

Syllabus



Department
of Economics
and Business

CENTRAL
EUROPEAN
UNIVERSITY

Managing integrity challenges in business transactions

- **Instructor:**

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Office hours: by appointment

- **Credits:** 2 ECTS
- **Term:** Fall 2017-2018
- **Course level:** KEMBA
- **Prerequisites:** None

Course description

This course approaches business integrity from a practical point of view. Drawing on the latest trends in supply chain management, human resources management and procurements participants will get acquainted with management tools that ensure integrity in these transactions. Integrity in business is not considered as a moral obligation but as a management option that business people can or cannot choose. The aim of the course is to present the strategic advantages of integrity tools in supply chain management, human resources management and procurement. Students will have the opportunity to develop integrity management tools for their own real or imagined enterprises that create competitive advantage in the market.

By the end of this course students will

- understand global trends of integrity management
- get acquainted with the consequences of loss of integrity
- be familiar with techniques of ensuring integrity
- understand how integrity can be a competitive advantage

in supply chain, human resource management and procurements.

Learning outcomes

Interpersonal Communication Skills	During simulation games on the introduction of integrity management tools students will get acquainted with the vocabulary of business ethics as well as with leadership communication skills.
Cultural Sensitivity and Diversity	The understanding of integrity management in multinational business transaction depends on culture. Therefore it is crucial to consider cultural differences to deal with and apply the tools presented in this course.

Quantitative reasoning	Students will learn to support with quantitative arguments the application of integrity tools in managing business transactions.
Critical Thinking	Students will be expected to dispute and argue critically about already existing management solutions and integrity tools developed by fellow students.
Ethics and Responsibility	The course will present different solutions and tools to manage ethics in business life.
Management Knowledge and Skills	The course presents management practices of integrity in business transactions. Students` management knowledge will improve in the field of business integrity.

Reading list

Amy Rau and Raymond Wong: Accuform: Ethical Leadership and its Challenges in the Era of Globalization, Asia Case Research Center, University of Hong Kong, 2006

Le Moulin Blanc, Richard Ivey School of Business, 2012

Dovernet

Bartlett&McLean: GE's Talent Machine: The Making of a CEO, HBS 9-304-049, 2006

Premier Inc. (A), Babson, BAB117, 2005

Assessment

The course is assessed based on class participation, case presentation and individual assignment.

Course participation 30%

The course requires active participation of students since their personal business experience will be used to identify risks and solutions in business transactions. Furthermore, students are expected to critically review the tools developed by fellow students. Class participation, communication strength and active discussion will be evaluated.

During the course only two absences per student is allowed. Missing more than two classes will result in Administrative Fail (AF). Should you have problems of showing up or getting prepared please consult the professor so that the work of your fellow students is not hindered.

Presentation of cases 30%

Course participants are expected to present one case study per student to the rest of the group. Evaluation of presentation will consider the coherence of the case as well as the level of critical review of the case.

Individual Assignment 40%

Students can choose a management topic (supply chain, human resource management or procurement) and will develop their own integrity tools throughout the course. Participants will discuss the concept of their presentation during the course with each other and the instructor. Participants will present the integrity tool developed at the last session. The tool will be discussed in class and will be evaluated by the professor. Evaluation criteria include: innovative approach, feasibility, and coherence.

Course active participation: 30 points
 Team presentation: 30 points
 Individual assignment: 40 points
Total: 100 points

Grade	Assessment	Points
A	Outstanding	100-90%
A-	Excellent	89-80%
B+	Good	79-64%
B	Fair	63-52%
B-	Satisfactory	51-46%
C	Minimal pass	45-40%
F	Fail	39- 0%

Course schedule and materials for each session

Session	Topic	Teaching method
Session 1.	<p>Course Introduction</p> <p>The business case of supply chain integrity Statistics, corporate scandals and their consequences, global market trends, international frameworks, definition</p> <p>Risks and roots General and integrity-related expectations and risks</p> <p>Recommended reading</p> <p>Charles Duhigg: In China, Human Costs Are Built Into an iPad, The New York Times, January 2012 http://www.nytimes.com/2012/01/26/business/ieconomy-apples-ipad-and-the-human-costs-for-workers-in-china.html?pagewanted=all</p>	<p>Lecture and guided brainstorming</p> <p>Case studies, guided brainstorming, lecture, students survey</p>

	<p>Sean Ansett and Jeffrey Hantover: Bangladesh factory fires – the hidden dangers of subcontracting, Ethical Corporation, February, 2013 (blog entry) http://www.ethicalcorp.com/supply-chains/bangladesh-factory-fires-%E2%80%93-hidden-dangers-subcontracting</p> <p>Barry Bearak: Lives Held Cheap in Bangladesh Sweatshops, New York Times, April, 2001 http://www.nytimes.com/2001/04/15/world/lives-held-cheap-in-bangladesh-sweatshops.html</p>	
Session 2.	<p>Supply Chain integrity management Due diligence, contractual obligations, training, monitoring, organizational development, dealing with non-performance, cooperation, collective actions, transparency capacity building approach</p> <p>Required reading Amy Rau and Raymond Wong: Accuform: Ethical Leadership and its Challenges in the Era of Globalization, Asia Case Research Center, University of Hong Kong, 2006</p> <p>Recommended reading Fighting Corruption in the Supply Chain: A Guide for Customers and Suppliers, UN Global Compact, 2010</p> <p>OECD Risk Awareness Tool for Multinational Enterprises in Weak Governance Zones, OECD, 2006</p> <p>ICC guidance on supply chain responsibility http://www.oecd.org/daf/inv/corporateresponsibility/36885821.pdf</p> <p>From Vulnerable to Valuable: How integrity can transform supply chain, PwC, 2008</p>	Group work, Case studies, Lecture
Session 3.	<p>Beyond supply chain integrity General business rewards arising from a cooperation-based supply chain management system</p> <p>Vodafone's supply management system – team presentation</p> <p>Presentation of individual paper ideas</p> <p>Further Reading</p>	Lecture, Case Studies

	<p>Andrea Bonime-Blanc: The GlobalEthicist – Supply chain risk: what companies need to know, Ethical Corporation, October, 2013 (blog entry)</p> <p>http://www.ethicalcorp.com/supply-chains/globalecticist-%E2%80%93-supply-chain-risk-what-companies-need-know</p> <p>Honor Our Veterans and Compliance in the Supply Chain - FCPA Compliance and Ethics Blog (blog entry), November 2013</p> <p>http://tfoxlaw.wordpress.com/2013/11/11/honor-our-veterans-and-compliance-in-the-supply-chain/</p>	
Session 4.	<p>The business case of integrity in HR management</p> <p>Risks and roots Identifying and analyzing HR functions HR management activities</p> <p>Required reading</p> <p>Case Study: Le Moulin Blanc, Richard Ivey School of Business, 2012</p> <p>Case Study: Dovernet</p> <p>Further reading</p> <p>Robert L. Mathis and John. H. Jackson Human Resource Management 12th Edition, South-Western CENGAGE Learning, Canada, 2008</p>	Case study Guided Brainstorming
Session 5.	<p>Beyond HR integrity management General business rewards arising from strategic HR management practices</p> <p>Whistleblowing – presentation of team assignment</p> <p>Required reading</p> <p>Case Study: GE’s Talent Machine: The Making of a CEO</p> <p>Recommended reading</p> <p>Davis, A.L. and Rothstein, H.R. The effects of perceived behavioral integrity of managers on employee attitudes: a meta-analysis, Journal of Business Ethics, 67, pp. 407-419, 2006</p> <p>Christopher A. Bartlett and Sumantra Ghoshal: Building Competitive Advantage Through People, MIT Sloan management Review, Winter 2002, pp. 34-41</p>	Case study Guided Brainstorming

	Berenbeim, R.: Utilizing HR and Ethics and Compliance Collaboration to Promote an Ethical Culture, Employment Relations Today, 37 (1), 17–26., 2010	
Session 6.	The operation of a compliance system Guest lecture: Maria Rusz, Compliance Officer Shell	Group work, lecture
Session 7.	<p>The business case for integrity in procurements Risks and roots Critical assessment of procurement policies Managing conflict of interests</p> <p>Integrity Pacts – team presentation</p> <p>Required reading Case Study: Premier</p> <p>Recommended reading Rethinking Procurement Integrity Contractors Must Protect Themselves Through Compliance, 2013 http://www.hklaw.com/publications/Rethinking-Procurement-Integrity-Contractors-Must-Protect-Themselves-Through-Compliance-04-15-2003/</p> <p>Cooper, W.R., Frank, G.L., Kemp, R.A.: A Multinational Comparison of Key Ethical Issues, Helps and Challenges in the Purchasing and Supply Management Profession: The Key Implications for Business and the Professions, Journal of Business Ethics, 23: 83–100, 2000.</p> <p>OECD Principles for Integrity in Public Procurements</p> <p>Integrity Pacts in the Water Sector, Water Integrity Network and Transparency International, 2010 http://www.transparency.org/whatwedo/publication/integrity_pacts_in_the_water_sector_an_implementation_guide_for_government</p>	Lecture, Guided Brainstorming
Session 8.	Presentation and discussion of individual assignments Discussion of individual assignments with supply chain and HR specialists Wrap up	