



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

Fall 2018

LGST 230-001

JMHH F60

MW 10:30AM-11:50AM

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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.
- **Preliminary Workshop (30%):** In lieu of a midterm, you will present in class your preliminary questions, intuitions, and intentions regarding the topic you are considering tackling for your final project. We will workshop your ideas as a class to refine your path of inquiry.
- **Final Project - Analysis of Potential for Social Impact (50%):** 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.

EXPECTATIONS

- After the third class meeting, you will sit according to a seating chart.
- Three absences are allowed without consequence. There is no need to notify me regarding the reason for these absences. After three, each absence will subtract one point from your participation score.
- No computers, tablets, or other electronic devices may be used in class. Nope, not kidding.

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 – Overview of themes, questions, and approaches
 - Reading: none
- 02 – 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]

Part One: What Do We Care About?

- 03 – 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]
- 04 – 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
- 05 – [Guest speaker]
- 06 – [Guest Speaker]
- 07 – 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]
- 08 – Part One Review

Part Two: Non-Profit or For-Profit?

- 09 – [Guest speaker]
- 10 – 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]

- 11 – [Guest speaker]
- 12 – 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]
- 13 – 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.
- 14 – Bottom of the Pyramid Strategies II
 - SKS and the AP Microfinance Crisis (HBS Case: 9212018) [S]
- 15 – Part Two Review
- 16 – [Preliminary Workshop]
- 17 – [Preliminary Workshop]
- 18 – [Preliminary Workshop]

Part Three: Responsible Business

- 19 – [Guest speaker]
- 20 – 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]
- 21 – 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]
- 22 – 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]
- 23 – [Guest speaker]

Part Four: Social Enterprise?

- 24 – 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
- 25 – Social Entrepreneurship II

- J. Gregory Dees, “The Meaning of ‘Social Entrepreneurship’” (working paper 2001).
http://www.caseatduke.org/documents/dees_sedef.pdf.
- 26 – Socially Responsible Investing I [Guest Speaker]
- 27 – Socially Responsible Investing II
 - 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
- 28 – Social Entrepreneurship III
 - Ian McMillan & James D. Thompson, The Social Entrepreneur’s Playbook, Wharton Digital Press (2013)

Final project due:

- **Friday December 14, 5:00pm, JMHH 600 Suite**