

MBAC 6000: The Socially Responsible Enterprise
Leeds School of Business, University of Colorado at Boulder
Syllabus Spring 2011, Instructor Dave Payne

Course Info	Instructor Contact	TAs
S1: M/W 9:30-10:50a	Office 345K: M/W 1:30-3:30p&by app't	Hailey Broderick (802.233.1175)
S2: M/W 11:00-12:20p	david.payne@colorado.edu	hailey.broderick@colorado.edu
Room KOBL S110	303.859.0900 (cell/txt)	Rick Reed (541.968.0700)
Attendance is required	Course Observer: David Sinclair	richard.reed@colorado.edu

The overarching goal of this course is to prepare future managers for confronting the truly difficult situations that arise when deploying economic resources, altering the physical environment, and making decisions that affect the lives of investors, employees, community members, and other stakeholders. To do so, case-based challenges will be examined in a broad range of contexts, and essential ethical concepts will be explored, including:

- Personal values, temperaments, psychology and culture;
- Ethical theories, stakeholder perspectives, and their application in decision making;
- Social norms, legal contracts and ethical rules of the road; and,
- Strategies and tactics that reduce risk, capitalize on opportunities, and maximize benefits to shareholders – as well as to the physical and social environments in which businesses operate.

While risk management and compliance strategies and systems will be addressed, emphasis will be placed on recognizing ethical dilemmas at the micro scale, getting comfortable with the vagaries of these situations, clearly addressing the personal values and stakeholder impacts involved, and making sound business decisions. By exploring business ethics cases and challenges in small group work sessions, and reporting their key findings, participants will co-develop a reference guide for future use in their professional careers.

The core features of the course are as follows:

- A balance of participatory work and written deliverables
- An “Ethical Business Toolkit” composed of practical theories and frameworks
- Case-based learning, exploring current events, classic cases, student experiences, etc.
- Core class “lenses” – ethical dilemmas will be explored through five distinct aspects of business enterprise: leadership & governance, organizational behavior & human resources, operations & supply chain management, accounting & finance, and marketing & sales
- Group work sessions – tackling ethical dilemmas in small group sessions will allow participants to hone their critical thinking, facilitation, and reporting skills
- Group findings reports – a reference guide will be compiled over the course of the semester, in the form of an organized and distilled summary report of key findings, concepts, strategies and tactics from group work sessions
- Guest speakers and an international panel will share unique knowledge and expertise
- A comprehensive and pragmatic textbook – *Managing Business Ethics: Straight Talk About How To Do It Right*, by L. Treviño & K. Nelson (5th Edition, 2010)

This course does not seek to impose any particular values or standards. Instead, it provides participants with an opportunity to seek what is “right,” by examining one’s own character and values – and those of others – and by exploring how they can be integrated into better decision-making and management practice.

COURSE REQUIREMENTS AND GRADING

Course requirements include a balance of participation and written deliverables.
The final course grade will be based on a total of 1000 points as follows:

Participatory Work (400pts)

- Readings and multimedia
- Class participation (200pts)
- Group work sessions (200pts)

Written Deliverables (600pts)

- Group findings reports (200pts)
- Personal ethical dilemma (100pts)
- Final Exam, Reflection and Self-Eval (300pts)

Readings and Multimedia

Students are expected to complete all assigned readings and thoroughly review all multimedia content and to come prepared to discuss them knowledgeably and in detail in class. Failure to do so at any time will result in a substantial deduction of points at the instructor's and TA's discretion. The textbook, *Managing Business Ethics*, by L. Treviño & K. Nelson (5th Ed.) *must be read in its entirety by no later than March 30*. Some sections of the textbook will be assigned for specific class sessions. All other assigned readings will be available in digital form, posted on the course website (MyLeeds/Blackboard). Reading assignments will change periodically over the course of the semester, therefore *check class description web pages regularly* to download up-to-date reading and multimedia assignments. Effort will be made to keep changes to a minimum. Changes to reading assignments listed online will *not* be made less than 1 week prior to the class for which they are assigned.

Class Participation (200pts)

Class attendance, preparation, and participation are fundamental aspects of this course and important to your performance in the class. Much of your learning will occur as a result of discussions in class and with your fellow group work participants. Classroom participation will be evaluated using the following criteria: attendance (very few excused absences will be granted, and must be negotiated in advance with the instructor or TA); timeliness (on time arrival is an expression of respect towards other students and to the instructor); preparedness (working knowledge of the day's schedule, topic, key concepts, cases, readings, etc.); and contribution (i.e. thoughtful inquiry, insightful analysis or compelling advocacy). Note that *quality* will count far more than *quantity* (i.e. more noise does not mean a higher score). Further, class participation is hard to grade if I don't know who you are, so name boards are required for *every* class meeting.

Online participation: The course website on MyLeeds will be an essential extension of our limited time in the classroom. Online participation will be evaluated on essentially the same criteria as listed above. Online "attendance" is expected beyond the essentials (visiting class scheduling and topics pages, downloading readings, uploading assignments, etc.). Expected contributions include: starting or contributing to topical threads, sharing an article or link of relevant interest, collaborating on a group findings report, and posting anonymous feedback with suggestions to improve class content or process.

Group Work Sessions (200pts)

There will be 7 group work sessions scattered throughout the semester, 6 of which are graded sessions (denoted with a subscript number in the class schedule/grid). For each of the graded sessions, there are three roles: 1 facilitator, 3-5 session participants, and 1 reporter. For most sessions, groups are given a case / problem and a task / goal to address through facilitated brainstorming and rapid solutions development. Facilitators are responsible for the group's productive functioning, acting as catalysts, arbiters and organizers (facilitation details provided separately). Session participants are the engines of knowledge and innovation in group work sessions, generating ideas and related facts from the readings and their own minds, and balancing inquiry and advocacy techniques to co-develop consensus positions (with the exception of debates).

Group work schedule (**bold** = graded): **G₁1/24**, G₀ 1/26, **G₂ 2/9**, **G₃ 2/16**, **G₄ 2/21**, **G₅3/2**, **G₆3/9**

Random assignment of groups and roles: Students will be randomly assigned groups for each of the sessions, and roles will be randomly assigned for each of the six graded sessions (listed in bold above). Every student will take the role of facilitator and reporter only *once*, and will be a session participant in all other group sessions.

Peer grading: The six group work sessions will be graded using a peer-rating scheme. At the end of each session, all group participants will fill out a brief form rating their peers' performance on key criteria and overall contribution. Only the group reporter and the TA will review this anonymous and confidential rating¹, and the grade will be registered on Blackboard within 5 days for students to track their performance. Facilitators can earn up to 60pts in a session, while session participants earn up to 35pts for each of the four sessions they play that role (140pts). Total group work session points available are 200 (**4x35pts+60pts**). Reporter roles and points are described below.

Group Findings Reports (200pts)

Each student will be randomly selected for the role of reporter for one of the 6 primary group work sessions (G₁-G₆). The reporter has five roles and deliverables for their designated work session (more details provided in separately): 1) Silently observe and record group findings in an unbiased fashion; 2) Concisely report-out key findings verbally to entire class at end of session (**25pts**); 3) Administer, collect and file peer feedback / ratings form; 4) Collaborate with other session reporters to compile a joint session findings report and post online within 10 days of the group session (**100pts**); 5) Present session findings (**75pts**) with fellow reporters in Week 12 (4/4&6).

Personal Ethical Dilemma (100pts)

The Personal Ethical Dilemma assignment is comprised of two parts. Part 1 (**25pts**) asks class participants to write a brief paper (~5-7 paragraphs) in-class on Wednesday, January 19, describing a personal ethical dilemma (PED) – a decision you had to make in which *values were in conflict* – in the workplace (preferably) or in your personal life (if a workplace dilemma cannot be identified). In Part 2 (**75pts**) of the PED assignment, due on Monday, February 7, you will revisit the dilemma you described during the in-class exercise, analyzing it in a 3-4 page paper using the “Ethical Business Toolkit.” Based on this analysis, you will either defend or revise (re-write) your decision.

Final Exam, Reflection Paper and Self-Evaluation (300pts)

The final exam will be administered via Blackboard in four parts.

- Part 1 – Reflection Paper (25pts) How will what you learned in this course actually affect (or not) your on-the-job performance?
- Part 2 – Self-Assessment (25pts) Provide the instructor with a numerical self-evaluation (%) of your class performance (prose/defense optional).
- Part 3 – Core Concepts Test (100pts) The core concepts test will be composed of multiple choice, true/false, fill-in-the-blank, and one or more short essay questions.
- Part 4 – Essay and Short Answer Exam (150pts) The final part of the exam will test students' understanding of the core concepts of business ethics, with emphasis on personal values, stakeholder considerations, and the application of ethical theories, decision tools, and case examples.

Evaluation Criteria

Grades will be assigned according to the following scale:

A+	97-100%	4.0	C+	77-80%	2.2-2.5
A	93-97%	3.8-4.0	C	73-77%	1.8-2.2
A-	90-93%	3.5-3.8	C-	70-73%	1.5-1.8
B+	87-90%	3.2-3.5	D+	67-70%	1.2-1.5
B	83-87%	2.8-3.2	D	63-67%	0.8-1.2
B-	80-83%	2.5-2.8	D-	60-63%	0.6-0.8

Please note that per the Leeds School grading policy (see #11 below), maximum average course grade will not exceed 3.4 (B+).

¹ Adjustments to peer ratings may occasionally be made, upon agreement between the reporter and TA or Instructor

CLASS PRINCIPLES ("The Fine Print")

1. Hard Work: Hard work and determination represent the foundation to personal progress and success.
2. Positive Attitude and Humor: A lighter, positive side exists to most topics, activities and assignments – even in (especially when!) you're stuck in a required business ethics class; let's have fun – the time will pass quicker!
3. Academic Integrity: Students are expected to uphold the University honor code in all matters pertaining to this course (see www.colorado.edu/academics/honorcode). All work submitted must be original and all non-original concepts integrated into student papers must be referenced as such. All information in written reports from other sources than the author should be cited appropriately. Copying material from the Internet without proper citation is considered plagiarism. Cheating on examinations or other assignments may result in an F in the course and referral to the CU Honor Council.
4. Respect for Others: People deserve to be heard without interruption. When a person is speaking, the remainder of the class should remain attentive. Please use appropriate timing when presenting your thoughts during class discussions, and allow others to complete their argument before speaking on your own opinion. If you have concerns about behavior that occurs in the classroom, feel free to raise them in a private conversation with the instructor, anonymous posting on Blackboard, or other means. Disrespectful or abusive language will not be tolerated.
5. Critical Thinking: Students are expected to think critically about the complexities of ethical business presented in this course and to develop their own opinions. It is not the instructor's intent to limit opinions, solutions or outcomes.
6. Accommodations for Disabilities. In accordance with the Americans with Disabilities Act, University instructors are required to make "reasonable and timely accommodations" for students with disabilities. By University policy that obligation only extends to students who have registered with the Office of Disability Services, which makes the determination of disability. If you have a disability and would like to request an accommodation, please notify the instructor in writing within the first two weeks of the semester describing the accommodations you think you need. Please provide documentation from Disability Services (303-492-8671, Willard 322, www.colorado.edu/disabilityservices).
7. Discrimination and Harassment. Effort will be made by the instructor and students to ensure that participation in this class is free from discrimination and harassment. The University of Colorado at Boulder policy on Discrimination and Harassment, the University of Colorado policy on Sexual Harassment and the University of Colorado policy on Amorous Relationships apply to all students, staff and faculty. Any student, staff or faculty member who believes s/he has been the subject of discrimination or harassment based upon race, color, national origin, sex, age, disability, religion, sexual orientation, or veteran status should contact the Office of Discrimination and Harassment (ODH, 303-492-2127, www.colorado.edu/odh) or the Office of Judicial Affairs (303-492-5550, www.colorado.edu/studentaffairs/judicialaffairs/).
8. Accommodations for Religious Observance. If you have religious obligations that may conflict with this course, please notify the instructor in writing within the first two weeks of the semester in order to seek a reasonable and fair arrangement. The campus policy regarding religious observance is available at www.colorado.edu/policies/fac_relig.html.
9. Absences. Regular class attendance is expected, and students will forfeit participation and group work session points when absent without a bona fide excuse. If you must be absent (and I know that a number of you will be from time-to-time for work-related reasons), please let me know ahead of time if possible (Email or text messaging are best).
10. Laptops. Laptop computers are allowed (even encouraged) for use in class. However, students must limit their computer usage to class-related activities, such as word processing, accessing the course website, and the occasional class-related web search. Other computer usage (e.g. Email, personal web surfing, etc.) will result in a deduction in class participation grade.
11. Grading. The Leeds grading policy establishes a maximum average course grade that professors must not exceed for classes in the MBA program. Specifically, the policy stipulates that the average course grade for MBA core classes should not exceed 3.4 (B+), or 3.6 (A-/B+) for MBA electives.

COURSE READINGS

The primary textbook for this course, *Managing Business Ethics*, by L. Treviño & K. Nelson (5th Ed.) must be read in its entirety by no later than March 30. Some sections of the textbook will be assigned for specific class sessions. All other assigned readings will be available in digital form, posted on the course website (MyLeeds/Blackboard). Reading assignments will change periodically over the course of the semester, therefore check class description web pages regularly to download up-to-date reading and multimedia assignments. The following is a list of readings made available to students in PDF form via the course website.

- Amaeshi, K. M., Osuji, O. K., & Nnodim, P. 2008. Corporate Social Responsibility in Supply Chains of Global Brands: A Boundaryless Responsibility? Clarifications, Exceptions and Implications. *Journal of Business Ethics*, 81(1): 223-234.
- Applegate, L. M. 2003. Stakeholder Analysis Tool. *Harvard Business School Cases*: 2p.
- Badaracco, J. J. L. 2001. We Don't Need ANOTHER HERO. *Harvard Business Review*, 79(8): 120-126.
- Badaracco Jr, J. L. 1998. The Discipline of Building Character. *Harvard Business Review*, 76(2): 114-124.
- Bass, T. A. 2009. Derivatives: The Crystal Meth of Finance, *Huffington Post*: 3p.
- Berlan, A. 2008. Ethical Supply Chain Management: Lessons From the Field. *Retail Digest*: 16-19.
- Birkner, L. R., & Birkner, R. M. 2000. A Model for Ethical Decision-making. *Occupational Hazards*, 62(4): 11.
- Blowfield, M. 2004. Implementation Deficits of Ethical Trade Systems. *Journal of Corporate Citizenship*(13): 77-90.
- Bourne, L., & Walker, D. H. T. 2005. Visualising and mapping stakeholder influence. *Management Decision*, 43(5): 649-660.
- Brooks, B. W., Cox, S. M., & Anderson, S. C. 2009. Cancer Water. *Journal of Critical Incidents*, 2: 30-37.
- Collins, J. 2005. Level 5 Leadership: The Triumph of Humility and Fierce Resolve. (cover story). *Harvard Business Review*, 83(7/8): 136-146.
- CSRwire. 2008. Perception of Corporate Responsibility Linked to Reputation, *Corporate Social Responsibility Newswire*.
- Davis, I. 2005. The Biggest Contract. *Economist*, 375(8428): 69-71.
- de Colle, S. 2005. A Stakeholder Management Model for Ethical Decision Making. *International Journal of Management & Decision Making*, 6(3/4): 1-1.
- DesJardins, J. 1998. Corporate Environmental Responsibility. *Journal of Business Ethics*, 17(8): 825-838.
- Donaldson, T. 1996. Values in Tension: Ethics Away from Home. *Harvard Business Review*, 74(5): 48-62.
- Drake, M., & Schlachter, J. 2008. A Virtue-Ethics Analysis of Supply Chain Collaboration. *Journal of Business Ethics*, 82(4): 851-864.
- Economist. 2006. Voting With Your Trolley. *Economist*, 381(8507): 73-75.
- Fridell, M., Hudson, I., & Hudson, M. 2008. With Friends Like These: The Corporate Response to Fair Trade Coffee. *Review of Radical Political Economics*, 40(1): 8-34.
- Friedman, M. 1970. The Social Responsibility of Business is to Increase its Profits, *New York Times Magazine*: pp. 32-33, 122-126.
- Galbraith, J. K. 2002. The Clumsy Multinational. *Harvard Business Review*, 80(9): 128-128.
- Gioia, D. A. 1992. Pinto Fires and Personal Ethics: A Script Analysis of Missed Opportunities. *Journal of Business Ethics*, 11(5/6): 379-389.
- Gosling, J., & Mintzberg, H. 2003. The Five Minds of a Manager. (cover story). *Harvard Business Review*, 81(11): 54-63.
- Haughey, L. 2003. Introduction: Five Standards of Excellence Practiced by Ethical Leaders. *Business Ethics Activity Book*: 15-19.
- Jackson, T. 2001. Cultural values and management ethics: A 10-nation study. *Human Relations*, 54(10): 1267-1302.
- Karnani, A. 2007. Doing well by doing good, case study: 'Fair & Lovely' whitening cream. *Strategic Management Journal*, 28(13): 1351-1357.
- Kellerman, B. 2004. Leadership Warts and All. (cover story). *Harvard Business Review*, 82(1): 40-45.
- Lawrence, E. C., & Elliehausen, G. 2008. A Comparative Analysis of Payday Loan Customers. *Contemporary Economic Policy*, 26(2): 299-316.

- Livesey, S. M., & Kearins, K. 2002. Transparent and Caring Corporations? A Study of Sustainability Reports by The Body Shop and Royal Dutch/Shell. *Organization & Environment*, 15(3): 233.
- Logsdon, J. M., & Yuthas, K. 1997. Corporate Social Performance, Stakeholder Orientation, and Organizational Moral Development. *Journal of Business Ethics*, 16(12/13): 1213-1226.
- Lorsch, J. W., & Clark, R. C. 2008. Leading From the Boardroom. *Harvard Business Review*, 86(4): 104-111.
- Lund-Thomsen, P. 2008. The Global Sourcing and Codes of Conduct Debate: Five Myths and Five Recommendations. *Development & Change*, 39(6): 1005-1018.
- Meyer, C., & Kirby, J. 2010. Leadership in the Age of Transparency. (cover story). *Harvard Business Review*, 88(4): 38-46.
- Moore, E. S. 2004a. Children and the Changing World of Advertising. *Journal of Business Ethics*, 52(2): 161-167.
- Moore, K. 2004b. Demise of the Super Size. *Marketing Magazine*, 109(20): 8-8.
- O'Toole, J., & Bennis, W. 2009. What's Needed Next: A Culture of Candor. *Harvard Business Review*, 87(6): 54-61.
- Paine, L. S. 1994. Managing for Organizational Integrity. *Harvard Business Review*, 72(2): 106-117.
- Payne, D. S. 2008. Green Marketing: 10p. Boulder, CO: Leeds School of Business, Center for Education on Social Responsibility (CESR).
- Payne, D. S. 2010. Non-Financial Accounting and Reporting: 8p. Boulder, CO: Leeds School of Business, Center for Education on Social Responsibility (CESR).
- Phillips, C. F. 1939. Some Theoretical Considerations Regarding Fair Trade Laws. *Journal of Marketing*, 3(3): 242-249.
- Phillips, R., & Caldwell, C. B. 2005. Value Chain Responsibility: A Farewell to Arm's Length. *Business & Society Review (00453609)*, 110(4): 345-370.
- Podolny, J. M. 2009. The Buck Stops (and Starts) at Business School. *Harvard Business Review*, 87(6): 62-67.
- Prahalad, C. K. 2010. The Responsible Manager. *Harvard Business Review*, 88(1): 36-36.
- Rucci, A. J., Kirn, S. P., & Quinn, R. T. 1998. The Employee-Customer-Profit Chain at Sears (cover story). *Harvard Business Review*, 76(1): 82-97.
- Salam, M. 2009. Corporate Social Responsibility in Purchasing and Supply Chain. *Journal of Business Ethics*, 85: 355-370.
- Samuelson, J. 2006. The New Rigor: Beyond the Right Answer. *Academy of Management Learning & Education*, 5(3): 356-365.
- Sherwin, D. S. 1983. The Ethical Roots of the Business System. *Harvard Business Review*, 61(6): 183-192.
- Smith, N. C., & Quelch, J. A. 1991. Pharmaceutical Marketing Practices in the Third World. *Journal of Business Research*, 23(1): 113-126.
- Starkman, D. 2008. Boiler Room: The Business Press is Missing the Crooked Heart of the Credit Crisis. *Columbia Journalism Review*, 47(3): 48-53.
- Sturdivant, F. D. 1973. What Are Ethical Marketing Practices? *Harvard Business Review*, 51(6): 10.
- Treviño, L. K., & Nelson, K. A. 2010. *Managing Business Ethics: Straight Talk About How to Do it Right* (5th ed.). New York: Wiley.
- Urbany, J. E., Reynolds, T. J., & Phillips, J. M. 2008. How to Make Values Count in Everyday Decisions. *MIT Sloan Management Review*, 49(4): 75-80.
- Utting, K. 2009. Assessing the Impact of Fair Trade Coffee: Towards an Integrative Framework. *Journal of Business Ethics*, 86(0): 127-149.
- Weible, C. M. 2007. An Advocacy Coalition Framework Approach to Stakeholder Analysis: Understanding the Political Context of California Marine Protected Area Policy. *Journal of Public Administration Research & Theory*, 17(1): 95-117.
- Welby, C. J., Cosgrove-Sacks, C., & Harris, S. 2007. Why Ethics In Finance Matters? *Finance & the Common Good/Bien Commun*(27): 52-53.
- Welby, J. 1997. The Ethics of Derivatives and Risk Management. *Ethical Perspectives*, 4(2): pp. 84-93.
- Yandle, B. 1999. Bootleggers and Baptists in Retrospect. *Regulation*, 22(3): 5.
- Zaleznik, A. 2004. Managers and Leaders: Are They Different? *Harvard Business Review*, 82(1): 74-81.