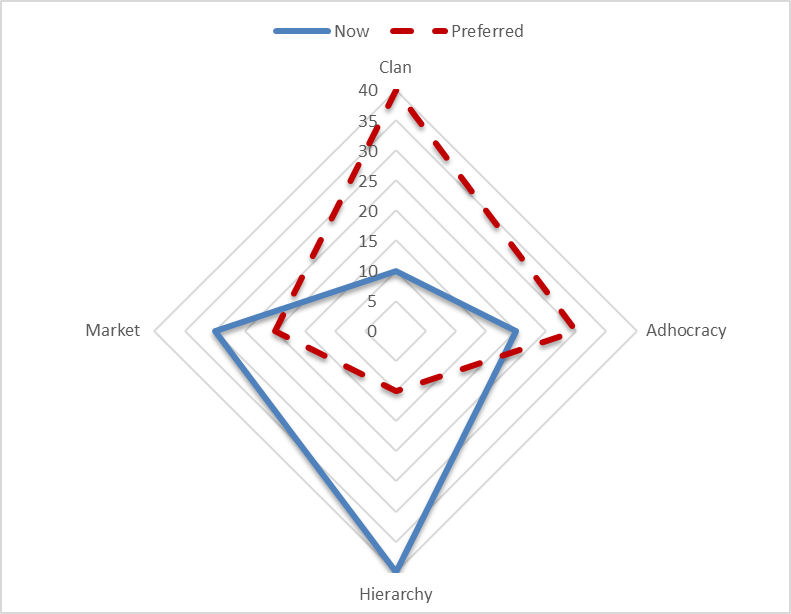
Table 3

|  |  |  |  |
| --- | --- | --- | --- |
| **Itemized subject content** | | **Questions the students should answer within the self-study process** | **Types of out-of-class activities** |
| Ethics as a scientific discipline | Preparation for practicals, writing conclusions on the results of the Rokeach test, studying literature and supportive materials. | The subject and categorical apparatus of ethics. The history of the development of ethical teachings. Morality as a regulator of social behavior. The historical development of morality. Ethics and etiquette. Features of public speaking and the culture of the business meeting. A culture of business conversation and debate. Speech etiquette. Etiquette of greetings and presentations.  Culture of business communication by phone. Written Communication Strategies: A Business Letter. Business card in business communication. Business gift. Guest etiquette and business protocol. Business techniques, their organization and conduct. Ethics and etiquette of business negotiations. | |
| International business ethics | Preparation for practicals, writing conclusions on Code of conduct of different international companies, studying literature and supportive materials. | Regulation of ethical relations, principles and rules of activity in the legislation of the Russian Federation. Ethical principles in international and intercultural relations. The principles of international business ethics: integration, implementation, internationalization.  The principles of professional activity: the principle of legality, the principle of accountability, the principle of self-government, the principle of equality. Moral problems in professional activity and the requirements of professional ethics. | |
| Ethics and organizational culture | Preparation for practicals, writing conclusions on the results of the OCAI and Leadership matrix tests, studying literature and supportive materials. | Ethical model of organization: values, integrity, leadership effectiveness.  Types of ethical conflicts in business. Human behavior in the organization and types of employees. Power, managerial authority and management styles.  A variety of national models of communication, behavior and etiquette. American business relationship model. The Anglo-German model of business relations. Chinese business relationship model. Japanese business relationship model. Arab Muslim Model of Business Relations. | |
| Ethics of work-place relationship | Preparation for practicals, writing conclusions on the results of the Psychological contracts inventories, studying literature and supportive materials. | The main areas of counseling in the field of ethics: 1) maintaining a moral reputation; 2) ensuring the ethics of company employees; 3) the resolution of moral and ethical problems and conflicts. Ethical relations of company employees (relations with ordinary employees, with shareholders, with business owners).  Ethical issues related to the professional status of an economist. | |
| Ethics in research and academic activities | Preparation for practicals, writing conclusions on a business game, studying literature. | Responsibility and social responsibility of the researcher.  Scientific forgery. | |
| Psychology of decision making under risk and uncertainty | Work with scientific, educational and reference literature. Writing conclusions on the game (computer simullation) "Credit Portfolio" | The reasons for the bounded rationality of economic entities.  Types of heuristics. | |
| Ethical foundations of investment activity | Preparation for practicals, study of literature and writing conclusions on mini cases. | The content and nature of moral problems in the economic sphere. The problem of contradictions between the personal interests of employees and the interests of the company. CFA standards. | |

**6.2. List of assignments for students’ preparation to formative assessment**

The section may include the following:

**Example of practical question**: You have assessed Organizational culture of your co-worker with OCAI and got following results:



Describe his representations about organizational culture of the firm.

**Example of multiple choice task**: Which of the following statements is CORRECT under the Code and Standards?

a. CFA Institute members and candidates are prohibited from undertaking independent practice in competition with their employer.

b. Written consent from the employer is necessary to permit independent practice that could result in compensation or other benefits in competition with a member’s or candidate’s employer.

c. Members and candidates are prohibited from making arrangements or preparations to go into a competitive business before terminating their relationship with their employer.

Theoretical questions.

1. Why we need values and morals? Describe roles and functions values and morals play in human life.

2. What psychological characteristic Kohlberg's evaluation of moral decisions was based on? Describe stage 1 “Obedience and punishment orientation” (Pre-Conventional level). Give your own examples.

3. What psychological characteristic Kohlberg's evaluation of moral decisions was based on? Describe stage 2 “Self-interest orientation” (Pre-Conventional level). Give your own examples.

4. What psychological characteristic Kohlberg's evaluation of moral decisions was based on? Describe stage 3 “Interpersonal accord and conformity” (Conventional level). Give your own examples.

5. What psychological characteristic Kohlberg's evaluation of moral decisions was based on? Describe stage 4 “Authority and social-order maintaining orientation” (Conventional level). Give your own examples.

6. What psychological characteristic Kohlberg's evaluation of moral decisions was based on? Describe stage 5 “Social contract orientation” (Post-Conventional level). Give your own examples.

7. What psychological characteristic Kohlberg's evaluation of moral decisions was based on? Describe stage 6 “Universal ethical principles” (Post-Conventional level). Give your own examples.

8. Which factors moral behavior is determined by?

9. Explain the term “moral standards”. How moral standards can be distinguished from “non-moral standards”. Give your own examples.

10. Define term “business ethics”. Is ‘business ethics’ an oxymoron?

11. Describe utilitarian approach to ethical decision-making (in Trolley dilemma).

12. Describe Core Values and their connection with Code of Business Conduct?

13. What is the difference between Shame and Guilt in terms of consequences for ethical behavior?

14. List levels of organizational culture (according to Schein). Discuss “Artifacts” (the first level).

15. List levels of organizational culture (according to Schein). Discuss “Espoused Beliefs and Values” (the second level).

16. List levels of organizational culture (according to Schein). Discuss “Basic Assumptions” (the third level).

17. What is leadership? Describe critical elements of this phenomenon.

18. Moral emotions. Compare and contrast Shame and Guilt in terms of consequences for mental health.

19. What is “Trolley dilemma”? Suggest possible variants in professional sphere.

20. Discuss the role of gender in leader effectiveness.

21. Person-oriented leaders: describe beliefs, actions under pressure and general approach.

22. Task-oriented leaders: describe beliefs, actions under pressure and general approach.

23. Describe traits and behaviors of unsuccessful leaders.

24. According to Cameron and Quinn, there are four major types of organizational cultures, list them and describe The Hierarchy Culture.

25. According to Cameron and Quinn, there are four major types of organizational cultures, list them and describe The Market Culture.

26. According to Cameron and Quinn, there are four major types of organizational cultures, list them and describe The Clan Culture.

27. According to Cameron and Quinn, there are four major types of organizational cultures, list them and describe The Adhocracy Culture.

28. How do employees learn organizational culture?

29. Compare and contrast psychological and legal contract at work?

30. Discuss the consequences of psychological contract fulfilment and violation?

31. Describe the criteria (principles) that should apply when determining authorship. What should be the order of the authors? How to determine who is the first author?

32. Describe the criteria that should apply when determining authorship. How to determine who should be included as an author of publication?

33. What is scientific conflict of interest? Describe the circumstances in which conflict of interest might occur during your Master Courses.

34. What kind of attribution could be given to each of individuals who contributed in one way or another to a scientific publication? For example, who should be recognized as an author and who should receive an acknowledgment in the paper?

35. What criteria should be applied when determining whether to list someone as an author? to note someone’s contributions in the acknowledgments?

36. What are the responsibilities of authors in representing the contributions of others?

37. What is academic conflict of interest? Describe the circumstances in which conflict of interest might occur during your Master Courses.

38. Describe ways of managing potential conflicts of interests in research and academic activities.

39. Define and give examples of irresponsible authorship.

40. How students can learn ethical principles in research and academic activities? What is mentoring?

41. List the types of intellectual property? How can they be categorized? Compare and contrast “patent” and “copyright”.

42. List the types of intellectual property? How can they be categorized? Compare and contrast “trademark” and “trade secret”.

43. Describe cognitive mistakes in financial decision-making. Explain heuristic biases and give example of “availability” bias

44. Describe cognitive mistakes in financial decision-making. Explain heuristic biases and give example of “representativeness” bias

45. Describe cognitive mistakes in financial decision-making. Explain heuristic biases and give example of “confirmation” bias and “anchoring”.

46. Describe cognitive mistakes in financial decision-making. Explain heuristic biases and give example of “conservatism” bias

47. Describe cognitive mistakes in financial decision-making. Explain what is “framing”.

48. What is “sunk costs effect”? Describe views of Traditional economics and Behavioral economics.

49. What are the goals of CFA Institute? Why adherence of investment professionals to ethical practices benefits all market participants?

50. Describe principles (The Code of Ethics) that guide the professional conduct of members of CFA Institute and candidates in the CFA Program.

51. The CFA Institute Code of Ethics and Standards of Professional Conduct. Discuss Standard 1 Professionalism. A. Knowledge of the Law.

52. The CFA Institute Code of Ethics and Standards of Professional Conduct. Discuss Standard 2 Integrity of capital markets. A. Material Nonpublic Information.

53. The CFA Institute Code of Ethics and Standards of Professional Conduct. Discuss Standard 3 Duties to clients. E. Preservation of Confidentiality.

54. The CFA Institute Code of Ethics and Standards of Professional Conduct. Discuss Standard 4 Duties to employers. C. Responsibilities of Supervisors.

55. The CFA Institute Code of Ethics and Standards of Professional Conduct. Discuss Standard 5 Investment analysis, recommendations and actions. C. Record Retention.

56. The CFA Institute Code of Ethics and Standards of Professional Conduct. Discuss Standard 6 Conflict of interest. B. Priority of Transactions.

57. The CFA Institute Code of Ethics and Standards of Professional Conduct. Discuss Standard 7 Responsibilities as a CFA Institute Member or CFA Candidate. A. Conduct as Members and Candidates in the CFA Program.

58. Compare and contrast leadership and management: attitudes to risk, decision-making.

59. Compare and contrast Rokeach’s values: purposes and traits. Their role in human life.

60. Discuss the role of leader (founder) in organizational culture formation and transition.

**7. Mandatory and optional reading list**

Mandatory reading list.

The list should not exceed 3 entries.

1. Gagarina M. (Гагарина М.). Professional ethics and business standards: Manual in English for economic department students studying specialty "International Finance" Master program = Профессиональная этика бизнеса [Электронный ресурс]: Учебное пособие на англ. яз. для студентов, обуч. по напр. "Экономика", профиль "Международные финансы, программа подгот. магистра / M. Gagarina; Financial University - М.: Financial University, 2016 - 92 p.; 7,75 п.л./ ЭБ Финуниверситета

Optional reading list (compiled from the items available in the library).

1. Beach, L. R. (2005). The Psychology of decision making: People in Organizations, 2d edition. London: Sage Publications, Inc. – 230p.

2. Schein, H. E. (2004). Organizational Culture and Leadership. Third Edition. The Jossey-Bass business & management series.

3. Standards of Practice Handbook, CFA Institute, TENTH EDITION, 2010.

**8. List of IT resources, incl. the list of software, information and reference systems (as appropriate).**

**8. 1. Software:**

1. Windows, Microsoft Office software;

2. ESET Endpoint Security antivirus software; etc.

**8.2. Databases and information and reference systems**

1. SciVerse ScienceDirect;

2. Consultant Plus legal information system;

3. <http://ru.wikipedia.org/wiki/Wiki> e-encyclopedia;

4. <http://www.skrin.ru/> database; etc.

1. To be filled in when the updated Financial University educational standards and federal state educational standards of higher education “3++” are implemented. [↑](#footnote-ref-1)
2. Skills are described when the Financial University educational standards of the 1st generation and federal state educational standards of higher education “3+” are implemented. [↑](#footnote-ref-2)