



SCHOOL OF MANAGEMENT AND LABOR RELATIONS
DEPARTMENT OF LABOR STUDIES & EMPLOYMENT RELATIONS
DEPARTMENT OF HUMAN RESOURCES MANAGEMENT

CORPORATE GOVERNANCE, POWER, AND CONTROL
LABOR AND EMPLOYMENT RELATIONS, 37:624:376:01

SPRING 2024

Live Class Session (in person): Tuesday, 2PM to 3:20PM, beginning Tuesday January 16, 2024

Weekly Asynchronous Session (asynchronous online): Typically posted on Canvas on Friday; see Announcements on Canvas for details.

Location: Live Class Session: Tillett Hall Room 254, 53 Avenue E, Piscataway, NJ

Weekly Asynchronous Session: Available for viewing typically after 12 Noon Fridays following Live Class Session

PROFESSOR PETER ROKKOS

Contact Information

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Office Hours: Office Hours: Office hours for Professor Rokkos are typically over Zoom or in person between 230-500PM Wednesdays (although please email to confirm as this time changes) and otherwise by appointment; in person office hours are available subject to current circumstances. I strongly encourage students to schedule some time for office hours, either in an office or at various areas across campuses, so please reach out.

Course Structure Overview: This course will be presented over 14 weeks with a focus on providing weekly ongoing interaction and material development and requiring live student participation in each particular segment. My goal is to present the materials in a manner that maximizes interactions weekly with students, the topics covered and current events; while providing contingencies if live participation at a given point in time becomes

impossible. This balance will require your help so your weekly live participation in lectures, discussion forums and other forms in real time is greatly appreciated. My strong desire is for nearly all of you to be active and contributing live and in person during our normal class scheduled meetings.

Course Delivery Format: The course delivery mode is a combined hybrid live and asynchronous model; meaning that the learning activities take place once a week in an in person Live Class Session and once a week in a Weekly Asynchronous Session. The recorded Weekly Asynchronous Session will be posted by Friday at noon following our Live Class Session.

Course Description

This is an introductory survey course that explores the relationship between corporate governance and the economic, social, and political impact of corporations. Topics include: history of the corporation and citizen and employee stock ownership, boards of directors, minorities and women on corporate boards, principal-agent/stakeholder theories, role of management and executive compensation, broad-based profit sharing, employee ownership, stock options, shareholder rights and activism, takeovers and mergers, labor issues and the role of pension funds, international corporate governance, the relationship between governance, corporate performance and financial collapses, the role of public stock markets, government oversight and the U.S. Securities and Exchange Commission (SEC), social and environmental sustainability and corporate social responsibility, and debates about public policy and government regulation of the corporation. The course will discuss and analyze these implications for human resource management and labor and employment relations.

Course Materials

Required:

Corporate Governance, Cornelis A. de Kluyver, University of Oregon, Copyright Year: 2012 (referred to below as “**Saylor Text**”)

NOTE THIS IS A FREE TEXT ACCESSIBLE ON CANVAS AS WELL AS HERE:

<https://open.umn.edu/opentextbooks/textbooks/124>

Business Ethics, Stephen M. Byars and Kurt Stanberry, Openstax, Rice University, Copyright Year: 2018 (referred to below as “Openstax Text”)

NOTE THIS IS ALSO A FREE TEXT ACCESSIBLE ON CANVAS AS WELL AS HERE:

https://assets.openstax.org/oscms-prodcms/media/documents/BusinessEthics-OP.pdf?_gl=1*c6dj9m*_ga*OTIxMzMxNzcyLjE2OTgwNzI4MjU.*_ga_T746F8B0QC*MTcwMjk0Mzc0OC4zLjEuMTcwMjk0NDE1My41NC4wLjA.

PDF Versions of both the Saylor Text and the Openstax Text are available on Canvas under Modules.

Additional readings including research articles and working papers in corporate governance will be available on Canvas.

Canvas: We will be utilizing the Canvas learning management system to access learning materials, post announcements, submit Assignments, post to Discussion forums, communicate via the Inbox feature, attend live sessions through WebEx/Zoom if necessary, watch Weekly Asynchronous Sessions and take exams. Be sure to check this site frequently as there will be announcements and instructions.

The course will be using Canvas extensively; the course site for Canvas may be accessed through the following link:

<https://rutgers.instructure.com/courses/275851>

If you are new to Canvas, be sure to complete the Canvas Tutorials under Course Tools Tutorials section of the Modules.

Note that the assigned readings indicated below will be revised over the course of the semester; please pay attention during class and on Canvas for specific assignments and due dates.

Recommended. The reading of business publications such as the Wall Street Journal, New York Times, Fortune, or the Harvard Business Review is highly encouraged. Many business publications are available through the University Library – a service for which you have already paid. Additional web sites offering business insights in general and specific articles on corporate governance will be discussed in class and linked through Canvas. These sources can provide you with details for the Participation component of your grade discussed below.

School and Department Learning Objectives

This course is designed to help students attain the following SMLR learning objectives:

- **Written & Oral Communication** – Communicate effectively at a level and in modes appropriate to an entry level professional.
- **Understanding Context** - Evaluate the context of workplace issues, public policies, and management decisions.

Class Goals and Skills

Students will become conversant with the major issues of the modern corporation and the major social science questions raised about the corporation in terms of governance and its role in society and the important research questions and sources of evidence on corporate behavior. Students will learn how to use the U.S. Securities and Exchange Commission web site in order to understand the principal information in Annual Reports and Corporate Proxy Statements filed before the SEC. Students will become familiar with several corporations, their stories and issues, along with the principal institutions in corporate governance in the United States: regulatory bodies, stock exchanges, associations of

corporations, shareholder rights groups, corporate governance standards groups, corporate social responsibility institutions, and the principal research centers on corporate governance in the U.S. Students will develop a general understanding of the differences between the corporate governance systems of several nations and geographic areas worldwide (for example, Asia, Europe, and Africa). Students will be presented with several possible careers in management, labor relations, law, academia, public service, media, and non-profit research related to the field of corporate governance. Students do not require an understanding of economics or finance to take this course and any concepts from these disciplines necessary to understanding the material of the class will be explained clearly during the lectures.

Class Approach

There will be a lecture at each class and then a discussion of a series of examples from recent news. Power Point presentations used during the lecture will be posted shortly prior to class on Canvas so that you can use them as a basis for taking notes or to follow along.

Attendance and Participation: Participation in the lectures and class meetings is critical to the class both in terms of being present in class and fully participating. Attendance will be taken in class during each class, and those not participating will lose points on the participation and attendance score. Materials will be presented in class that are not covered in the readings and they will make up a significant part of the examinations. All additional materials will be available on Canvas.

A student missing more than 5 Live Class Sessions (or 10 total live and asynchronous classes) absent extreme circumstances will not receive credit for this course. Any student that misses a Live Class Session will be required to review the weekly class slides for the missed session and post a comment on the class's discussion forum page within one week from the missed class with an observation or thought on the missed class lecture. In other words, if you miss a class, you will be marked absent and are required to 'cure' your absence and get credit as if you attended the lecture, by reviewing the materials and posting an intelligent comment on the lecture to the Discussion forum. Please note this is an accommodation being made due to the extraordinary circumstances we live in – it should only be used on a limited basis.

Students will be expected to confirm that they watched the Weekly Asynchronous Session by commenting on the Discussion forum for the class before the next Live Class Session; keep an eye on Canvas Announcements for details when this policy takes effect in approximately Week 3.

Students will be able to track their attendance over the course of the semester for their Weekly Asynchronous Session attendance and their Live Class Session attendance in the Gradebook on Canvas; **as a general guideline, if you are below 80% in attendance for either class type, absent extraordinary circumstances your grade will be reduced.**

At the instructor's discretion, perfect attendance (attending all classes in full) and consistent contributions to class discussions and homework review may improve your final grade by up to a half grade (e.g. from B to B+).

Each student will be required to submit one comment on Canvas during most weeks prior to each class using the Assignments folder on Canvas. **This is part of your participation grade which accounts for 40% of your overall grade.** These comments should address issues discussed in the current week’s readings or topics in the news relating to these materials. Students will be called upon in class to discuss their Participation comment so please come to class prepared to engage on the comment you provided.

Required Work

In addition to the weekly Participation Assignments, students will take two multiple choice and essay exams (one midterm and one final exam during exam week). Each exam will include an essay question on a corporate governance problem that requires creative thought.

Students will also prepare one 3-4 page written report analyzing a serious research article on corporate governance for 20% of their grade.

Extra Credit Work. Extra credit will be given for a written assignment which will be assigned towards the end of the semester.

Exams

There will be two examinations as noted on the course schedule. The midterm exam will cover all materials through approximately mid-semester; and the final exam will be cumulative. **All exams are open book and open note, with full internet support available for PCs, tablets or cell phones.** However, all academic integrity standards including cooperation from a third party will be strictly maintained.

Make-up policy: An examination grade of “0” will be assigned to any student who is absent without a legitimate excuse on the day of the regularly scheduled exam. Legitimate excuses include illness (verified only by a note from a doctor or area Dean), inclement weather (only when the Rutgers Information Service (732-932-INFO) indicates that Rutgers is closed or when the instructor emails the class announcing class is suspended) or other dire circumstances such as a family emergency. One make-up exam will be held when all students needing to take a make-up exam can be present. Students requiring special arrangements should present a statement to that effect with appropriate documentation as early in the semester as possible, but certainly prior to the first midterm examination.

CLASS SCHEDULE

Note that the class schedule, dates, materials and assignments noted below are tentative and subject to change. Please check Canvas regularly for updated schedules, materials and due dates as well as other relevant information.

Date	Topic	Reading Assignment
<p>Week 1 January 16</p>	<ul style="list-style-type: none"> • Introduction • Overview of the Corporation 	<ul style="list-style-type: none"> • Saylor Chapter 1 • Openstax Chapter 1

		<ul style="list-style-type: none"> • Blasi: Shared Capitalism • History of the Corporation: A Film (HW Viewing) • See additional materials posted on Canvas
<p>Week 2 January 23</p>	<ul style="list-style-type: none"> • Theories of the Corporation and Corporate Power • Stakeholders 	<ul style="list-style-type: none"> • Saylor Chapter 2 • See additional materials posted on Canvas
<p>Week 3 January 30</p>	<ul style="list-style-type: none"> • Shareholders • Shareholder Rights 	<ul style="list-style-type: none"> • Walmart Proxy Statement • Openstax Chapter 2 • See additional materials posted on Canvas
<p>Week 4 February 6</p>	<ul style="list-style-type: none"> • Shareholder Activist: Institutional Investors, Union Pension Funds, Hedge Funds, Activist Investors • Proxy Statements 	<ul style="list-style-type: none"> • Dual Class Stock Letters • Openstax Chapter 3 • See additional materials posted on Canvas
<p>Week 5 February 13</p>	<ul style="list-style-type: none"> • Board of Directors and Officers 	<ul style="list-style-type: none"> • Saylor Chapter 3 • Saylor Chapter 4 • Enron Background • The Enron Movie – The Smartest Guys in the Room (HW Viewing) • See additional materials posted on Canvas
<p>Week 6 February 20</p>	<ul style="list-style-type: none"> • Corporate Governance Failures • Case Study: Enron 	<ul style="list-style-type: none"> • See additional materials posted on Canvas
<p>Week 7 February 27</p>	<ul style="list-style-type: none"> • Catch up and Midterm Preparation • Midterm Examination 	
<p>Week 8</p>	<ul style="list-style-type: none"> • Employee Ownership 	<ul style="list-style-type: none"> • In the Company of Owners

March 5	<ul style="list-style-type: none"> • Profit Sharing • Broad Based Stock Options 	<ul style="list-style-type: none"> • Shared Capitalism in the US Economy • See additional materials posted on Canvas
March 9 - 17 to 19	<ul style="list-style-type: none"> • NO CLASS MARCH 12 • SPRING BREAK 	
Week 9 March 19	<ul style="list-style-type: none"> • Executive Compensation • Publicly-traded Corporations • Closely-Held Corporations 	<ul style="list-style-type: none"> • Saylor Chapter 8 • Openstax Chapter 6 • Openstax Chapter 7 • Intel Proxy Statement • Film: We The Owners (An Independent Film) (HW Viewing) • See additional materials posted on Canvas
Week 10 March 26	<ul style="list-style-type: none"> • Takeovers, Mergers, Acquisitions and Strategic Transactions • Takeover Defense 	<ul style="list-style-type: none"> • Investopedia M&A Tutorial • See additional materials posted on Canvas
<p>Note: Students will select a major research article in a scholarly journal and prepare a summary. Details will be provided in class and on Canvas with a due date of ~April 29.</p>		
Week 11 April 2	<ul style="list-style-type: none"> • Corporate Governance Standards and Report Cards 	<ul style="list-style-type: none"> • Walmart Governance Scorecard • See additional materials posted on Canvas
Week 12 April 9	<ul style="list-style-type: none"> • The Securities and Exchange Commission • SEC Regulation 	<ul style="list-style-type: none"> • Saylor Chapter 4 • See additional materials posted on Canvas • Inside Job Movie (HW Viewing)
Week 13 April 16	<ul style="list-style-type: none"> • International Corporate Governance 	<ul style="list-style-type: none"> • See additional materials posted on Canvas

	<ul style="list-style-type: none"> • Case Studies: China, Germany, Japan 	
Week 14 April 23	<ul style="list-style-type: none"> • Corporate Ethics • Corporate Social Responsibility and the Sustainable Corporation • Socially Responsible Investing 	<ul style="list-style-type: none"> • Saylor Chapter 11 • Openstax Chapter 4 • Openstax Chapter 10 • See additional materials posted on Canvas
Final Exam TBD	The date and location chosen by the University for the final exam will be announced once confirmed by the University.	
Exam Notes <p>The instructor will post on Canvas a study guide for each exam before the exams. The instructor and teaching assistants will also be available for extended office hours to help students' study for these exams.</p>		

Assessment Policy

Grading

Grades will consist of the following components of 100% of the grade:

Grading Components	% of Final Course Grade
Midterm Exam	20%
Final Exam	20%
Research Report	20%
Participation	40%

Assessment Policy:

Letter Grade	Scores Based on Course Components
A	90-100
B+	85-89
B	80-84
C+	75-79
C	70-74
D	60-69
F	< 60

Note: Rounding up or down for ‘in between grades’ will be based on multiple factors including participation and attendance; but will only be considered for 1% point. For example, an 84.6% may round up to an 85% for a B+ if attendance and participation are exceptional; an 84.4% will in all but exceptional instances not round up; and a 83.9% will not be considered for rounding up to a B+. The thresholds for final letter grades will be re-scaled if a conventional standard seems unreasonable.

Requests for recommendations must be made in writing and only after completion of the course.

Readings and Deadlines

All readings should be completed prior to the date noted on the syllabus. Due dates and deadlines are firm. Unless you can get prior approval, each day late will result in increasing penalties. You must download your assignments and upload your completed written assignments in the Assignments folder on Canvas.

Academic Integrity

All students are responsible for locating, reading, and abiding by the University Policy on Academic Integrity for Undergraduate and Graduate Students. The policy is available at <http://cat.rutgers.edu/integrity/policy.html>.

The rights of students will be protected to ensure that test scores are related to competence in the subject matter. Therefore, all examinations will be carefully proctored. If cheating is detected, it will be prosecuted to the limit allowed by University policies.

Some additional thoughts on assignments, exams and academic integrity:

- Submissions must be complete; no partial assignments can be submitted; they will not be accepted.
- Cheating or copying from another student’s answers will result in a ZERO for both involved.
- Working or studying together does not constitute as cheating as long as all work is original and not duplicated.
- Uploading or downloading course answers/materials/etc. or someone else’s work from previous semesters is plagiarism and considered cheating resulting in a zero grade.
- Open book and open note exams are given to allow for a more realistic work environment that grants students access to all resources they could apply to a problem. Using these resources to search for relevant information on the internet is allowed however a Google search of a multiple-choice question to see if the answer key exists on the internet is not.

Student Code of Conduct: You are expected to conduct yourself in a professional, responsible, courteous, and respectful manner at all times during the course. Offensive language, harassment, posting videos or other media that is not related to the course, and/or any other inappropriate behavior will not be tolerated; and will result in dire consequences, including dismissal from the course. Your responses to discussion posts, or any other communication with your classmates and/or your instructor must be of the highest professional and respectable standard.

TurnItIn Statement: Students (You) agree that by taking this course all required papers may be subject to submission for textual similarity review to Turnitin.com (via Canvas) for the detection of plagiarism. All submitted papers will be included as source documents in the Turnitin.com reference database solely for the purpose of detecting plagiarism of such papers.

Chat GPT Statement: I encourage the use of ChatGPT, Bard and similar artificial intelligence tools for research for my class. AI is an incredibly useful tool. Any use of ChatGPT and other tools that plagiarize or use the output from these tools directly into your work must be cited in accordance with our class citation policies. Use of this output directly in your answers is a violation of the Rutgers Academic Integrity policy with respect to plagiarism. In other words, if you need to provide a description of employees forming unions, and look it up on Wikipedia, then copy and paste what it says into an answer, Turnitin and other software will identify this as plagiarism. If you similarly ask ChatGPT to write a 100 word description of employees forming unions, copy that and paste what it says into your answer, it will be detected by software as cheating. However if you ask ChatGPT to help you research the topic, for example, ask it to describe employees forming unions in relation to (INSERT SOME TOPIC AND DETAILS FROM CLASS like) Walmart or Amazon discouraging unionization efforts...you get a much richer reply that you can then write your answer from as a resource...(but if you copy and paste, software can track that...). Does that help?

Special Needs

Rutgers University welcomes students with disabilities into all of the University's educational programs. In order to receive consideration for reasonable accommodations, a student with a disability must contact the appropriate disability services office at the campus where you are officially enrolled, participate in an intake interview, and provide documentation: <https://ods.rutgers.edu/students/documentation-guidelines>. If the documentation supports your request for reasonable accommodations, your campus's disability services office will provide you with a Letter of Accommodations. Please share this letter with your instructors and discuss the accommodations with them as early in your courses as possible. To begin this process, please complete the Registration form on the ODS web site at: <https://ods.rutgers.edu/students/registration-form>.

University Resources

1. Counseling, ADAP & Psychiatric Services (CAPS): (848) 932-7884 / 17 Senior Street, New Brunswick, NJ 08901. CAPS is a University mental health support service that includes counseling, alcohol and other drug assistance, and psychiatric services staffed by a team of professional within Rutgers Health services to support students' efforts to

succeed at Rutgers University. CAPS offers a variety of services that include: individual therapy, group therapy, and workshops, crisis intervention, referral to specialists in the community and consultation and collaboration with campus partners.

2. Violence Prevention & Victim Assistance (VPVA): (848) 932-1181 / 3 Bartlett Street, New Brunswick, NJ 08901. The Office for Violence Prevention and Victim Assistance provides confidential crisis intervention, counseling and advocacy for victims of sexual and relationship violence and stalking to students, staff, and faculty. To reach staff during office hours when the university is open or to reach an advocate after hours, call 848-932-1181.

3. Students may find appropriate resources if they are in need of help in the areas of (a) mental health, (b) academic coaching, and (c) financial assistance at: <https://smlr.rutgers.edu/about-smlr/fall-2022-information-smlr-students>

4. Students may find information on SMLR's scholarship offerings at: <https://smlr.rutgers.edu/academic-programs/scholarships>