2014

BUAD 600-03 Business Law and Ethics

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SYLLABUS
Business Law and Ethics
MBA Program BUAD 600-03
Spring Term, 2014

Professor: Kathleen McGarvey Hidy, J.D.
E-mail: hidyk@xavier.edu
Telephone & Office: Office: 513-745-4310; 224 Smith Hall
Office Hours: Mondays: 10:30 a.m. to 1 p.m.; Thursdays: 10 a.m. to 12:45 p.m.;
Meetings/conference calls available by appointment as well.
Class Meets: Wednesdays, 6 p.m. to 8:30 p.m., 101 Lindner Hall

Texts: Halbert & Ingulli, Law and Ethics in the Business Environment, 7th

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 legal and ethical 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 legal and ethical 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 legal and ethical 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 a 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:
   Class Participation Grade: 20%
   Journal Portfolio
   and Attendance Grade: 10%
   Cumulative Quiz Grade: 30%
   Research Paper: 25%
   Ethics Presentation: 15%

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: Thirteen (13) 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 6 which is worth 3 points and Quiz
7 which is worth 6 points. The maximum available quiz points totals 108 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 6:05 p.m. and will be collected by
6:25 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) an 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.”)

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 prepared for that week’s class) and additional ethics assignments related to the Course Coverage materials.

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 third 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 issue which impacts an industry or business. Approval of your topic is required. Excellent research papers previously submitted in this course are posted on Blackboard under the “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 Blackboard.xu.edu under the “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 Blackboard for this course.
<table>
<thead>
<tr>
<th>Date</th>
<th>Assignment</th>
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| 1/15   | **Class 1**  
| 1/22   | **Class 2**  
**TOPIC:** Law, Ethics, and Business  
Quiz 1 on Course Coverage materials; Course Coverage: LE, pages 1-40. |
| 1/29   | **Class 3**  
**TOPIC:** Corporate Governance and Sustainability  
Quiz 2 on Course Coverage materials; Course Coverage: LE, pages 202-237; BE, Article 49. |
| 2/5    | **Class 4**  
**TOPIC:** Risk and Responsibilities  
Quiz 3 on Course Coverage materials; Course Coverage: LE, pages 282-312; BE, Article 47. |
| 2/12   | **Class 5**  
**TOPIC:** Marketing and Misrepresentations  
Quiz 4 on Course Coverage materials; Course Coverage: LE, pages 242-277; BE, Article 30. |
| 2/19   | **Class 6**  
**TOPIC:** Privacy and Technology  
Quiz 5 on Course Coverage materials; Course Coverage: LE, pages 84-118; BE, Article 34. In-Class Presentation of Professor Hidy’s Article: *Risky Business: The Legal Implications of Social Media’s Increasing Role in Employment Decisions.* |
| 2/26   | **Class 7**  
**TOPIC:** Corporate Governance and Fraud  
Quiz 6 on Course Coverage materials; Course Coverage: Articles posted on Blackboard: *Bernard Madoff: An Overview; The Heir Who Won’t Be King.*  
In-class review and discussion of movie, *Enron: The Smartest Guys in the Room.*  
**NOTE:** No journal on Course Coverage materials is due for this week.  
Research Papers are due on 2/26; Paper copies to be turned in by 6 pm in the classroom. Electronic copies submitted into TURNITIN.COM by 6 pm on 2/26. |
| 3/5    | **NO CLASS ON 3/5 ~ UNIVERSITY HOLIDAY** |
| 3/12   | **Class 8**  
**TOPIC:** Wall Street and White Collar Crime  
Quiz 7 on Course Coverage materials; Course Coverage: Articles posted on Blackboard:  
*The Distinctiveness of Jesuit Business Schools; Wal-Mart FCPA Probe Focuses on Mexico Amid Report of Cover-Up; New York City Pension Funds File Shareholder Suit Again Wal-Mart; Rajat Gupta Convicted of Insider Trading; SAC Capital is Indicted, and Called a Magnet for Cheating.* |
| 3/19   | **Class 9**  
**TOPIC:** Diversity  
Quiz 8 on Course Coverage materials; Course Coverage: LE, pages 125 to 142; BE, Article 54. |
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<tr>
<th>Date</th>
<th>Class</th>
<th>TOPIC:</th>
<th>Details</th>
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<tbody>
<tr>
<td>3/26</td>
<td>10</td>
<td>Diversity</td>
<td>Quiz 9 on Course Coverage materials; Course Coverage: LE, pages 142 to 161; BE, Articles 17, 19 and 20.</td>
</tr>
<tr>
<td>4/2</td>
<td>11</td>
<td>Workers' Rights as Human Rights</td>
<td>Quiz 10 on Course Coverage materials; Course Coverage: LE, pages 166-197; Blackboard Article U.S. Retailers See Big Risk In Safety Plan For Factories; Global Retailers Join Safety Plan for Bangladesh.</td>
</tr>
<tr>
<td>4/9</td>
<td>12</td>
<td>Ownership, Creativity, and Innovation</td>
<td>Quiz 11 on Course Coverage materials; Course Coverage: LE, pages 316-356; Blackboard Article Microsoft’s AOL Deal Intensifies Patent Wars.</td>
</tr>
<tr>
<td>4/16</td>
<td>13</td>
<td>The Duty of Loyalty and Whistleblowing</td>
<td>NO QUIZ: Course Coverage materials: BE, Article 42; In-class DVD review and discussion of Olympus CEO Whistleblower Michael Woodford’s Presentation at Xavier’s Distinguished Speaker Series. No Journal on Course Coverage materials is due for this week.</td>
</tr>
<tr>
<td>4/23</td>
<td>14</td>
<td>The Duty of Loyalty and Whistleblowing</td>
<td>Quiz 12 on Course Coverage materials; Course Coverage: LE, pages 46-79; BE, Articles 26 and 27 and 42 (reviewed in Class 13).</td>
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<tr>
<td>4/30</td>
<td>15</td>
<td>Creating an Ethical Culture in Business Organizations</td>
<td>Quiz 13 on Course Coverage materials; Course Coverage: BE, Articles 4, 7, 15, 52, 53 &amp; 57; Article posted on Blackboard: Why I am Leaving Goldman Sachs.</td>
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<tr>
<td>5/7</td>
<td>16</td>
<td>Ethics Presentations</td>
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SUPPLEMENTAL SYLLABUS

I. The research paper should present a detailed and comprehensive objective examination of a legal or ethical issue which impacts an industry or business. The paper should be 8 to 10 pages in length, typed and double-spaced, not including the bibliography. 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 Blackboard under the “Library Links” tab. Outstanding papers previously submitted for this course are posted on Blackboard for your review under the “Course Content” tab. Bibliographical information included in these papers may not be cited.

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 Blackboard under the “Assignments” tab. Additional information will be provided in class regarding the mechanics of this. Please review the article on Plagiarism posted on Blackboard 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 26th. An electronic copy of the research paper must be submitted to TURNITIN.COM by 6 p.m. on Wednesday, February 26th. 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 propose other topics not listed. Paper topics should be submitted in class to the professor for review. 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  
seniory 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 XI.A, 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.