



## SYLLABUS

MOR 545 (1.5 units.)

### CORPORATE GOVERNANCE AND BOARD LEADERSHIP

Fall 2018, Session 411, 8/20/2018 - 10/12/2018

**Wednesday: 6:30-9:30-- Section 16698D**

**Room** ACC 236

**Professor:** Judith Blumenthal

**Office:** HOH 424

**Office Phone:** 213-740-0734

**MOR Phone:** 213-740-0728

**E-mail:** [judith.blumenthal@marshall.usc.edu](mailto:judith.blumenthal@marshall.usc.edu)

**Office Hours:** By appointment

### **INTRODUCTION AND COURSE OBJECTIVES:**

Boards of directors are receiving unprecedented attention as effective boards are increasingly viewed as crucial to the delivery of shareholder value. Yet most MBA students know surprisingly little about how boards are comprised and what they do.

The board of directors is positioned at the apex of the corporate governance system, the system by which business corporations are directed and controlled. Boards serve a vital leadership role. The board is directly responsible for the most critical decisions that affect the corporation, including hiring (and firing) the CEO, strategy, ethics, compensation programs, and risk appetite. Board action sets the direction and tone for what occurs within the larger corporate governance system (which includes rights and responsibilities of multiple stakeholders [board of directors, managers, shareholders, and others]). It is the board that is ultimately responsible for the corporation's strategy and performance, and its compliance with laws, rules and customs in the society.

***This course will focus on the roles and responsibilities of the Board of Directors and the key issues that boards face today.***

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.

### **Upon completing the course, students will be able to:**

1. Understand the foundations of corporate governance, and the role and perspective of the Board of Directors,
2. Understand and identify problems associated with the interactions of the board, the CEO, and management, as well as shareholders, and other stakeholders of a corporation,
3. Evaluate and analyze the governance of a company from the perspective of an investor, potential investor, or other stakeholder in the company,
4. Apply analytical and critical thinking skills to complex board situations.

In addition to stated course objectives, many MBA students have found this course valuable preparation for working on presentations for boards of directors. In addition, several have had opportunities to serve as members of boards of private or not-for-profit organizations.

### **REQUIRED COURSE MATERIALS**

**Syllabus:** Read this syllabus very carefully and refer to it throughout the term.

**Required HBS Coursepack:** Cases and selected readings are available on the Harvard Business School Publishing website. The unique link for this course is:  
<https://hbsp.harvard.edu/import/560748>

If you already have an online account at HPSP, you will login and this link will take you to our Coursepack, which will appear in your library. If you do not have an account, you will register and create an account with this link, and then will be able to login and see this Coursepack in your newly created library. Once you see this Coursepack, there is a button to PURCHASE MATERIALS. If you have technical difficulty, you may call Harvard Business Publishing technical support (800) 545-7685. They are available 24/7.

**Ares: USC Electronic Library Reserves:** Additional readings are available on the university electronic course reserves (ARES).

### **Blackboard (BB):**

Other course materials may be posted to BB, including additional required and supplemental reading. *If you have any questions or need assistance with the Blackboard Course Pages, please contact the Marshall HelpDesk at 213-740-3000 or HelpDesk@marshall.usc.edu.*

### **Additional Materials:**

Additional materials may also be assigned during the semester.

### **SUPPLEMENTARY COURSE MATERIALS**

**Wall Street Journal:** The daily Wall Street Journal is *highly recommended* for this class. To order the Wall Street Journal at the student discount price, you may use the following link:  
<http://r.wsj.net/hVPP8>

### **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 project. This reading will enable you to contribute examples and applications.

### **GRADING SUMMARY**

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

<b>ASSIGNMENTS</b>	<b>% OF OVERALL GRADE</b>
Participation	15%
Quizzes	40%
Group Governance Project: Presentation and Paper	45%
Total	100%

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**

Class participation is an extremely important part of the learning experience in this course, as the richness of the learning experience will be largely dependent upon the degree of preparation by *all* students prior to each class session. Please see Appendix F for detailed expectations and criteria by which class participation will be evaluated.

### **Quizzes**

Several short, ***unannounced*** quizzes will be given in class, covering course material. ***No make-up quizzes will be given, but lowest quiz score will be dropped.***

### **Group Governance Project: Class Presentation, Annotated Power Point Deck, and Paper** ***(See full details in Appendix G)***

A group presentation, annotated Power Point deck, and final paper will be due at the end of the term. Your group project will be based on a governance issue related to a class topic. Groups will submit topic proposals to me and must receive approval.

This assignment includes:

1. Group membership and project proposal due to me via email at 2:00 pm on the date of the THIRD class session, *i.e. before class.* (4-6 members per group)
2. Annotated Power Point Deck, due to me via email a minimum of 24 hours before final class AND to me in hard copy at the beginning of final class
3. Final paper due to me via email a minimum of 24 hours before final class AND to me in hard copy at the beginning of final class. *Maximum length of paper will be 3000 words, plus a one –page executive summary and appendices.*
4. Presentation to class during final class session
5. Hard copy of Power Point slides to each class member at beginning of final class. (2 slides per page; white background; legible, please!)
6. Paper revisions due by email no later than 6:30 pm on final exam date.

### **ADDITIONAL COURSE AND MARSHALL POLICIES**

#### **Blackboard**

I use BB as my primary method of communicating with you. In addition to course materials, I will post any syllabus updates and information about class sessions, including preparation requirements, E-mails sent to the class originate from the Blackboard system, and will also be archived as Announcements on Blackboard. 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. *If you have any questions or need assistance with the Blackboard Course Pages, please contact the Marshall HelpDesk at 213-740-3000 or HelpDesk@marshall.usc.edu.*

#### **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.

### **Retention of Graded Coursework**

Final projects and any other graded work which affected 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. If I returned a graded paper to you, it is your responsibility to file it.

## **STATEMENT OF ACADEMIC CONDUCT AND SUPPORT SYSTEMS**

### **Academic Conduct**

Plagiarism – presenting someone else's ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Part B, Section 11, "Behavior Violating University Standards" <https://policy.usc.edu/scampus-part-b/>. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct>.

### **Students with Disabilities**

USC is committed to making reasonable accommodations to assist individuals with disabilities in reaching their academic potential. If you have a disability which may impact your performance, attendance, or grades in this course and require accommodations, you must first register with the Office of Disability Services and Programs ([www.usc.edu/disability](http://www.usc.edu/disability)). DSP provides certification for students with disabilities and helps arrange the relevant accommodations. 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 (or to your TA) as early in the semester as possible. DSP is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.– 5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. Email: [ability@usc.edu](mailto:ability@usc.edu).

### **Support Systems**

*Student Counseling Services (SCS) - (213) 740-7711 – 24/7 on call*

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention. <https://engemannshc.usc.edu/counseling/>

*National Suicide Prevention Lifeline - 1-800-273-8255*

Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week. <http://www.suicidepreventionlifeline.org>

*Relationship & Sexual Violence Prevention Services (RSVP) - (213) 740-4900 - 24/7 on call*

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.  
<https://engemannshc.usc.edu/rsvp/>

*Sexual Assault Resource Center*

For more information about how to get help or help a survivor, rights, reporting options, and additional resources, visit the website: <http://sarc.usc.edu/>

*Office of Equity and Diversity (OED)/Title IX compliance – (213) 740-5086*

Works with faculty, staff, visitors, applicants, and students around issues of protected class.  
<https://equity.usc.edu/>

*Bias Assessment Response and Support*

Incidents of bias, hate crimes and microaggressions need to be reported allowing for appropriate investigation and response. <https://studentaffairs.usc.edu/bias-assessment-response-support/>

*Student Support & Advocacy – (213) 821-4710*

Assists students and families in resolving complex issues adversely affecting their success as a student EX: personal, financial, and academic. <https://studentaffairs.usc.edu/ssa/>

*Diversity at USC – <https://diversity.usc.edu/>*

Tab for Events, Programs and Training, Task Force (including representatives for each school), Chronology, Participate, Resources for Students

*Emergency Preparations*

In case of an emergency if travel to campus is not feasible, the USC Emergency Information web site (<http://emergency.usc.edu/>) will provide relevant information, such as the electronic means the instructors might use to conduct their lectures through a combination of USC's Blackboard learning management system ([blackboard.usc.edu](http://blackboard.usc.edu)), teleconferencing, and other technologies.

**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 has been 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 was a member of the Board of Directors of Guess? Inc. (2007 to 2013) where she served as Chair of the Nominating and Governance Committee and a member the Audit and Compensation Committee. 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.

## COURSE OUTLINE AND ASSIGNMENTS

Cl	Topics <i>Class Activities</i>	Assigned Readings (See Appendices A, B & D) <b>CP=Coursepack;</b> <b>ARES=library electronic reserves</b>	Assigned Cases (See Appendices A, B, C & E) <b>CP=Coursepack;</b> <b>ARES=library elect. reserv</b>	Deliverables
1 8/22	Course Introduction What is Corporate Governance? Key Issues in Corporate Governance <i>Lecture/Discussion</i> CCL Industries, <i>Case Analysis</i>	CP: M&A Legal Context: Basic Framework for Corporate Governance ARES: Berkshire Hathaway Annual Report (excerpt) ARES: The director's dilemma: What's my job?	CP: CCL Industries	
2 8/29	Key Board Responsibilities I: Leadership/Culture/ Strategy CEO Selection, Evaluation, Succession, Compensation. <i>Lecture/Discussion</i> Al Dunlap at Sunbeam, <i>Case Analysis</i>	CP Building better boards CP Leading from the boardroom. ARES: Boards that Deliver, CEO Compensation ARES: Pearl Meyer Partners, 2016 Compensation Committee Agenda	CP: Al Dunlap at Sunbeam	
3 9/5	Key Board Responsibilities II: Oversight, Compliance & Risk Management <i>Lecture/Discussion</i> Baker-Hughes, <i>Case Analysis</i> : Introduction to the Market for Corporate Control <i>Lecture/Discussion</i>	ARES: Primer on Corporate Governance: Oversight, Compliance, and Risk	CP: Baker Hughes: Foreign Corrupt Practices Act	Group membership and proposed topic due to me via email at <b>2:00 pm.— i.e. 4.5 hours before class.</b> See Appendix G
4 9/12	The Market for Corporate Control <i>Lecture/Discussion</i>  Circon, <i>Case Analysis</i>  Starboard Value's Jeff Smith, <i>Case Analysis</i>	CP: How to outsmart activist investors ARES: Board Members: Are you thinking like an activist investor? ARES: Secrets of the Activist Manager	CP: Circon  ARES: Starboard Value's Jeff Smith ( <i>Fortune</i> article, 12/3/2014)	
5 9/19	Guest: Carlos Alberini (Bio in BB) Guest: Omid Yazdi (Bio in BB)			
6 9/26	Guest: Alex Cappello (Bio in BB)  Not-for-Profit Boards <i>Lecture/Discussion</i> Governance in Times of Crisis <i>Case Analysis</i>	CP: Appraising Boardroom Performance <u>ARES: Handbook of Nonprofit Governance</u> , by Board Source, ch. 1-4	CP: Governance in Times of Crisis	
7 10/3	Final Class Course wrap-up The Future of Corporate Governance <i>Lecture/Discussion</i> Student Presentations of Final Projects			<u>Final Projects</u> Deadlines below and in Appendix G  <u>Peer evaluations due</u> Appendix H
10/10	Final Exam Date: No Formal Class			<u>Paper Revisions (email)</u>

1. All readings and cases are to be thoroughly prepared in advance of class.
2. Additional readings may be added during the term. They may be available through ARES or require purchase.
3. Speakers may be added during the term, which may cause adjustments to this schedule.

***The last day to drop this course with a grade of "W" is 10/1/2018***

### **Deliverables due final class day, 10/3/18, Paper revision 10/10/18. (See Appendix G)**

1. ***Annotated*** Power Point Deck, due to me via *email a minimum of 24 hours before final class* AND to me in *hard copy at the beginning of final class*.
2. Final paper due to me via *email a minimum of 24 hours before final class* AND to me in *hard copy at the beginning of final class. (Revisions by email by 6:30 pm on final exam date, 10/10.)*  
*Maximum length will be 3000 words, plus a one –page executive summary and appendices.*
3. Hard copy of Power Point slides to each class member *at beginning of final class* (2 slides per page; white background; legible, please!)

***NOTE: Points will be deducted if any deadline is missed.***

***For all emails concerning group project, cc all group members and write name of project in subject line.***

**APPENDIX A**  
**READINGS AND CASES: ARES**

<b><u>Title</u></b>	<b><u>Author</u></b>
A Primer on Corporate Governance <u>Oversight, Compliance, and Risk Management</u>	de Kluyver, C.
Berkshire Hathaway Annual Report <u>Corporate Governance</u>	Buffett, Warren
Boards that Deliver <u>CEO Compensation</u>	Charan, Ram
Boards that Lead <u>A Call to Leadership and From Ceremonial to Monitor to Leader</u>	Charan, R. Carey, D, and Useem, M.
Business Quarterly <u>The Director's Dilemma: What's My Job?</u>	Thain, D. and Leighton, D.
Fortune <u>Starboard Value's Jeff Smith: The investor CEOs fear most</u>	Cohan, William
NACD Directorship <u>Board Members: Are you Thinking Like an Activist Investor?</u>	Ruggeri, C. and Silber, J.
Pearl Meyer <u>2016 Compensation Committee Agenda</u>	Pearl Meyer & Partners
PWC Strategy & Business <u>Secrets of the Activist Manager</u>	Jones, Larry and Duerr, Joseph
The Handbook of Nonprofit Governance <u>In the Spirit of Service: Introduction to the Nonprofit World; Governance Structure</u>	BoardSource
Wall Street Journal <u>Nonprofit boards offer career boost</u>	Lublin, Joann

**APPENDIX B**  
**READINGS AND CASES: HBSP COURSEPACK**

CASE

CCL Industries Inc.: Building and Maintaining an Effective Board

INDUSTRY AND BACKGROUND NOTE

M&A Legal Context: Basic Framework for Corporate Governance

Carliss Y. Baldwin; Constance E. Bagley; James Quinn

CASE

Al Dunlap at Sunbeam

HBR ARTICLE

Building Better Boards

David A. Nadler

HBR ARTICLE

Leading from the Boardroom

Jay W. Lorsch; Robert C. Clark

CASE

Baker Hughes: Foreign Corrupt Practices Act

CASE

Circon (A)

HBR ARTICLE

How to Outsmart Activist Investors

Bill George; Jay W. Lorsch

CASE

Governance in Times of Crisis (A)

HBR ARTICLE

Appraising Boardroom Performance

Jay Conger; David Finegold; Edward E. Lawler III

## **APPENDIX C**

### **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

### **APPENDIX D** **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 E**  
**CASE ASSIGNMENT QUESTIONS**

**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?

**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?

**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.

**Circon**

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?

**Starboard Value's Jeff Smith: The Investor CEOs Fear Most**

1. What mistakes were made by the Darden board?
2. What are the key takeaways for you?

**Governance in Times of Crisis**

*Part A*

1. Evaluate the recruitment and nomination procedures used by the Centre Bienvenu board.
2. How do Sebastien's theories on organizational development affect his performance?
3. Who should have primary responsibility for funder relations?
4. Evaluate communication strategies used.

*Part B*

1. Does Paulette need to "go"?
2. Evaluate the events leading up to Paulette's situation. Could it have been prevented?

*Part C*

1. What is the root cause of the difference in approach between Sebastien and the rest of the board?
2. What should the board do about it?
3. What were the warning signs that the Centre had management control issues? Evaluate the board's response.
4. What kinds of controls should be implemented now?

## **APPENDIX F**

### **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 over a 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 a 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.

## **APPENDIX G** **FINAL GROUP PROJECT**

### **Topic Selection And Proposal**

No later than 2:00 p.m. on the day of the THIRD class session, all groups must submit to me, via email, (1) group membership (**4-6 members**) and (2) **topic proposal** for the final project. All projects must receive approval. Since there may be “competition” for certain topics, early proposal submission will increase your chances of having your preferred topic approved.

In subject area of email, please write “Project Proposal: PROJECT NAME). Also, please cc all group members.

Provide a **one-page** WORD attachment to email, including the following information:

- Names and email addresses of group members (4-6).
- Proposed topic, including your focus
- Why you believe this topic is interesting and important
- Learning objectives for your class colleagues—i.e. what you expect colleagues to learn from your presentation.

***(For all emails to me concerning group project, include all group members in cc space and write name of project in subject line.)***

You can use a current governance situation that has been in the news as the basis for your project. Or you might select a governance topic that you wish to explore in greater depth. Another possibility is to examine some current trend(s) in governance or a recent change in policy that may impact corporate governance, and consider what impact it is likely to have going forward. I will be interested the relevance and clarity of your coverage, and particularly in the depth of your analysis. I expect you to apply frameworks we have studied.

Below is a list of broad topic areas to get you started. These are by no means exhaustive., and you will need to focus your analysis. Remember, we will have covered key aspects of topics in class. Your job will be to add value for your class colleagues.

Possible broad topic areas include:

- Trends in board composition and board diversity
- Activism (analysis of particular case that has received media attention)
- Board role in culture and ethics of corporation (possibly based on current situation)
- Not-for-profit board leadership (focus on specific area of interest to you)
- Trends and issues in executive compensation, including say-on-pay
- Role of proxy advisory firms (analysis)
- International corporate governance (differences, trends)

### **Final Presentation And Deliverables--Annotated Power Point Deck And Paper**

You will deliver a group presentation in the final class, using a Power Point deck. You will also deliver a final paper to me. Here are details for **written** deliverables:

1. **Annotated** Power Point Deck, due to me via email a minimum of 24 hours before final class AND to me in hard copy at the beginning of final class (Annotated Power Point deck will include full-sized Power Point slides for presentation (see details below), Power Point Notes (in the form of “talking documents”—details below), and appendices.
2. Final paper due to me via email a minimum of 24 hours before final class AND to me in hard copy at the beginning of final class. *Maximum length will be 3000 words, plus a one –page executive summary and appendices (appendices same as Power Point appendices).*
3. Hard copy of Power Point slides to each class member at beginning of final class. (2 slides per page; white background; readable, please!) For classmate copies, include appendices, but not PP Notes.
4. Paper revisions due by email no later than 6:30 pm on final exam date.

***NOTE: Points will be deducted if any deadline is missed.***

*Details for Power Point Presentation*

I will announce exact time limit for presentation in class. (It will depend on number of groups.) But expect to have approximately 10-15 minutes per group, plus questions. Please devote your time to substance, not visual bells and whistles.

Include the following in basic Power Point deck for presentation:

1. Cover slide, with title of your presentation and names of all group members. (You should introduce all group members.)
2. Purpose slide, with statement of topic and brief explanation of why audience should care about your report, why it is important to us, and what we should expect to gain from your presentation. This slide will motivate interest in your report.
3. Agenda slide, listing topics and identifying group members who will cover each topic. Also provide list of appendices if space is sufficient; if not, provide list of appendices on following slide. Appendices provide backup information and analysis
4. “Main points” or analysis slides, as promised in your agenda. These are slides that develop the main points of your report. Think of this section as the body of the report. (Please include name of presenter on these slides.) You might include transition slides between key ideas.
5. Summary and conclusions slide, in which you will review main points and remind us of the importance of what you just told us.
6. Appendices slides, up to 5, that show any backup analysis you performed or data you analyzed. These may show some issues that are interesting but not quite important enough to include in your brief presentation itself. It is good to have these ready in case they are useful in responding to questions. You will not show these in class except possibly in responding to a question.

*Details for Power Point Notes, in Annotated Power Point deck (professor copy only)*

Especially when the slides are not self-explanatory, bullet point Notes are essential. It can help to imagine that your presentation materials circulate after your presentation, and you’d like people who have not been fortunate enough to be in our class to be able to follow your reasoning. Furthermore, I will be reviewing your slides after the presentation, and may appreciate some notes as a reminder of the intent/meaning of the slide. (Do not simply copy your speech text into this space: The Notes pages should provide the bare minimum we need to follow the logic of your reasoning. *Notes should not be your voice-over script and should not be a prose report in disguise; they should simply add, in bullet point form, whatever extra information the reader would need to understand the point of the slide.*)

*Details for Final Paper*

My expectations concerning the content to be addressed in this assignment are the same as my expectations for the presentation. In its form, however, your paper should be “prose” rather than a “talking document.” You should be able to elaborate key ideas from the presentation that were limited due to time constraint.

Maximum length will be 3000 words, plus a one –page executive summary and appendices. (You must provide a word count on the last page of text in your paper.) You may also include up to five appendices (same appendices as PP presentation). ***Appendices must support and be referenced in the body of your report.*** Use headings, sub-headings, etc. to help the reader follow your discussion and analysis. Bibliographic references must be provided, using APA form.

Papers 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 text material (not tables or references) must be ***double-spaced***. Papers must include a ***cover page*** with assignment title, course title and number, section number, and, each team member’s name with e-mail address. All pages, including appendices and references, must be ***numbered***. Papers should be fastened with a ***staple in the upper left corner***—no folders please. No creative formatting!

**APPENDIX H**  
**PEER EVALUATION**

*This form must be completed and submitted to me, HARD COPY, 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 all team assignments, 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 *including 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 #: \_\_\_\_\_ Name of Group Project: \_\_\_\_\_

Team-member name:	Contribution %:	Comments
1. (Your Name) _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
Total:	100%	

General Comments (Use additional page if necessary):

---

---

---

---