

#### Información del Plan Docente

Academic Year 2016/17

Academic center 109 - Facultad de Economía y Empresa

301 - Facultad de Ciencias Sociales y Humanas

**Degree** 454 - Degree in Business Administration and Management

448 - Degree in Business Administration and Management

**ECTS** 5.0

Course 4

Period Half-yearly

Subject Type Optional

Module ---

#### 1.Basic info

## 1.1.Recommendations to take this course

The Course is open to any student interested in learning about the relationship between business and society, specially the relationship businesses and their non-market environment. Particular topics covered in the course include: economic performance, social responsibility, business Ethics, culture and trust, corporate social responsibility, total quality management and business excellence. There no previous requirement for student enrolling in the course although it is recommendable having taken courses in all main areas of business management and at least a basic course in economics. Given the pro active teaching and learning methodology applied in the course, with one case study presented every week, is absolutely recommendable that students attend classes regularly.

# 1.2. Activities and key dates for the course

The first days of class students will be informed about the activities and key dates along the course mainly through the Anillo Digital Docente (ADD) of the University of Zaragoza. The web of the course in the ADD will also inform about the dates of exams in each of the Schools where the Course will be taught.

## 2.Initiation

## 2.1.Learning outcomes that define the subject

- 1.- Demonstrated ability to diagnosis the management problems arising in the domain of the relationship between business and the non-market environment.
- 2. Demonstrate ability to apply the tools of Total Quality Management (TQM, EFQM) to the management of firms and organizations.
- 3. Capability to conduct the appraisal of business performance to meet the aspirations of each and all stakeholders groups.
- 4. Know how to use Ethics and ethical principals in management and business decisions.



- 5. Capability to manage the culture of organizations and the tools to build up trust, as means to improve performance.
- 6. Manage a business under the principles of social responsibility and good governance

### 2.2.Introduction

This is an elective course suitable for fourth year-end year students in Business and Economics' related Bachelor Degrees who want to have an update of which are the main contemporaneous problems in the relationship between business and society. Although the relationship between business and society occurs in the market and in the non-market environment, this course focuses mainly in the latter, considering that relationships in the market environment are the main topic in the core courses of the degree in Business Administration. For example the Course offers students the opportunity to learn about why business are accountable in front of society as a wh=< why it is relevant the decision on ownership form of the firm; how to exercise power in organizations when management and control are formally separated; what are the conflicts that businesses face in reconciling Ethics and profit maximization; how to become a social entrepreneur; how to extract economic value from intangibles such as culture and trust.

# 3.Context and competences

### 3.1.Goals

The main goal of the Course is to contribute to the education and training of students in Business Administration, on how to analyze and manage the relationships between business and society, the tools that can be used, the business models available for managing, and the measures of business performance that go beyond those interesting only to the shareholders. One premise of the course is that business is an important institution in the working and performance of modern societies, as well as mutually interdependent. Consequently, many social issues such as income inequality, environmental protection, basic human rights, quality of life and human dignity must be urgently included in business agendas.

## 3.2. Context and meaning of the subject in the degree

The core courses in Business Administration, Accounting, Marketing, Finance, Operations, General Management, teach students how to manage and make profit oriented decisions when businesses confront themselves with forces from the market environment, i.e. when agents make choices with the possibility of choosing between different alternatives that compete among themselves. However for many years businesses have been realizing that there is another part of the environment more and more important every time, where competition weakens and with it markets fail in their formation of prices that reflect true social opportunity costs. This happens when the State is an important economic player; because not for profit commercial organizations are every day more present in markets providing basic goods and services; because private and social interests are not properly aligned; because there growing concerns around social justice in work and wealth creation, environmental sustainability, protection of common goods, all of them sufficient to justify the learning of management tools different and complementary to those students learn in the core courses.

## 3.3.Competences

- 1. Specific Competencies
- E1. Manage firms and organizations in general
- E2. Build from the knowledge on managing the functional areas of the business being able to add the dimensions of business excellence and TQM.



- E3. Diagnosis the current and future evolution of a business and organization, and be able to identify the knowledge relevant for TQM
- E4. Issue reports and provide consulting services on particular markets and businesses, general and within functional areas having to do with TQM.
- E5. Understand and apply scientific knowledge at the same time that practical relevance, in solving economic and business problems in organizational domains.
- 2. Horizontal competencies
- T1. Problem solving capabilities
- T2. Organizing and planning capabilities
- T3. Ability to find and analyze information from different sources useful for business decisions.
- T4. Decision making capabilities
- T5. Motivation to learn and apply business models base don TQM and Excellence
- T6. Capability to respond and adapt to unanticipated situations
- T7. Capability to integrate theory and practice

## 3.4.Importance of learning outcomes

The well management of the relationship between business and society in the broad sense of including the market and the non market environment, as proposed in this Course, becomes more and more important in a world where the legitimacy of businesses, individually and collectively, depends more and more on satisfying the expectations of all stakeholders and less on satisfying only the expectations of shareholders (profitability). Professional managers and entrepreneurs will be responsible for such well management and the Course offers the basic tools to learn how to do it.

## 4.Evaluation

In the first round each student will have the option to choose one the following two evaluation systems

- 1. Continuous evaluation. The final grade of the course will be the maximum of the grade obtained in a continuous evaluation system, and the grade of an exam that will take place at the end of the semester, before the finals, for those students that get at least a grade of 3 out of 10 in this exam. The continues evaluation system will attach an equal weights (one third) the student work from his/her class participation, the resolution of case studies and a final written course project that additionally will have to be presented in class. Students that do not get at least 3 out of 10 in the exam will fail the continuous evaluation and will have to take the final exam.
- 2. Global/final evaluation . All students will have the opportunity to pass the course taking a final exam. The minimum grade to pass the course with this exam is 5 out of 10. Students who pass the continuous evaluation can also take



the final exam and the final grade of the course will be the maximum of the two.

The final exam and the exam for the students that choose continuous evaluation will consist in a written exam with questions that will combine the concepts studied in the course and the application of the concepts to the resolution of business problems according to the content of the course. The theory questions will weight 50%-60% and the practical questions 40%-50%, of the grade of the exam.

In the **second round**, the evaluation will consist on a written exam with similar characteristics than the exam in the first round.

#### 2. Evaluation criteria

#### In the continuous evaluation

- 1. The evaluation of the class participation will be based on the rigor and clarity with which students contribute to the discussion of the case studies, readings and any other participation activity. With similar rigor and clarity the grade of class participation will increase proportionally to the number of interventions so an student who intervenes with clarity and rigor every day of class will get a grade of 10 out of 10. The grade of class participation will be weighted one-third in the calculation of the total grade.
- 2. Preparation of the case studies and clarity and rigor of the written report students will hand in on each case study discussed in class. The report will follow the outline set by the professor and will have to be handed in at the date set by the professor. Each report will be graded in a scale from 0 to 10. Not handing in one case report will be penalized with 40% of the total grade and not handing two reports will be penalized with 80%. A student that does not hand in three or more repots will get a grade of zero in this part of the continuous evaluation. The grade on case reports will weight one-third in the calculation of the final grade.
- 3. Written and oral exposition of the course Project. The course Project will be on a topic related with the content of the course agreed with the professor. The Project can be made individually or with a group with a maximum of three students. The project will be graded from 0 to 10 based on the rigor, clarity of exposition and contribution to the knowledge on topics related to the content of the course. The weight in the final total grade is also one third
- 4. As a reminder, the grade resulting from the continuous evaluation as described above will only apply to student that get a grade of minimum 3 out of 10 in the end of the semester written exam. The grade of this exam will also be the grade of the course if it is higher than the grade from the continuous evaluation

**The final exam** of the Course will be graded taking into account to what extend the student demonstrates a good knowledge of the concepts that are part of the content of the course, as well as good capabilities to apply these concepts to solve management problems also related with the content of the course.

## 5. Activities and resources

## 5.1.General methodological presentation

Since the Course is a forth year course, when students have taken most of the core courses and some of the elective ones, it is understood that the learning objective of knowing how to apply to real business situations what has already been learned, has priority over the objective of learning new, additional concepts. This is why the learning process involves the discussion of case studies and the elaboration of a course Project where students have the opportunity of learning by doing.

## 5.2.Learning activities

1: Magister classes in which the professor explains the basic concepts of the corresponding session and highlights their relevance as well as the main tools available to apply the concepts in solving management problems.



- 2: Case studies in which the student can find realistic but unstructured business situations with problems of complexity similar to those found in business where student are likely to work in the future
- **3:** Readings of academic articles, books and reports to strengthen the students comprehension of the theoretical concepts.
- **4:** Personalized tutorial services for students by the professors of the course.

# 5.3.Program

## Lesson 1 . Foundations of managing organizations

The problem of social organization: the role of entrepreneurs and firms. Social Wealth creation as a collective goal: how social and private wealth created can differ. Coordination and motivation as core organization problems in business

#### Lesson 2. The workers cooperative as a legal form to conduct business

The internal organization and allocation of property rights in workers' cooperatives. Advantages and disadvantages for economic efficiency and social concerns.

#### Lesson 3. The simple capitalist firm

Entrepreneurs as owners of businesses. Theories of entrepreneurship. Entrepreneurs and risk allocation. The coordinating and motivating roles of entrepreneurs

#### Lesson 4. The complex capitalist firm

What defines the complex capitalist firm? Multilevel hierarchy, and the separation between ownership and control. Problems in the transition to complexity. The performance of the business from interests of the shareholders. The decision of going public.

## **Lesson 5. Corporate Governance**

What is corporate governance?. The conflicts of interest between shareholders and managers. Internal and external governance mechanisms. Codes of good governance. Corporate governance in Spain.

#### Lesson 6. Culture and trust in organizations

Incentives in self-managed teams. The dimensions of culture and how do they affect organizational performance. Reputation and trust. Management of trust and the economic value of reputation.

# Lesson 7. Corporate Social Responsibility

Why should a firm be socially responsible. Defining the non market environment of a business. Stakeholders theory of the



firm. CSR and competitive advantage. The creation of shared value.

## Lesson 8. Social entrepreneurship

Wealth creation in the non market business environment. How social entrepreneurship solves market failures. Examples of social entrepreneurship. Management tools for social entrepreneurs (cost benefit analysis, crowd-funding, social marketing).

### Lesson 9. Business Ethics

Ethics and Ethical systems. Application of Teleological, Utilitarian and Justice Ethics to business decisions. Business and basic human rights.

## Lesson 10. Excellence Models and Total Quality Management

Principles of TQM. The application of TQM to organizational design decisions. Shared capitalism and workers participation in production and management decisions. The European model of business excellence in management (EFQM)

# 5.4. Planning and scheduling

The Course will be taught in 50 hours of class work, divided approximately equal in magister lectures and class discussion of case studies and other materials. In general the lectures and the case discussion sessions will alternate. The last classes of the semester will be dedicated to students' presentations.

## 5.5.Bibliography and recomended resources

UPDATED BIBLIOGRAPHY IS AVAILABLE THROUGH THE WEBSITE OF THE LIBRARY: http://psfunizar7.unizar.es/br13/eBuscar.php?tipo=a