



The Lee Kong Chian School of Business
Academic Year 2012 /13
Term 2

MGMT 003 BUSINESS, GOVERNMENT & SOCIETY

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COURSE DESCRIPTION

This course overviews the economic, legal, social, and ecological responsibilities of business and their implications for decision-making. The primary theoretical perspective taken is the stakeholder view of the firm which allows for close examination of apparently conflicting goals between different stakeholder interests. Related frameworks and applications discussed in this course include corporate social responsibility, globalization, corporate governance, and public policy measures affecting business. The frameworks and issues discussed are critical to understanding how firms can be both financially successful and valuable to society, a concern which is increasingly influencing managerial decision-making. Illustrations and applications to the Singapore context as a small open economy will be discussed.

LEARNING OBJECTIVES

By the end of this course, students will be able to:

- Explain the main forces determining the relationships between business, government, and society.
- Identify the main forces determining the relationships between business, governments, and society in Singapore.
- Illustrate and evaluate major trade-offs between the shareholder view and the stakeholder view of the firm.
- Articulate principles governing corporate social responsibility.
- Discuss the Singapore style of corporate social responsibility.
- Analyze a number of topical fields surrounding today's businesses, including the environment, and technological change.

PRE-REQUISITE/ CO-REQUISITE/ MUTUALLY EXCLUSIVE COURSE(S)

Please refer to the Course Catalogue on OASIS for the most updated list of pre-requisites / co-requisites for this particular course.

Do note that if this course has a co-requisite, it means that the course has to be taken together with another course. Dropping one course during BOSS bidding would result in both courses being dropped at the same time.

ASSESSMENT METHODS AND GRADING EXPECTATIONS

A. Individual	:	Class Participation	15%
B. Individual	:	Mid-Term Examination	15%
C. Group	:	Group Project	35%
D. Individual	:	Final Examination	35%

A. Individual : Class Participation (15%)

Class Participation during lessons up to Session 9 or 10

The class participation component assesses your attendance and participation in class. To gain maximum benefit from class, you need to read the assigned readings beforehand. Please feel free to voice and substantiate your views in class, especially your contrary views. You may be called upon to respond to questions or reason with your classmates. Class participation is a composite score that assesses your overall impact in class and are grouped into 3 main criteria - (a) attendance (presence, absence, punctuality, attentiveness, conduct) (b) frequency of participation, and (c) quality of participation (appropriateness of answer, quality of answer, difficulty of questions answered or nature of subject matter dealt with). Attendance alone is only one of three components of the class participation score. As for frequency of participation, frequency score will be capped at 4 times for each class, even if you participate more than that. This is to give opportunity to others to participate. As frequency of participation is only one of the 3 components of the class participation score, being assigned a frequency of participation score of 4 for each class does not necessarily mean that you will receive a high class participation score. As for the quality of participation, a student who consistently gives quality answers will have better class participation score even if he or she does not participate as frequently relative to another student who participates more often.

B. Individual: Mid Term Examination (15%)

Date of Examination: Class of Session 7

The Mid-Term Examination is scheduled to be held during the class of Session 7. Please make arrangements so that your activities do not clash with the Mid-Term Examination. It is a 2 hours open book examination. You may bring in and use your laptops, notebooks, textbooks, books, materials and notes during the examination, but you will not be allowed to discuss or communicate with others during the examination. Credit will be given to answers that are (i) on point, (ii) well organized, (iii) substantive and (iv) well argued or reasoned.

C. Group: Group Project (35%)

Dates of Presentations: Classes of Sessions 11, 12 and 13

The class will be divided into **7, 8 or 9 groups** of 4 - 6 students each depending on class size. Each group will have its own topic for research. Every group will be required to give a group presentation in Session 11, 12 or 13.

The topic for the group project will be handed out at the start of the course.

D. Individual: Final Examination (35%)

Date and time: as fixed by the University

The 2-hour open-book Final Examination will test your understanding of the subject matters covered in this course and the application of course concepts and materials. You may bring in your computer laptops, notebooks, textbooks, books, materials and notes. Credit will be given to answers that are (i) on point, (ii) well organized, (iii) substantive and (iv) well argued or reasoned.

ACADEMIC INTEGRITY

All acts of academic dishonesty (including, but not limited to, plagiarism, cheating, fabrication, facilitation of acts of academic dishonesty by others, unauthorized possession of exam questions, or tampering with the academic work of other students) are serious offences.

All work presented in class must be the student's own work. Any student caught violating this policy may result in the student receiving zero marks for the component assessment or a fail grade for the course. This policy applies to all works (whether oral or written) submitted for purposes of assessment.

Where in doubt, students are encouraged to consult the instructors of the course. Details on the SMU Code of Academic Integrity may be accessed at <http://www.smuscd.org/resources.html>.

INSTRUCTIONAL METHODS AND EXPECTATIONS

The lesson plan with assigned readings will be uploaded onto SMU's Elearn also known as Learning Management System (LMS)(<https://elearn.smu.edu.sg/>) in time before class. All assigned readings will be accessible from LMS, SMU PYXIS (<http://library.smu.edu.sg>), the internet or SMU Li Ka Shing Library Course

Reserves. We will use business cases to explore the concepts and subject matter of the course. You are encouraged to read a daily newspaper, such as the Straits Times (Singapore) or Business Times (Singapore), which are available online on Factiva, to keep abreast of current issues facing businesses.

You should read the assigned readings beforehand to gain maximum benefit from class. The optional readings in the Lesson Plan are optional and will not be examinable.

Texts

We will not be using any textbook. The library has many texts for your reference, such as:-

Author Baron, David P.
Title **Business and its environment / David P. Baron.**
Imprint Singapore : Pearson, c2013.
Edition 7th international ed.
HD60 .B37 2013

Author Carroll, Archie B.
Title **Business & society : ethics, sustainability, and stakeholder management / Archie B. Carroll, Ann K. Buchholtz.**
Imprint Australia ; Mason, OH : South-Western, Cengage Learning, c2012.
Edition 8th Ed.
HF5387 .C35 2012

Author Steiner, John F.
Title **Business, government, and society : a managerial perspective : text and cases / John F. Steiner, George A. Steiner.**
Imprint New York : McGraw-Hill Irwin, c2012.
Edition 13th international ed.
HD60.5.U5 S8 2012

Author Lawrence, Anne T.
Title **Business and society : stakeholders, ethics, public policy / Anne T. Lawrence, James Weber.**
Imprint New York : McGraw-Hill Irwin, c2011.
Edition 13th ed.
HD60 .F72 2011

Title **Heart work / lead author, Chan Chin Bock ; contributors, Ang Kong Hua ... [et al.] ; [editor, Koh Buck Song].**
Imprint Singapore : Economic Development Board and EDB Society, c2002.
HC445.8 .H43 2002

Title **Heart work 2 : EDB & partners : new frontiers for the Singapore economy / introduction by ChanChin Bock.**

Imprint Singapore : Straits Times Press, c2011.
HC445.8 .H435 2011

Title **Socially responsible & sustainable : corporate social responsibility in Singapore : company perspectives and experiences / [editor, Evelyn S. Wong].**

Imprint Singapore : Straits Times Press, c2011.
HD60.5.S56 S63 2011

LESSON PLAN

Session	Topic	
PART 1: BUSINESS AND ITS STAKEHOLDERS		
1	The Structure of Business: <i>The Corporation and its problems</i>	
2	Relationship with Stakeholders: <i>Stakeholder Theory: Managing Stakeholders</i>	
PART 2: BUSINESS AND THE GOVERNMENT		
3	Relationship with the Government: <i>The Structure and Roles of the Government</i>	
4	Relationship with the Government: <i>Influencing the Government</i>	
PART 3: BUSINESS AND SOCIETY		
5	Relationship with Society: <i>Private Politics: Managing Activist Groups</i>	
6	Relationship with Society: <i>Duty to Society: Corporate Social Responsibility</i>	
7	Mid Term Examination (15%): 2 hours open book examination	
8	--- No class (Mid-Term Recess) ---	
PART 4: APPLICATION		
9	Application: <i>DBS High Notes 5</i>	
10	Applications, Review and Group Project Consultations	
11	Group Presentations (35%) (2 groups)	
12	Group Presentations (35%) (3 groups)	
13	Group Presentations (35%) (3 groups)	
14	--- No class (Examination Preparation Week)---	
15/16	Final Examination (35%): 2 hours open book examination (Date fixed by the University)	

BUSINESS AND ITS ENVIRONMENT NATURE OF BUSINESS Business may be understood as the organized efforts of enterprise to supply consumers with goods and services for a profit. Businesses vary in size, as measured by the number of employees or by sales volume. It comprises of several factors and each factor influences the business firm in its own way. Some factors influence the performance of the firm directly while the influence of some other factors is only indirect. These factors provide opportunities, threats and challenges to the firm. Thus, environment is multi-dimensional and very complex in nature. At the same time, each factor should be studied individually. In this environment, Government interacts with business at three levels – local, state and center and exerts varying amounts of influence over business. The Government plays a number of roles as it interacts with business. It is here that the Government acts as a regulator or controller, coordinator, caretaker and guardian, and supplier. The environment of a business offers opportunities and threats along with limitations and pressures influencing the structure and functioning of the business. In order to understand the relationship between an organization and its environment, we will look at the interactions between them in some primary areas.

Exchanging Information. An organization and its environment exchange information between themselves. Organizations need information about the external environment for planning, decision-making and control purposes. Hence, they analyze the environment's variables along with studying their behavior and changes.

Business usually collects all its required inputs from the economic environment available and also absorbs the output of business units.

ADVERTISEMENTS: 2. Politico-legal Environment

Firstly, there is symbiotic relationship (see Fig. 1.1) between business and its environment and also among the environmental factors. Secondly, these environmental factors are quite dynamic in nature. Thirdly, a number of business firms will be in a position to bring necessary changes in its environment, which a particular firm individually may not do so.

4. Business receives useful information from the environment regarding consumers' tastes and preferences, technological developments, Government policies, competitors' policies etc. and provides useful information to the environment regarding its goals, policies and financial returns. This information is transmitted to environment through annual reports as a requirement of disclosure practices.

5. The basic function of a business enterprise, input-output conversion, is carried through active interaction with the environment. It receives inputs from the environment, converts them into outputs t