

ASSURANCE OF LEARNING EXERCISES

Assurance of Learning Exercise 10A



Does McDonald's Have a Code of Business Ethics?

Purpose

This exercise aims to familiarize you with corporate codes of business ethics. Go to Starbucks' Standards of Business Conduct found at their www.starbucks.com Web site and more particularly at the http://www.starbucks.com/aboutus/SoBC_FY09_eng.pdf Web page.

Then see the Code of Business Ethics for McDonald's Corporation or lack of one thereof. (At the time of this writing, the author could only find a social responsibility statement for McDonald's, and it was at the <http://www.mcdonalds.com/usa/work/socialresp.html> Web page.)

Instructions

- Step 1** Go to the two Web sites just listed and print the Standards of Business Conduct information for (1) Starbucks Corp. and (2) McDonald's Corp. Read the two statements.
- Step 2** On a separate sheet of paper, list three aspects that you like most and three aspects that you like least about (1) the Starbucks statement and (2) the McDonald's statement. In other words, compare the two statements. Conclude by indicating which statement of conduct you like best. Why do you think it is best?
- Step 3** Explain why having a code of business ethics is not sufficient for ensuring ethical behavior in an organization. What other means are necessary to help ensure ethical behavior? Give the class an example of a breach of ethical conduct that you recall in your work experience.

Assurance of Learning Exercise 1B

The Ethics of Spying on Competitors

Purpose

This exercise gives you an opportunity to discuss in class ethical and legal issues related to methods being used by many companies to spy on competing firms. Gathering and using information about competitors is an area of strategic management that Japanese firms do more proficiently than American firms.

Instructions

On a separate sheet of paper, number from 1 to 18. For the 18 spying activities listed as follows, indicate whether or not you believe the activity is ethical or unethical and legal or illegal. Place either an *E* for ethical or *U* for unethical, and either an *L* for legal or an *I* for illegal for each activity. Compare your answers to those of your classmates and discuss any differences.

1. Buying competitors' garbage
2. Dissecting competitors' products
3. Taking competitors' plant tours anonymously
4. Counting tractor-trailer trucks leaving competitors' loading bays
5. Studying aerial photographs of competitors' facilities
6. Analyzing competitors' labor contracts
7. Analyzing competitors' help-wanted ads
8. Quizzing customers and buyers about the sales of competitors' products