BUSINESS ADMINISTRATION 526 (BADM 526)
Leader Ethics
Spring 2012

Professor: Dr. Michael E. “Mike” Brown

Office Location and Hours: Burke 266
Tuesday: 5:00-5:45pm; Thursday: 2:15-3:15; Friday: 10:45-12:30 and by appointment

Phone: 898-6324

Email: mbrown@psu.edu

Class Meetings: Tuesday: 9:00 – 11:45am in 207 Burke (section .001)
Tuesday: 6:00 – 8:45pm in 207 Burke (section.002)

Website: Course website will be managed using the ANGEL system. You can access ANGEL at the following URL-- http://cms.psu.edu

Required Readings:


2) Electronic copies of required course readings and cases come from three sources:
   • A course pack that contains cases and selected readings must be purchased directly from Harvard Business School. Details for purchasing will be provided.
   • Readings place on electronic reserve are free of charge. These readings can be accessed via ANGEL (check under lessons or electronic reserves).
   • Harvard Business Review articles are also free of charge, but due to copyright restrictions, I can’t place them on electronic reserve. I’ll provide instructions for accessing these articles (it’s not difficult).

Course Description and Objectives:
This course addresses two important subjects, ethics and leadership. Leadership is a popular topic. Just how popular is it? Take a look on Amazon.com and search for leadership books—you’ll find tens of thousands of titles! There are so many “experts” who claim to possess the secrets of effective leadership. And, many of these experts seem to offer contradictory advice. So who is right? What are the secrets of effective leadership? Are great leaders born or made? In this course we will sort through the clutter to draw from decades of leadership theory and research to generate answers to these and other questions. We will examine leadership from multiple perspectives. Special attention will be given to the ethical dimension of leadership. Ethical conduct is an important issue for managers in all functional areas of business organizations. Long-term “success” in business depends not only on mastery of the immediate competitive domain, but also consideration of and attention to the broader social and ethical
environments in which all organizations and institutions are embedded. Understanding, how to managing yourself and others in terms of ethics will be a major focus of this course. You will leave this course possessing knowledge that will help you to lead more effectively and ethically.

Course Requirements and Grading:

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<tr>
<th>Item</th>
<th>Description</th>
<th>Worth</th>
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<tr>
<td>Ethics Audit</td>
<td>Working in groups of 3-5, conduct an ethics audit of a company. Write from the perspective of an ethics consultant (approximately 15 pages).</td>
<td>20%</td>
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<tr>
<td>Midterm Exam</td>
<td>A closed book/closed note midterm exam (essays and short answers) given in class on 2/28</td>
<td>25%</td>
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<tr>
<td>Case Analysis</td>
<td>Working in groups of 3-5 (you chose your own groups), analyze 2 case studies (from the second ½ of the course). I’ll assign questions for each case. Write your responses in approximately 10 pages (double-spaced, 12 point font, 1 inch margins). You only need to turn in one group paper, however, I expect each group member to contribute to each paper. (2 papers * 10% each = 20%)</td>
<td>20%</td>
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<tr>
<td>Class Involvement</td>
<td>You are expected to attend class and participate in discussions/activities on a daily basis.</td>
<td>10%</td>
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<tr>
<td>Final Exam</td>
<td>A closed-book final exam (essays and short answers) given during the final examination period.</td>
<td>25%</td>
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**TOTAL** | **100%** |

**Exams**
Exams will consist of essays and short answers. Each exam will be closed book and closed note. The exam will cover course readings, cases and class notes. Each exam is worth 25% of your grade. I’ll provide more information on the exam format (including sample questions) by the end of January. Note: The final exam will not be cumulative. Sorry, but no laptops are permitted!

**Case Analyses**
You will be required to analyze two cases. Questions for each case will be provided. These questions should be used as a guideline in preparing the analysis. However, you are welcome to address other relevant issues not covered in the case questions. Case analyses will be evaluated on the basis of how thoroughly the questions assigned to the case are answered, how thoroughly and appropriately course concepts and theories are used in the analysis, on the adequacy of and support for recommendations made, and on the clarity and technical accuracy of the writing.
style. The analyses should be approximately 10 double-spaced pages (12 point font, 1 inch margins). Note—team members are expected to make a meaningful contribution to each case study. If a student is not pulling his/her fair share of the work load, then team members have an obligation to warn the slacking teammate about his/her performance. If the student’s performance doesn’t improve, then team members should notify me immediately. Ultimately, if the team determines that a member made a subpar contribution to final paper, then the member will receive limited (i.e. partial or no) credit.

Class Involvement
Your attendance and active participation in class is important because it enhances your ability (and the abilities of those around you) to analyze and comprehend the concepts and theories.

Attendance. The Black School of Business MBA Attendance Policy states “MBA students are expected to attend every scheduled class. Students who must miss a class should speak with their professor(s) as soon as they learn of the potential absence. Students who miss 4 classes in this course will receive a failing grade. Students are encouraged to drop the course as soon as they realize that they cannot maintain an acceptable attendance level. Exceptions will be made on a case by case basis and will be allowed only when there is a documented personal or family emergency, military service, or jury duty. Work-related travel is not considered a personal emergency.”

Participation. Students are expected to be prepared for and participate in each and every class discussion, case, and assigned activity. Participation points are earned per class, not per comment so as not to encourage “air time” (i.e. dominating and/or excluding classmates from discussions). Participation points will also be determined based on the quality of the contribution (i.e. a “me too” comment is typically not as valuable as one that requires significant insight or analysis). I’ll always try to call on students who have not had an opportunity to participate in a particular class, but I’ll also ask your cooperation in making sure that everyone has a chance to contribute to class if they wish.

The system. I will assess class involvement with your help based on a system of self-reporting participation slips that you will hand in to me at the end of each class meeting. Write your name and date on a blank piece of paper, along with a brief summary of any contributions that you made to class that evening (if you didn’t contribute, just leave that part blank). I’ll keep your slips as a record so that when I calculate your involvement grade at the end of the semester, I’ll at least have some objective record of your attendance and participation. I’ll explain how this system works on the first day of class.

Overall, you will receive some credit just for showing up to class. You will earn additional credit if you make a quality contribution to class. Class participation will be evaluated primarily on the quality of your reasoning, depth of analysis, relevance of comments to the discussion, and integration/application of concepts, cases, and readings. Perfect attendance is not enough to earn a good involvement grade. You must also contribute!

Grades: Grades will be assigned on the following scale.
A  = 93-100
B- = 80-82
A- = 90-92  C+ = 77-79
B+ = 87-89  C = 70-76
B = 83-86  D = 60-69
F = 59 and below

Academic Integrity:
Academic integrity is a basic guiding principle for all academic activity at the University, and all members of the community are expected to adhere to this principle. Specifically, academic integrity is the pursuit of scholarly activity in an open, honest, and responsible manner. It includes a commitment not to engage in or tolerate acts of falsification, misrepresentation, or deception. Such acts violate the fundamental ethical principles of the University community and undermine the efforts of others.

Violations of academic integrity are not tolerated at Penn State Erie. Violators will receive academic and may receive disciplinary sanctions, including the awarding of an F or XF grade (I typically give Fs for the course to students who violate academic integrity). An XF grade is recorded on the transcript and states that failure of the course was due to an act of academic dishonesty. All acts of academic dishonesty are recorded so that repeat offenders can be sanctioned accordingly.

Such violations of academic integrity include but are not limited to:

- **Cheating:** Using crib sheets; using notes or books during a closed book exam.

- **Copying on a test:** Looking at other unsuspecting students' exams and copying; copying in a complicit manner with another student; exchanging color-coded exams for the purpose of copying; passing answers via notes; discussing answers in exam.

- **Plagiarism:** The fabrication of information and citations; copying from the Internet or submitting the work of others from professional journals, books, articles and papers; submission of other students' papers (in part or total) and representing the work as one's own; fabricating in part or total, submissions and citing them falsely.

- **Acts of aiding or abetting:** Facilitating academically dishonest acts by others; unauthorized collaboration of work; permitting another to copy from exam; writing a paper for another; inappropriately collaborating on home assignments or exams without permission or when prohibited.

- **Unauthorized possession:** Buying or stealing exams; failing to return exams on file; selling exams; photocopying exams; any possession of an exam without the faculty member's permission.

- **Submitting previous work:** Submitting a paper, case study, lab report, or any assignment that had been submitted for credit in a prior class without the knowledge and permission of the instructor.
- **Tampering with work:** Changing one's own or another student's work product such as papers or test answers; tampering with work either as a prank or in order to sabotage another's work.

- **Ghosting or misrepresentation:** Having another student take a quiz, an exam, or perform an exercise or similar evaluation in one's place.

- **Altering exams:** Changing incorrect answers and seeking favorable grade adjustments when instructor returns graded exams for in-class review and subsequently collects them, asserting that the instructor made a mistake in grading; other forms may include changing the letter and/or the numerical grade on a test.

- **Computer theft:** Electronic theft of computer programs or other software, data, images, art, or text belonging to another.

**Penn State’s Nondiscrimination Policy:** *The Pennsylvania State University is committed to a policy that all persons shall have equal access to programs, facilities, admission, and employment without regard to personal characteristics not related to ability, performance, or qualifications as determined by University policy or by Commonwealth or Federal authorities. Penn State does not discriminate against any person because of age, ancestry, color, disability or handicap, national origin, race, religious creed, sex, sexual orientation, or veteran status.*
## SCHEDULE

T&N: Trevino & Nelson; ER = Electronic Reserves; HBR = Harvard Business Review; CP = Course Pack

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<thead>
<tr>
<th>DATE</th>
<th>TOPIC</th>
<th>READINGS</th>
<th>ASSIGNMENTS DUE</th>
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<tr>
<td>1/10</td>
<td>Introduction</td>
<td>T&amp;N: Chapter 1</td>
<td>None</td>
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<td>1/17</td>
<td>Topic: Deciding What’s Right: A Prescriptive Approach</td>
<td>T&amp;N: Ch. 2 and Pinto Fires Case: Pinto Fires</td>
<td>Be prepared to discuss chapter and questions at end of the case</td>
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<tr>
<td>1/24</td>
<td>Topic: Deciding What’s Right: A Psychological Approach</td>
<td>T&amp;N: Ch. 3</td>
<td>Be prepared to discuss chapter</td>
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<tr>
<td>1/31</td>
<td>Topic: Ethics at the Organizational Level</td>
<td>T&amp;N: Ch. 5, 6 Case: Improving an Ethical Culture at Georgia-Pacific</td>
<td>Be prepared to discuss chapter and questions at end of the case</td>
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<tr>
<td>2/7</td>
<td>Topic: Managing for Ethical Conduct</td>
<td>T&amp;N: Ch. 7 Films: Milgram and Zimbardo</td>
<td>Be prepared to discuss chapter</td>
</tr>
<tr>
<td>2/14</td>
<td>Topic: Corporate Social Responsibility</td>
<td>T&amp;N: Ch. 9, 10 Case: Merck</td>
<td>Be prepared to discuss chapter and questions at end of the case</td>
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<tr>
<td>2/21</td>
<td>Topic: International Business Ethics</td>
<td>T&amp;N: Ch. 11 Case: Google Goes to China</td>
<td>Be prepared to discuss chapter and questions at end of the case</td>
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<td>Ethics audit assignment is due in class</td>
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<td>2/28</td>
<td>Exam #1</td>
<td>6-8pm</td>
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<td>3/6</td>
<td>Spring Break</td>
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| 3/13  | What is leadership?        | 1. Author = Kotter  
Title = What leaders really do (HBR)  
2. Yukl & Lepsinger: Why Integrating the Leading… (ER)  
*Case Study: Iggy’s Bread… (CP)* | Be prepared to discuss:  
a) In your own words, define leadership.  
b) Are managers and leaders different? If so, how?  
c) Can an unethical leader be an effective leader?  
c) The assigned case questions (posted on 2/28) |
| 3/20  | What are the traits of effective leaders? | 1. Kirpatrick & Locke: Leadership: Do traits matter? (ER)  
2. Soriano: Political skill in organizations (ER)  
3. Online personality tests (check course website for links to personality tests) | Take the online personality test. Familiarize yourself with the “Five Factor” model and bring your personality report to class  
Also be prepared to discuss:  
a) Are great leaders “born” or made”?  
b) What are the traits of effective leaders?  
c) What is the Five Factor Model of Personality?  
d) What have you learned about your personality? |
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| 3/27 | How do effective leaders persuade and influence others? | 1. Cialdini: Harnessing the science of persuasion (HBR)  
2. Grenny et al.: How to have influence (ER)  
*Case Study:*  
*Koehn: Leadership in crisis* (CP) | Be prepared to discuss:  
a) How do effective leaders influence and persuade others?  
b) The assigned case questions (posted on 3/13) |
| 4/3  | What is the best “style” of leadership? | 1. Goleman: Leadership that gets results (HBR)  
2. Sidle: The Danger of Do Nothing Leaders (ER)  
*Case Study:*  
*Gabarro: Wolfgang Keller* (CP) | Be prepared to discuss:  
a) What is the best “style” of leadership?  
b) What style of leadership do you prefer?  
c) The assigned case questions (posted on 3/20) |
| 4/10 | Charisma: Can you lead effectively without it? | 1. Howell & Avolio: The ethics of charismatic leadership… (ER)  
2. Bass: From transactional to transformational… (ER)  
3. Tassler: Five secrets of charismatic leadership (on ANGEL)  
4. Muir: Relationship building and sales success (ER)  
*Case Study:*  
*HP at a Strategic Crossroad* (CP) | Be prepared to discuss:  
a) What is charisma?  
b) What is transformational leadership?  
c) Charisma: Can you lead effectively without it?  
d) The assigned case questions (posted on 3/27) |
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<tr>
<td>4/17</td>
<td>Leading in ambiguous, unfamiliar, and uncertain</td>
<td>1. Coutu: Sense and Reliability… (HBR)</td>
<td>Be prepared to discuss:</td>
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<td></td>
<td>environments?</td>
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<td>a) What is the underlying theme of this week’s readings (please assume there is one)?</td>
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<td>2. Mintzberg &amp; Westley: Decision-making… (ER)</td>
<td>b) What is sensemaking?</td>
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<td>3. Day &amp; Schoemaker: Are you a ‘vigilant leader’? (ER)</td>
<td>c) The assigned case questions (posted on 4/3)</td>
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<td>Case Study: Fire at Mann Gulch (CP)</td>
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<tr>
<td>4/24</td>
<td>What is ethical leadership?</td>
<td>1. Trevino: Moral Person and Moral Manager… (ER)</td>
<td>Be prepared to discuss:</td>
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<td></td>
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<td>2. Brown: Misconceptions of Ethical Leadership (ER)</td>
<td>a) What is ethical leadership?</td>
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<td>3. Messick and Bazerman: Ethical leadership and the psychology… (ER)</td>
<td>b) Is ethical leadership related to effective leadership? If so, how?</td>
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<td>Case Studies: Coach K and Coach K (CP)</td>
<td>c) Answer the assigned case questions (posted on 4/10)</td>
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<td>Final Exam</td>
<td>The final exam will be given during finals week at a date and time to be</td>
<td>Be prepared to discuss:</td>
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<td>determined by the Registrar</td>
<td>a) Which is the underlying theme of this week’s readings?</td>
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<td>b) How is ethical leadership related to effective leadership? If so, how?</td>
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<td>c) Answer the assigned case questions (posted on 4/3)</td>
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CP = Course Pack, ER = Electronic Reserve, HBR = Harvard Business Review