MBA 558: Managers and the Legal Environment of Business

Term: Spring 2018
Time & Location: Wednesdays 6:00 – 8:45 (MBEB 4001)
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Office: MBEB 2221
E. mail: thomasbanducci@boisestate.edu
Office Hours: By Appointment

COURSE DESCRIPTION & OBJECTIVES

The goal of this course is to provide managers with increased knowledge concerning important legal and ethical issues in business. The intent is for students to engage in thoughtful, critical analysis about the law, how it works, how it is used to resolve disputes, and how it affects every-day business decision-making. Business people should know what the law requires and how to use the law for the firm’s strategic advantage. Moreover, business people also should recognize ethical dilemmas and work toward becoming intellectually and morally equipped to reason through them.

By the end of this course, students will be better prepared to: (1) avoid legal and ethical problems before they occur, and (2) control and manage legal problems more effectively. Greater knowledge of legal issues in business will lead to better decision-making, just as does an understanding of fundamental issues in statistics, finance, economics, management, accounting, information systems, and marketing. When managers find it necessary to consult an attorney, the knowledge and experience gained in this course should enable the manager to be a much more informed and active partner in all aspects of the process.

Topics we will explore in this course include:

1. The essential features of valid contracts, including important issues related to contracts, such as consequential damages exclusions, forum selection, arbitration, and non-competition clauses.
2. Legal issues concerning the sales of goods, which involve Uniform Commercial Code, and warranties.
3. Business torts such as negligence, defamation, vicarious liability, interference with business relationships, and privacy torts.
4. Product liability issues.
5. Intellectual property, including patents, copyrights, trademarks, and trade secrets.
7. The characteristics, strengths, and weaknesses of various legal forms of business entities, such as corporations, partnerships, LLCs, and others.
8. The duties and liabilities of officers, directors, shareholders, partners, and other stakeholders in different business entities.
9. Employment law concepts affecting managers, including employment at will, discrimination and equality in employment, privacy issues, and significant federal employment laws.
10. Important environmental laws and regulations.
11. Some of the most significant legal issues involved in securities regulation and antitrust law.

I expect students in this graduate-level class to have already some basic understanding of business law and/or legal issues, either academic or practical. This course will not cover the foundations of law but will move directly to substantive legal issues. A student who has never taken a law course or regularly dealt with legal issues in business should confer with me.

**MBA Program Objectives Met in This Course**

This course is intended to build student skills in:

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<thead>
<tr>
<th>X</th>
<th>Ethics</th>
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<tr>
<td>X</td>
<td>Global Perspective</td>
</tr>
<tr>
<td></td>
<td>Unstructured Problem Solving</td>
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<tr>
<td>X</td>
<td>Structured Problem Solving</td>
</tr>
<tr>
<td>X</td>
<td>Oral Communication</td>
</tr>
<tr>
<td>X</td>
<td>Written Communication</td>
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<td>Team Work</td>
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**Detailed Course Objectives:**

1. The main focus of the course is to examine thoroughly important ethical and legal issues that impact business.
2. The course will enhance student growth in critical thinking and problem solving of both legal and ethical issues.
3. The course will strengthen written and oral communication through several written assignments and informal classroom presentation.

**COURSE MATERIALS**
Text


I will use this text extensively during class, particularly for the end-of-chapter questions and exercises. Therefore, you should show up for the first class session (January 10) with your textbook.

ASSIGNMENTS and EXAMS

Attendance and Preparation

Class attendance and participation are important elements of this course. I am aware that MBA students are busy, often balancing work, family, and school, all of which are important. However, this is an MBA course taught at a graduate level, so attendance is essential and expected. Each class covers a distinctly different legal topic and represents a whole week of material. We will have a number of highly qualified professional experts coming to class as guest speakers – the material they present cannot be made up later. Absences in more than one class will likely have an adverse impact on your understanding of the material and on your final grade. If you know now that you are going to miss two or more classes this semester, I suggest that you consider taking this course at a later time.

Classes will be conducted under the assumption that you have read the assigned chapter(s) and other readings, if applicable. Generally, I will not use classroom time to reiterate basic material from your text. Instead, classroom time will be spent clarifying more complex topics and analyzing / applying that material to solve legal issues. Thus, full preparation for class means that you have read the assigned chapters, and that you have thought about and are prepared to discuss the assigned questions and practice exercises at the end of each chapter, as well as any hypothetical problems presented to you in class. Prepared students will have their books in class each day.

Outside of class, I will communicate with you frequently through Blackboard. Therefore, you must check your email / Blackboard regularly!

Participation / Discussion

You will have an opportunity to participate in class discussion. In order to stimulate participation in class, I will ask certain students to be prepared to present and lead class discussion on a topic that will be covered in the next week’s class (see below). Even if you are not one of the selected participants for that week’s presentation, you will be expected to read the selected materials and be ready to ask questions about those topics. Persons who perennial avoid participation in class will be called on by me.

Here’s what I will be looking for in class discussion:

1. Is the participant a good listener? Does the participant pay attention to and interact with other class members?
2. Are the points made relevant to the discussion? Are they linked to others’ comments?
3. Do the comments add to our understanding of the situation and move the discussion forward?
4. Are the comments informed by an analysis of the course readings?
5. Does the participant distinguish among different kinds of data, such as facts, opinions, beliefs, and concepts?
6. Do comments clarify and highlight the important aspects of earlier comments?
7. Is there a willingness to be honest even if the honest answer may not be “politically correct” or what the participant thinks the professor or classmates want to hear?

Failure to participate meaningfully in class could hurt your grade.

Assignments / Grades

Each class will allocate significant time to student presentations that will typically draw from the Questions/Case Problems/Ethical Dilemmas/Taking Sides sections found at the end of each chapter in the textbook. These students will be randomly selected the week earlier, at the end of class. Students selected for presentation are also required to provide a written work product of their answer/analysis to these end-of-chapter exercises. This written work product must be provided to me at the beginning of class in which the presentation will occur. Your oral presentation and written work product will be evaluated for clarity, quality of analysis and persuasiveness, and will count toward 10% of your grade.

I will grade the written work product. Your classmates will provide input on your oral presentation, which will be considered by me in your grade.

By the end of the semester, each student will have had the opportunity to present and write on one Ethical Dilemma, and at least two Questions/Case Problems. Thus, the three presentations / work product will cumulatively count for 30% of your final grade.

In addition to the assignments described above, I will also administer two in-class exams (a mid-term and a final). The mid-term will be a review of the materials covered up to the week before the mid-term. The final exam will cover all topics taught in class. Both exams will primarily require short essay answers. The mid-term will account for 20% of the final grade; the final is worth 50%.

At the end of the semester the total possible points will be added and the grades will be:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>A</td>
<td>93% and above</td>
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<tr>
<td>A-</td>
<td>90-92.9%</td>
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<tr>
<td>B+</td>
<td>87-89.9%</td>
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<tr>
<td>B</td>
<td>83-86.9%</td>
</tr>
<tr>
<td>B-</td>
<td>80-82.9%</td>
</tr>
<tr>
<td>C+</td>
<td>77-79.9%</td>
</tr>
<tr>
<td>C</td>
<td>73-76.9%</td>
</tr>
<tr>
<td>C-</td>
<td>70-72.9%</td>
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<tr>
<td>D+</td>
<td>67-69.9%</td>
</tr>
<tr>
<td>D</td>
<td>63-66.9%</td>
</tr>
<tr>
<td>D-</td>
<td>60-62.9%</td>
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<tr>
<td>F</td>
<td>below 60%</td>
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Assessment Plan (connection between course objectives and grades)

<table>
<thead>
<tr>
<th>Course Objective</th>
<th>Written Work Product</th>
<th>In Class Presentation</th>
<th>Class Participation</th>
<th>Exams</th>
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<tbody>
<tr>
<td>Examine thoroughly important legal issues that impact business, including contracts, torts, sales, product liability, and intellectual property. The course will also cover environmental and international law, and the law related to human resource management.</td>
<td>X</td>
<td>X</td>
<td>X</td>
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</tr>
<tr>
<td>Enhance student growth in critical thinking and problem solving of both legal and ethical issues.</td>
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<td>X</td>
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<tr>
<td>Strengthen written and oral communication through several written assignments and informal classroom presentation.</td>
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<td>X</td>
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<td>X</td>
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Policies & Student Support Information

Laptop and Cell-Phone Policy

An informal survey of students in my undergraduate classes indicated that a minimum of 55% of students have been distracted by other students’ use of laptops. Food for thought:

“[T]he detriments of having laptops in the classroom are substantial. Students who spend longer periods of time engaged in extraneous activities on their laptops will perform more poorly on examinations, and among those students, the ones who have access to the Internet are most at risk.” Nancy G. Maxwell, From Facebook to
However, because so many students use their laptops to take notes during class, I do not have a “no laptop” policy – but I certainly expect that laptops, tablets, smart phones, etc. will be used for class purposes only. Please do not try to multi-task in class. I also insist that laptops and phones be non-operational when guests are speaking to the class (unless you choose to take notes during the talk).

I understand that busy students with jobs and families may need to take phone calls during class, especially if class is held in the evening. I ask that all cell phones be put on vibrate or mute and, if absolutely necessary, you quietly leave the classroom to attend to your personal matter.

Students with Disabilities

If you have a disability and follow the university’s process for certifying to me what you need in the way of accommodation(s), I will be happy to make any reasonable accommodation for you.

Boise State University Legal Services for Students

The Associated Students of Boise State University (ASBSU) provides FREE ATTORNEY CONSULTATIONS with a local private lawyer for most legal problems you may have. This service is available to all eligible students of BSU. Topics eligible for discussions include the following:

- Landlord/Tenant problems
- Small claims court
- Divorce/Family Law
- Automobile Accidents
- Personal Injury
- Guardianships and Conservatorships
- Child Custody / Child Support
- Minor in Consumption
- Minor in Possession
- Driving Under the Influence
- Workman’s Compensation Claims
- Collection and Debt Problems
- Wills
- Insurance Claims
- Name Change
- Probate
- Adoptions

To be eligible to utilize this service, you must be a currently enrolled and full fee/activity fee paying student in the semester that the appointment occurs. When summer appointments are available, you must be registered for summer or fall classes. At the time of the appointment, students may be asked to show their Student ID for verification. Please make sure you bring proper identification with you for your appointment.

An attorney is available every Monday and Thursday through the Fall and Spring semesters from 9:00am to 2:00pm by appointment only. Walk-in appointments are not accepted. Appointments are thirty minutes long.

Schedule your appoint online at the Dean of Students website.
SCHEDULE (There may be changes and/or additions. Any guests are tentative)

WEEK 1
(1/10)

- CHAPTERS 1 and 3
  - Class introductions and expectations
  - Identify legal topics relevant to students’ current employment and MBA projects
  - Duty, defined
  - IRAC method
  - Dispute resolution process and jurisdiction
  - Selection of students to be prepared for class discussion in Week 2 (1/17)

WEEK 2
(1/17)

- CHAPTER 2 and independent reading materials (TBA)
  - Business Ethics
  - Law and Economics
  - Selection of students to be prepared for class discussion in Week 3 (1/24)

WEEK 3
(1/24)

- CHAPTERS 4, 7 and 8
  - Selected topics in Constitutional Law and Tort Law
  - Selection of students to be prepared for class discussion in Week 4 (1/31)

WEEK 4
(1/31)

- CHAPTERS 9, 10, 11 and 12
  - Contract Law: Offer, Acceptance and Consideration, Mutual Assent
  - Selection of students to be prepared for class discussion in Week 5 (2/7)

WEEK 5
(2/7)

- CHAPTERS 13, 14 and 15
  - Contract Law: When can contracts be set aside? Proving the existence of a contract
  - Selection of students to be prepared for class discussion in Week 6 (2/14)

WEEK 6
• CHAPTERS 16, 17 and 18
  - Contract Law: Third Party Beneficiary Contracts, Discharge, and Contract Remedies
  - Selection of students to be prepared for class discussion in Week 7 (2/21)

WEEK 7
(2/21)

• CHAPTERS 19, 20, 22 and 23
  - Uniform Commercial Code (Article 2): Sale of Goods (and comparison to general Contract Law) and Remedies and the UCC
  - (Assuming time is available, review for MIDTERM EXAM)

WEEK 8
(2/28)

• CHAPTERS 28 and 29
  - Agency
  - MIDTERM EXAM (in class, based on chapters and material covered through Week 7)
  - Selection of students to be prepared for class discussion in Week 9 (3/7)

WEEK 9
(3/7)

• CHAPTERS 30, 31 and 32
  - Partnerships
  - Limited Partnerships (LP’s) and Limited Liability Companies (LLC’s)
  - Selection of students to be prepared for class discussion in Week 10 (3/4)

WEEK 10
(3/14)

• CHAPTERS 33, 34 and 35
  - Corporations
  - Selection of students to be prepared for class discussion in Week 11 (3/21)

WEEK 11
(3/21)

• CHAPTERS 37 and 38
  - Secured Transactions
- Bankruptcy
- Selection of students to be prepared for class discussion in Week 13 (4/4)

**WEEK 12**  
**SPRING BREAK**  
(3/28)

**WEEK 13**  
(4/4)

- CHAPTERS 39 and 42
  - Securities Law and Regulation
  - Antitrust
  - Selection of students to be prepared for class discussion in Week 14 (4/11)

**WEEK 14**  
(4/11)

- CHAPTERS 40 and 41
  - Intellectual Property
  - Employment Law
  - Selection of students to be prepared for class discussion in Week 15 (4/18)

**WEEK 15**  
(4/18)

- CHAPTER 45
  - Environmental Law
  - Begin Course Review for Final Exam

**WEEK 16**  
(4/25)

- Course Review for Final Exam

**WEEK 17**  
(5/2)

- FINAL EXAM