

## BLAW 636: LEGAL, ETHICAL AND GLOBAL ENVIRONMENT OF BUSINESS Fall 2009

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**TEXTBOOK AND OTHER MATERIAL:** Managers and the Legal Environment: Strategies for the 21<sup>st</sup> Century, Sixth Edition, Constance E. Bagley and Diane W. Savage, South-Western Cengage Learning (© 2010 • ISBN-10: 0324582048 • ISBN-13: 9780324582048).

Selected chapters from: Managers and the Legal Environment: Strategies for the 21<sup>st</sup> Century, Sixth Edition, Constance E. Bagley and Diane W. Savage, South-Western Cengage Learning (© 2010 • ISBN-10: 0324582048 • ISBN-13: 9780324582048). Additional reading assignments will be made throughout the semester from materials outside the text book: web site material, current articles, current legal cases, as well as material published by government regulators and others with the purpose of educating on marketing law. These materials will be introduced in class and either distributed or made available via the class web site.

Consider buying at <http://www.ichapters.com/market/index.html> search for Bagley and Savage or use the ISBN 9780324582048 and then click on the button for view “eChapters: \$6.99 (EA)”

The screenshot shows the ichapters.com website interface. At the top, there is a search bar with the ISBN 9780324582048 entered. Below the search bar, the product title is "Managers and the Legal Environment: Strategies for the 21st Century, 6th Edition" by Bagley/Savage. The book cover is displayed on the left. On the right, there is a "Purchase" section with a list of options: "Textbook: \$186.99 (SAVE \$20.96)", "eTextbook: Access Length 6 Months : \$103.99", and "eChapters: \$6.99 (EA)". A blue arrow points from a text box that says "Click here to select chapters and buy" to the "view" button next to the eChapters option.

- Chapter 1 – Law, Value Creation, and Risk Management
- Chapter 2 – Ethics and the Law
- Chapter 3 – Courts, Sources of Law and Dispute Resolution

Chapter 6 – Administrative Law  
Chapter 7 – Contracts  
Chapter 8 – Sales  
Chapter 9 – Torts  
Chapter 11 – Intellectual Property  
Chapter 5 – Agency  
Chapter 13 – Civil Rights and Employment Discrimination  
Chapter 20 – Business Entity Structure (limited coverage)

Additional reading assignments will be made throughout the semester from materials outside the text book some of that is included with this syllabus: web site material, current articles, current legal cases, as well as material published by government regulators and others with the purpose of educating on marketing law.

**OBJECTIVES:** To Explore:

- 1) Content In Context: to help students learn about the legal and regulatory environment and its impact on business decision-making;
- 2) Ethics in Context: to provide students with an understanding of ethical principles and the necessity of incorporating them into managerial decision-making;
- 3) Why That Law Exists: to enhance student awareness of the many societal influences that have led to government intervention in business practices;
- 4) Is It A Good Law: to provoke student thought on the desirability of existing laws and regulatory environment; and
- 5) Create and Comply With Laws: to explore the appropriate managerial role in shaping and responding to government policy.

## **POSITION PAPER**

I want to do all I can to create an environment in which you can develop your communication, collaboration, thinking and technological skills as you process and demonstrate legal knowledge. One key component of the course to reach that objective is a 6-8 page report within the areas of international law, environmental law, debtor/creditor law, bankruptcy law, consumer protection, employment law, employment discrimination or securities fraud/insider trading. Check with me on how you plan to proceed with your topic prior to investing too much time on it to make sure it will work. The paper must be typed and double spaced. The presentation can take any form you and your paper/presentation partners choose. I will match partners/teams of 2 students each.

Each writing team will complete the following:

- (1) **Describe Law.** Each student will be assigned to a group to cover a topic area below.

Each group must describe a new, controversial or unsettled law in the chosen topic area as it is now, using examples and illustrations where possible. Give a high-level overview of how the law works in your topic area before delving into the details of your specific topic within the broad category.

- a. International Law (jurisdiction, “free” trade – in light of American Recovery and Reinvestment Act of 2009, WTO/NAFTA impacts, protection of intellectual property overseas – US proposed changes to conform with international patent law, “chapter 11” of NAFTA, NAFTA changes proposed by new Obama Administration, Kyoto Protocol, chapter 25)
  - b. Employment Law (employee privacy, wrongful discharge, drug testing, health care requirements, non-sex based harassment/bullying, proposed “card check” legislation) chapter 12
  - c. Employment Discrimination (cases based on a protected class, monster class actions in general, affirmative action, 2008 changes to how “disability” is interpreted, equal pay lawsuits, the current economic downturn has hurt “men’s” jobs more than women), chapter 12
  - d. Environmental Law (American Recovery and Reinvestment Act changes for “green” initiatives - laws for green issues in general – CAFÉ, utilities must get a certain percentage from green resources, reduce use, recycle, etc., federal rollbacks in Superfund of hazardous waste sites, coal plant emission control, timber and mining limits, wetlands protection, global warming efforts, Kyoto Protocol) chapter 15
  - e. Consumer Protection (tort limits, punitive damage limits, trends in consumer protection statutes – Amy Klobuchar lead Consumer Product Safety Improvement Act of 2008 (CPSIA), proposed “fairness doctrine,” chapter 18
  - f. Securities Law (Troubled Asset Relief Program (TARP), Madoff – would more regulation/overview help?, public offerings, insider trading, market abuses - Petters, Sarbanes Oxley – did this help?) chapters 22 and 23
  - g. Creditor-Debtor (Proposed changes to mortgages in bankruptcy, impact of bankruptcy filing on GM/Chrysler, loan agreements, collateral, secured debt, guarantees, lender liability and fraud) **OR** Bankruptcy Law (personal bankruptcy under new law, debtor-in-possession, fraud, business reorganizations) chapter 24
  - h. Antitrust (Recent mergers of large financial institutions, other).
- (2) **Offer Opinions.** Offer reasoned opinions on the law(s) and future developments. Present and support both sides to the law. Reach a group consensus on the best approach to the issue and support it.
- (3) **Recommend Actions.** Recommend what managers in your business areas can do to effectively limit liability in the area.

## **PARTICIPATION**

Class participation is a requirement of this course. Active involvement in open class discussion and in your groups is essential to your understanding of the material and its applications, and to the energy level of our class time. Your final grade will suffer if you fail to engage: comment or ask questions in class. Consistent, relevant (but not necessarily correct) contributions to the class and/or your group will be rewarded. I expect participation at least 4 times per session, about once per hour from everyone.

## **CURRENT EVENT REPORTS**

**Group Report.** Each group will present one current event report.

**Individual Report.** Each student may also separately present an individual current event report to aid the student's participation grade. You can do one report during a class session, up to a **total of four** for the semester. **BY DOING A QUALIFIED REPORT YOU WILL RECEIVE CLASS PARTICIPATION CREDIT EQUAL TO FOUR SUBSTANTIAL IN-CLASS CONTRIBUTIONS**, in other words the same as if you had raised your hand four times and made a comment or asked a question that advanced class learning. No writing is required. You may use notes if you wish, but try not to rely on them.

**Oral Report Guidelines.** Prepare an oral report of a news or opinion piece from any medium - the web, television, newspaper, journal or other reliable publication. Choose any business law-related topic you/your group find interesting such as a proposed statute, ordinance or regulation, a government action, a civil dispute or court case, or a U.S. Supreme Court decision. Please tell me the topic in advance and if at all possible we will schedule it for the day we discuss that same topic in class. If the information relates to a life or business experience of yours, or if you tell us about experiences or knowledge of legal or ethical business events or cultural practices in other countries, all the better.

Group oral reports should last approximately 10 minutes with some additional time for questions. Individual oral reports should last 2-5 minutes. You will stand before the class and report on the article **USING THE WORDS** source, facts, values, and my opinion. The following questions may help you prepare the report:

Who is the writer?

What is the writer's primary viewpoint? Does the writer have any self-interest that may cause bias?

What facts and values does the writer state or assume as reasons for the conclusion?

What is your response to the assumptions and points raised?

## GROUP PROBLEM SOLVING

Students will be assigned to groups of three-four students (a different group than the group of 2 for your paper) and each group will be assigned chapter-end questions. All students should read and mentally prepare all assigned problems. The dates are assigned but will change to adjust for how quickly we work through the material. Groups assigned to a particular problem are expected to lead the discussion on that problem by preparing the following (except for Problem 3 of Chapter 11):

1. **Describe the Problem.** Re-state the facts of the problem concisely and in your own words to refresh everyone's memory of the problem.
2. **Identify Legal Issues.** Identify all relevant legal issues in the problem, even (especially) if not asked. The issues are in the form of questions.
3. **Describe the Law.** Describe the legal rules/law that relate to and govern those issues. Many times this section will be spelling out the elements of claims and defenses
4. **Analyze the Problem.** Apply the rules to the facts given. Give as many arguments as you can for each side of the issue.
5. **Conclusion** You cannot merely state "This is a close call..." Make a decision.

Unsubstantiated conclusions will receive no credit. Each group will present the problems orally in class. Rotate speakers. Only those members attending and involved in the problems will receive credit. Groups are assigned four problems each.

## QUIZZES

We will begin most chapters with a short quiz. The quizzes are graded and are designed to reward reading and comprehension of the material prior to the class discussion. We will also use the quizzes and the problems to work through the material covered during that period.

## ACADEMIC INTEGRITY

The Student Handbook Code of Conduct ([www.stcloudstate.edu/studenthandbook/code](http://www.stcloudstate.edu/studenthandbook/code)) at SCSU specifically prohibits academic dishonesty, including but not limited to, cheating, plagiarism, misrepresentation of student status, and resume falsification. Plagiarism includes, but is not limited to, the use by paraphrase or direct quotation, the published or unpublished work of another person without full and clear acknowledgment; unacknowledged use of materials prepared by another person or agency engaged in selling or otherwise providing term papers or other academic materials; and commercialization, sale or distribution of class notes without the instructor's permission.

St Cloud State University has also created technology-related policies, guidelines, and standards to help users understand how technology should be utilized at our university,

for the benefit of the campus community as a whole. These guidelines address accountability, provide consistency and clearly establish procedures for those using the university's equipment and network. You are expected to familiarize yourself with these policies, guidelines, and standards and to adhere to these standards throughout your tenure at SCSU.

Please refer to [www.huskynet.stcloudstate.edu/policies](http://www.huskynet.stcloudstate.edu/policies) for information regarding these policies and for any questions regarding these policies.

**Plagiarism** is the presentation of someone else's ideas or words as your own. To safeguard your reputation against plagiarism charges, be certain to give credit where credit is due. Specifically, provide a citation (in-text parenthetical reference, footnote, or endnote) for each (1) direct quotation, (2) passage from someone else's work that you stated in your own words rather than using the original words (the words are your own, but the idea is not). After identifying the text that must be credited by someone else, develop complete, accurate citations and a reference page according to some recognized referencing method.

Additionally, in this class, students are expected to complete and submit assignments that reflect their own individual efforts. The textbook will serve as a very useful guide in preparing your written work; however, do not complete your outside work by direct imitation of the sample illustrations provided, sample illustrations from the internet, or from other materials (such as Career Services handouts, etc.) Also, do not work with classmates on individual assignments; your assignments should reflect your individual efforts.

### Tentative Outline

Date	Chapter Assignment	Problems	Quiz/Exams
Oct 26 Week 1	Chapter 1: Law, Value Creation, and Risk Management Ch2 – Ethics and the Law Introduction, problem solving groups formed, opening agenda (emailed to your prior to the first session)	Group Assigned (G1 = Group 1) 4,5,6,7 - No groups assigned -	Quiz#1
Nov 2 Week 2	Chapter 3: Courts, Sources of Law and Dispute Resolution (skim pp. 60-68) skip pp. 79-1 <sup>st</sup> column 81) - Alternative Dispute Resolutions Ch 4 NO Reading – short lecture to cover	CH3: pp.107, “A Manger’s Dilemma (G1) ,” 5 (G2), 6 (G3)	Quiz#2
Nov 9 Week 3	Chapter 6: Administration Law pp. 183-188,197-end. Chapter 7: Contracts	CH7: 2(G4),4 (G5),5(G6),8(G7)	Quiz#3 Quiz#4
Nov 16 Week 4 Papers due first draft	Chapter 7: Contracts continued Chapter 8: Sales (read pp250-252, skip 253-261, read 261 Battle of the Forms – 269, skip rest of chapter) Chapter 9: Torts	CH8: 1(G1), 2(G2),5(G3) CH9: 1(G4),2(G5), 4(G6),7(G7), “A Managers Dilemma on p.328(G1)	Quiz#5 Quiz#6
Nov 23 Week 5	Chapter 9: Torts continued Chapter 10: NO READING – short lecture to cover the material Start Chapter 11: Intellectual Property	CH11: 3(G2),6(G3), 7(G4),8(G5)	EXAM#1 Quiz#7
Nov 30 Week 6	Chapter 11: Intellectual Property continued Chapter 5: Agency	CH5:1(G6), 2(G7),5(G1), 8(G2) CH12: 3(G3),4(G4), 5(G5) (first half),	Quiz#8 Quiz#9
Dec 7 Week 7	Chapter 12: The Employment Agreement (skip Labor-Management Relations (pp. 454-458), skip Fraudulent Inducement (p.430), skip Workplace Safety (441-445), Chapter 13: Civil Rights and Employment Discrimination	CH13: 1(G6), 4(no group), 5(G7), 6(no group)	Quiz#10
Dec 14 Week 8	Chapter 20: Business Entity Structure (limited coverage) read pp. 758-766, pp. 774, Incorporation – 777 Alter Ego). Catch-Up	No Questions	EXAM#2

## EVALUTION

The Actual Points Allocated Are Estimates Subject to Change

<b>Tests:</b>	<b>Points</b>	(1,000 total)
Test 1	150	
Test 2	<u>150</u>	
Sub-Total	300	(Tests = 30% of Total Grade)
<b>Quizzes</b>	Chapter Quiz 1	10
	Chapter Quiz 2	10
	Chapter Quiz 3	10
	Chapter Quiz 4	10
	Chapter Quiz 5	10
	Chapter Quiz 6	10
	Chapter Quiz 7	10
	Chapter Quiz 8	10
	Chapter Quiz 9	10
	Chapter Quiz 10	<u>10</u>
	100	(Chapter Quizzes = 10% of Total Grade)
<b>Group Problem Solving/Current Events Report</b>		
	Problem 1	25 (4 items x 25 points each)
	Problem 2	25
	Problem 3	25
	Problem 4	<u>25</u>
	100	(Group Problem Solving = 10% of Total Grade)
<b>Current Events Report</b>	50	(Current Events Report = 5% of the Total Grade)
<b>Collaboration</b>	50	(Peer evaluation of collaboration efforts within group = 5% of Total Grade)
<b>Position Paper/Presentation</b>		
	First Draft/	0
	Grammar	75
	Content	<u>175</u>
	(Peer grading sheet)	
	250	(Paper/Presentation = 25% of Total Grade)
<b>Class Participation:</b>	150	(Class Participation = 15% of Total Grade)
<b>Grand Total:</b>	1,000	