

**UNIVERSITY OF PENNSYLVANIA  
THE WHARTON SCHOOL  
DEPARTMENT OF LEGAL STUDIES & BUSINESS ETHICS**

**LEGAL STUDIES 612  
Spring 2013  
RESPONSIBILITY IN PROFESSIONAL SERVICES**

Classroom: xxx Huntsman Hall  
Office: 643 Huntsman Hall  
Class times: 3 to 6 pm, Tuesdays  
Office Hours: 1:30 to 3 pm, Tuesdays  
Office Phone: 215-898-9525  
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Instructor: Professor G. Richard Shell:

G. Richard Shell is the Thomas Gerrity Professor at the Wharton School of the University of Pennsylvania and current Chair of the Legal Studies and Business Ethics Department. He has written broadly in the areas of law, legal strategy, negotiation, and persuasion and directs two executive education programs for senior leaders, one on negotiation and the other on strategic persuasion. He also teaches a course as well as executive sessions on what words such as “success” and “happiness” mean in modern culture and has a forthcoming book on this subject with Portfolio/Penguin in 2013. He has consulted and lectured at many organizations, including the Google, GlaxoSmithKline, the World Economic Forum, the Federal Bureau of Investigation’s Crisis Negotiating Unit, and the Army War College.

Course overview: This section of Legal Studies 612 will leverage the instructor’s expertise in negotiation, persuasion, legal strategy, and concepts of “success” to give you an opportunity to explore a variety of legal and ethical issues embedded in a professional business career. Legal, moral, and ethical challenges may not be the stuff of everyday decisions in organizational life, but when such issues arise, they can make or break reputations, organizations, and even industries. Because these moments sometimes arise at times when you do not have a chance to prepare for them, this section of Legal Studies 612 will provide you with chances to begin thinking about them now so you will be better able to speak up on behalf of your values and perspectives when the moment arrives. The course will do this through a series of assessments and exercises that will require you to explore and articulate your standards of personal and professional conduct as an organizational leader, with particular focus on service industries. Students interested in careers in consulting and financial services will find these materials relevant, as will those considering lives as entrepreneurs, nonprofit leaders, or general managers.

To assure that the course concepts remain anchored in practical application, students will form teams in Class 1 reflecting their career interests or past experiences in particular industries. They will then prepare a class presentation to be delivered in Class 6 outlining their findings regarding common legal or ethical problems in their target industry as well as ethical “best practices” within it. This will require research as well as personal interviews with practicing executives as the basis for the presentation.

This syllabus is currently in draft form. Some changes will be made prior to the beginning of class. However, it offers a reasonably clear picture of the structure of the class and the issues that will be examined.

**Readings:** There is no text book for this course. Readings will be available on Study.net drawn from a variety of primary and secondary sources.

**GRADING:**

1. **Short-answer Test** (20%). A 30-minute, closed-book, in-class, short-answer test will be given in Class 6 on the materials read and discussed in Classes 1 through 5. This test will include both short answer and short essay questions.
2. **Group Project** (20%). Teams will present final projects in Class 6 detailing their findings regarding the best practices at a top firm in an industry of interest to the group regarding ethical, moral, and/or legal “best practices” for behaving responsibly. The best projects will explore specific examples for the standards outlined in the report and will be based on interviews with key executive leaders.
2. **Overall Contribution to Class:** (20%) Class attendance, instructor evaluation, and peer ratings will comprise 20% of the grade. The Peer Rating component will work as follows. Each student will rate (on a secure website with confidentiality assured) each other student on a 1(bottom) -- 10 (top) scale based on that peer’s overall, demonstrated contribution to the class’s learning and development. Comments on each student’s specific contributions will be solicited and weighed in the “Contribution to Class” grade awarded by the instructor.
4. **Final Paper.** (40%) The largest single component of the grade will be based on a final paper 6-10 pages in length (12-point type, doubled spaced) on a topic, approved by the instructor in advance, that advances the student’s understanding of an ethical, moral, or legal topic related to career or personal interests. Topics might include case studies of challenges faced in a particular firm, role models admired for their character and professionalism in ethical or legal matters, historical investigations of scandals or best practices, and, in general, any topic that is broadly relevant to the course and that is of special interest to a given student. The instructor will provide a set of specific acceptable topics for those who have trouble devising their own.

**CLASS TOPICS AND ASSIGNMENTS**

**Class 1** Responsibility and the Individual  
Topics: Introduction to Ethical, Legal, and Interest-Based Norms  
Negotiation and the Law of Fraud  
Negotiation Ethical Schools  
Biases, Personality, and Ethics  
Form Mini-Firms (Project Teams)

Cases: Pacer Case  
House Sale Exercise

**Class 2** Discovering Your True Interests; Motivation, Purpose, and Ethical Standards

Topics: Sources of your personal ethical standards  
Self confidence and self-esteem  
The role of career motivation in ethical decision making

Cases: Six Lives Exercise  
Professional Identity and Meaningful Work  
Personality and Career Fit

**Class 3**

Responsibility and the Corporation

Topics: The Purpose of the Corporation  
Duties to Owners, Customers, and Clients  
Product Liability Law  
Modes of Moral and Ethical Reasoning

Cases: Trolley Problem  
“Dicing With Death” (Guidant)

**Class 4**

Special Relationships: Contracts, Fiduciary Duties, and Conflicts of Interest

Topics: The Law of Contracts, Fiduciary Duties  
The Ethics of Social Practices and Social Roles

Cases: The Analyst’s Dilemma  
“The Exit Interview” Negotiation (Jordon vs. Daffy)  
Meinhard vs. Salmon  
“Client Allegiances and Best Practices”

**Class 5**

Competitive Legal Strategy and Ethics: Litigation and Lobbying

Topics: The Rule of Law and Corporate Competitive Strategy  
The Litigation Process and the Role of Settlement  
Business Lobbying

Speaker: In-house corporate General Counsel on the role of lawyers in corporate decision making – the Vioxx Litigation Strategy

Cases: The Fee Dispute Negotiation

**Class 6**

Ethics and Law in Professional Services

Topics: Group Reports on Best Practices in Selected Firms or Industries

In-class Quiz: Short-answer quiz on readings