

**Global Ethics & Compliance and Enterprise Leadership
BUSMHR 7611 – Summer 2017**

Instructor Information:

David E. Freel
Freel.8@fisher.osu.edu
Cell 614-256-4580

Course Information:

Tuesdays
6:15-9:30 pm
Gerlach 305

Office Hours:

Fisher 336
Tues. 3-5 pm, or as
scheduled; *both* by apt.

Course Overview and Objectives:

Allegations of unethical conduct in Wal-Mart store expansions in Mexico within lengthy NY Times reporting suggest potential violations of the Foreign Corrupt Practices Act (FCPA) and other ethical lapses – those allegations have since extended into conduct in India and Brazil.

The FCPA is a significant component of U.S. and international strategies to combat global corruption and its impact on business, as well as society. Odebrecht and Rolls Royce PLC (through a subsidiary located just outside of Columbus, in Mt. Vernon, Ohio, the company plead guilty in Federal Court in Columbus in late December) are among the latest companies found to have engaged in FCPA violations. While critics challenge the financial impacts of the FCPA for U.S. companies, for those same enterprises doing business in Britain, the UK Bribery Act arguably sets more stringent prohibitions on private sector collusion as well as public marketplace corruption. At the other end of the spectrum of these increased global compliance measures are ethical challenges both within and outside corporate control such as accountability issues for deadly and deplorable third-tier supply chain manufacturers' workplace conditions that continue to present ethical hurdles for American textile companies, electronics producers such as Apple, and numerous global enterprise sectors.

Current market realities graphically focus the impact of existing and anticipated international restraints and ethical best practices that can significantly affect **any** enterprise or individual conducting business across borders. Important to leading or working in entities in any sector, understanding and appreciating the roots, strengths and weaknesses of sovereign states' anti-bribery and anti-corruption controls, corporate ethical codes of conduct, global culture and transparency differences, and market sector association or NGO model best practices designed to address them, provides increasingly critical and valuable knowledge for international business leaders.

Marketplace expectations of customers and employees for corporate social responsibility and sustainability have increased to the extent that global business leaders have described them as core business competencies. Ethics and integrity in global leadership no longer represents vague aspirational goals, but rather, fundamental enterprise elements and controls.

This course will consider ethical dilemmas faced by enterprises that arise internationally under these measures and best ethics practices.

Course objectives that will be met using readings, cases, team and speaker presentations are:

- Provide a basic understanding of the purposes and application of anti-corruption and ethics governance to international business practices;
- Examine the impact of bribery restrictions and similar restraints, principles of transparency, issues involving conflicts of interest, model ethics recommendations, and related reporting and accountability schemes, upon conducting global business;
- Explore the uniformities and inconsistencies, benefits and inequities, and limits attributable to these “good governance” measures;
- Review the growing impact within the global market place of corporate social responsibility and sustainability challenges and the opportunities or disadvantages they create for international enterprises, and;
- Engage discussion and examination of case histories involving choices faced by global companies and NGO’s in complying with and adapting business processes to these international codes and determine successful strategies that meet mandated standards and high ethical behavior.

The course will be graded upon submitted written article and speaker analyses, class contribution, and written team projects and their presentation.

Course Resources:

I remain available to meet at any prescheduled, mutually convenient time to discuss the course, its objectives, content or grading. Don’t hesitate to reach out – even if you just want to talk.

Required:

The course packet is from **Harvard Business Publishing** (similar to past 7611 course packs, with less content, if you are purchasing an older one from a peer - however it is your responsibility to acquire any additional/different required content). Information on access to both an electronic edition and a print edition will be posted on Carmen. *Please note in addition*, students are directed from time to time to various additional Carmen readings prior to class by this Syllabus, within a preceding class, and/or by email notification.

Format:

*All classes require advance preparation. Students are expected to have read all assigned material before class and be fully prepared to actively and informatively contribute to discussions of the materials and Q&A of speakers. Students should be prepared to be called upon in class.** Final team presentations require students to prepare outside of class as a group.

We will incorporate cases, articles/readings, and presentations, including 3-4 guest speakers in the course (speaker dates may change due to unexpected schedule changes; I’ll advise accordingly as soon as I am aware of changes.) The course will be graded upon submitted written assignments and speaker analysis, the quality of and attention to the discussion of cases and articles, and written team projects and presentations, *all of which will be scored on the extent to which course content is critically incorporated to answer assignment prompts.*

Attendance:

Because classroom discussion and interaction in examining cases, readings and speaker presentations, is crucial to our subject matter, students are expected to attend all classes. If you are unable to do so, unless an emergency situation arises, email notification to me is required one day in advance of class. Missed class sections will result in appropriate grade reduction (particularly with only seven class sessions this term). On-time attendance is appreciated for all class sections; repeated, unexcused lateness/absences will result in a grade reduction. All efforts will be made to start and end on time.

Course Grading:

The course is graded on a 100 pt. scale in three elements. Please NOTE: grading is weighted toward analytically and critically utilizing principles and takeaways from among class materials, discussions, lectures, and speakers within written papers and projects.

1) Contribution / Professionalism [20% (20 points) of the grade]: Of 20 points, up to 15 points will be awarded for class attendance and the quality of your contribution and discussion of materials with classmates, speakers, and me. *You will be graded on both your class attendance and the quality and professionalism of your contributions and insights.* * Quality input builds upon or draws contrasts to previous discussion to move forward. *As much diversity in participation will be solicited as is possible for different perspectives; including, as necessary, **random “cold-calling.”*** (*For any reason, if you do not feel comfortable contributing or otherwise have challenges within class, you are required to discuss this with me during the first half of the term.)

Because this is a class on Ethics in the business environment, there is a *high expectation that classmates will act professionally toward one another, will avoid inappropriate or personally-directed response, and will treat others as one would best appreciate being treated. Use of cell phones, computers, or other electronic devices during class distracts others, does not respect your peers, speakers, or your professor, has been demonstrated to reduce the impact and retention of content, and is prohibited, resulting in Contribution point reduction (unless for emergency use or directly related to in-class materials and/or demonstrated note-taking.)*

Up to **5 points of the 20 total Contribution points** will be awarded for the quality of analysis and submission of a **current, newsworthy article** (so-called “(Ethics) News of the World”) on subjects covered in course materials. Your submission *must be emailed simultaneously to me and to your team members* by a team-assigned date, **in a formatted single ppt deck slide.**

Your “News” ppt slide will: 1) generally identify the news story/article event and ethical issue(s); 2) embed an electronic link to its source for needed follow-up and verification; and, 3) list 2-3 succinct bullet points drawn from the article that directly pertain to business or enterprise ethics and/or leadership that you wish to use to inform your classmates why you viewed the article as enlightening to our subject matter. *I’ll further outline the required format, provide past examples, and due dates for the article/ slide contribution in the first class.* While you should be prepared to *briefly* discuss in-class the article you choose (5 min max), **your team will choose two from among all of the team member’s articles submitted** for those selected to discuss in class (regardless of whether a “News” article is selected by the team, all will be posted in the ppt deck for that class.)

2) Two individual papers will be due:

Both individual papers are to be 3-4 pgs, double-spaced; in unrestricted Word format; due at the beginning of class and required both for an emailed copy to me and a physical copy brought to class (for return comments to you). All due dates for papers are in the syllabus and on Carmen. All papers are subject to OSU's TurnItIn and/or other authenticity checks for originality accountability.

To illustrate peer assessment and solutions to ethical challenges, generic responses that do not specifically identify individuals, enterprises, or unique circumstances may be selected from papers and used informatively during discussion. (Requested confidentiality in responses will be honored.)

a) One Article/Case paper analysis [20% (20 pts) of grade]: Rubric requires:

1. Key factual circumstances underlying the ethical issue(s) or discussion presented?
2. Key ethical issue(s) posed? Was/were those dilemma(s) personal or unique business challenges? Why or why not?
3. *Stakeholders?* What duties, rights, best practice, and/or core values attend them?
4. *Ethical standard and/or code(s) applied*, if any, to the challenge presented? Do you agree with that application?
5. *Ethical choice(s)* selected within the article/case presented? *What action would you take to resolve the dilemma?* Why?

Grading will be based upon (highest 20 – lowest 0):

1. ***Integration and critical discussion of appropriate references to readings/class discussions in your analysis;***
2. Your answer to the questions listed above in a clear and cohesive manner;
3. Your answer to the questions posed in class related to the matter, ***if any;*** and,
4. Depth of analysis presented, Insight demonstrated, and quality of reflective and critical thinking, assessed in comparison to your peers.

b) One Speaker Analysis and Reaction [20% (20 pts) of grade]: ****Your choice from only one of the classroom speakers' presentations;** paper is due in class following the speaker presentation. ***Rubric (within the same point scale as above) is:***

1. ***Integration and critical discussion of appropriate references to readings/class discussions in your analysis;***
2. Your summary, in a clear and cohesive manner, of the major thesis of the speaker's presentation;
3. What ethical solutions, processes, or experiences were suggested or advocated?;
4. What strengths and weaknesses for individuals and organizations do you believe exist in those solutions, processes, or experiences, and if chosen, how you would address them in a different manner should you choose to do so? and;
5. What value did you or did you not find in the presentation (in a professional manner), and why?

3) Team Project and Presentation [40% (40 points) of grade]: You will be assigned or asked to choose a team of 4 classmates for a group project and presentation. Members are encouraged to be open, to hold differing views and honest conversations, and to respect one another's participation in addressing the project.

*Any concerns regarding a perceived failure of a team member to fairly and equally participate in the team project should be immediately addressed, and if necessary to resolve, be brought to my attention. *A peer assessment will be solicited individually of all team members and the results of those assessments may be factored into individual scoring.*

The team will write a detailed group report of the topic/case, as well as deliver an in-class presentation on its report and group findings. The project will be based upon the collective paper produced (60% - 24 points) and upon the presentation (40% - 16 points), with grading of each divided equally across the content below. Attendance at and content Q's of other team projects are required of all class members.

Project guidelines include:

1. Each team will choose a topic/case that I approve. Topics will not be duplicated and will be approved on first-come, first selected basis.
2. Each team will prepare a team paper of 10-12 pgs, double-spaced, *paginated, paper-clipped for copying, and emailed to me in Word format; both due on the date of the assigned presentation.* (Copies of the accompanying ppt will be emailed.)
3. The paper will include a title page, followed by a one-page Executive Summary. (You will distribute copies of the Executive Summary to the class at the time of the presentation.) The Summary must identify the purpose of the presentation, the key dilemmas presented, and resolutions identified. (The Summary should be prepared as if presented in a business board or responsive committee meeting.)
4. The *paper and presentation* must contain and will be scored equally upon*:
 - a. ***Integration and critical discussion of appropriate references to readings/class discussions in your analysis;***
 - b. Statement of *key* facts in the case;
 - c. Identification of *significant* ethical issues faced;
 - d. Identification of *key* stakeholders; and what ethical duties, rights, best practice, and/or core values attend them;
 - e. Discussion of available alternatives;
 - f. Recommended action(s) to be taken, and differences between those recommended and the actions taken in the case, if any, and why;
 - g. Overall project excellence as against other projects from your peers; and
 - h. Paper must include appropriate citation to reference and research materials *within the body of the paper*, with an attached bibliography giving full credit to research sources; and,
 - i. ***Electronic copies of the paper and PPT emailed to me before last class***

5. *The class presentation should summarize the elements described above. It is limited to 10-12 (max) mins. (I will provide 2 and 1 min. warnings before the 12 min marks. And based upon prior class feedback, to assure fairness, the 12 min mark will end the presentation.) You should be prepared for 5 mins of Q's.*
6. *While the manner in which the team delivers the presentation, and whether or not all members present, is a decision of the team, all team members are expected to contribute an equal share of production of the paper and preparation for the class presentation. Again, any concerns about the failure of a team member to participate fairly and equally should be identified as early as possible, and if necessary to resolve the concern, be immediately brought to my attention. **A peer assessment will be solicited individually of all team members and I may factor the results of those assessments into individual scoring.*

Disability Services:

http://ods.osu.edu/faculty_syllabus.asp

Any student who feels s/he may need an accommodation based on the impact of a disability should contact me privately to discuss your specific needs. Please contact the Office for Disability Services at 614-292-3307 in room 150 Pomerene Hall.

Academic Misconduct:

<http://oaa.osu.edu/coam.html>

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. ***(Again, this is an Ethics course and I have the highest expectations that the highest standards of academic integrity will be maintained. If you have any Q's, ask before you act.)*** Thus, The Ohio State University, the Committee on Academic Misconduct (COAM), and I expect that all students understand the University's Code of Student Conduct and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's Code of Student Conduct and this syllabus may constitute "Academic Misconduct."

The Ohio State University's Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, *duplicating any portion of the work presented in one course for an assignment in this or another course*, and possession of unauthorized materials during an examination. *(Please understand that I may use Carmen's Turnitin or another authenticity check to assess the originality, proper citation, and quotation of any reference sources in any written submitted coursework.)*

If I suspect that a student has committed academic misconduct, I am obligated by University Rules to report my suspicions to the Committee on Academic Misconduct. If COAM determines that you have violated the University's Code of Student Conduct (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

Course Syllabus: *Unless otherwise noticed in the syllabus or in the preceding class, content is taken from the course packet and/or assignments posted for the week of class on Carmen (Carmen assignments are listed in Italics.)*

Syllabus Reading and Case Assignments:

Class 1 – Tuesday, June 6 – Corruption

Session A: Introductions, syllabus review, course requirements, grading, course outline.

Reading: *Syllabus (Carmen)*

Session B: Discussion: Siemens: Anatomy of Bribery (Stanford)

Reading: Corruption in International Business (B) (HBS)
Foreign Corrupt Practices Act Summary (Carmen)
Rolls Royce PLC Case Excerpts (Carmen)

Class 2 – Tuesday, June 13 – Accountability

Session A: **Speaker - Former US Attorney, Northern District of Ohio, Steve Dettelbach**

Reading: *Speaker background (Carmen)*
FCPA Timeline and Federal Sentencing Org's PPT Summaries (Carmen)
Yates memo - pp 1- top of 3 (Carmen)

Session B: Discussion: *Wal-Mart in Mexico*

Reading: *DOJ's Principles of Prosecution of Business Excerpts (Carmen)*
Cuyahoga County Corruption Scandal – browse (Carmen)
Ethics: A Basic Framework (Carmen)

(Article/case paper Due)

Class 3 – Tuesday, June 20 – Global Ethics Oversight

Session A: **Speaker – Drago Kos – Organization on Economic Cooperation and Development (OECD – Paris) Working Group on Bribery Chairman**

Reading: *Speaker background (Carmen)*
UK Bribery Act Summary and FCPA Comparison (Carmen)
OECD Good Practice Guidance on Internal Controls, Ethics, and Compliance (Carmen)

Session B: Discussion: *Sovereign States' Additional Restraints on Business - Kingdom of Jordan and the OECD JLS (Selected portions - Carmen)*

(Group Project Topics Due) (*Speaker Paper Due – Note* in Syllabus)

Class 4 – Tuesday, June 27 - Culture and Conflicts of Interest

Session A: Discussion: Killer Coke (Ivey)

Reading: *Conflict of Interest and Self-Interest materials (Carmen)*

Session B: Discussion: Merck Latin America (A) (HBS)

Reading: Navigating the Realities of Emerging Markets (IESE Insight)

(*Speaker Paper Due – Note* in Syllabus)

No Class – Tuesday, July 4 – Happy July 4th

Class 5 – Tuesday, July 11 – Transparency and Competing Rights

Session A: **Speaker**

Reading: *Speaker background (Carmen)*

Session B: Discussion: A New Approach to China – Google (HBS)

Reading: What was Privacy? (HBR)

Big Data/Privacy (Carmen)

Whistle Blower Challenges and Protections (Carmen)

Class 6 – Tuesday, July 18 – Ethical Leadership in Global Enterprise

Session A: **Speaker – Gary Mangelson, VP and CFO, The Wasserstrom Company**

Reading: *Speaker background (Carmen)*

Supply Chain Ethical Challenges (Carmen)

Session B: **PROJECTS – 1st Group**

(*Speaker Paper Due – Note* in Syllabus)

(ALL Projects Due)

Class 7– Tuesday, July 25 - FINAL PROJECT PRESENTATIONS/ Course Take-Aways

(*Speaker Paper Due – Note* in Syllabus)