

Management 503
Professional Responsibility in Business and Society
ISU MBA
Fall 2016
Sections A, XA, and XE

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Prerequisites:

Enrollment in MBA program or departmental permission; Acct 501, Fin 501, Mgmt 501, Mkt 501.

Required Books:

Defining Moments: When Managers Must Choose between Right and Right, by J. L. Badaracco, Harvard Business School Press, 1997. ISBN 0-87584-803-6

Winning, by Jack Welch with Suzy Welch, Harper Business, 2005. ISBN 0-06-075394-3
Also required for Mgt. 504.

Required Cases (available at bookstore in case packet):

1. Following Lance Armstrong: Excellence Corrupted, Harvard Business School, by Rose and Fisher, October 7, 2014, (# 9-314-015).
2. Through the Eyes of a Whistle-Blower: How Sherry Hunt Spoke Up About Citibank's Mortgage Fraud, by Waytz and Kilibarda, Kellogg School of Management case, 2014, (#Kel 852).
3. Beth Stewart: Navigating the Boardroom, by Groysberg and Bell, Harvard Business School, March 13, 2013, (# 9 -413-094).
4. IBM's Values and Corporate Citizenship, Harvard Business School case, by Kanter, April 15, 2011. (#9-308-106).
5. Patagonia, by Reinhardt, Casadesus-Masanell, and Kim, Harvard Business School, October 19, 2010, (#9-711-020).

6. Parable of the Sadhu, by McCoy, Harvard Business Review classic article, May-June 1997, (#97307).

Other required readings/articles and mini-cases (handouts or on Blackboard):

- Undocumented and Uninsured – Eller Business Ethics case competition case, used with Arizona’s permission, (on BB)
- Theranos – (in class case, everything you need will be given in class)
- Insider trading: The case of Rajat Gupta and Goldman Sachs - Baylor University National Case Competition in Ethics Leadership case, 2013. (on Blackboard, used with Baylor’s permission)
- SAS – (everything you will need will be given in class)
- Stew Leonard’s Dairy – in class case (everything you will need will be given in class)
- Uber - Eller Business Ethics case competition case, used with Arizona’s permission, (on BB)
- Getting beyond the BS of leadership literature (on BB)
- Merck’s Decision (on BB)
- Turing Drug case - Martin Shkreli and Daraprim (on BB)
- Business Week on Volkswagen Fraud (on BB)
- Heart Attack Grill – (everything you will need will be given in class)
- Winning – chapter questions on Blackboard

Course Description:

This course considers the ethical and social responsibilities of top managers in corporations. We will examine the responsibilities of executives in terms of ethics and morality, stakeholder management, corporate social responsibility, strategies for sustainable development, pursuit of societal and corporate goals, board and chief executive leadership roles, governance reform and ethics, and executive leadership style and values.

Note: Please address any special needs or special accommodations with me at the beginning of the semester or as soon as you become aware of your needs. Those seeking accommodations based on disabilities should obtain a Student Academic Accommodation Request (SAAR) form from the Disability Resources (DR) office (515-294-6624). DR is located on the main floor of the Student Services Building, Room 1076.

Course Requirements/Grading Criteria:

- Attendance and participation in class discussion of readings and cases (individual assignment) – 40% or 40 points

- Journal (individual assignment) – 20 points
- Online Blackboard sessions – 40 points

Total =100 points -emphasis is placed on speaking/discussion, reading, and writing- using course content material! All the above criteria are indicated on Blackboard.

Class participation, attendance, and discussion

Each individual will be graded on class participation, which means the contribution made to class discussion and to case discussions. The instructor will keep a journal of daily class proceedings. Each student is expected to make a substantive class contribution at each session. The objective of this requirement is to help create a forum for the exchange of ideas, especially with regard to the cases and readings. It is expected that each student will make a major substantive contribution to class discussion several times during each session. **Online students accomplish this by making posts to each session's discussion boards on Blackboard.**

Attendance will also be recorded for each class session. Anyone needing to miss a class for work or family -related reasons should make it known to the instructor in advance. An individual's class attendance record also affects the participation grade-- given students are expected to participate each session. Students missing a session are required to make a post to the discussion board for that session.

There are required cases for this course. Each case presents a different leadership situation. The goal of the cases is to present examples of responsible leadership in practice. It is expected that students will be prepared to help lead discussion for each case on the assigned day.

How individual in-class contribution is assessed:

- 35-40 points - Participation with high interest and enthusiasm during all class sessions in all discussions. Consistent substantive contributions. High degree of volunteerism in all sessions and discussions. All daily assignments fulfilled.
- 30-34 points – Engaged in most discussions and presentations. Responded with high quality comments and contributions. Attended sessions.
- 25-29 points – Engaged in most of discussions and responded with good input when prompted.
- 20-24 points – Attended and listened but responded infrequently with substantive contributions and/or consistently arrived late for sessions.
- 20 points and below –No comments but attended, listened, did not disrupt class, and/or consistently arrived late for sessions.

Journal:

Each student is required to submit an original journal containing written reflections of 'what has been learned' as part of this module. The journal should be an account of

individual observations, conclusions, reflections, and summaries of course material. It should be organized by session and by subject. Students should write about what they have learned from chapter readings, lectures, and class case discussion. The journal should not be a set of notes. Rather, it should contain a reflective analysis of the course proceedings.

I recommend that you record and update your journal on a daily (or session-by-session) basis. A good guideline is to write about one page per day in terms of what you have learned. **Your journal is due October 10, 2016.**

How journals will be assessed: Each journal will be **submitted electronically** to the instructor. Journals will be assessed in terms of both comprehensiveness and quality. Comprehensiveness refers to covering the topics in this course outline. Quality refers to how well the student reflects upon and applies course concepts. Students are encouraged to organize journals into clear concise sections – by session and by subject matter.

Journals should be no longer than ten typed pages (12-point font, double or 1.5-spaced). The ten-page limit is a strict one. No exceptions. The following rubric will be used:

- 20 points – student offers reflections on all key topics for all sessions, course material is well integrated into the writing
- 15 points - student offers reflections on most topics for all sessions, course material is somewhat well integrated into the writing
- 10 points - student offers reflections on some topics for all sessions, course material is sporadically integrated into the writing
- 5 points - student offers reflections on a limited set of topics and sessions, course material integration is missing
- Below 5 points – assignment is unacceptable

Examples of journals will be posted on Blackboard. The examples will be anonymous and are used with permission. **I will not pre-read or ‘review’ any journals prior to the submission date.**

Online Blackboard Sessions

There will be two online sessions during the course. The goal of the sessions is to offer teams an opportunity to apply course concepts, have a meaningful written exercise, give a break from the routine of in-class meetings, and offer students an opportunity to express and share ideas in an online forum.

There are two sessions – each worth 20% or 20 points.

A full description of session expectations is given at the end of this outline for each of the two sessions.

I will use this rubric in grading team online posts:

- 20 points– team (individual) addresses all aspects of assignment using course concepts and ideas.
- 15-16 points – team (individual) does a good job responding to questions but does not use much course material in forming the response.
- 12-14 points– team (individual) simply offers opinions

Attendance policy:

Students are expected to attend all sessions and are expected to be on time. Students needing to miss a session for health, family, or work-related reasons should make at least two substantive postings to Blackboard for the appropriate session in lieu of class participation. This policy applies to all students for any missed session.

Learning Outcomes:

Upon completing this course, students will be able to:

- Identify ethical dilemmas involving both choices between good and bad, as well as good versus better
- Understand the main components of good moral reasoning
- Identify relevant stakeholder groups in business settings
- Understand the role of organizational leaders in communicating organizational values
- Identify potential moral hazards in business such as conflicts of interest, insider trading, and whistle-blowing
- Understand the components of a workable company code of ethics
- Understand the role of the board of directors in developing and institutionalizing organizational values
- Understand the concepts of leadership and management responsibility in terms of values, markets, and bureaucracies
- Understand the triple bottom line concept
- Understand the role of the corporation in society

Grading:

94-100% = A	80-82% = B-	67-69% = D+
90-93% = A-	77-79% = C+	63-66% = D
87-89% = B+	73-76% = C	60-62% = D-
83-86% = B	70-72% = C-	< 60% = F

The outline above and the schedule below may be modified according to class needs and in order to meet unforeseen contingencies. I reserve the right to correct errors and make needed changes.

Class discussion and reading assignment schedule/session agenda:

DM = Defining Moments; W = Winning

Session/date	TOPICS	READINGS/CASES	NOTES FILES
1 8/30	<ul style="list-style-type: none"> • Ethical responsibilities in business • Approaches to ethics • What would you do? 	<ul style="list-style-type: none"> • DM 1-2 • Undocumented and Uninsured • W 1 	<ul style="list-style-type: none"> • Ethics Introduction • Defining Moments • W1 • Undocumented and Uninsured
2 9/1	<ul style="list-style-type: none"> • Moral reasoning • Ethics policies and codes of ethics 	<ul style="list-style-type: none"> • DM 3-5 • Following Lance Armstrong • Code structure • Theranos (in class case) 	<ul style="list-style-type: none"> • Kohlberg/moral intensity • Codes of ethics • SOX and codes • Defining Moments • Theranos
3 9/6	<ul style="list-style-type: none"> • Culture and Values • Defining Moments case discussions 	<ul style="list-style-type: none"> • DM 6-9 • W 10 and 19 	<ul style="list-style-type: none"> • Culture and Values • Defining Moments • W10, 19
4 9/8* P&G	<ul style="list-style-type: none"> • Ethics issues <ul style="list-style-type: none"> ○ Insider-trading ○ Conflicts of Interest ○ Whistle-Blowing 	<ul style="list-style-type: none"> • Insider trading case – Rajat Gupta (Blackboard) • Through the Eyes of a Whistle-Blower case 	<ul style="list-style-type: none"> • Insider-trading • Conflict of Interest • Whistle-Blowing
5 9/13	<ul style="list-style-type: none"> • Leadership and People • Professional responsibilities of top managers <ul style="list-style-type: none"> ○ Authentic leadership 	<ul style="list-style-type: none"> • Authentic Leadership • SAS – (in-class case) • W5 and 7 • Stew Leonard’s –(in-class case) 	<ul style="list-style-type: none"> • Authentic Leadership • SAS • W 5 and 7 • Stew Leonard’s
6 9/15	<ul style="list-style-type: none"> • Leadership and professional responsibilities • The leader as communicator of values • Ralph Eucher guest speaker 	<ul style="list-style-type: none"> • W2 • Beth Stewart: Navigating the Boardroom 	<ul style="list-style-type: none"> • W2
7 9/20	<ul style="list-style-type: none"> • Online Blackboard Session– teams will make posts to Blackboard 	<ul style="list-style-type: none"> • Uber case 	<ul style="list-style-type: none"> • Uber case
8 9/22	<ul style="list-style-type: none"> • Leadership and values • BB session feedback 	<ul style="list-style-type: none"> • W 3 and 4 • Getting Beyond the BS of Leadership Literature 	<ul style="list-style-type: none"> • W 3 and 4 • Leadership BS
9 9/27	<ul style="list-style-type: none"> • Corporations as a force for social good • What is corporate social responsibility? Triple bottom line? • Jesse Pinkman visitor 	<ul style="list-style-type: none"> • Merck’s Decision • IBM case • Turing Drug- Martin Shkreli and Daraprim 	<ul style="list-style-type: none"> • Responsibilities of Business (pdf) • Triple bottom line • Merck and River blindness • IBM and Supercorp
10 9/29	<ul style="list-style-type: none"> • What is sustainability? • How is it measured? • Sustainability scorecards 	<ul style="list-style-type: none"> • Heart Attack Grill (in class case) • VW 	<ul style="list-style-type: none"> • Responsibilities of Bus. (ppt) • Sustainability Scorecard • Heart Attack Grill
11 10/4	<ul style="list-style-type: none"> • Corporate social responsibilities • Online session– teams will make posts to Blackboard 	<ul style="list-style-type: none"> • Patagonia 	<ul style="list-style-type: none"> • Patagonia
12 10/6	<ul style="list-style-type: none"> • Corporate Values • BB session feedback • Outcomes ethics exercise (in class) 	<ul style="list-style-type: none"> • (Blackboard)Parable of the Sadhu 	<ul style="list-style-type: none"> • Parable of the Sadhu

- Meet with P&G 7:30-8am- careers, coffee and donuts

Team assignment for September 20 Blackboard session – Uber (case on Blackboard)

Each team is required to post a one-page statement to the Blackboard discussion board that fully addresses the following questions:

- 1) Your team is to assume the identity of global management consultants and your audience is the senior management of Uber Technologies Inc. Uber has been called the most ethically-challenged company in Silicon Valley. Given the firestorm of media attention, your client has asked your team to identify the moral risks associated with the Uber business model, regulatory environment, and corporate behavior- and submit recommendations on how to mitigate these risks.
- 2) The recommendations you submit should take into account stakeholders, moral reasoning, financial, and ethical considerations. What should Uber managers do about the accusations facing the company?

- The requirement is for each team to make one one-page post to Blackboard. No blog or response to other teams is required.
- The post should be entered into the discussion board for the Uber session.
- We will not meet in class on the 20th- use the time to meet with your team.
- Use as much of the course conceptual material as possible in forming your statement. Use concepts from lecture, discussion, and readings.
- Please include all team members in the discussion and put their names in the post.
- A good guideline is to write about one paragraph per question above.
- It is also permissible for your team to emphasize one particular question—just let me know in your write-up.
- Please make your team post by midnight September 21.
- 20 points for a response that covers the questions and applies course concepts in the response.

The Engineering Management students (section XE) are required to make an individual one-page post about the Uber case – in other words- one post per XE student regarding the Uber case (20 points).

Team assignments for October 4 online Blackboard session

Each team is required to post a one-page statement to the Blackboard discussion board for October 1 that fully addresses the following questions:

1. Evaluate Patagonia's business model. What is your assessment of the new Product Lifecycle Initiative (reduce, repair, reuse, and recycle)? How important to Patagonia's business model is its environmental position? How might the business model differ if the company were publicly held?
 2. Is Patagonia a socially responsible company? Who are the stakeholders in this case? How are stakeholders benefitted by corporate social responsibility?
- The requirement is for each team to make one one-page post to Blackboard. No blog or response to other teams is required.
 - The post should be entered into the discussion board for the Patagonia session.
 - We will not meet in class on the 20th- use the time to meet with your team.
 - Use as much of the course conceptual material as possible in forming your statement. Use concepts from lecture, discussion, and readings.
 - Please include all team members in the discussion and put their names in the post.
 - A good guideline is to write about one paragraph per question above.
 - It is also permissible for your team to emphasize one particular question—just let me know in your write-up.
 - Please make your team post by midnight, October 5.
 - 20 points for a response that covers the questions and applies course concepts in the response.

The Engineering Management students (section XE) are required to make an individual one-page post about the Patagonia case – in other words- one post per XE student about the Patagonia case (20 points).

Academic Integrity

Source: Iowa State University Dean of Students Office website
www.dso.iastate.edu/ja/academic/students

“Academic integrity might best be defined, quite simply, as doing one's own academic work without unauthorized assistance from other persons or resources. More specifically, academic integrity means that students take their coursework seriously and place significant value on learning and engagement in the classroom and while completing assignments and projects.”

- Examples of specific acts of academic dishonesty include but are not limited to:
- **Obtaining unauthorized information.** Information is obtained dishonestly, for example, by copying graded homework assignments from another student, by working with another student on a take-home test or homework when not specifically permitted to do so by the instructor, or by looking at your notes or other written work during an examination when not specifically permitted to do so.
- **Tendering of information.** Students may not give or sell their work to another person who plans to submit it as his or her own. This includes giving their work to another student to be copied, giving someone answers to exam questions during the exam, taking an exam and discussing its contents with students who will be taking the same exam, or giving or selling a term paper to another student.
- **Misrepresentation.** Students misrepresent their work by handing in the work of someone else. The following are examples: purchasing a paper from a term paper service; reproducing another person's paper (even with modifications) and submitting it as their own; having another student do their computer program or having someone else take their exam.
- **Bribery.** Offering money or any item or service to a faculty member or any other person to gain academic advantage for yourself or another is dishonest.
- **Plagiarism.** Unacknowledged use of the information, ideas, or phrasing of other writers is an offense comparable with theft and fraud, and it is so recognized by the copyright and patent laws. Literary offenses of this kind are known as plagiarism.

Iowa State University
College of Business
MBA Code of Academic Conduct

As an Iowa State MBA student, **my actions have a significant impact** on the integrity and reputation of Iowa State University, the College of Business, and the MBA program. The MBA Code of Academic Conduct reinforces the student responsibilities articulated in the MBA Student Handbook (chapter VI) with the intended purpose of creating a highly-ethical, supportive, and productive learning environment.

To uphold the highest standards of academic honesty and ethical behavior expected from Iowa State MBA students; I pledge to:

- **Foster and enhance an environment of respect** for fellow students, faculty, and staff both in the classroom and beyond.
- Collaborate, communicate, and contribute as an **active member of an MBA team** relying on the collective ability to achieve common goals, rather than individually, on all authorized team-based projects and assignments.
- **Exercise integrity** in all aspects of my academic work by not engaging in any method or means that provides an unfair advantage.
- Submit all individual assignments quizzes, exams etc. **without giving or receiving any unauthorized assistance** unless clearly permitted by the faculty member.
- Acknowledge the words and ideas of others through proper citation.
- **Turn in original work, not substantially the same work previously submitted**, for a new assignment in another course without the consent of the faculty member.
- **Consult the faculty member for clarification if uncertainty exists** as to what is authorized versus unauthorized aid on all academic work.

By signing this agreement, I promise to honor the academic responsibilities listed in the MBA Code of Academic Conduct and the professional/behavioral responsibilities stated in Section VI of the MBA Student Handbook.

In addition, I acknowledge that any violations with respect to the university's academic integrity policies are subject to disciplinary actions under the university's academic misconduct regulations outlined herein: <http://www.policy.iastate.edu/policy/SDR>.

Disability Accommodation

Iowa State University complies with the Americans with Disabilities Act and Sect 504 of the Rehabilitation Act. If you have a disability and anticipate needing accommodations in this course, please contact (instructor name) to set up a meeting within the first two weeks of the semester or as soon as you become aware of your need. Before meeting with (instructor name), you will need to obtain a SAAR form with recommendations for accommodations from the [Disability Resources Office](#), located in Room 1076 on the main floor of the Student Services Building. Their telephone number is 515-294-7220 or email disabilityresources@iastate.edu . Retroactive requests for accommodations will not be honored.

Harassment and Discrimination

Iowa State University strives to maintain our campus as a place of work and study for faculty, staff, and students that is free of all forms of prohibited discrimination and harassment based upon race, ethnicity, sex (including sexual assault), pregnancy, color, religion, national origin, physical or mental disability, age, marital status, sexual orientation, gender identity, genetic information, or status as a U.S. veteran. Any student who has concerns about such behavior should contact his/her instructor, [Student Assistance](#) at 515-294-1020 or email dso-sas@iastate.edu, or the [Office of Equal Opportunity and Compliance](#) at 515-294-7612.

Dead Week

This class follows the Iowa State University Dead Week policy as noted in section 10.6.4 of the Faculty Handbook <http://www.provost.iastate.edu/resources/faculty-handbook> .