BLAW 550-03 Business Law and Ethics

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SYLLABUS
BLAW 550-03: BUSINESS LAW and ETHICS
MBA Program BLAW 550-03
Spring Term, 2015

Professor: Kathleen McGarvey Hidy, J.D.
E-mail: hidyk@xavier.edu
Telephone & Office: Office: 513-745-4310; 231 Smith Hall
Office Hours: Mondays: 11 a.m. to 1 p.m.; Tuesdays and Thursdays: 11 a.m. to 1 p.m.; Meetings/conference calls available by appointment as well.
Class Meets: Wednesdays, 6 p.m. to 8:30 p.m.


Williams College of Business Mission Statement:

The College educates students of business, enabling them to improve organizations and society, consistent with the Jesuit tradition. The mission of the College is in keeping with the university’s mission, articulated by President Michael Graham, S.J. ~ “Xavier's mission is to serve society by forming students intellectually, morally and spiritually, with rigor and compassion, towards lives of solidarity, service and success.”

Course Description:

This course explores the ethical and legal aspects of a business organization’s core values (i.e. leadership, integrity, corporate culture, privacy, loyalty, honesty). The relationship between law and ethics as applied to business is examined by first discussing legal issues (i.e. products liability, corporate governance, employment discrimination) and then analyzing the ethical implications arising from these issues. The class format includes examination of the text materials through the Socratic method, case analysis, oral presentations, group presentations and a research paper.

The objectives of this course include:

- Gaining an understanding of the ethical and legal issues confronting individuals and organizations which conduct business in the United States.
- Developing an ability to use critical thinking and reasoning skills.
- Developing an ability to effectively communicate in both oral and written presentations your analysis of the implications an ethical or legal issue may have on a business.
- Using research methods to investigate how legal and ethical issues can be examined and analyzed through sources available to business people.
- Developing an understanding of and appreciation for the ethical framework derived from the Williams College of Business Mission Statement.

Course Learning Outcomes

1. **Strategic Thinking and Leadership**
   Through this course, students will be able to:
   - Describe foundational ethical and legal principles relevant to organizations and individuals in the workplace.
   - Incorporate legal and regulatory principles into organizational decision-making and strategic planning.

2. **Global Perspective and Cultural Diversity**
   Through this course, students will be able to:
   - Integrate the concepts of respect, inclusiveness and valuing all persons into their decision-making.

3. **Ethics and Social Responsibility**
   Through this course, students will be able to:
   - Critically assess the legal and ethical implications of business decisions.
   - Resolve conflicts between legal and ethical responsibilities in the business context.
   - Incorporate legal and regulatory principles into organizational decision-making and strategic planning.
   - Integrate the concepts of respect, inclusiveness and valuing all persons into their decision-making.
   - Identify the ethical path and serve as responsible members of society.

4. **Critical Thinking**
   Through this course, students will be able to:
   - Analyze and explain judicial, legislative and regulatory developments relating to business organizations.

5. **Effective Written and Oral Communication**
   Through this course, students will be able to:
   - Clearly and professionally communicate information and concepts in writing and orally, using appropriate technology where relevant.

**Assessment:** A variety of methods are used to assess student mastery of these Learning Outcomes. Classroom discussion will include the Socratic method and group discussions synthesizing both the theoretical and applied. Journaling allows the student to demonstrate the ability to integrate concepts of respect and inclusiveness, as well as to address ethical and personal decision making. Students will demonstrate critical thinking and understanding of legal and ethical principles through oral presentations using case analysis and a legal research paper. Several quizzes will assess a student’s understanding and application of legal principles. A team ethics project will allow students to demonstrate communication skills, as
well as the ability to discuss in depth ethics issues involving organizations and individuals in
the workplace.
Disability Services Office:

Anyone who believes he/she may need an academic accommodation based on the impact of a disability (e.g. sensory, learning, psychological, medical, mobility) should contact me to arrange an appointment to discuss your needs as soon as possible. I rely on the Disability Services Office for assistance in verifying your eligibility for academic accommodations related to your disability. If you have not previously contacted Disability Services, I encourage you to do so at 513-745-3280 on the Fifth Floor of the Conaton Learning Commons, Room 514 or e-mail Cassandra Jones at jonesc20@xavier.edu, to coordinate reasonable accommodations.

Course Requirements:

1. Attendance: The best learning occurs when students are able to discuss, debate, and react to the assigned readings, and to engage with in-class interactions between the professor and the other students. Sharing best practices within organizations, large and small, can provide valuable insight and perspective into the course content. Ideally, students should attend every class, in order to maximize this experience. Even so, occasionally, students who are working professionals have family, health or work conflicts, which may preclude attending a given class. In these limited instances, in the spirit of flexibility, the student can explore coming up with alternatives for in-class participation. Alternatives might include: (1) attending the class via skype, (2) arranging to have the class recorded, for future viewing, (3) attending another section of the class, covering similar course content of the missed class, on another night (with the agreement of both professors), or (4) preparing a written analysis of course materials. Students are expected to limit absences. Students have the responsibility for and must take the initiative in seeking the professor’s permission and arranging for possible alternatives to attendance.

2. In-Class Technology Use: Use of cell phones, smart phones, or laptops during class for purposes unrelated to the course distracts from the classroom discussion and diminishes the learning environment. Such use will negatively impact your class participation grade.

3. Grading is as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Class Participation Grade</td>
<td>25%</td>
</tr>
<tr>
<td>Journal Portfolio and Attendance Grade</td>
<td>10%</td>
</tr>
<tr>
<td>Cumulative Quiz Grade</td>
<td>30%</td>
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<tr>
<td>Research Paper</td>
<td>20%</td>
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<tr>
<td>Ethics Presentation</td>
<td>15%</td>
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</tbody>
</table>

4. Grade Scale: Letter grades will be assigned along the following spectrum:

   A >= 94, A- >= 90, B+ >= 87, B >= 84, B- >= 80, C+ >= 75, C >= 70, F < 70.
5. **Quiz Grade**: Eleven (11) short quizzes will comprise this grade. Quizzes will be given on the dates indicated under the Course Coverage section of this Syllabus. Each quiz will be worth 9 points with the exception of Quiz 10 which is worth 13 points. The maximum available quiz points totals 103 points. The quiz format is primarily objective questions (multiple choice/true false). Readings listed under Course Coverage, including cases, are to be prepared for that class and will be the material tested on the quiz. **Quizzes will begin at 6 p.m. and will be collected by 6:20 p.m. Quizzes are the property of the professor and must be returned during the class period.** Failing to return a quiz during the class period or sharing and/or using a fellow student’s quiz answers constitutes a violation of the University Policies on Academic Integrity. **The University Policies on Academic Integrity will be strictly enforced.**

6. **Class Participation Grade**: This grade is a composite of each student’s (1) weekly in-class discussion of the Course Coverage materials; and (2) in-class oral presentation of a case from the Course Coverage materials. Evaluations will be based on a student’s preparation of these materials and his or her active engagement in the class discussions. Knowledgeable class participation is strongly encouraged and will be rewarded with a favorable class participation grade. **Conduct contrary to the Student Handbook, available on-line, will negatively impact this grade. (“Xavier embraces certain values, which enhance the integrity of the educational community. A student’s behavior should reflect the values of respect for oneself, respect for others, respect for authority, respect for property, and honesty and integrity.”)** **Note: Extra Credit for this grade is available through attending Xavier’s Cintas Institute for Business Ethics events. See Canvas, Modules “Course Content” tab for details.**

7. **Journal Portfolio and Attendance Grade**: This grade is a composite of your attendance (please see attendance policies above) and your journal portfolio. The journal portfolio is a compilation of journal reflections (one page reflections on a case, article, essay or issue raised by the Course Coverage materials or in-class discussion for that week’s class). A journal reflection is a reaction to the material or in-class discussion; not a recounting of the material or the discussion.

8. **Ethics Presentation**: In lieu of a final exam, each student will be assigned to an Ethics Presentation Team. Each Team will be responsible for a twenty (20) minute presentation to the class on the date reserved for these presentations under the Course Coverage section of the Syllabus. The assignment of Teams will be random. You will be notified of these assignments by the fourth class. The presentation should involve an ethical dilemma(s) confronting a business organization. Grading will be based on: (1) the quality of the in-depth class discussion led by the Team; (2) the *creativity used to portray the ethical dilemma(s); and (3) the one-page handout provided to the students at the conclusion of the presentation detailing the business strategy adopted to deal with the ethical dilemma(s) presented and to proactively prevent its reoccurrence. *Creativity includes the original content and substance of the scenario presented as well as the format used to present it i.e. role playing, audio/visual aids, power point presentations, etc. The content of the portrayal of the ethical dilemma must be original i.e. not taken from previously-produced content sources. Please see the professor for any technological aids needed for the presentation.

9. **Research Paper**: This paper should present a detailed and comprehensive **objective** examination of a legal or ethical topic which impacts an industry or business. Excellent research papers previously submitted in this course are posted on Canvas under the
Modules “Course Content” tab. Additional information regarding the research paper is provided in the Supplemental Syllabus attached to this Syllabus.

10. **Course Coverage Materials:** These are materials which constitute the readings on which quizzes, journal reflections, and class discussions are based. All materials are in the LE or BE texts or, in limited instances, posted on Canvas under the Modules “Course Content” tab. Cases in the LE text will be examined in class through oral presentations. All cases contained in course coverage materials should be prepared for in-class presentation and discussion. Please notify me if you are not able to access Canvas for this course.

    **Timetable for the semester**  
    **(Subject to revision)**

<table>
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<tr>
<th>Date</th>
<th>Assignment</th>
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<tbody>
<tr>
<td>1/14</td>
<td><strong>Class 1</strong> Course Introduction.  Review of Syllabus and Discussion of Course Objectives.  Review of Library Resources for Research Paper; Introduction to Law and Ethics using Canvas Article On Wall Street, A Culture of Greed Won’t Let Go.</td>
</tr>
</tbody>
</table>
| 1/21   | **Class 2** Overview of the Legal System and Research Paper Forum  
No Class Preparation Required for this Class. |
| 1/28   | **Class 3** TOPIC: Law, Ethics, and Business  
Quiz 1 on Course Coverage materials; Course Coverage: LE, pages 1-43. |
| 2/4    | **Class 4** TOPIC: Allocating Risk and Responsibilities  
Quiz 2 on Course Coverage materials; Course Coverage: LE, pages 289-319; BE, Article 47. |
| 2/11   | **Class 5** TOPIC: Marketing and Technology  
Quiz 3 on Course Coverage materials; Course Coverage: LE, pages 248-284; BE, Article 30. |
| 2/18   | **Class 6** TOPIC: Ownership, Creativity, and Innovation  
Quiz 4 on Course Coverage materials; Course Coverage: LE, pages 323-367; Canvas Article Microsoft’s AOL Deal Intensifies Patent Wars. |
| 2/25   | **Class 7** TOPIC: Corporate Governance and White Collar Crime  
In-class review and discussion of movie, *Enron: The Smartest Guys in the Room.*  
Research Papers are due on 2/25; Paper copies to be turned in by 6 p.m. in the classroom. Electronic copies submitted into TURNITIN.COM by 6 p.m. on 2/25. |
| 3/4    | **Class 8** UNIVERSITY HOLIDAY: NO CLASS                                                                 |
| 3/11   | **Class 8** TOPIC: Corporate Governance and White Collar Crime  
Quiz 5 on Course Coverage materials; Course Coverage: Articles posted on Canvas: The Distinctiveness of Jesuit Business Schools; Bernard Madoff: An Overview; The Heir Who Won’t Be King; Wal-Mart FCPA Probe Focuses on Mexico Amid Report of Cover-Up; A Banker’s Oath; Rajat Gupta Convicted of Insider Trading; SAC Capital is Indicted, and |


<p>| Called a Magnet for Cheating. |</p>
<table>
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<tr>
<th>Date</th>
<th>Topic</th>
<th>Quiz/Notes</th>
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<tbody>
<tr>
<td>3/18</td>
<td><strong>TOPIC: Diversity</strong></td>
<td>Quiz 6 on Course Coverage materials; Course Coverage: LE, pages 141 to 166; BE, Articles 19 and 20.</td>
</tr>
<tr>
<td>3/25</td>
<td><strong>TOPIC: Diversity</strong></td>
<td>Quiz 7 on Course Coverage materials; Course Coverage: LE, pages 126 to 140; BE, Article 54.</td>
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<tr>
<td>4/1</td>
<td><strong>TOPIC: Privacy and Technology</strong></td>
<td>Quiz 8 on Course Coverage materials; Course Coverage: LE, pages 87-122; BE, Article 34. In-Class Presentation of Professor Hidy’s Article: <em>Risky Business: The Legal Implications of Social Media’s Increasing Role in Employment Decisions.</em></td>
</tr>
<tr>
<td>4/8</td>
<td><strong>TOPIC: Workers’ Rights as Human Rights</strong></td>
<td>Quiz 9 on Course Coverage materials; Course Coverage: LE, pages 171-206; Articles posted on Canvas: <em>U.S. Retailers See Big Risk In Safety Plan For Factories; Global Retailers Join Safety Plan for Bangladesh.</em></td>
</tr>
<tr>
<td>4/15</td>
<td><strong>TOPIC: The Duty of Loyalty and Whistleblowing</strong></td>
<td>NO QUIZ: Course Coverage materials: In-class DVD review and discussion of Olympus CEO Whistleblower Michael Woodford’s Presentation at Xavier’s <em>Distinguished Speaker Series.</em></td>
</tr>
<tr>
<td>4/22</td>
<td><strong>TOPIC: The Duty of Loyalty and Whistleblowing</strong></td>
<td>Quiz 10 (<em>worth 13 points</em>) on Course Coverage materials; Course Coverage materials: LE, pages 49-80; BE, Articles 26 and 27 and 42; Article posted on Canvas: <em>Whistle-Blower Awards Lure Wrongdoers Looking to Score.</em></td>
</tr>
<tr>
<td>4/29</td>
<td><strong>TOPIC: Creating an Ethical Culture in Business Organizations</strong></td>
<td>Quiz 11 on Course Coverage materials; Course Coverage: BE, Articles 4, 7, 15, 52, 53 &amp; 57; Article posted on Canvas: <em>Why I am Leaving Goldman Sachs.</em></td>
</tr>
<tr>
<td>5/6</td>
<td>Ethics Presentations</td>
<td>Journal Portfolios due; submit journal reflections for all Topics (10 Topics in total) and your version of the MBA Oath.</td>
</tr>
<tr>
<td>5/6</td>
<td>Ethics Presentations</td>
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</table>
SUPPLEMENTAL SYLLABUS

I. The research paper should present a detailed and comprehensive objective examination of a legal or ethical topic which impacts an industry or business. The paper must be original to this course i.e. not work submitted in other courses. The paper should be 8 to 10 pages in length, typed and double-spaced, not including the bibliography. Each page should be numbered. The bibliography should provide complete references to sources and should contain, at a minimum, seven sources. Possible sources include: articles from news journals and newspapers, law cases, treatises, law reviews, books and interviews. Internet websites may constitute a source but a website’s value will be weighted according to the website’s objectivity and credibility. Wikipedia is not an acceptable source. The Course Coverage materials may be reviewed for background information but may not be used as a source for the research paper. Cases found in the Course Coverage materials may not be used or cited as a source. Links to helpful research databases are listed on Canvas under Modules “Library Links” tab. XU Librarian Tim McCabe (mccabe@xavier.edu) is available to assist you in your research. Outstanding papers previously submitted for this course are posted on Canvas for your review under the Modules “Course Content” tab. Bibliographical information included in these papers may not be cited. All information in the paper, whether quoted or not, must be sourced i.e. given an in-text citation.

II. The University Policies on academic integrity will be strictly enforced. Each paper must be submitted to TURNITIN.COM to verify that it represents the student’s work. The link for this is on Canvas. Additional information will be provided in class regarding the mechanics of this. Please review the article on Plagiarism posted on Canvas posted under the Modules “Course Content” tab and consult the professor with any questions as to what constitutes Plagiarism.

III. A paper copy of the student’s research paper must be delivered to the classroom by 6 p.m. on Wednesday, February 25th. An electronic copy of the research paper must be submitted to TURNITIN.COM by 6 p.m. on Wednesday, February 25th. A paper is deemed “late” if handed in after these time periods and this date. A ten point deduction off the grade of the paper will be taken for each day a paper is “late”.

IV. Sample topics for the research paper are listed below. Please note that students may research other topics not listed. Citations in the research paper should follow the Harvard Blue Book Style Sheet format detailed below.

Sample Topics:

- Fraud
- Products liability
- Trade Secrets
- Patent Law
- Trademark Law
- Copyright Law
- The Sarbanes Oxley Act of 2002
- The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
- White-collar crime
- Securities regulation
- The Securities Act of 1933
- The Securities Exchange Act of 1934
- Insider trading
Antitrust questions
Environmental laws
Products and Service Liability
Whistleblowers
Employee Privacy
Insider Trading
Title VII of the Civil Rights Act of 1964
religious accommodation
sex discrimination
Equal Pay Act
Pregnancy Discrimination Act
sexual harassment
affirmative action and reverse discrimination
seniority systems
Civil rights act of 1866
age discrimination
Americans With Disabilities Act
whistleblowers
Limitations to "At Will" employment
Workplace privacy
Family Medical Leave Act
covenants not to compete
International Business Transactions
Export Controls
Foreign Corrupt Practices Act
NAFTA
General Agreement on Tariffs and Trades
Piracy and Counterfeit Goods

Blue Book Style Sheet

I. Periodicals (Law Reviews): - Author's first and last name, Title of the Article (underlined if you can not italicize), Volume Number of the periodical Name of the Journal (law review) (do not use the word "volume" or "vol" in the cite) First page the article appears on (do not use the word "page", or "p." or "pp."), page of the quote or attribution (year the article was printed).


II. Newspapers: - Author's Full name (if the article is signed, no name if unsigned), title of the article (underlined if you can not italicize), title of the newspaper, date of the newspaper, at page number, column numbers.

i.e. Tom Getschow, Overdriven Execs, Some Middle Managers Cut Corners to Achieve High Corporate Goals, Wall St. J., Nov. 8, 1999, at 34, col. 4.

III. Magazines: - Author's full name, Title of the article (underline if you can not italicize), name of the magazine, cover date of the issue, at first page of the article, page number of the cite.

IV. Books: - Author's first and last name, title of the book  Page number (year of publication).
i.e. Marvin Clinard & Peter Yeager, Corporate Crime 66 (1980).

V. Statutes: - Title of the Act, Public law number (if available), Volume number of U.S. Code U.S.C. or U.S.C.A.  Section number (year of the code or supplement).

VI. Cases: -  Case name, volume of the reporter  Title of the reporter  First page that the case is found in the reporter, page(s) of the cite  (circuit number [if a federal case] year).
i.e. Bush v. Harvey Transfer Co., 146 Ohio St. 657 (1946), or  
i.e. DiSilvestro v. United States, 767 F. 2d 30, 31-32 (2d Cir. 1985), or  

VII. Id. - Id. is used when the next cite uses the same information (except there may be a different page number of the new cite).  [Please note both id. and supra are underlined, this is done if you do not have the ability to italicize.]
16 Id. at 410.

VIII. Supra - Supra refers to a new cite referring to a previous cite with at least one intervening cite.
i.e. 12 George Stricharchuk, Business Crack Down on Workers Who Cheat to Help the Company, Wall St. J., June 13, 1986 at 25, col. 4.
14 Stricharchuk, supra note 12, at 25, col. 4.

IX. Lexis - When printing a case from Lexis, note the fact that you are citing from Lexis, parenthetically. You will not be able to cite to actual page numbers, unless the star paging feature is available.

X. Internet – Author, the title or top level heading of the material cited, and the URL, the most recent modification date or the date you visited the cite.
XI. Miscellaneous style rules

A. When quoting more than fifty (50) words from one source, skip a line, indent the entire quote five (5) spaces, and single space (also, do not use quotation marks """" at the beginning or end of the quote).

The publication giving rise to Falwell's suit occurred in the November 1983 issue of Hustler, which contained a parody of certain advertisements for Campari Liqueur. The actual Campari advertisements had featured interviews with well-known persons who discussed their "first time." The "first time" referred to in the advertisements was the particular celebrity's first consumption of Campari Liqueur. It was apparent, however, that the advertisements contained double entendres of a sexual nature. The parody in Hustler pictured Falwell as the celebrity supposedly being interviewed. In the "interview" which was written by Hustler personnel, Falwell referred to his "first time" - allegedly an incestuous encounter between a drunken Falwell and his drunken mother in an outhouse.1

B. When you are quoting a quote (the source you are quoting, quotes another source): (1) if the quote is more than fifty words, follow the guidelines in XIA, and put quotation marks within the quote, and
(2) if the quote is less than fifty (50) words, use single quotes around the quotation:

i.e. Commentators have addressed whether public figures asserting intentional infliction of emotional distress could provide a way of circumventing traditional defamation obstacles. This was noted in the famous Falwell v. Hustler case. The Supreme Court of the United States, "continued with a ringing endorsement of significant free speech principles, noting the 'robust political debate' contemplated by the first amendment necessarily will lead to statements critical of public officials and public figures."2


2 Id. at 692.

If you are quoting or paraphrasing a law review article which is quoting or paraphrasing a case, you may cite the law review article without going to the original source. An example of this is footnotes 1 and 2 above, when the Langvardt article cites language from the Supreme Court in Falwell v. Hustler. You do not have to go to the Falwell case to get the cite for this quote.

C. All cites are treated as sentence which must end with a punctuation mark – usually a period.