INTRODUCTION AND COURSE OBJECTIVES:

Corporate governance is the overall system by which business corporations are directed and controlled. Corporate governance includes rights and responsibilities of various stakeholders (board of directors, managers, shareholders, and others) as well as rules and procedures for decision-making. This course will focus on the roles and responsibilities of the Board of Directors and the key issues that boards face today.

The board of directors is empowered with oversight responsibilities of the corporation, and is ultimately responsible for the corporation’s strategy and performance, along with its compliance with laws, rules and customs in the society. Boards must achieve balance and alignment among external and internal factors, sustainability and risk considerations, and competitive behaviors. There are many challenges in achieving this balance, but ultimately, successful management of these disparate and often competing factors is the benchmark against which boards and entire corporate governance systems are evaluated.

Through its focus on the role of the board of directors, this course will inform your overall understanding of business. It will expand on the management perspective you have already gained in the MBA program and enable you to understand corporations from the larger perspective of those who hold ultimate responsibility for their direction. In doing so, it will help you at many stages throughout your career, as you assume increasing responsibility and have opportunities to prepare materials for boards, interact with boards, and eventually serve on boards.

This course is designed to:

- Introduce students to the foundations of corporate governance, focusing on the perspective of the Board of Directors
- Develop students’ awareness of the problems associated with the interactions of the board, the CEO, and management, as well as shareholders, and other stakeholders of a corporation,
- Develop the skills necessary to evaluate the governance of a company from the perspective of an investor, potential investor, or other stakeholder in the company,
- Prepare students to interact effectively with boards of directors,
- Prepare students to assume positions as members of boards of directors (Several recent USC MBA students have already had director opportunities in private or not-for-profit organizations), and
- Develop students’ analytical and critical thinking abilities.

REQUIRED COURSE MATERIALS:

Required Textbook:

Course Package:
Assigned cases and readings are available from the University Bookstore
Blackboard (BB):
I use BB as my primary method of communicating with you. E-mails sent to the class originate from the Blackboard system, and will also be archived as Announcements on Blackboard. In addition to direct communications, you will also find other important materials posted to BB, including any syllabus updates, information about class sessions, including preparation requirements, additional required and supplemental reading, as well as news posts. You should check BB daily for any new information posted relevant to upcoming sessions.

It is your responsibility to insure that your e-mail address and account settings in Blackboard are correct for you to receive messages. Please insure that your BB account settings forward your messages to your preferred internet provider (IP) account such as your correct USC e-mail address, AOL, G-Mail, Hotmail, etc.

You can access BB by going through the “My Marshall” portal http://mymarshall.usc.edu. You will need your UNIX password.

Readings from Short Texts in PDF Format:
Blackboard posted readings include two short texts, available in pdf format. There is no charge to students for this material.
  K. De Kluyver, A Primer on Corporate Governance, 2nd ed. (Business Expert Press, 2013) (deK)

Ares: USC Electronic Library Reserves:
A few additional readings are available on the university electronic course reserves (ARES), which you can find though the “libraries” link on Blackboard.

Wall Street Journal: The daily Wall Street Journal is required for this class.
  • To order the Wall Street Journal at the student discount price, use the following link: WSJ.com/studentoffer
  • After you type in your payment and delivery information, you will need to provide School information. USC’s zip code is: 90089. On the scroll bar, USC is listed as: U STHRN CAL LS ANG
  • You will then scroll and select "referring professor."
  • Subscription, print and online, will start very quickly.

Business Press:
In addition, you are expected to peruse the business press, seeking articles pertaining to the topics covered in the course, and particularly the topic you have chosen for your team report. This reading will enable you to contribute examples and applications regularly.

Additional Materials:
Additional materials may be assigned during the semester, which may be posted electronically or require purchase at the USC Bookstore.

PREREQUISITES Open only to graduate business majors.

GRADING SUMMARY
The components of the final course grade will be weighted as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percent</th>
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<tr>
<td>Participation</td>
<td>15%</td>
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<tr>
<td>Presentation of current governance issue (team)</td>
<td>25%</td>
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<td>Two in class examinations (23% each)</td>
<td>46%</td>
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<tr>
<td>Final paper</td>
<td>14%</td>
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<td>Total</td>
<td>100%</td>
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Final grades represent how you perform in the class relative to other students. Your grade will not be based on a mandated target, but on your performance. Historically, the average grade for this class is about A-/B+ (3.5).

**Class Participation And The Classroom Environment**

Case courses work well, and are enjoyable effective learning experiences, if everyone is an active productive participant. To encourage you to participate actively in class, I will call on people on both a random (involuntary) and a rotating voluntary basis, and class participation will provide a material portion of your grade. I do this for several reasons. First, it improves grading accuracy. I can learn a great deal from hearing you share your ideas in a long series of classes. I keep track of participation.

But perhaps more importantly, grading class participation motivates class participation, and having highly interactive class sessions helps the learning process. Active class participation encourages students to be well prepared and thus to become active, rather than passive, learners. Participation provides students with the opportunity to gain from the experiences and talents of everyone in the class. And class participation helps students improve their oral communication skills. This is important because research shows that people in business tend to spend very little time reading and even less time writing reports. A great deal of managers’ and other professionals’ interactions with others are through oral communication.

Class participation evaluations will be based primarily on the quality of the contributions to our classroom discussions. To help you understand what I am looking for regarding class participation, I have listed below some questions I will try to answer in evaluating class participation:

1. Does the class member make points that are especially pertinent to the discussion? Do they increase the understanding of the class or are they simply a regurgitation of the problem or case facts?

2. Is there continuity in one's contribution from what has been said previously during class, or are the comments disjointed, isolated, or tangential? The best class contributions are those that reflect not only excellent preparation, but also good listening, interpretive and integrative skills.

3. Do the comments reflect a willingness to put forth new, challenging ideas or are they always agreeable and "safe"?

4. Is the participant able and willing to interact with others by asking questions, providing supportive comments or challenging constructively what has been said?

I will evaluate participation on an ordinal scale, the end points of which can be described as follows:

**Outstanding Contributor**: This person's contributions reflect exceptional preparation, and the ideas offered are always substantive and provide major insights and direction for the class. If this person were not a member of the class, the quality of the discussions would be diminished significantly.

**Unsatisfactory Contributor**: This person may be absent from class or someone who rarely participates in class discussion. Alternatively, this person’s contribution in class reflects inadequate preparation and/or understanding. Ideas offered are not substantive and provide few, if any, insights and rarely or never a constructive direction for the class. Integrative comments and effective arguments are absent. Class comments are either obvious, isolated from the main discussion, or confusing to the class.

While attendance per se is not graded, you cannot contribute to your participation grade without being in class. There are no excused absences. You are accountable for your active participation in each class session. Habitual lateness and/or leaving class early, for whatever reason, will be noted as evidence of low course commitment and penalized. I expect professionalism in this respect. Please notify me by email of any unavoidable absences in advance. Also, if an emergency has prevented you from thorough preparation in a particular class, please let me know in advance to spare
us both the embarrassment of my calling on you.

Finally, a few words about classroom etiquette: An atmosphere of mutual respect is in order. So please...
- arrive at class on time: late arrivals are disruptive to your fellow classmates and to the conduct of the class;
- turn off your cell phones before you enter the classroom;
- do not engage in side conversations during class;
- do not pack up and leave towards the end of the class until it is clear the class is over.

**Group Project: Governance Issue**

Allowable group sizes will depend on the total class size. I will announce group size range in the second week of class.

Your group will need to select a preferred class session (several are reserved for this purpose on the class outline) and lead a 20-25 minute class discussion of single, governance example related to a class topic (see below for additional details). Teams should be finalized (and emailed to me), together with preferred dates (in order of preference), no later than Friday, January 31. Dates will be approved on a first-come, first served basis. NOTE: Your topic will need to be related to the topic being considered by the class at the time, so select your dates with an eye toward a topic that interests you.

You need to clear your selected issue with me at least three weeks before your scheduled date to lead the class discussion, and I will meet with each group in advance of the scheduled date to review the group’s plan for the class discussion. In addition, groups must distribute their reading materials (that will be the basis of the class discussion) to their classmates at least one week prior to the day they lead the discussion. Groups can either distribute hardcopies in class or email them to me and I can post them to Blackboard. NOTE: These are firm deadlines. Points will be deducted if any deadlines are missed.

You can use a current governance example as a vehicle for case discussion (as long as you can collect enough information to have a meaningful class discussion). Alternatively, you could find an article on governance that you find interesting and want to bring before the class to debate some of the ideas it proposes. Another possibility is to examine some current trend(s) in governance or a recent change in policy that may impact corporate governance, and see what impact it is likely to have going forward. I am also open to other ideas, but every group must clear its topic with me at least three weeks before its scheduled date to lead the class discussion.

There will be two components to this group project:

1. Leadership of the Discussion: I will evaluate how effectively you led the class discussion. 20% of course grade.
2. Written discussion plan. On the day your group is to lead the discussion, you will turn in a 2-5 page write-up of your plan for leading the discussion. Sometimes discussions go off course, and sometimes this can be a good thing, so I want to see what your plan was and how you balanced sticking with the plan and adapting to class comments. 10% of course grade.

**In-class Examinations (2):** Two in-class examinations will be given, as shown on the Course Schedule. The first will include all material covered prior to that exam: readings, cases, text, lectures, and discussions. The second exam will focus on material covered since the first exam. Format may include multiple-choice, true/false, and/or short-answer questions, and possibly an analysis of a short case or article. More information will be provided in class.

Except under extraordinary circumstances, no makeup examinations will be given. A student who misses either of the in-class exams will be assigned 80% of the score he or she earns the other in-class exam as a grade for the missed exam. A student must take at least one of the in-class exams and AND complete all other course requirements to receive a passing grade for the course.

**Final Paper:** A final paper will be due the last day of class. It will require analysis of a governance situation, either a short case or a current issue in the news. Maximum length will be 2000 words. Additional information will be provided in class.
Peer Evaluations
This course relies heavily on teamwork. In addition to the team assignment, I strongly encourage you to meet in teams to prepare for class. Your learning from this course will be greatly augmented by team preparation.

The Peer Evaluation form, which pertains specifically to your group presentation, is included in this syllabus. It must be turned on the day of your group presentation. The form is a course requirement, and will be considered part of class participation.

COURSE and MARSHALL GUIDELINES

Formatting of assignments
All assignments must be typed on plain white 8 ½ x 11” paper in 11 or 12-point font with one-inch margins around the page. All assignments must include a cover page with assignment title, course title and number, section number, and, for team projects, each team member’s name with e-mail address. All text material (not tables or references) must be double-spaced. All pages, including slides, must be numbered. Papers should be fastened with a staple in the upper left corner—no folders please. Creative formatting may result in penalty.

Power Point slides submitted as hard copy MUST be full-sized and legible. Also, there must be sufficient white space for comments. Number all slides.

Bibliographic references must be provided, and any appendices must support and be referenced in the body of your report.

Assignment submission deadlines
Assignments must be turned in on the due date/time specified and in the manner specified (hard copy/online/etc.). Any assignment turned in late, even if by only a few minutes, will receive a grade deduction. Deduction will depend upon period of lateness. For fairness, late penalties will be applied at a rate of 1/3 letter grade per day or part thereof—e.g. being 2 days late would drop an ‘A’ paper to a ‘B+’, a ‘B’ to a ‘C+’, etc. Group presentations MUST be given on the date assigned in order for credit to be received. You must complete all required assignments to pass this course.

No makeup examinations
Except under extraordinary circumstances, no makeup examinations will be given. A student who misses either of the in-class exams will be assigned 80% of the score he or she earns the other in-class exam as a grade for the missed exam. A student must take at least one of the in-class exams and AND complete all other course requirements to receive a passing grade for the course.

Evaluation of Your Work
You may regard each of your submissions as an “exam” in which you apply what you’ve learned according to the assignment. I will do my best to make my expectations for the various assignments clear and to evaluate them as fairly and objectively as I can. If you feel that an error has occurred in the grading of any assignment, you may, within one week of the date the assignment is returned to you, write me a memo in which you request that I re-evaluate the assignment. Attach the original assignment to the memo and explain fully and carefully why you think the assignment should be re-graded. Be aware that the re-evaluation process can result in three types of grade adjustments: positive, none, or negative.

Return and retention of graded coursework
Students who miss class sessions when assignments are returned are responsible for arranging an appointment to retrieve their materials. To keep things fair for future students, I do not allow students to take their quizzes or exams out of the classroom. You may look these over in my office at any time. Final exams and all other graded work which affect the course grade will be retained for one year after the end of the course if the graded work has not been returned to the student; i.e., if I returned a graded paper to you, it is your responsibility to retain it.
**Technology policy**

Laptop and Internet usage is not permitted during academic or professional sessions unless otherwise stated by me. Use of other personal communication devices, such as cell phones, is considered unprofessional and is not permitted during academic or professional sessions. ANY e-devices (cell phones, PDAs, I-Phones, Blackberries, other texting devices, laptops, i-Pads, and i-Pods) must be completely turned off during class time. Upon request, you must comply and put your device on the table in off mode and FACE DOWN. You might also be asked to deposit your devices in a designated area in the classroom. Videotaping faculty lectures is not permitted due to copyright infringement regulations. Audiotaping may be permitted if approved by me. Use of any recorded or distributed material is reserved exclusively for the USC students registered in this class.

**No Recording and Copyright Notice**

It is a violation of USC’s Academic Integrity Policies to share course materials with others without permission. No student may record any lecture, class discussion or meeting with me without my prior express written permission. The word “record” or the act of recording includes, but is not limited to, any and all means by which sound or visual images can be stored, duplicated or retransmitted whether by an electro-mechanical, analog, digital, wire, electronic or other device or any other means of signal encoding. I reserve all rights, including copyright, to my lectures, course syllabi and related materials, including summaries, PowerPoints, prior exams, answer keys, and all supplementary course materials available to the students enrolled in my class whether posted on Bb or otherwise. They may not be reproduced, distributed, copied, or disseminated in any media or in any form, including but not limited to all course note-sharing websites. Exceptions are made for students who have made prior arrangements with DSP and me.

**Students with disabilities**

Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me as early in the semester as possible. DSP is located in STU 301 and is open 8:30 a.m. – 5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776.

**Academic integrity**

USC seeks to maintain an optimal learning environment. General principles of academic honesty include the concept of respect for the intellectual property of others, the expectation that individual work will be submitted unless otherwise allowed by an instructor, and the obligations both to protect one’s own academic work from misuse by others as well as to avoid using another’s work as one’s own. All students are expected to understand and abide by these principles. SCampus, the Student Guidebook, ([www.usc.edu/scampus](http://www.usc.edu/scampus) or [http://scampus.usc.edu](http://scampus.usc.edu)) contains the University Student Conduct Code (see University Governance, Section 11.00), while the recommended sanctions are located in Appendix A.

Students will be referred to the Office of Student Judicial Affairs and Community Standards for further review, should there be any suspicion of academic dishonesty. The Review process can be found at: [http://www.usc.edu/student-affairs/SJACS/](http://www.usc.edu/student-affairs/SJACS/). Failure to adhere to the academic conduct standards set forth by these guidelines and our programs will not be tolerated by the USC Marshall community and can lead to dismissal.

**Emergency preparedness/Course continuity**

In case of emergency, and travel to campus is difficult, USC executive leadership will announce an electronic way for instructors to teach students in their residence halls or homes using a combination of Blackboard, teleconferencing, and other technologies. For additional information about maintaining your classes in an emergency please access: [http://cst.usc.edu/services/emergencyprep.html](http://cst.usc.edu/services/emergencyprep.html)

Please activate your course in Blackboard with access to the course syllabus. This preparation will be crucial in an emergency. USC’s Blackboard learning management system and support information is available at [blackboard.usc.edu](http://blackboard.usc.edu).
ABOUT YOUR PROFESSOR

Judith Blumenthal has published, taught, and consulted in the areas of: strategic management; corporate governance; organizational design, development and leadership; strategic alliances; and the management of retail and services firms. She has also served as a senior corporate executive and a university administrator. Dr. Blumenthal was Associate Dean of the Marshall School of Business (January 1996 through March 2000) and USC’s Chief Alumni Officer and Executive Director of the USC Alumni Association (April 2000 through June 2006).

She currently serves on the Board of Directors of the California Council on Economic Education, where she is Chair of the Board Affairs Committee and a member of the Executive Committee. She is also a member of the USC Radio (KUSC) Advisory Board. She served on Board of Directors of Guess? Inc. (2007 to 2013), and was Chair of the Nominating and Governance Committee and a member the Audit and Compensation Committees. She previously served as a member the Community Advisors for the Natural History Museum of Los Angeles County, a member of USC Alumni Association Board of Governors, and a member of the Board of Directors of the Council for Advancement and Support of Education (CASE), District VII. She is a member of Women Corporate Directors.

Judith Blumenthal received her bachelor's degree in English from Hunter College of the University of New York, and her M.B.A. and Ph.D. degrees in Business Administration from USC.
# COURSE SCHEDULE

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<tr>
<th>Cl</th>
<th>D</th>
<th>Date</th>
<th>Topics</th>
<th>Class Activities</th>
<th>Texts (deK&amp;MP on BB)</th>
<th>Assigned Readings</th>
<th>Assigned Cases (in CP)</th>
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<tr>
<td>1</td>
<td>T</td>
<td>8/26</td>
<td>Course Introduction</td>
<td>The Governance Problem</td>
<td>deK: Ch.1-2</td>
<td>ARES: The director’s dilemma: What’s my job?</td>
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<td>Role of the Board</td>
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<td>Th</td>
<td>8/28</td>
<td>Board Role and Composition</td>
<td>Decision to Join to Board</td>
<td>deK: Ch.3</td>
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<td>Case Analysis: Jonathan Elderslie</td>
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<td>3</td>
<td>T</td>
<td>9/2</td>
<td>The Corporation and Corporate Governance: Purpose, Structure, Powers</td>
<td>Case Analysis: Cases in Point</td>
<td>MM: Ch.1 pp. 3-61</td>
<td>ARES: Report on the task force of the ABA section on business law corporate governance (skim)</td>
<td>MM: Cases in Point (See BB)</td>
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<td>An Effective Board</td>
<td>Case Analysis: CCL</td>
<td>MM: Ch.1 pp. 79-95</td>
<td>MM: Cases in Point (See BB)</td>
<td>CP: CCL Industries</td>
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<td>MM: Ch. 3 pp.251-294</td>
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<td>5</td>
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<td>9/9</td>
<td>Balancing Competing Interests</td>
<td>Board Oversight of the Corporation I</td>
<td>MM: Ch. 3 pp.295-340</td>
<td>ARES: Corporate conflicts of interest</td>
<td>MM: Cases in Point (See BB)</td>
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<td>Case Analysis: Cases in Point</td>
<td>deK: 6</td>
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<td>6</td>
<td>Th</td>
<td>9/11</td>
<td>Enron Corporation</td>
<td>How could this have happened?</td>
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<td>CP: Enron Corp.</td>
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<td>Case Discussion: Enron</td>
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<td>Board Oversight of the Corporation II</td>
<td>Case Analysis: Cases in Point</td>
<td>MM: Ch. 3 pp.295-340</td>
<td>ARES: Corporate conflicts of interest</td>
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<td>Recovering from Governance Failure</td>
<td>Case Discussion: Worldcom</td>
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<td>CP: Restoring Trust at Worldcom</td>
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<td>Governance Reforms</td>
<td>Case Analysis</td>
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<td>Boardroom Pathologies</td>
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<td>BB: The Hewlett Packard Board</td>
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<td>Guest Speaker: Stephen Brown</td>
<td>Social Message: Hewlett Packard Board</td>
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<td>CEO selection and succession planning</td>
<td>Lecture/Discussion</td>
<td>deK: 5</td>
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<td>CP: Why didn’t we know?</td>
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<td>CEO Performance Evaluation and Executive Compensation</td>
<td>Case Analysis: Cases in Point</td>
<td>deK: 8</td>
<td>ARES: Communicating Executive Compensation</td>
<td>MM: Cases in Point (See BB)</td>
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<td>MM: Ch. 4 (247-391)</td>
<td>ARES: Pay Definitions: What Works Best in Pay for Performance?</td>
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<td>The Board’s Role in Strategy Lecture/Discussion Student Governance Reports</td>
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<td>Shareholders and the Market for Corporate Control</td>
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<td>Shareholders: Who They Are: What They Want; How They Try to Get It Lecture/Discussion Case Analysis: Cases in Point Student Governance Reports</td>
<td>MM: pp. 115-172; 206-end</td>
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<td>Shareholder Activism and Shareholder Engagement Case Analysis: Value Act</td>
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**Note:**
- **CP:** Course packet
- **ARES:** Electronic library resources
APPENDIX A:
CASE ASSIGNMENT QUESTIONS

Jonathon Elderslie and the Board Decision

1. What attitudes toward corporate governance are revealed in the comments made to Jonathon Elderslie by his friend, Jerome Haskins, as well as in Elderslie’s own experience as an executive reporting to a board?
2. Do you think these attitudes are widespread or confined to few directors?
3. To the extent that these attitudes exist, what needs to change to create more effective corporate governance?
4. What questions should Elderslie be asking before deciding to take on a directorship?

CCL Industries

1. Analyse the development of the CCL board.
2. Identify problems that could have arisen under the various board structures.
3. If you were consulting to CCL management, what recommendations would you make to improve the effectiveness of the CCL board?

Value Act: Shareholder in the Boardroom

1. What were the pros and cons of Ubben’s joining the Per-Se board—from the point of view of Value-Act, and from the point of view of Per-Se?
2. What were the most important attributes that allowed him to make such a valuable contribution?
3. What were the key events where the situation might have “gone south,” and how did Ubben deal with them?
4. What “takeaways” might be learned and applied to other board situations?

Enron Corp.

1. What was the nature of the corporate financial reporting failures in this case?
2. What allow these things to occur?
4. What, if anything, could have been done to prevent a case such as Enron’s?
5. What changes are in place today to prevent such a failure? How effective are these likely to be? Explain.

Baker Hughes: Foreign Corrupt Practices Act

1. What actions were taken by Baker Hughes in response to the company’s being accused of violating the Foreign Corrupt Practices Act (FCPA)?
2. Were the changes adequate and appropriate to address the current situation and prevent future violations? Explain.
3. Would you describe the situation at Baker Hughes as a corporate governance issue? Explain.

Restoring Trust at Worldcom

1. What are the three or four central objectives that Breeden hopes to achieve with the proposals in “Restoring Trust”?
2. Will these proposals be effective in preventing another WorldCom or will they devolve into a checklist?
3. Are Breeden’s recommendations aimed at avoiding major misconduct or at improving firm performance?
4. Which of the five possible board models is ideal from the perspective of Capellas, the newly appointed CEO? From the perspective of a prospective board member? Which will be encouraged by Breeden’s proposals?
5. Would you sign the Undertaking and Pledge as Capellas did? As the CEO of any public company? As a prospective director? Employee?

Why didn’t we know?

1. How should Galvatrens strengthen its system for uncovering misconduct?
2. What roles should the board and management play?

Al Dunlap at Sunbeam

1. Do you agree with Dunlap’s view of shareholder primacy (see page 3)?
2. What are the strengths and weaknesses of Dunlap’s compensation package? What type(s) of behavior did it motivate?
3. Was the second compensation package well-structured?
4. Did the board make the right decision in firing Dunlap? Is this an example of effective or poor corporate governance?

The Private Bank

1. What was the basis of Haugen’s frustration in his role as a director at The Private Bank?
2. How would you evaluate the dynamics within the boardroom?
3. How might this case inform your thinking about joining a board in the future?

Circon (A)

1. What motivated Circon chairman and CEO Richard Auhll?
2. Did he have financial incentives that strongly aligned his interests with those of the shareholders?
3. At the board meeting at the end of the case, what options are available to the board?
4. Which is most attractive?

GOME

1. How would you vote if you were a shareholder at the GOME meeting?
2. Based on the case, the readings, and our prior discussions, do you see different models of corporate governance converging or diverging as international capital markets become more integrated? Explain?

Corporate Governance Ratings: Got the Grade…What was the Test?

1. Evaluate the factors that go into corporate governance ratings, as measured by the three largest firms.
2. To what extent they succeed or fail in measuring board effectiveness?
APPENDIX B:  
GUIDE TO CASE ANALYSIS

PURPOSE
Case analysis helps students to develop the kinds of skills that are essential to success in business organizations: identification and analysis of complex business problems, application of judgment in developing solutions, interactive problem-solving, and persuasive presentation of conclusions.

THE NATURE OF BUSINESS CASES
Business cases are detailed descriptions of real company situations in which management is confronted with important issues or problems. Students are required to (1) identify problems or key issues that management needs to address, (2) assemble relevant data, (3) perform appropriate analysis and evaluation, and (4) propose an action plan and a set of recommendations that address the issues identified. Cases contain a rich variety of data, including company background and performance, environmental forces, and points of view of key decision makers. Not unlike real world situations, cases will not contain all the data you would like. Your challenge is to do the best job you can with the information available.

HOW TO APPROACH A CASE

A. GETTING THE LAY OF THE LAND
1. Read the case quickly to get a sense of layout and form preliminary hypotheses about major issues. Initial impressions can be revised, but this groundwork will provide structure and direction for a more in-depth reading.
2. Read assignment questions and think about where in the case you might discover answers. Assignment questions are provided to help guide your analysis.
3. Reread the case carefully, annotating, highlighting, and distinguishing important information, omissions, and questions.
   a. Take notes that sort information, facts, and observations under a number of relevant headings.
   b. Try to formulate theories or hypotheses about what is going on as you read ("the company’s exposure to xyz risk as increased as it has..."), modifying or rejecting them as new information surfaces.

B. IDENTIFICATION OF PROBLEMS/ISSUES AND ANALYSIS QUESTIONS
1. Now decide what the action issues really are. These are the one or two key issues and problems that your in-depth analysis will address. Remember, every issue in the case will not rise to the level of a key issue. The true underlying problems/key issues will become further clarified as you gain greater insight through analyses and additional review of the case.
2. Decide exactly what you have to analyze in order to solve the key issues you have identified. Asking focused analysis questions will provide direction on where and how to spend your time. Remember, ask questions whose answers will inform what action needs to be taken.

C. PERFORM ANALYSES
1. Perform quantitative and qualitative analyses to answer the questions you have identified. You will apply appropriate concepts and models in this section. This is not a “dump” of all models you know, but rather an opportunity to apply particular concepts, models, and analytical tools that will enable you to gain insight and advance your analysis. Your objective is to get beyond the level of problem symptoms to analyze underlying issues and causes.

You will support your analysis with case data and any well-informed assumptions you make about necessary but missing information. Be sure to distinguish between factual data from the case, opinions of actors in the case, and assumptions you make. Use only information that was available at the time the case ends.
2. Integrate the findings of your analysis. Formulate an analytical synthesis which clarifies the critical issues.

D. ACTION PLANNING

1. Alternatives
   Identify and evaluate alternative courses of action. Alternatives must address the issues you have identified and follow logically from your analysis. You will explicitly consider and reject various alternatives, based on criteria you identify as most important. Some alternatives may not be effective in addressing the issues you identified, others may cause more problems than they solve or cost more than they are worth, others may not be feasible or acceptable to management (solutions should be compatible with the values and preferences of management and those who will implement them). In formulating alternatives, avoid cop-outs such as: "Hire a new president who can solve the problem," or "Hire a management consultant to solve the problem."

2. Recommendations
   Based on your evaluation of alternatives, decide on a course of action. You will develop a plan by which the desired action may be achieved or implemented within the constraints encountered in the situation.

E. PREPARE NOTES FOR CLASS DISCUSSION

WRITTEN REPORTS
An effective management report is a document which clearly and concisely communicates the information a manager needs to carry out his or her primary function -- decision making. Your report should be clear and tightly written, unembellished with flowery language, hyperbole, or unsupported personal opinions. Do not waste space summarizing information already found in the case. Assume the reader is already completely familiar with the situation as described. Refer to specific case data when necessary to support your analysis or conclusions. All written reports should be carefully edited. Appendices, including tables, charts, diagrams, financial analyses, etc. may be used to support your analysis. Be sure that any appendices are referenced in the body of your report.
APPENDIX C:
GUIDE TO ARTICLE ANALYSIS

The following set of questions is provided to guide your analysis of the readings assigned this semester. Please use this guide to structure your article analyses.

1. What is the purpose or objective of this article? (To challenge or debunk a well-accepted view; to contribute to a body of theoretical work; to explain a puzzling exception; to update theory in response to current phenomena; etc.)
2. What is the article’s basic argument/thesis? Its major findings/conclusions?
3. What is the nature of evidence presented in support of the argument/thesis? (Impressionistic, theoretical, empirical, etc.) Are the conclusions well supported?
4. Are there important assumptions, assertions, values, or biases that the author expects us to accept without support? Are these explicit or implicit?
5. How does this article contribute to your overall understanding of the subject? How does it relate to other articles you have read and to your own knowledge and experience?
6. How useful is the article for practicing managers?
7. Does the article leave you with any remaining problems or concerns?
## APPENDIX D: PEER EVALUATION

This form must be completed and submitted to me on the last day of class. Aggregate results may cause me to adjust individual grades for team projects up or down. Please consider overall contribution of team members to team report, taking into account the following:

**Preparation:** Rate the extent to which the member contributed to development of the assignment and the research.

**Input:** Rate the extent to which the member provided valuable input of ideas towards the team’s work.

**Diligence:** Rate the extent to which the member took on the necessary roles to complete the team’s work, his or her timeliness in completing and distributing work, and the quality of the work performed.

**Facilitation:** Rate the extent to which the member helped the team maintain a positive climate and work together effectively.

**Learning:** Rate the extent to which the member contributed to your own learning through the team’s work together.

Please follow directions carefully!

Allocate 100 points across all the members of your team *apart from yourself* to reflect your assessment of their individual contributions to the team effort. I will treat your assessments as confidential.

Your name: ____________________________________________________

Course name: ______________ Date form completed____________

Course number:_____________ Section number:_______________

Group #: ___________________

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General Comments (Use additional page if necessary):

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