



**Global Ethics & Compliance and Enterprise Leadership
BUSMHR 7611 – Summer 2018**

Instructor Information:

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Course Information:

Tuesdays
6:15-9:30 pm
Gerlach 355

Office Hours:

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

Course Overview and Objectives:

Lengthy specific allegations of unethical conduct in Wal-Mart store expansions in Mexico within NY Times reporting suggest potential violations of the Foreign Corrupt Practices Act (FCPA) and other ethical lapses – the related DOJ investigation has extended to India and Brazil.

The FCPA has been a dominating component of U.S. and international strategies to combat global corruption and its impact on business and society. While compliance costs for US business under the FCPA can be significant, for companies actively engaged in Britain or listed on its stock exchange, the UK Bribery Act has even more stringent anti-corruption marketplace restrictions. Locally-based [Rolls Royce Energy Systems Inc.](#) (RRESI) and Brazilian conglomerate [Odebrecht](#) (arising from the infamous “[Operation Carwash](#)” scandal and involving oil giant Petrobras), are among the latest companies and affiliated executives found in violation of *both* the FCPA and these converging international anti-corruption standards. Beyond the impact of increasing compliance measures are multiple corporate and community ethical challenges both within and outside enterprise control such as those present in deadly and deplorable supply chain workplaces in Bangladesh, Southeast Asia, Africa and around the world. These hold ongoing ethical, logistics and cultural hurdles for innumerable sectors of global business including American textile, food and electronics companies, such as Apple.

With growing marketplace expectations from stakeholder customers, employees and investors for corporate social responsibility and sustainability that some international business leaders have described as core business competencies, ethics and integrity in global enterprise no longer represents vague aspirational goals, but rather, fundamental corporate strategy, governance and long-term financial stability.

Varied contemporaneous ethical quandaries highlight the impact of existing and increasing global restraints as well as recommended best practice that significantly effect **any** enterprise or individual conducting business internationally. Important to working within and leading entities in all sectors, understanding and appreciating the roots, strengths and weaknesses of global anti-corruption controls, corporate ethical codes of conduct, and associational or NGO best practice models in market sectors, provides increasingly critical and valuable knowledge for corporate stewardship as well as self-protection.

This course will consider the positive and challenging impacts of ethical dilemmas faced by individuals and enterprises arising internationally under these ethics measures and best practices.

Course objectives that will be met using readings, cases, group 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 anti-corruption and “good governance” measures;
- Review the growing impact within the global marketplace 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 assess best global leadership ethical behavior.

The course will be graded upon class preparation and contribution, individual case and speaker analyses, and group projects and presentation.

Course Resources:

Unless otherwise noticed in a preceding class or in Carmen, *all content for this course will be located in weekly Modules.*

*I am available and welcome meeting, best at any **prescheduled, mutually convenient time**, to discuss questions or input related to the course, its objectives and content, or grading. **Do not hesitate** to reach out to me – even if you just would like to talk (* see Contribution below.)*

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 **randomly called-upon in class and quizzed** on assigned material.*

The course incorporates cases, articles/readings, classroom discussions, lectures, quizzes, group projects, and guest speakers (speaker dates may change due to their unexpected schedule interruptions; I’ll advise accordingly as soon as I am aware of changes.)

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. 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-point scale based upon four components**: class contribution, class preparation and related quizzes, two individual papers, and a group project. ***Please NOTE: scoring is weighted toward incorporating specific takeaways and principles (whether in support or contrasted to the analysis) from among the varied cases, articles, classroom discussions, lectures, and speakers presented within the course.***

1) Contribution / Professionalism [20 pts.]:

1a) Up to 15 pts of a total of 20 will be awarded for class attendance, the quality of your contribution and discussion of materials with classmates, speakers, and me, and emailed questions for future at-distance guest speakers. *You will be graded both on your class attendance and the critical thought 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 **random “cold-calling.”*** (* If, for any reason, you feel uncomfortable contributing or otherwise have challenges within class, you need to discuss this with me in the first 2-3 weeks of our 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 absorbing educational content, and **is prohibited, resulting in Contribution point reduction** (there are two exceptions: emergencies of which you make me aware or **evidenced** electronic use directly related to in-class materials and/or note-taking; if I have any questions regarding the misuse of a device apart from these two exceptions, my decision to deduct Contribution pts. will be final.)

1b) Up to 5 pts of the total 20 will be awarded for the quality of your review and individual submission of a **current, newsworthy article (so-called “(Ethics) News of the World”)** and related to our subject matter covered in course materials. *Your individual submission must be emailed simultaneously to me and to your Group members by a team-assigned date, **in a formatted single PowerPoint or similar ppt deck slide**:*

- Your individual “Ethics News” ppt slide will:
 - Identify the article and event you selected and contain a pasted image from the article;
 - Embed an electronic link to the article’s source for follow-up and attribution; and,
 - List 2-3 succinct bullet points drawn from the article that directly describe the related enterprise ethics and/or leadership issues *you want to use to inform your classmates why you viewed the article as enlightening our course subject matter.*
- Examples of “News” selections, the suggested format taken from past peer examples, and your due dates for the “News” article/ slide will be provided in class and listed on Carmen.
- You should be prepared to *briefly* discuss the article in class (5 min max). However, because of our limited time, **your group will choose only two submissions from among the group to discuss in class.** (All articles will be posted in the ppt for the required class.)

2) Up to 10 pts. may be based upon unannounced Quizzes. Course content is selected and has been harmonized to encourage factual assessment and critical analysis of Ethics issues involving global enterprise and leaders, and exploring how the marketplace rewards or challenges unethical, as well as ethical, actions and outcomes.

To acknowledge and reward the efforts of those who remain current with assigned cases, speakers and course materials, and critically draw valuable take-aways, whether in agreement or in contrast to that content, **unannounced spot quizzes may be given.**

3) Two individual papers are due, each scored up to 15 pts., for a total of 30 pts.:

*Both individual papers are to be 3-4 pgs., double-spaced, in unrestricted Word format, due by the beginning of class and required in both an emailed copy to me and a physical copy brought to class. **Both papers must integrate specific takeaways and principles from among the varied cases, articles, classroom discussions, lectures, and speakers presented within the course within your analysis.** (All papers are subject to OSU's TurnItIn and/or authenticity checks for originality, attribution, and accountability.)*

3a) Case paper [15 pts.]: An analysis of an article describing Wal-Mart's expansion efforts in Mexico will be due during the course on the date listed in the syllabus. (The NY Times article is in hard copy and/or electronic link in the Week 1 Session 2 Module.) The analysis will identify:

1. What were the *key factual* circumstances or assumptions, underlying the ethical issue(s) or discussion presented?
2. What was/were the *ethical issue(s)* posed? Was/were those dilemma(s) personal or unique business challenges? Why or why not?
3. Who are the *stakeholders*; what *duties, rights, best practice, and/or core values* are present to decision makers for those stakeholders?
4. What *ethical standard or code(s)* applied, if any, to the challenge presented? Why do you agree or disagree with that application?
5. What was the *ethical choice(s)* selected in the facts presented? If an ethical choice was not selected, what *action would you take* to resolve the dilemma? Why?

Grading is based upon (highest 15 – lowest 0 pt scale):

1. ***Integration of specific applicable references/ take-aways from class materials/ discussions as a part of your analysis;***
2. Your answer to the questions listed above in a clear and cohesive manner, and;
3. The insight shown, depth of analysis presented, quality of reflective thinking, and assessment compared to that of your peers.

3b) Speaker Analysis and Reaction paper [15 pts.]: One speaker paper responding to your choice of only one of the classroom speakers' presentations. (Your individual paper is due before class one week after the speaker's presentation.)

Grading is based upon answering the Q's below (within the same point scale as above):

1. Your summary, in a clear and cohesive manner, of the speaker's major thesis;
2. ***Integration of specific applicable references/ take-aways from readings/ discussions as a part of your analysis;***
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;
5. What value did you or did you not find in the presentation (in a professional manner), and why?

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.)

4) Group Project and Presentation [40 pts.]: You will be assigned to a group and your group will choose a topic, case, and/or enterprise leader as a group project for presentation.

You are encouraged to be open, hold differing views and honest conversations, and respect one another's participation in addressing the project. *Any concerns regarding a perceived failure of a group member to fairly and equally participate in the project **should be immediately addressed, and if necessary to resolve, brought to my attention.** ** A confidential peer assessment will be solicited of group members; the results of the assessment may be factored into individual scoring.*

The group will write a detailed report on the topic, as well as deliver an in-class presentation on its findings. The project will be scored upon the paper (60% - 24 pts) and its presentation (40% - 16 pts). Grading will be divided equally across the content elements below. Attendance at the presentation and classroom content questions for group projects are expected from the class.

Project requirements include:

1. Each group will select a topic subject to my approval. The topic can be an enterprise leader, a company, and/or an ethical subject matter within the overall course context.
2. Each group will prepare a paper of 10-12 pgs., double-spaced, paginated, *and emailed to me in Word format; both due on the date of the assigned presentation. (Copies of the accompanying ppt are also to be copied and 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 enterprise committee meeting.)
4. The paper and presentation must contain and will be scored equally upon*:
 - a. **Integration and critical discussion of appropriate specific references/ take-aways to readings/ class discussions in your analysis;**
 - b. Overall project excellence as against other projects from your peers;
 - c. Statement of key facts in the analysis;
 - d. Identification of significant ethical issues faced;
 - e. Identification of applicable stakeholders; and what ethical duties, rights, best practice, and/or core values attend them;
 - f. Discussion of available alternatives;
 - g. Recommended preventive and remedial action(s) to be taken, and;
 - h. Paper must include appropriate citation to reference and research materials within the body of the paper, attaching bibliography 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 12 (max) minutes. (I will provide warnings before the 12 min mark, but based upon prior class feedback and to assure fairness, the 12 min mark will end the presentation.) You should also be prepared for 5 mins of questions from your peers and me.
6. *While the manner in which the group delivers the presentation, and whether or not all members participate in the presentation, is a decision of the team; **group members are expected to contribute equally** to the 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. (See ** Peer Assessment above.)*

OSU Disability Policy:

The University strives to make all learning experiences as accessible as possible. If you anticipate or experience academic barriers based on your disability (including mental health, chronic or temporary medical conditions), please let me know immediately so that we can privately discuss options. You are also welcome to register with Student Life Disability Services to establish reasonable accommodations. After registration, make arrangements with me as soon as possible to discuss your accommodations so that they may be implemented in a timely fashion. SLDS contact information: slds@osu.edu; 614-292-3307; slds.osu.edu; 098 Baker Hall, 113 W. 12th Ave.

Academic Misconduct:

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and educational and scholarly activities. ***(After all, this is an Ethics course and I have the highest expectations that all standards of academic integrity will be maintained. One suggestion, if you have any Q's, ask before you act.)*** *(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 in this course, I am obligated by University Rules to report my suspicions to the Committee on 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. *Ignorance of the University's Code of Student Conduct is never considered an "excuse" for academic misconduct.*

The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's Code of Student Conduct, and that all students will complete all academic and scholarly assignments with fairness and honesty. Failure to follow the rules and guidelines established in the University's Code of Student Conduct may constitute "Academic Misconduct." Sanctions for misconduct could include a failing grade in this course and suspension or dismissal from the University.

For more information, please reference:

<http://oaa.osu.edu/coamfaqs.html#academicmisconductstatement>

Course Syllabus: Unless otherwise noticed in the Syllabus or in the preceding class, content is posted in weekly Carmen Modules, divided by Sessions, with related assignments. (Optional, non-required additional readings are at the end of each Week's Modules.)

Respectfully, please thoroughly read the Syllabus, to fully appreciate course requirements and help prompt questions you may have, as well as the required first class assignments, before class on June 5th. (Your peers and I both appreciate you doing so ☺)

Syllabus Readings and Case Assignments:

Week 1 – Tuesday, June 5 – Course Intro; Our First Problem: Corruption

1st Session: ***Introduction; syllabus review; course requirements and grading***

Reading: Syllabus

2nd Session: ***Corruption and its Impact on Global Business***

Case: Siemens: Anatomy and Impact of Bribery on Siemens AG

Reading: FCPA Outline – First 5 Questions and Answers; further, as interested
Does Corruption Ever Help Entrepreneurship? – Pp 179-185; Conclusion,
pp 193-195

(Due Friday: Groups 1&2 “News” article; individual Wal-Mart papers due 6/12)

Week 2 – Tuesday, June 12 – Analyzing and Framing Solutions to Global Ethical Challenges

1st Session: ***Wal-Mart in Mexico Debrief***

Reading: Paine’s Basic Ethics Framework
Rolls Royce PLC (RRESI) article
An Overview of the (Federal Sentencing) Organizational Guidelines
Individual Accountability – the “Yates” memo

2nd Session: ***The Impact of Ethical Cultural Issues***

Case: ***US vs Chiquita Indictment – Read generally***

Reading: VW
Global Market Lessons – Brazil (required to skim only)
Brazil’s New Anti-Corruption Law graphic
Corrupt Leaders Are Falling

***(Due: Individual Wal-Mart case papers; by Friday, 2-3 emailed Q’s for Mr. Kos, all
Group Project Topics, and Groups 3&4 “News” articles)***

Class 3 – Tuesday, June 19 – International Ethical Conduct Standard

1st Session: ***Speaker – Drago Kos – Chairman, Working Group on Bribery, Organization
on Economic Cooperation and Development OECD (Paris)***

Reading: Speaker and OECD background articles
FCPA vs UK Bribery Act – Key Differences

2nd Session: ***Sovereign States’ Additional Restraints on Business:***

Kingdom of Jordan and the OECD Joint Learning Study (JLS) (Selected portions)

Reading: OECD Good Practice Guidance on Internal Controls, Ethics, and
Compliance
Deloitte – Look Before You Leap
New Brazil Anti-Corruption Law Flowchart

(Due: Friday – 2-3 emailed Q’s for Mr. Doria and Group 5 “News” articles)

Class 4 – Tuesday, June 26 – Transparency and Privacy – Our Core Values or Those of Others?

1st Session: **Speaker: Vid Doria, Former Secretary General, Transparency International
Slovenia – Ljubljana, Slovenia**

Reading: Speaker bio and related
The Right to be Forgotten
Tech Giants Prepare for GDPR

2nd Session: **Transparency, Privacy & National Security and Differing Data Ethics Standards**

Reading: Data Protection Laws, An Ocean Apart
Slate & Wired Cambridge Analytica and Privacy Discussion – WOSU podcast
Privacy is Dead. Here's What Comes Next

Class 5 – Tuesday, July 3 – Global Corporate Duties or Admirable Ethical Aspirations?

1st Session: **Real Whistle-Blowers – Issues of Risk/ Protection**

Reading: Bojan Bajic and Visnja Marilovic bio
Europe's Unexpected Whistle Blowing Capital
Video of Bojan Bajic and **Visnja Marilovic – Net Consulting and former
Center for Democracy (CRD) - Sarajevo, Bosnia - The First
Whistle-Blower Protection Law in the Balkans
For Whistle Blowers – Consider the Risks**

2nd Session: **Corporate Social Responsibility and the Global Supply Chain**
Exploring the CODEX and Beneficial Ownership within Paine's Basic
Framework

Reading: The Wal-Mart Supply Chain Controversy
After the Disaster
Worker Complaints That Blurred NYU
Due Diligence Segment – Assessment Management Intelligence - FSG

Class 6 – Tuesday, July 10 – Ethical Leadership in Global Enterprises

1st Session: **Speaker – Gary Mangelson, VP and CFO, The Wasserstrom Company**

Reading: Speaker bio and related

2nd Session: **PROJECTS – 2-3 Groups**

(Due - ALL Projects due in written copy and electronically)

Class 7– Tuesday, July 17 – FINAL PROJECT PRESENTATIONS/ Course Take-Aways

Session: **PROJECTS – Remaining 2-3 Groups**

Course Surveys and Take-Aways