



## Shanghai Jiao Tong University

### FI420 Ethics and Financial Services (Online, Postgraduate)

<b>Instructor Information</b>	Jean-Yves Le Corre Home Institution: University of Strasbourg Email: bestofmanagement@outlook.com Office Hours: Determined by Instructor		
<b>Term</b>	June 28, 2021 - July 23, 2021	<b>Credits</b>	4 units
<b>Course Delivery</b>	The class will be delivered in the format of online. Other than recorded lecture videos, the instructor will arrange 4 hours' real-time interactions with students per week (via discussion forum, zoom meeting, and WeChat). The workload students are expected to complete to properly pass this course is about 5-10 hours per week.		
<b>Required Texts (with ISBN)</b>	Boatright, John R., Ethics in Finance, 3 <sup>rd</sup> Ed., Wiley Blackwell, 2014, ISBN-10: 1118615824 / ISBN-13: 978-1118615829  Hartman L., DesJardins J, Business Ethics: Decision making for personal integrity & social responsibility, China Machine Press / ISBN number: 978 - 7-111-5110 - 014		
<b>Prerequisite</b>	None		

## Course Overview

This course is designed to provide students with an overview on “Ethics in Finance” with a specific focus on banking institutions and other financial services-related institutions (audit firms, rating agencies, regulators...). Several cases of ethical issues affecting the strategy and operations of those institutions are discussed during the course. The course is divided into four parts: introduction to ethics and ethics in finance; ethical issues; managing of those ethical issues; global challenges in financial industry worldwide. During the course, students will work on an essay on a topic of their choice with regards to ethical issues in the financial services industry. In addition, suitable, selected readings are discussed, providing the students with more insights.

## Learning Outcomes

The course objective is to provide students with a broader view on ethics in finance, including some history on economics, markets and finance, as well as practical framework and tools to help resolve ethical issues in banking institutions.

Upon finishing this course, you will have developed an understanding of

1. How to analyze ethical issues?
2. How are banking institutions affected by those ethical issues?
3. How these issues can be prevented, minimized or solved?
4. The extent to which banks are faced with ethical issues across the globe

## Assessment Type

Students will prepare a case study in groups of 4-5 students. Each group will do an oral presentation during the class and will also produce a case study report.

### What is graded in the presentation?

- 1) The quality of your prepared section. Guiding questions: Does your prepared section have substance? Is your section well structured? Is it an adequate summary of your reading section?
- 2) The quality of the presentation: Guiding questions: Is the presentation well structured? Are ppt slides adequately prepared and not overloaded with information? Is the presentation style adequate (do you speak freely; do you know what you are actually talking about)?
- 3) Does the presentation harmonise together as a group? Is your presentation as a group well coordinated? (only relevant for team score)

### What is graded regarding the hand-out/summary of the case study?

- 1) The quality of your written part. Guiding questions: Does your prepared section have substance? Is your section well structured? Is it an adequate summary? Is it written in a readable, accessible manner?
- 2) The quality of the entire handout. Guiding questions: Is the entire handout well structured? Do all parts integrate well?



### Grading Policy

Achievement of learning outcomes will be assessed through a final examination (close-book examination). In addition, students will prepare a report as well as an oral presentation of 15 mins to present a case study on ethics

Final examination	50%
Group Coursework (by groups of 4-5 students )	30%
Oral Presentation (by groups of 4-5 students )	10%
Attendance & Participation	10%

### Grading Scale is as follows

Number grade	Letter grade	GPA
90-100	A	4.0
85-89	A-	3.7
80-84	B+	3.3
75-79	B	3.0
70-74	B-	2.7
67-69	C+	2.3
65-66	C	2.0
62-64	C-	1.7
60-61	D	1.0
≤59	F (Failure)	0



**Class Schedule**

<b>Date</b>	<b>Lecture</b>	<b>Pre-Readings (Chapters of book)</b>
Day 1	Course Overview, Information, Introduction to Business Ethics	
Day 2	PART I: Business Ethics in Financial Services Industry	Boatright, Ch. 1
Day 3	PART I: Ethical Decision Making – part 1	Extracts of movie “Margin Call”
Day 4	PART I: Ethical Decision Making – part 2	
Day 5	PART I: Ethics & Governance in Banking	
Day 6	PART II: Banks & Climate Change Introduction to ESG risks; Focus on Climate Risks	Documentary ‘Inside Job’
Day 7	PART II: Banks & Human Rights	Documentary ‘Too big to fail’
Day 8	<i>Preparation of group coursework</i> Students will be working in groups with the help of teaching assistant	
Day 9	<i>Preparation of group coursework</i> Students will be working in groups with the help of teaching assistant	
Day 10	<i>Preparation of group coursework</i> Students will be working in groups with the help of teaching assistant	
Day 11	PART II: Banks & Ethical Practices	Boatright, Ch. 5
Day 12	PART II: Selected & Guided Reading (O’Sullivan, P.): Ch. 4 (Financialisation)	
Day 13	PART II: Selected & Guided Reading (O’Sullivan, P.): Ch. 15 (Ethics, Finance & Neoliberalism)	
Day 14	PART III: Managing ethical and reputational risk: CSR in the Banking Sector Introduction CSR Initiatives and Commitments Group Groups Discussion	
Day 15	PART III: Managing ethical risks at Banks: Risk Management, Examples Group Discussion	Boatright, Ch. 6 (20p),
Day 16	PART III: Managing ethical risks at Banks: Investment Practices Group Discussions	Boatright, Ch. 4 (32p)
Day 17	PART III: The role of internal audit and compliance functions Group Discussion	



Day 18	PART IV: Global ethics challenges in Financial Services industry-part 1	
Day 19	PART IV: Global ethics challenges in Financial Services industry – part2	
Day 20	PART IV: Global ethics challenges in Financial Services industry-part 3	

For each session, additional materials (articles, case studies, extracts of books.) will be provided on electronic format