RESPOSIBILITY IN GLOBAL MANAGEMENT
LGST 611-001 (Q-1)
FALL SEMESTER, 2014
(NOTE: SUBJECT TO REVISION)
Djordija Petkoski

Classroom: JMHH 245
(In room JMHH 340 on October 8, 2014)
Office: 624 JMHH
Class Times: Monday 3:00pm-6:00pm
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Office hours: Monday 2:00-3:00pm (walk-in) or by appointment

INSTRUCTOR

D. Petkoski is a Lecturer and Senior Fellow at the Wharton School and serves as an adviser and consultant to the World Bank, other development organizations, governments, and global companies. At Wharton, he teaches courses on corporate responsibility and ethics in the undergraduate, MBA, and executive programs. He held various senior positions at the World Bank, including head of the Business, Competitiveness and Development Program. During his nearly 20 year tenure at the World Bank he focused on multi-disciplinary and multi-stakeholder approach to business and development issues; competitiveness and sustainable development at the national and corporate level; anti-corruption and ethics; collective action and the changing role of business in society; knowledge exchange; and leadership and leading change. He was a Fulbright Scholar at Harvard University and a Visiting Scholar at Massachusetts Institute of Technology.

READINGS

There is no text book for this course. All reading materials will be found either on Study.net https://www.study.net/ or on CANVAS drawn from a variety of primary and secondary sources.

COURSE DESCRIPTION

This course explores responsibility in global management from a multidisciplinary and multi-stakeholder perspective. Issues are organized in relation to key stakeholders of business leaders in a global economy: the providers of capital, consumers, clients, labor, multilateral development
actors, and the broader society. The course examines difficult conflicting responsibility dilemmas that arise in a global business context. It reviews theories and practice of responsibility and liability and illustrates how they apply to a number of complex business, development, and policy situations in the evolving global business landscape. The course emphasizes the interplay between the economic dimensions of these issues as well as their ethical and social aspects. Its objective is to help students anticipate issues that they will confront in their professional careers and to develop skills to think more clearly and critically about how such issues can and should be resolved. It will help students to analyze the ways in which these issues ought to figure in decision-making by responsible business leaders and in the structure and activities of business enterprises.

Class sessions will focus on rigorous and in-depth analysis of cases, decision making exercises, and theoretical frameworks used for interpreting practical problems in business and making business a force for co-creating value and shared prosperity. 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 action plans that resolve conflicting responsibility dilemmas. This will require research as well as personal interviews with practicing executives as the basis for the presentation. This project work will provide additional flexibility for personalized intellectual exploration, based on students’ background, experience, and career paths. Writing assignments will also be tailored to meet students’ individual needs and interests.

**COURSE REQUIREMENTS**

**Class Participation:** All students will be expected to attend all sessions and actively participate in class. Please inform me by email if you are unable to attend a session. Absences for no good reason will count against your grade.

**Sitting Arrangement:** Students are to sit according to a seating chart, remain in attendance for the duration of classes, and should display name tents.

**Project Work:** Early in the semester the class will be divided into teams (up to 8 students per team). Each team will participate in project work addressing real life business situations and prepare a paper (not to exceed 10 pages in length, 12-point type, doubled spaced) describing the groups position and arguments regarding topic. In addition, teams will present the projects and participate in a debate. Supportive documentation and references are required. Each team will make a 10 minute argument, and participate in a 5 minute Q&A. The projects will be also graded on the basis of persuasiveness, creativity, and responsiveness to the other students’ arguments.

**GRADING**

The final grades, consisting of overall contribution to class (30%), group project (25%) and final paper (45%), may be adjusted to conform to an acceptable distribution. This curve may increase or decrease the final grade awarded.
Overall Contribution to Class: (30%) Class attendance, class participation, class debates, and case study analysis, assignments, instructor evaluation, and peer ratings will comprise 30% 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. The submission of a “legacy paper” is also required (pass/fail).

Group Project (25%). 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.

Final Paper: (45%) 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 a Responsibility in Global Management topic related to career or personal interests. Topics might include case studies of challenges faced in a particular firm, 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. The final paper is due on Friday, October 17th by 3:00 pm.

Legacy Assignment (Due Date: Beginning of Second Session, September 15): Students will be required to submit a short note two pages in length (12-point type, doubled spaced) on My Legacy: In 2050, when you look back at your life (both personal and professional) what will you consider to be your main achievement – your legacy? Students should bring a hard copy to be submitted at the beginning of the second session as well as submit their assignment on the Canvas course website prior to class. Pass/Fail grade.

Change of Grades: With the exception of clerical/coding errors, there will be no change of grades issued after final grade sheets are delivered to the University Registrar.

CONCERT RULES

Class will be conducted according to concert rules:

1. Class starts and ends exactly on time. Students and faculty are expected to be timely.
2. Students are to sit according to a seating chart.
3. Students should remain in attendance for the duration of class, except in an emergency.
4. Students should display name plates.
5. All phones and electronic devices should be turned off.
6. The use of video and audio recording devices is not permitted in this course without written permission from the instructor. Laptops may be used, with permission of instructor, for note-taking purposes only.
7. Students who engage in “recreational” computer-related activities will be asked to power their computers off and will not be permitted to use computers in subsequent class sessions.

CONTACTING ME

Should you have any questions or concerns about the class, please do not hesitate to see me. Office hours are on a walk-in basis, so please feel free to come by when convenient. If you are not able to meet during office hours, please email me to arrange an alternative meeting time.

COURSE OUTLINE

Class 1, September 8
I. INTRODUCTION AND OVERVIEW

Topics:
How to Think About Responsibility?
What is the Purpose of the Modern, For-profit Corporation?
Global Context: Cultural perceptions, New Normal, and Multipolar World
Who will Save Capitalism – the Capitalists?
Some Tools and Frameworks

Required Readings:

Cases:

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1 At times, changes may be made, but the general structure, approach, and issues will remain the same. New cases and material may be substituted for those listed. If unsure of any assignments, please ask for clarification at the end of class. Canvas and Study.net should list specific assignments and due dates.

Mini Cases²:
1. Curem Pharmaceuticals

Additional Readings (optional):

Class 2, September 15
II: (1) RESPONSIBILITY AND PERSONAL VALUES and (2) CORRUPTION

Topics:
Discovering Your True Interest
Do You Need a Strategy for Your Life? What is Your Legacy?
Responsibility to Specific Stakeholders and Across Culture
Corruption: One Trillion Dollar Industry; Can You Fight Corruption by Fighting Corruption?

Required Readings:

Cases:

Mini Cases³:
2. Zimpel

Additional Readings (optional):

² The mini cases will be made available in the class
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Class 3, September 22

III. (1) CORRUPTION AND INTERNATIONAL DEVELOPMENT and (2) CORPORATE BODIES AND GUILTY MINDS

Topics:
How does Corruption affect Global Business? What is the Role of Multilateral Development Banks?
How to Navigate Contexts where Corruption Happens?
How Do We Manage Legal Obligations alongside Those of Responsibility

Mini Case 4
1. Padma Bridge and the World Bank

Media Reports (do your own web-search):
1. MNCs and Allegation of Corruption and Price Fixing in China
2. BNP Paribas Scandal and $8.9 Billion Penalty

Additional Readings (optional):
1. World Bank: Business Lead Collective Action against Corruption in Senegal

Class 4, September 29

IV. STAKEHOLDERS ENGAGEMENT, GOVERNMENT RESPONSIBILITY, AND INSTITUTIONAL VOID

Topics:
Responsibilities and Weak Institutions.
What are the Responsibilities of the Other Stakeholders: Governments, NGOs, Development Actors such as UN, Multilateral Development Banks, Donor Agencies, Foundations, etc.?
Do Countries Need National CSR Strategy?

Required Readings:

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4 The mini case will be made available in the class
Cases:
1. Petkoski Dj. *Restoration of the Sea Star*, World Bank Institute, the World Bank

Mini Cases⁵
2. Special Purpose Fund and Restructuring of State Owned Enterprises in the Democratic Republic of Congo

Class 5, October 6

V: (1) OBLIGATIONS TO INVESTOR AND HOW TO ATTRACT THEM and (2) RESPONSIBILITIES IN FRONTIER MARKETS

Topics:
Does Responsibility Attract Investors?
Responsibility of B2B Companies
Responsibility at the Base of the Pyramid (BoP); Responsible Marketing at BoP
Is Financial Inclusion a New Fat?

Required Readings:

Cases:

Mini Cases⁶
1. What did go wrong with Microcredit in India and Bangladesh? What was the Role of Wall Street?

Additional Readings (optional):

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⁵ The mini cases will be made available in the class
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2008.

**Class 6, October 8**
**VI: (1) COLLECTIVE ACTION and (2) GROUP REPORTS**

**Topics:**
Is Collective Action an Answer?
Group Reports on Best Practices in Selected Firms or Industries

**Required Readings:**

**Cases:**

**Additional Readings (optional):**