



FI420 Ethics and Financial Services (Postgraduate)

Instructor Information	<p>Dr Jean-Yves Le Corre Home Institution: University of Strasbourg Email: bestofmanagement@outlook.com Office Hours: Determined by Instructor</p>		
Term	June 27, 2022 - July 22, 2022	Credits	4 units
Class Hours	Monday through Friday, 120 mins per teaching day		
Discussion Sessions	2.5 hours each week, conducted by teaching assistant(s)		
Total Contact Hours	66 contact hours (1 contact hour = 45 mins, 3000 mins in total)		
Required Texts (with ISBN)	<p>Boatright, John R., Ethics in Finance, 3rd 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 Financing Sustainable Development: Key Challenges and Prospects, Edited by Magdalena Ziolo · Bruno S. Sergi, , Ed Palgrave Studies in Impact Finance ISBN 978-3-030-16521-5 ISBN 978-3-030-16522-2 (eBook)</p>		
Prerequisite	N/A		



Course Overview

This course aims to explain and analyze issues in “Ethics in Finance” with a particular focus on banking institutions and other financial services-related institutions (audit firms, rating agencies, regulators....) in a global perspective.

This course aims to develop skills related to business ethics at the workplace, frameworks and methodologies to analyse and solve complex ethical issues both at individual level (business ethics) and organizational level (corporate ethics), apply methods for ethical reasoning in decision- making, and introduce definitions, concepts and theories for ethical decision- making, as well as explain the roles ethical leadership and ethics culture. In particular, issues in financial services industry will be covered extensively during this course to discuss ethical issues form multi-level perspective: individual, organizational, industry-level and global perspective.

The course is divided into four parts: introduction to ethics, ethical problem solving, managing business ethics and the role of governance, and global challenges in financial industry worldwide.

The course will analyse ethical issues based on workplace situations using extracts of movies and documentaries about the global financial crisis. (2008) including the movie '*Margin Call: be first, be smart or cheat*'. Through scenarios and case discussions, the course will explain to role of organisational, institutional and country-level factors on ethics behaviours. The course will distinguish between value-based ethics as compared to compliance-based ethics, introduce the main components of ethics program, codes of conducts, control systems and assurance frameworks.

The course adopts both *internal* and *external* perspectives. It takes a business perspective on ethical business issues by addressing ethical dilemmas facing large banking and finance institutions operating domestically and globally and examines how those institutions respond to those challenges.

At final stage, the course will discuss recent developments in the global finance industry, including issues related to environment, demographics, sustainable finance and Environmental, Social and Governance Risk.

During the course, students will work on a financial services company or institution of their choice to analyze ethical issues. In addition, suitable, selected readings are discussed, providing the students with more insights. Several cases of ethical issues affecting the strategy and operations of finance institutions are discussed during the course.

Learning Outcomes

The course objective is to help understand and analyze ethics issues in finance, by using **definitions, concepts and theories for ethical decision- making**, practical frameworks and tools in order to propose solutions to ethical issues in banking institutions; the course also discuss recent evolutions in the banking and finance industry in relation to some history on economics, markets and finance

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

Achievement of learning outcomes will be assessed through group coursework (case study) and a final (closed book) examination. In addition, students will prepare an oral presentation of 20 minutes to present their case study on business ethics.



Students will prepare the case study in groups of 3-4 students. Each group will do an oral presentation during the class and will also write a case study report.

Grading Policy

Final examination	50%
Group Coursework (by groups of 3-4 students)	15%
Oral Presentation (by groups of 3-4 students)	25%
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

Date	Lecture	Readings
Day 1	Introduction to Business Ethics (Part 1)	DesJardins J, Chapter 1,2,3
Day 2	Introduction to Business Ethics (Part 2)	DesJardins J, Chapter 1,2,3
Day 3	Ethics, Culture & Leadership	DesJardins J, Chapter 4
Day 4	Ethics Systems & Corporate Governance	DesJardins J, Chapter 10
Day 5	Ethics from Institutional Perspective	Documentary 'Too big to fail'
Day 6	Investors and Risk. Financial markets. CSR/ESG	Documentary 'Inside Job'
Day 7	Ethics & Fraud	DesJardins J, Chapter 10
Day 8	<i>Preparation of group coursework</i> Students will work independently in groups (self-preparation) to prepare a draft of their report and report their progress to the course instructor	
Day 9	<i>Preparation of group coursework</i> Students will work independently in groups (self-preparation) to prepare a draft of their report and report their progress to the course instructor	
Day 10	<i>Preparation of group coursework</i> Students will work independently in groups (self-preparation) to prepare a draft of their report and report their progress to the course instructor	
Day 11	Theoretical Perspectives in Finance	Chapter 2 of Boatright 'Ethics in Finance' study book
Day 12	Ethical issues in Financial Services	Chapter 3 of Boatright 'Ethics in Finance' study book
Day 13	Ethical issues in Investment Decisions	Chapter 4 of Boatright 'Ethics in Finance' study book
Day 14	Ethical issues in Financial Markets	Chapter 5 of Boatright 'Ethics in Finance' study book
Day 15	Ethical issues in Financial Management	Chapter 6 of Boatright 'Ethics in Finance' study book
Day 16	Financial Liberalism	
Day 17	Sustainability in Finance and Economics	Financing Sustainable Development, Chapt 2
Day 18	Socially Responsible Financial Markets	Financing Sustainable Development, Chapt 5



Day 19	Environmental, Social and Governance Risk versus Company Performance	Financing Sustainable Development, Chapt 10
Day 20	Final Examination & Course Summary	

Note: sessions on *Preparation of group coursework* initially planned on days 8-9-10 might be rescheduled in weeks 3 or 4 depending on student's progress, and timetable rearranged accordingly.