

EMP 80
Fall, 2010
Executive Leadership and Ethics
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As this class comes near the end of your program, our focus will shift from being an excellent leader to being an excellent CEO. Within this framework, we will explore issues that top corporate leaders must keep front-of-mind. In particular, this will include their ethical responsibilities. What are the challenges they face? What are their responsibilities? What options are available if corporate goals conflict with personal goals or social standards? How can leaders create effective moral corporations? What are the inevitable risks and obstacles leaders will confront and how can these risks and obstacles be mitigated and managed?

Reading:

Selections from the Case Packet.

Class requirements and grading.

There is a pre-class reading assignment (listed below) and a pre-class homework assignment. The assignment is to write a 2-3 page description of an ethical challenge that you had to manage in your career. Make sure that the issues are clear and that you describe your strategy for dealing with the problem. If you had it to do over again, would you do the same thing? Why or why not? This report will contribute 20% to your grade in the course. **This assignment is to be handed in on the first day of class, September 11th.**

You should not only hand this paper in to me, but you should also share it with your study group. This means that you should change the names of the innocent (and the guilty, if you wish) if the issues are sensitive.

We will use your papers in two ways. First, as your instructor, I may refer to the stories in your papers in our class meetings. If I do, I will do it both carefully and anonymously – I will never identify you as the source of a story, and I will take care to not reveal so many details in the story that your classmates will be able to identify you. Be assured that your assignments are completely confidential.

Second, you should discuss your ethical challenge stories with your study group members because, on November 20th, our last meeting day, I will ask each study group to present one of their ethical challenges to the entire class for discussion and analysis. Again, these can be presented anonymously and without reference to particular individuals or companies. At the same time, I hope that your study groups are safe enough for you to talk about each others' challenges, and to choose one to present to the class. The group presentation will contribute 20% to each of your study group members' grades in the course. (Each study group member will get the same grade for

this presentation.)

Your second paper assignment is due September 24th. This will be a 2-3 page analysis of Heileman's two decisions in the PowerMaster case, i.e., the decision to launch PowerMaster and the decision to rescind that plan. Use Goodpastor's two central frameworks (A-transaction moral agent actions and B-transaction moral environment actions, as well as utilitarianism, contractarianism, and pluralism) to analyze these two decisions. This will contribute 10% toward your final grade.

Your third paper assignment is due on the last day of class, November 20th. This paper will describe a truly noteworthy example of excellent leadership. The person you choose can be a business person, a political leader, a religious person, etc. The person can be contemporary or a historical figure. The person should not be a relative unless your relative is well known by the general public, and it should be an actual person (not from fiction). Choose someone who interests you deeply. You can use any of the many books about contemporary leaders like Muhammad Yunus or Nelson Mandela or John F. Kennedy, etc. You should not use Wikipedia as a reference – it might help you get going, but it is not sufficient background for this paper. In other words, you must dig deeper than this. You should also use recent references, i.e., material that is less than 20 years old. You should use at least three sources, each being a long essay or a book. Your **main task** in your paper is to use one or more of the frameworks from this class as the assessment tool to show how and why this person is truly a noteworthy, excellent leader. This assignment asks you to subject your intuition about a person whose leadership you admire to the discipline of analysis from one or more points of view. You are free to choose the framework from among the several we will discuss, but you must make the framework explicit - you need to identify which framework(s) you will be using. Then, using that framework, make a convincing case that this person is truly an excellent leader. This entails providing relevant background information about the person and the context in which their leadership played out. Try to enrich your story and your analysis with both big issues and small but important events and decisions. It also helps to round out your picture if you include a person's positives and negatives. The paper should be about 5-8 pages. This is a guideline, not a minimum or maximum. This assignment will contribute 50% to your grade.

In doing the research for this paper, it is essential that you use and clearly cite reputable references. If you do not identify your sources, this constitutes plagiarism, which is a hanging offence at Kellogg. Err in the direction of telling the reader (me) everything you read in doing your research.

The quality of your classroom participation will also have an impact, particularly if you are near the borderline between two grades: it can push you up or down.

The Schedule

Prior to our First Class

Assignment: due Saturday September 11th at 1 pm: Your Story of an Ethical Challenge.

Readings:

Lincoln's letter to Horace Greeley

Milton Friedman, "The Social Responsibility of Business is to Increase its Profits"

Kenneth Goodpaster, "Some Avenues for Ethical Analysis in General Management."

Sessions 1, 2, and 3, Saturday September 11, 1 - 6 pm.

Introduction to Executive Leadership, Frameworks, and Ethics.

Classime: Introduction: Leaders and CEOs

Your Goals

PBS video

Ethical frameworks.

Readings for next class, September 24:

Heileman

Collins: *Good to Great*, Chapter 2, "Why Some Companies Make the Leap"

Bennis, Chapter 6: Deploying Yourself: Strike Hard, Try Everything

Badaracco. *The Discipline of Building Character*.

Assignments: 1. Go to www.implicit.harvard.edu and do two Demonstration tests:

Gender/career and Race.

2. Use Goodpaster's two central frameworks (A-transaction moral agent actions and B-transaction moral environment actions, as well as utilitarianism vs. contractarianism vs. pluralism) to analyze Heileman's two decisions in the PowerMaster case, i.e., the decision to launch PowerMaster and the decision to rescind that plan.

Sessions 4 and 5, Friday, September 24, 1 - 4:15 pm

Value-Laden Decisions and Beer

Classime: The Trolley Dilemma

Ethical Traps

The IAT

Readings for next class, October 9:

Phil Jackson: *Sacred Hoops*, introduction

D. Michael Abrashoff: *It's Our Ship*, introduction

David Brooks, NYTimes: "The end of philosophy"

Messick and Bazerman: *Ethical Leadership and the Psychology of Decision making*.

Session 6, Saturday October 9, 8:30-11:45 am

Executive Leadership and Optimizing Decision Making

Classtime: Moral issues

Making Great Executive Decisions

Martin Luther King, Phil Jackson, Michael Abrashoff, David Kelly

Readings for next class, October 23:

Kidder: How Good People Make Tough Choices. Chapter 1, "Right vs Right."

Martin Luther King's letter from the Birmingham City Jail

HBS: "Conflicting Responsibilities"

Banaji, Bazerman, and Chugh: "How (Un)ethical are You?"

Sessions 7 and 8. Saturday, October 23, 8:30-11:45 am

Morality; Stellar Leaders; Morals, Values, and Greed

Classtime: Making Great Executive Decisions

The Kidney Dilemma

Ultimatums and Morality

Greed

Readings for next class, November 20:

Collins & Porras: *Built to Last*. Chapter 11, "Building the Vision."

Steven Pinker, "The Moral Instinct"

WSJ: "Over the Line"

Chicago Tribune: George O'Leary

Assignments due November 20:

Your Analysis of an Excellent Leader.

Prep class presentation

Sessions 9 and 10. Saturday, November 20, 8:30 – 11:45 am

Team Presentations

Classtime: Each study group's juiciest ethical challenge

Martin Luther King

MPV

Harvard's ethics code