

Ethical, Political and Social Environment of Business
MGMT 308
Syllabus V1.0

Spring 2012
TR 12:30-1:45, ASM 1017

Office hours: T 2:00-3:00 ASM 2114
R 2:00-3:00 in the Jackson Center
By appointment

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in emergencies**

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Course goals, or Why am I here?

One answer is “because I need this course to graduate.”

But why does ASM require this course? One reason is that our accrediting body (AACSB International—The Association to Advance Collegiate Schools of Business) requires that some coverage of the social, political, and ethical issues related to business be included in your business programs.

More importantly, ASM recognizes that any business education is incomplete without an examination of the increasingly complex ethical, social, and political environment of business. (Note: Although we’ll be discussing ethical issues related to the conduct of business, this is not just a course on “business ethics.”) Throughout the semester, we’ll be looking at how the environment in which a business operates affects different business functions, business- and corporate-level strategy choices, and managerial behavior.

You’ll be exposed this semester to a variety of perspectives on business, some of which you may agree with and others that you won’t. My goal is not for you to think in a particular way but rather to be able to analyze those business relationships and external environmental pressures that affect organizations, and then to develop informed and sensible policies and practices that allow organizations *to be successful in the long term*. That said, I hope that you will use this semester to examine the values that underpin your own thinking about the responsibilities of business. Along the way, I hope that your critical reasoning, analysis, and communication skills will be sharpened.

The course comprises five broad modules with different but overlapping topics:

Corporate Social Responsibility

Broadly, we will examine the questions of what, if any, obligations to corporation owes to society.

Ethics

The emphasis in this module is on ethical reasoning, including gaining an understanding of the main ethical theories. This is not an in-depth examination of business ethics. I encourage you to take the course on managerial ethics if this topic interests you.

Stakeholders

The firm can only continue as a going concern if relevant constituencies continue to believe in its mission. It is nearly impossible to run a firm without the support of employees, customers, suppliers, or financiers. We will also consider the connection of more distant stakeholders to the firm.

The natural environment

Society has become more concerned about how corporate activities impact the natural environment. We will spend some time examining these issues.

Business-government relations.

In this module, we will begin to develop an understanding of the regulatory environment of business. This section will also provide an opportunity to think about the ways corporations influence the political process.

Grading

Evaluation of students’ performance will be based on a variety of activities weighted as indicated below:

Individual performance	Weight	
Class participation, including presenting one current event.	15 %	
Quizzes (top 7 scores of 8 quizzes)	25 %	
First paper and peer critique on another paper	5 %	
Discussion case answers	4 %	
Course reflection	1 %	
Final paper	30 %	
<i>Total for individual activities</i>		80 %
Team performance		
Stakeholder team assignment	20 %	
<i>Total for team activities</i>		20 %

COURSE LEARNING OBJECTIVES

Analyze the stakeholders and social interests facing a business, including an ability to **classify** the relevant stakeholders related to a particular issue.

Apply the social issues life cycle framework to identify social issues facing a business, and formulate strategies for response.

Identify ethical issues that may affect a business, **apply** ethical theory to evaluate the ethical consequence of different response options.

Understand the legal and regulatory requirements imposed on businesses, and identify the agencies that enforce these requirements.

Explain how the public policy/political process works, and how a business can influence that process.

Class participation. Grades for class participation will depend on both quality and frequency of participation. Quality is much more important than frequency. Students will receive high points for class participation when:

- * their participation shows evidence of thoughtful analysis,
- * their participation fits in with the flow of class discussion and demonstrates that they have been listening to and responding to others' viewpoint,
- * they are able to influence the class to consider important avenues that it has neglected,
- * they are able to engage constructively in debating points with other students.

Less value will be placed on participation that repeats facts without analysis, or that disrupts the flow of the class discussion without good reason.

Attendance of all classes and other activities is extremely important, as this is a course that relies heavily on class discussion and it is very hard to participate if you are not present.

Participation points will also be earned by participating in discussions on the Web CT discussion board.

Discussion Case answers Each person will turn in answers to the Discussion Case questions for one discussion case during the semester. These questions are given in the book immediately after the Discussion Case. This is only applicable on days when there is a Discussion Case assigned with the chapter. **Please include the questions when you turn in your typed, double-spaced answers.**

Current event presentation. Each student will present one three-to-four minute presentation on an article from a recent business periodical that addresses one of the topics covered in the course. On the day that you do your presentation, you'll hand in the article itself (a download from a magazine's or newspaper's website is OK) along with a 500-word commentary on the article and what chapters/topics from the course to which your topic relates. This will be graded credit/no-credit; an acceptable presentation and paper will earn the full 3 percent of your grade, counted towards your participation grade. Signups for the article presentation will occur during the second week of class.

First written assignment. This assignment involves writing a 2 page paper and editing another student's paper. Instructions for this assignment will be handed out shortly.

Team stakeholder analysis. Working with up to 2 other students, this assignment requires you to choose any current (within the past 6 months) issue facing a corporation. Explain the issue. Conduct a stakeholder analysis of the issue and explain the connection of each stakeholder to the issue. Explain and justify how the corporation should prioritize the different stakeholders in the issue. Construct a response to the issue for the corporation for the most important stakeholder. Construct a response from that stakeholder group to the corporation based on your response from the corporation to that group. This assignment should be no shorter than 10 pages. This assignment is due on the date indicated on the course summary schedule. You should submit your issue and team members on the date indicated on the summary of classes.

Course reflection. On the final day of the course, you will write a brief reflection on what you have learned in the course as well as any suggestions for improvement in the course.

Final paper from a film. This assignment requires you to write an essay on any salient issue raised in the film. Construct a thesis statement – a short (25 words or less) summary statement – that encapsulates your position on the issue. In explaining your position make sure you address both the pros and cons of the issue. Support your arguments using facts, avoid what you “believe” or “feel”. Include a conclusion summarizing the evidence presented. This assignment should be no shorter than 7 pages. It is due no later than midnight the day of our scheduled final.

Materials

Students need to purchase the text which is available from the bookstore. The text is:

Lawrence, Anne T., and Weber, James. 2008. *Business & Society: Stakeholders, Ethics, Public Policy*. 13th edition. McGraw-Hill/Irwin. ISBN 978-0078137150.

Students are also advised to regularly read business news publications such as:

Wall Street Journal, Financial Times, The Economist, Fortune, Business Week

Much of the material for the course is located on the Web CT site. There are slides and handouts for non-case discussions.

Policies and procedures

Class attendance is a critical element of learning and important for your class participation grade. If you are not here, you cannot participate. More than four unexcused absences may result in an administrative withdrawal or a failing grade for the course. Equally important is active *class engagement*. I will assume that you have read the assigned materials before class, so we'll be able to use our time together discussing, evaluating, and applying them to real business situations.

Please turn off cell phone ringers during class!

Ethical lapses like plagiarism and cheating will result in a failing grade for the course.

If you are a qualified person with disabilities who might need appropriate accommodations in this class, *please communicate with me as soon as possible*. It is often the case that we will need to coordinate accommodating activities with other campus offices.

Appendix 1: Summary schedule

Sess. #/date	Topic	Reading
1 T 1/17	Intro	<i>None</i>
	Part 1, Corporate social responsibility	
2 R 1/19	The corporation and its stakeholders	L & W, Chapter 1, pp. 2-22 Inland National Bank, in class exercise
3 T 1/24	Inland National Bank discussion continued	<i>No Reading</i>
4 R 1/26	Corporate social responsibility	L & W, Chapter 3, pp. 45-65 Discussion Case: Timberland's Model, pp. 65-67 Quiz (Chapters 1 & 3)
5 T 1/31	Global corporate citizenship	L & W, Chapter 7, pp. 145-165 Discussion case: The Gap, pp. 165-167
6 R 2/2	Managing public issues	L & W, Chapter 2, pp. 24-43 Discussion Case: Coca-Cola, pp. 43-44 Quiz (Chapters 2 & 7)
7 T 2/7	CSR wrap up	Case: The Collapse of Enron, pp. 541-553
	Part 2, Ethics	
8 R 2/9	Ethics and ethical learning	L & W, Chapter 4, pp. 70-91 Discussion Case: The Warhead Test Dilemma, pp. 92-93
9 T 2/14	Organizational ethics and the law	L & W, Chapter 5, pp. 94-119 Discussion Case: Alcoa's Core Values, pp. 119-121 Quiz (Chapters 4 & 5)
10 R 2/16	Ethical reasoning wrap up	The Collapse of Enron, further discussion
	Part 3, Stakeholders and the firm	
11 T 2/21	Shareholder rights and corporate governance	L & W, Chapter 14, pp. 316-338 Discussion Handout: Milton Friedman Assignment number 1 due to partner
12 R 2/23	Consumer protection	L & W, Chapter 15, pp. 340-359 Discussion Case: Big Fat Liability, pp.359-361 Explanation of team assignment Quiz (Chapters 14 & 15)

13 T 2/28	Employees and the corporation	L & W, Chapter 16, pp. 362-382 Discussion Case: No Smoking Allowed, pp. 382-384 Comments due to partner on assignment number 1
14 R 3/1	Managing a diverse workforce	L & W, Chapter 17, pp. 385-407 Discussion Case: Dukes, pp. 407-409 Quiz (Chapters 16 & 17) Stakeholder assignment team members due
15 T 3/6	The community and the corporation	L & W, Chapter 18, pp. 410-429 Discussion Case: Corporate Philanthropy, pp. 429-431 Revision of Assignment 1 due to Professor Berman
16 R 3/8	Managing public relations	L & W, Chapter 19, pp. 432-450 Discussion Case: Whole Foods' CEO. pp. 450-452 Quiz (Chapters 18 & 19)
3/11-3/18	<i>No Class</i>	<i>Spring Break</i>
17 T 3/20	Business and the media	<i>Reading handed out in class</i>
18 R 3/22	Stakeholder wrap up	Hewlett-Packard's Secret Surveillance of Directors and Journalists, p. 501-513
19 T 3/27	Meeting with groups to discuss stakeholder assignment	<i>No Reading</i>
	Part 4, The corporation the natural environment	
20 R 3/29	Ecology and sustainable development in global business	L & W, Chapter 10, pp. 220-240 Discussion Case: Three Gorges Dam, pp. 241-242
21 T 4/3	Managing environmental issues	L & W, Chapter 11, pp. 243-264 Discussion Case: Digging Gold, pp. 264-266 Quiz (Chapters 10 & 11)
22 R 4/5	<i>Film</i>	<i>No Reading</i>
23 T 4/10	<i>Film</i>	<i>No Reading</i>
24 R 4/12	<i>No class</i>	<i>Professor Berman will be available in his office to answer last minute questions on the stakeholder project.</i>
25 T 4/17	<i>Group assignment presentations</i>	<i>No Reading</i>
26 R 4/19	<i>Group assignment presentations</i>	<i>No Reading</i> Stakeholder assignment due
	Part 5, Business-government relations	
27 T 4/24	Business-government relations	L & W, Chapter 8, pp. 170-191 Discussion Case: Tobacco Products, pp. 191-193
28 R 4/26	Influencing the political environment	L & W, Chapter 9, pp. 194-215 Discussion Case: Campaign Funds, pp. 217-218
29 T 5/1	Technology, Organizations, and Society	L & W, Chapter 12, pp. 268-288 Discussion Case: Downloading music, handed out in class Quiz (Chapters 8, 9 & 12)
30 R 5/3	Course wrap up	Course reflection Course LAT
	Final paper due by midnight, Thursday, May 10	

All assignments will have assignment drop-boxes on WebCT to facilitate electronic submissions of assignments.