



DEPARTMENT OF LEGAL STUDIES AND BUSINESS ETHICS
LGST 230: SOCIAL IMPACT AND RESPONSIBILITY
Spring 2016

LGST 230-001

JMHH 370

MW 1:30pm – 2:50pm

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Office Hours: By appointment. Please contact me via email (gwgordon@wharton.upenn.edu) to set up a meeting time.

GRADING

- **Class Participation (20%):** The course is intended to allow students to develop the analytic skills and substantive framework to address challenges as they arise in business. Many of these challenges will involve justifying one's position to those in disagreement. To this end, the course emphasizes articulating reasoned arguments. Class participation is an integral component of this emphasis. Accordingly, unexcused absences will count against one's grade.
- **Short Paper (20%)**
- **Mid-term exam (25%)**
- **Final Project: Analysis of Potential for Social Impact (30%):** As the quarter progresses, students are to specify a societal need and to evaluate the potential and appropriateness for the need to be met through a business-based approach. Examples of business-based approaches include harnessing existing business enterprises, starting a new business enterprise, government policies to encourage business involvement, and applying business skills and thinking to non-business organizations.
- An **in-class presentation** based on this project will account for another **5%** of your grade.

EXPECTATIONS

- Students will sit according to a seating chart.
- Aside from cases of major illness, an absence may be excused only with prior notice to the professor – who will decide in accordance with her own discretion whether or not to excuse the absence.
- No computers, tablets, or other electronic devices may be used in class.

GUEST SPEAKERS

Guest speakers are invited to address the topics in the course. Whenever possible, opportunities will be arranged for students to interact with speakers outside of class. The order and content of topics in the syllabus may change depending on the availability of guest speakers.

COURSE OUTLINE

This syllabus is subject to change at the discretion of the instructor to accommodate the flow and interests of the class; in the event of a change you will be notified in class.

- 01/13 – Overview of themes, questions, and approaches
 - Reading: video in class
- 01/18 – **MLK Day; no classes**

Part One: What Do We Care About?

- 01/20 – Measuring Impact
 - Case: Teach for America 2005 (HBS Case: 9-406-125) [S]
 - Terrence Lim, Measuring the Value of Corporate Philanthropy (New York: Committee Encouraging Corporate Philanthropy, 2010): 4-17.
http://www.corporatephilanthropy.org/pdfs/resources/MVCP_report_singles.pdf
 - Robert S. Kaplan, “The Balanced Scorecard and Nonprofit Organizations” (Boston: Harvard Business School Publishing, 2002) [S]
- 01/25 – Guest speaker: **Kat Rosqueta, Penn Center for High Impact Philanthropy**
- 01/27 – Guest speaker: **Kelle Bevine, Inter-American Development Bank**
- 02/01 – Defining Impact
 - Human Development Index <http://hdr.undp.org/en/statistics/hdi>
 - Ceri Philips, “What is a QALY?” (Hayward Medical Communications, 2009).
<http://www.medicine.ox.ac.uk/bandolier/painres/download/whatis/QALY.pdf>
 - Daniel M. Hausman and Michael S. McPherson, Economic Analysis, Moral Philosophy, and Public Policy (Cambridge: Cambridge University Press, 2006): chapter 8. [S]
- 02/03 – Measuring Reform
 - Acumen Fund (HBS Case: 9-310-011) [S]
 - Terrence Lim, Measuring the Value of Corporate Philanthropy (New York: Committee Encouraging Corporate Philanthropy, 2010): 18-27.
http://www.corporatephilanthropy.org/pdfs/resources/MVCP_report_singles.pdf
- 02/08 – Is Measurement Impossible?
 - John C. Sawhill and David Williamson, “Mission Impossible?: Measuring Success in Nonprofit Organizations,” Nonprofit Management and Leadership 11 (2001): 371-386. [S]
 - Lisa Newton, “Eight Perceptions of the Natural World,” in Business Ethics and the Natural Environment (Oxford: Blackwell Publishing, 2005): 84-93. [S]

Part Two: Non-Profit or For-Profit?

- 02/10 – Guest speaker: **Kyle Zimmer, First Book**
- 02/15 – The Role of Non-Profits
 - Salud Digna (HBS Case: 9-311-051)
 - Burton A. Weisbrod, “The Pitfalls of Profits” Stanford Social Innovation Review (Winter 2004): 40-47 [S]
 - William Foster and Jeffrey Bradach, “Should Nonprofits Seek Profits?” Harvard Business Review (February 2005): 92-100. [S]

- 02/17 – Guest speaker: **Jane Silfen, Eko Asset Management Partners**
- 02/22 – Business-Nonprofit Sponsorship and Partnership
 - Matthew Berglind and Cheryl Nakata, “Cause-Related Marketing: More Buck than Bang?” *Business Horizons* 48 (2005): 443-453. [S]
 - Shirley Sagawa and Eli Segal, *Common Interest, Common Good: Creating Value Through Business and Social Sector Partnerships* (Boston: Harvard Business School Publishing, 1999): 13-26. [S]
- 02/24 – Guest speaker: **Mike Brady, Greyston Social Enterprise**
- 02/29 – Guest speaker: **Jeff Brown, Newman’s Own Foundation**
- **03/02 – Midterm Exam**
- 03/14 – Bottom of the Pyramid Strategies I
 - Unilever in India (HBS Case: 9-305-002)
 - Aneel Karnani, “The Mirage of Marketing to the Bottom of the Pyramid,” *California Management Review* (Summer 2007): 90-111.
- 03/16 – Guest speaker: **Bart Houlahan, BLab**
- 03/21 – Bottom of the Pyramid Strategies II
 - SKS and the AP Microfinance Crisis (HBS Case: 9212018) [S]

Part Three: Responsible Business

- 3/23 – Guest speaker: **SJ Lu, FSG**
- 03/28 Negative externalities
 - COCSO: Implementing Sustainability (HBS Case: N9-412-081) [S] Exploitation (Stanford Encyclopedia of Philosophy)
<http://plato.stanford.edu/entries/exploitation/>
 - Elizabeth Anderson, “The Ethical Limits of the Market,” in *Value in Ethics and Economics* (Cambridge: Harvard University Press, 1993): chapter 7. [S]
- 03/30 – Positive responsibilities
 - Merck & Co. Inc. (Business Enterprise Trust Case: 9-991-021) [S]
 - Thomas Dunfee, “Do Firms with Unique Competencies for Rescuing Victims of Human Catastrophes Have Special Obligations?” *Business Ethics Quarterly* 16 (2006): 185-210. [S]
- 04/04 – Guest speaker: **Stephanie Gates, Wells Fargo**
- 04/06 – Guest speaker: **Amy Sepinwall, Wharton**
- 04/11 – Socially Responsible Investing
 - Norway and Wal-mart (HBS Case: 308019) [S]
 - Terrence Lim, *Measuring the Value of Corporate Philanthropy* (New York: Committee Encouraging Corporate Philanthropy, 2010): 52-63.
http://www.corporatephilanthropy.org/pdfs/resources/MVCP_report_singles.pdf

Part Four: Social Enterprise?

- 04/13 – Social Value
 - Michael Porter and Mark Kramer, “Creating Shared Value,” *Harvard Business Review* (2011). [S]
 - Julie Battilana, Matthew Lee, John Walker, and Cheryl Dorsey, “In Search of the Hybrid Ideal,” *Stanford Social Innovation Review* (2012): 51-55. [S]
- 04/18 – Social Entrepreneurship I
 - OneWorld Health (IESE Case: DG-1480-E) [S]

- Donald W. Light and Rebecca Warburton, “Demythologizing the high costs of pharmaceutical research,” BioSocieties (7 February 2011).
http://www.pharmamyths.net/files/Biosocieties_2011_Myths_of_High_Drug_Research_Costs.pdf
- 04/20 – Social Entrepreneurship II
 - J. Gregory Dees, “The Meaning of ‘Social Entrepreneurship’” (working paper 2001).
http://www.caseatduke.org/documents/dees_sedef.pdf.
- 04/25 – Social Entrepreneurship III
 - Ian McMillan & James D. Thompson, The Social Entrepreneur’s Playbook, Wharton Digital Press (2013)
- 04/27 – Guest speaker: **Liz Braden, Princeton in Africa**

Final project due:

- **05/10, 5:00pm, JMHH 600 Suite**