



LGST 6120: RESPONSIBILITY IN BUSINESS

Fall 2022

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Course Description and Objectives

Businesses operate in an environment defined not only by market forces, but also by legal, public policy, and ethical considerations. These factors are becoming ever more important, whether for organizational decisions or for individual conduct. No MBA sets out to be a criminal, racist, or immoral (I hope!), yet we see case after case where missteps result in severe legal and reputational consequences. Fundamentally, therefore, this is a course about the foundations for good judgment when facing difficult choices.

After completion of this course, you should be able to:

- Understand how legal rules and procedures manifest forms of responsibility.
- Apply ethical principles to real-world choices.
- Evaluate your own beliefs and commitments about personal and business responsibility.
- Identify changes in the business environment that influence the nature of accountability.

Covid Policies

I plan to wear a mask when teaching the class. Given the current state of the pandemic, I recommend you wear an N95 or similar mask for protection when in large groups indoors. However, the decision is yours. I will not mandate any mask-wearing or restrictions on eating during class. Please be respectful of your fellow students and their choices.

Course Structure

This is a flipped course. It will be delivered through a combination of synchronous and asynchronous activities. For most class sessions, I've recorded several short videos. That is the "lecture" component, with embedded quiz questions to check your comprehension, which I expect you to complete *prior to class*.

Class time is for interaction—live discussions, groupwork, and activities. Because you will have already watched the lecture portions, we will generally not need the full 90 minutes; the balance will be for Q&A for those who wish to stay. Every class (with associated videos and activities) is a Module on Canvas.

This year, two classes fall on Jewish holidays which I observe. I have arranged guest lectures or other alternatives those days. For students unable to attend (these or other classes), see below under Participation.

Deadlines

I always accept late assignment submissions, up to the final class session of the course, with a graduated markdown. Late submission of the exam will similarly incur a graduated markdown until grades are submitted. If you encounter difficulty completing an assignment in a timely manner, please contact me before the deadline. I am always willing to listen and consider accommodations. However, you need to take the initiative to reach out to me. Maximizing your learning is my primary goal.

Syllabus

<p>August 29</p>	<p>Law, Rules, Norms, Values</p> <p><u>Read:</u> The Ring of Gyges Who Spewed That Abuse? Anonymous Yik Yak App Isn't Telling He Has 17,700 Bottles of Hand Sanitizer and Nowhere to Sell Them</p>
<p>August 31</p>	<p>Legal Responsibility</p> <p><u>Required Assignment:</u> Personal Ethical Dilemma</p> <p><u>Read:</u> Basic Concepts of Legal Responsibility Prosecutors Don't Plan to Charge Uber Demand for Face Masks Is Booming, But Makers Have a Nagging Concern</p>
<p>September 7</p>	<p>Personal Responsibility</p> <p><u>Assignment:</u> Ethics and Law</p> <p><u>Read:</u> Introduction to Ethical Reasoning Those Who Walk Away From Omelas</p>
<p>September 12</p>	<p>Professional Responsibility</p> <p><u>Prepare:</u> Dicing With Death</p> <ol style="list-style-type: none"> 1. Why didn't Guidant notify patients about the short-circuit risks of its defibrillators? 2. Do you think Guidant made the right decision?
<p>September 14</p>	<p>Corporate Responsibility</p> <p><u>Assignment:</u> Responsibility to Shareholders</p> <p><u>Read:</u> The Social Responsibility of Business is to Increase its Profits The Shareholder Value Myth Taking a Stand Against Social Stances</p>

<p>September 19</p>	<p>Compliance Guest lecture by Jon Smollen (founder, Temple Center for Compliance and Ethics)</p> <p>[Readings forthcoming]</p>
<p>September 21</p>	<p>Corporate Governance</p> <p><u>Assignment: Taking the Blame</u></p> <p><u>Read:</u> Basic Framework for Corporate Governance, pp. 1-6 Basic Elements of Business Fraud</p> <p><u>Prepare:</u> The Employee “Exit Interview” – Common Info</p>
<p>September 26</p>	<p>International Business Guest lecture by Eduardo Jara (Aramark)</p> <p>[Readings forthcoming]</p>
<p>September 28</p>	<p>Securities Fraud and Insider Trading</p> <p><u>Assignment: Organizational Recommendations for DEI</u></p> <p><u>Read:</u> Confidential Information Trading With Bill Ackman, Tennis and Herbalife Can Be a Dangerous Mix</p> <p><u>Prepare:</u> The Inside Trader (questions in coursepack)</p>
<p>October 3</p>	<p>Diversity, Equity, and Inclusion Guest speaker Cheryl Wade, Teladoc Health</p> <p><u>Read:</u> Toward a Racially Just Workplace</p>
<p>October 5</p>	<p>Data Protection: Responsibility for Information Guest lecture by Ezra Church (Morgan Lewis)</p> <p><u>Assignment: Letter to Dean James</u></p> <p>[Readings forthcoming]</p>

October 10	Looking to the Future: Artificial Intelligence and Business Responsibility
	<p><u>Read:</u> AI & Global Governance: No One Should Trust AI Assessing Risk, Automating Racism</p>
October 11-12	Exam (asynchronous; to be completed via Canvas in a 48-hour window)

Course Requirements and Grading

Video Lecture Quizzes (5%)

For most class sessions, I have pre-recorded videos for what would normally be the lecture component. These videos will include a few multiple-choice questions to test your understanding of the material. While these are scored, each is worth a tiny portion of your grade, and a majority of the credit comes from watching the video and answering the questions.

Personal Ethical Dilemma (5%)

In 300-600 words, describe an incident in your personal life or professional career when you faced a difficult ethical situation. How did you respond? Looking back, do you believe you did the right thing? What did you learn from the experience? If you do not recall an appropriate personal dilemma, you may use a family member or close friend. This exercise will be most valuable for your fellow students if you candidly share your experiences, even painful ones. The papers themselves will be kept strictly confidential. You may hide company or individual names if you feel it necessary. This assignment will be graded for completion. I will not evaluate your decisions, and you will receive full points if your submission meets the length requirement, covers a relevant situation, and demonstrates thoughtful reflection.

Weekly Assignments (45%)

There are five assignments to be completed each full week we have class, after the first one. You must complete three of them. You can choose which to submit, and if you do more than three assignments, you will receive the highest three grades. Because of this flexibility, the deadlines for the weekly assignments are firm.

You should complete the assigned videos and readings for the week before doing these assignments. Some of them will be the foundation for discussion or activities in class; others ask you to synthesize concepts we have already discussed. These assignments will be evaluated for completeness, thoughtfulness, quality of analysis, and timeliness. Read the prompts carefully. They will specify the minimum requirements, although earning the full points will require more.

Exam (30%)

There will be an online, open-book exam after the final class session. You will have a 48-hour window to start and complete the 90-minute exam. The exam will be comprised of short answer questions. It will test your mastery of the concepts introduced in the course, such as the legal rules and ethical frameworks, covering the assigned readings, videos, and synchronous class discussions. I will not test your knowledge of specific facts in cases. Most questions will involve applying concepts to a hypothetical situation.

Participation (15%)

This course encourages you to wrestle with challenging issues to help you in your business career. It is not

just a matter of memorizing information or mastering concepts, and most class sessions involve significant interactivity. Your active participation is important.

Participation will be assessed based on your overall contributions; more than mere attendance is expected. It can include thoughtful comments during live sessions, as well as asynchronous participation via Canvas. All sessions will be recorded. Attendance will be tracked through “Exit Tickets” that you submit at the end of each session, whether you attend in person or watch the video afterwards. If you are unable to attend a session live, you may submit a reflection via Canvas. This may include either a commentary on the in-class discussion (minimum one paragraph) or completion of small group activities in Google Slides.

Instructor Bio

Kevin Werbach the Liem Sioe Liong/First Pacific Company Professor and Chair of the Department of Legal Studies and Business Ethics. He is an expert in the business and policy implications of emerging technologies such as artificial intelligence, broadband, gamification, and blockchain. Werbach served on the Obama Administration’s Presidential Transition Team, and earlier helped develop the U.S. approach to internet policy in the Clinton Administration. He directs the Wharton Blockchain and Digital Asset Project. His books include [The Blockchain and the New Architecture of Trust](#) and [For the Win: The Power of Gamification and Game Thinking](#). He is a proud Philadelphia Eagles season ticket holder.