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Fall 2013

BETH 701 Syllabus

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Opus College of Business Mission

Inspired by Catholic intellectual tradition, the Opus College of Business develops effective, principled business leaders who think globally, act ethically and create enduring value for society.

UST Full-Time MBA SYLLABUS

COURSE TITLE: Ethical Leadership and Corporate Accountability
COURSE NUMBER: BETH 701
SEMESTER: Fall 2013
MEETING DATES: Sec. 1, 8:30 – 10:00 am and Sec. 2, 10:15 – 11:45 am Tuesday/Thursday
CLASS LOCATION: Schulze Hall 127
PROFESSORS:

Prof. Michael Garrison

Professor of Business Law and Associate Dean for Faculty and Scholarship

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Office hours: By appointment
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Professor and Koch Endowed Chair in Business Ethics

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COURSE DESCRIPTION

An overarching premise of the course is that business decision making is not a value-free activity. A second premise is that an effective MBA curriculum should include the integration and consolidation of strategic competence with legal awareness and ethical responsibility. Toward this end, we have chosen cases and readings for the semester that call for analysis from several perspectives at once. We call these "lenses" – *economic, legal, and ethical* – and we invite you to get the most from the course by preparing for each session (and doing each assignment) with the *intersection* of these three lenses in mind. We concur with the words of a recent Harvard Business School faculty teaching group:

[T]he zone of sustainable action is defined by the overlap of economic/market/ financial requirements and ethical/legal/societal requirements. The leader's role is to identify this zone; to actively work to expand it; and to channel corporate action within it.

The "lenses" of the market, the law, and conscience are relevant not only in personal decision making, but also in the decision making of organizations and in relation to an increasingly global business environment. For this reason, the flow of the course, after several platform-setting weeks, will be from "Ethics, Law, and the Individual," to "Ethics, Law, and the Organization," to "Ethics, Law, and Capitalism as a Global System."





OFFICIAL COURSE DESCRIPTION

This course provides an overview of a wide array of business situations at the individual, organizational and societal levels with a focus on the ethical aspects of those situations and a review of the legal aspects of those situations. The course reviews and applies moral philosophy, important legal principles and human decision-making psychology for analyzing the ethical issues in business organizations. It also examines the challenge of ethical leadership and how an organization can be structured and developed to encourage employees at all levels to think, talk and act ethically in a global environment. The lab involves introducing students to local organizations engaged in efforts to revitalize the business community. This is designed to help them enhance and appreciate the relationship between business and the larger society.

METHODOLOGY

Course pedagogy will be a blend of the case method and lecture-discussion.

REQUIRED MATERIALS

Reading collections available in the bookstore:

- *Ethical Leadership and Corporate Accountability*- ISBN: 9781121954786 (E-text available at <https://create.mcgraw-hill.com/shop>)
- Bagley, Constance E., *Winning Legally How to Use the Law to Create Value, Marshall Resources, and Manage Risk* (Harvard Business School Press, 2005). Also available on Amazon Kindle.

Some additional readings will be handed out in class, communicated on the Blackboard site, and/or placed on electronic reserve.

COURSE OBJECTIVES

- (1) Learning fundamental principles, generalizations, and theories. We will do this using materials describing: Four Avenues of Ethical Analysis (interests, rights, duties, virtues), Three Groups of Psychological Judgment Distortions (theories about the world, about others, and about self), Legal Principles (Common Law tradition, Contracts, Torts, Governance, ADR, Agency, Employee Rights).
- (2) Learning to apply course material (to improve thinking, problem solving, and decisions). This objective will be facilitated using the “CAT Scan Tool for Ethical Analysis” and a Legal Case Briefing Process.
- (3) Developing a clearer understanding of, and commitment to, personal values. Case method preparation and interaction with peers will aid in this process.
- (4) Learning to analyze and critically evaluate ideas, arguments, and points of view. Vehicles for this learning will be the assigned Ethics Paper, Legal Briefs, and Integrative Team Presentation.



EXPECTATIONS REGARDING WORK OUTSIDE OF CLASS

This is a 3-credit course. It is expected that students will spend a minimum of 6 hours of study time outside of class per week on assigned readings, written assignments, problems, case analyses, papers, projects and other work. It should also be noted that students may need to spend more time than this minimum requirement. The specific readings, assignments, problems, cases, papers, projects and other work are listed in this syllabus and in any supplemental materials provided by the instructor.

STUDENT ACCESS TO FACULTY

We are available to meet students in person by appointment. We prefer that students communicate with us by sending an e-mail to both instructors. We will respond to student-initiated communications within 48 hours on normal business days.

ASSIGNMENT POLICIES

Our course Blackboard Website will clarify assignments, due dates, and announcements during the course of the semester. It will also provide an opportunity for students to add to their class participation through “afterthoughts” on discussion boards within one week of each class session.

ASSESSMENT SUMMARY

Assessment will be based upon the following weighted criteria:

- Class and/or Blackboard participation (25%).
- Ethics research paper (15%)
- Legal briefs and/or position papers (15%).
- An In-class Integrative Team Case Analysis Presentation (20%)
- A final concise Integrative Paper on the ethical and legal implications of a case-based issue (25%).

GRADING

See the “Grades” section of the UST MBA handbook.

ASSIGNMENT DESCRIPTIONS

- Ethics exercise: Review your position paper on Friedman vs. Handy from Launch 2012 – specific assignment will appear on course Blackboard site.
- Ethics paper and legal briefs – descriptions will appear on course Blackboard site.
- Integrative final paper (max 8 pp). [Take-home to be distributed December 9, 2013 -- due December 13, 2013.]



OCB/UST COURSE-RELATED POLICIES

<http://www.stthomas.edu/business/students/policies/>

It is every student's responsibility to be fully aware of each of the following OCB/UST course policies.

Enhancement Program for Disability

In compliance with the University of St. Thomas policy and disability laws, we are available to discuss academic accommodations that you may require as a student with a disability. Students are encouraged to register with the Disability Resources office for disability verification and for determination of academic accommodations. Appointments can be made by calling 651-962-6315 or 800-328-6819, extension 6315. Telephone appointments are available as needed. You may also make an appointment in Murray Herrick, room 110. For further information, you can locate Disability Resources on the web at <http://www.stthomas.edu/enhancementprog/>.

Academic Integrity

Students are obliged to refrain from acts that they know or, under the circumstances, have reason to believe, will impair the integrity of the university. Violations of academic integrity include, but are not limited to, cheating, plagiarism, unauthorized multiple submissions, knowingly furnishing false or incomplete information to any agent of the university for inclusion in academic records, and falsification, forgery, alteration, destruction, or misuse of official university documents or seal.

As stated in the University of St. Thomas Academic Integrity Policy, the minimum sanction for cheating or plagiarism is failure on the work involved. It is the responsibility of all students to be fully aware of the conditions and consequences of violating the UST Academic Integrity Policy. Here is a link to that policy:

http://www.stthomas.edu/policies/student_policy_book/Academic_Integrity_Policy.asp

Classroom Capture

Classes may be recorded and made available to students registered for this class using the classroom capture system. Use of classroom capture is intended to supplement the live classroom experience. Duplication or redistribution of classroom capture recordings is strictly prohibited. Such duplication or redistribution constitutes a violation of the student academic integrity policies of the FT MBA program, college and university, and subjects the violator to academic sanctions, including dismissal from the FT MBA program, college and university. Class sessions captured include materials that are protected under copyright law, and any unauthorized duplication or redistribution may also violate copyright laws.



Student Access to Faculty

The UST Opus College of Business faculty recognizes that student access to faculty is an important part of the University of St. Thomas educational experience. The faculty also recognizes that regularly scheduled office hours alone do not meet the diverse needs of all constituents. Changes in technology, student demographics, and multiple campus locations create new challenges and opportunities.

Therefore, be it resolved that the UST Opus College of Business faculty maintains a policy on student access to faculty stating how students shall have access to faculty outside of class through a combination of office hours, phone, email, and other electronic communications. All faculty are required to be available by appointment for face-to-face meetings with students. Faculty should respond to voicemail, email, and other student-initiated communications within 48 hours on normal business days. Additional contact requirements or office hours may vary by program depending on each program's needs, student population, and physical location, as determined by faculty and program staff. Each course syllabus will describe the program's general policy or provide a link to the policy URL. Each course syllabus also will describe how the faculty member will implement the policy.

Disclaimer

This syllabus is not a contract, but a plan for action. The instructors reserve the right to alter its stipulations, upon prior notification to students, if and when educational circumstances warrant changes.

Expectations of OCB Students*

All participants in this class are to adhere to the classroom policies and expectations outlined in the UST MBA student handbook, including the sections on expectations for professional behavior and academic honesty.

(<http://www.stthomas.edu/business/students/policies/expectations.html>)

As a member of the Opus College of Business (OCB) community, I accept that it is *my* responsibility to act in a professional manner by:

Taking personal responsibility for my own education by:

- Preparing fully for each class; completing assignments on time, honestly, and to the best of my ability.
- Participating in class discussions without dominating the discourse.
- Participating fully in group assignments, to include providing constructive and candid assessment of self and others in group projects.
- Seeking the applications of material learned in past courses.



Modeling professionalism within the OCB community by:

- Using professional language and communicating politely and respectfully with classmates and instructors.
- Conducting myself ethically, honestly, and with integrity in all situations and not tolerating academic dishonesty in others.
- Treating all members of the OCB community with trust, respect, and professional civility regardless of their race, color, creed, religion, ancestry, national origin, sex, sexual orientation, disability status, age, marital status, or status with regard to public assistance, discouraging the use of inappropriate humor designed to denigrate individuals or groups, and insisting on the same from others.
- Being fair and impartial when giving feedback on the performance of other community members.

*Adapted from the Eastern Michigan University, College of Business Student Code of Conduct, with permission.

CLASS SCHEDULE (subject to modification) [“KG” and “MG” refer to Goodpaster and Garrison as primary instructors for specific class sessions.]

1 KG/MG	5 Sep Thursday	Opening Class Overview; “The Case Method”	Course Preview PowerPoint. Course Objectives. Expectations about class participation and case analysis. Gragg, “Because Wisdom Can’t Be Told” (E-text or hard copy text).
2 KG	10 Sep	What is the Problem to Which Business Ethics is a Solution?	“Psychology of Fraud: Why Good People Do Bad Things” (Blackboard) and “Introduction: Teaching and Learning Ethics by the Case Method” (E-text or hard copy text).
3 KG	12 Sep	Ethical Analysis: Interest-based and Rights-based Thinking	Goodpaster, PowerPoint (Blackboard). Also: “CAT Scan” Matrix. (Blackboard)
4 KG	17 Sep	Ethical Analysis: Duty-based and Virtue-based Thinking	Goodpaster, PowerPoint (Blackboard). Also: “CAT Scan” Matrix. (Blackboard) <i>NOTE: “Then and Now” written assignment due next class (Blackboard).</i>
5 MG	19 Sep	“What’s a Business For?”	Charles Handy, “What’s a Business For?” (E-text or hard copy text). Milton Friedman, “The Social Resp. of Business is to Increase its Profits” (Blackboard). <i>Hand in 2-page papers.</i>
6 KG MG away	24 Sep	Applying the Four Avenues: Persons	Case: “Martha McCaskey.” (E-text or hard copy text). <i>Ethics analysis paper assigned (Blackboard).</i>
7 KG	26 Sep	Applying the Four Avenues: Organizations	Case: “Northwest Airlines vs. WCCO-TV: Business Ethics & the Media (A) & (B)” (E-text or hard copy text).
8 KG	1 Oct	Ethics and the Social System: Relativism	“Safety First?” (E-text or hard copy text). Midgley, “On Trying Out One’s New Sword.”



			(Blackboard)
9 KG	3 Oct	The Four Avenues and the Vocation of Leadership	“The Vocation of the Business Leader: A Reflection” (Blackboard or classroom handout). “The MBA Oath at Harvard” (Blackboard) <i>Ethics analysis paper due at class time.</i>
10 MG	8 Oct	Ethics and Law – Comparisons and Contrasts	Bagley, Chapters 1 & 2 Paine, “Law, Ethics and Managerial Judgment” (Blackboard)
11 MG	10 Oct	The Nature of Law and the Common Law Tradition	Epilogue on Trade Secrets & Martha McCaskey (MG) Trade Secret & Competitive Intelligence Articles (Blackboard). Material on law and legal cases (Blackboard) Read the <i>Elli Lake</i> case (Blackboard)
12 MG	15 Oct	Contracts: Fairness and Unconscionability	Bagley, Chapter 4. Brief the <i>Hooters</i> case (Blackboard) Note on Anheuser-Busch Employment ADR Process (Blackboard).
13 MG KG away	17 Oct	Employment and Agency Law	Bagley, Chapter 7
14 MG	22 Oct	Employment and Agency Law	Brief <i>EarthWeb v. Schlack</i> (Blackboard). Bagley, Chapter 7 pages 137-38). Garrison & Wendt Article (pages 107-135) (Blackboard)
15 MG	24 Oct	Employee Rights: Privacy and Security	Case: “Waterbee Toy Company (A)” and “A Note on E-Mail and Internet Privacy.” (E-text or hard copy text). Bagley, Chapter 7, pages 178-188, 195-201
16 MG	29 Oct	Intellectual Property	Bagley, Chapter 5 Read <i>WalMart v. Samara Brothers</i> (Blackboard).
17 MG	31 Oct	Product Safety: Ethics, Law and Regulation	Case: “Kolcraft, Hasbro, and the Playskool Travel-Lite Crib (A)(B) and (C).” (E-text or hard copy text). Bagley, Chapter 6 & Chapter 5, pages 145-51.
18 MG Guest	5 Nov	Resolving Disputes: The Civil Justice System and ADR Processes	Bagley, Chapter 8 & Chapter 6, pages 158-164 Guest: Ken Melrose, Holloran Professor, Department of Ethics and Business Law.
19 MG	7 Nov	Corporate Governance, Business Judgment Rule, and Sarbanes-Oxley	Bagley, Chapter 3 Brief <i>Brehm v. Eisner</i> (Blackboard). “Corporate Scandals of 2002” and “Note on the Sarbanes-Oxley Act” (E-text or hard copy text).
20 KG MG away?	12 Nov	Faith in the Workplace: Ethics and Law	Case: “Reell Precision Mfg. (A)” (E-text or hard copy text). Reprise: Milton Friedman, “The Social Resp. of Business is to Increase its Profits” (Blackboard)
21 KG	14 Nov	Globalization: Ethics and Law	Case: “Medtronic in China (A).” (E-text or hard copy text). Course Evaluations. Note on Foreign Corrupt Practices Act



			(Blackboard)
22 Students	19 Nov	TEAM PRESENTATIONS	Integrative Case Presentations
23 Students	21 Nov	TEAM PRESENTATIONS	Integrative Case Presentations
24 KG/MG Guest	26 Nov	Managing Corporate Compliance and Culture I: Ethics and Law	Case “Allina Health Systems” and “Note on the Health Care Industry” (E-text or hard copy text). Our guest will be Ken Paulus, current CEO of Allina Hospitals and Clinics. Both sections of BETH 701 meet in SCH 127 from 8:30 to 10:00 am.
	28-29 Nov		Thanksgiving Break
25 KG/MG Guest	3 Dec	Ethics, Social Media and the Workplace	“Best Buy Company and Social Media” (Blackboard). We will be joined for the class period by Kathleen Edmond, Chief Ethics Officer of Best Buy.
26 KG/MG Guest	5 Dec	Managing Corporate Compliance and Culture II: Ethics and Law	Case “Reclaiming the Culture at Piper Jaffray, Inc. (A)(B) and (C). (E-text or hard copy text). Andrew Duff, CEO of Piper Jaffray will join us as a guest . <i>Distribution of and instructions for Final Exam Exercise.</i>
27 KG/MG	10 Dec	Course Review and Conclusions	Review of course elements and instructor counsel for the future. Comments on final integrative exercise. Administration of course evaluations.
28 KG/MG	12 Dec		
			OFFICIAL FINAL EXAMINATION PERIOD: BETH 701 TAKE-HOME