Professional organizations, such as engineering departments, medical centers, law offices and consulting groups, whether in the private or public sectors, are increasingly regarded as businesses subject to the same budgetary and productivity disciplines as non-service businesses. This course deals with budget and ethical control issues in the management of professional organizations. Topics addressed include: control of budgetary performance in the face of market uncertainty; ethical dilemmas in the allocation of resources and the pricing of services; workplace issues such as privacy, health, hiring and firing; liability for innovative products and services; productivity and quality; ethical dilemmas in international business. Course work is assigned by team effort and is based upon case studies. Student teams lead case-study discussions. Knowledge of the use of computer spreadsheets and basic accounting principles is a prerequisite.

Schedule of Topics

1. 10/3 - Course overview.
   - Principles of managerial budgeting for professional services. SN.
2. 10/10 - Competition and productivity drivers. SN.
   - Resource allocation: politics, strategy and ethics. SN.
3. 10/17 - Cyclic effects, professional flex-time options, outsourcing. SN; S2a
   - Managing uncertainty, budget controls. SN.
4. 10/24 - Ethical foundations. Introduction to Speigel case. SN; P:Ch.1,2; S2b.
   - Case discussion: C1 (Privacy Issues).
5. 10/31 - Forecasting and managing change. SN; P:Ch 3,4; Q1; S3a
   - Case discussion: C2 (Environmental Protection).
6 11/07 – Professional Codes of Ethics. P: Ch5,6
   - Case discussion: C3 (Ethical dilemmas of Innovation).
7 11/14 – Guest lecture: Ethics and innovation in managing healthcare.* P: Ch.7,8; S3b
   - Case discussion: C4 (Occupational Safety)
8. 11/21 – Case Discussion C7 (International Dilemmas). S3c.
   - Case Discussion C5: (Downsizing Issues)
9. 11/28 - Organizational control of ethics; P; Q2 ; S3d
   - Case discussion: C6 (Conflicts of Interest).
10. 12/05 - Risk perceptions and reality. Catastrophe theory.
    - Speigel case results. Course summary.

*Philip M. Laughlin, MD, MBA, Medical Director, Woodland Healthcare


Supplement: Suran - “MGP 216 Course Notes”, Fall 2007 (SN)
MGT/ P 216 - Managing Professionals - Budgets, Controls and Ethics

Additional References (Optional):
Hartley, R.F. “Business Ethics, Mistakes and Successes”, Wiley&Sons, 2005
And Sciences, 2005

Cases:
(S2) Creighton Laboratory Included in SUPPLEMENT
(S3) Speigel Division Included in SUPPLEMENT
(S4) RADCO Included in SUPPLEMENT
(S5) Minicases on Ethics Included in SUPPLEMENT

Schedule of Assignments

<table>
<thead>
<tr>
<th>CASE</th>
<th>WRITTEN</th>
<th>ORAL</th>
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<tbody>
<tr>
<td>Creighton Lab – parts A</td>
<td>S2a</td>
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<td>10/17</td>
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<tr>
<td>Creighton Lab – part B</td>
<td>S2b</td>
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<tr>
<td>Case 1 (Privacy Issues)</td>
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<td>C1</td>
<td>10/24</td>
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<tr>
<td>Case 2 (Environmental Protection)</td>
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<td>C2</td>
<td>10/31</td>
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<td>Quiz 1</td>
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<td>Q1</td>
<td>10/31</td>
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<tr>
<td>Speigel Division (S3) *</td>
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<td>S3a</td>
<td>10/31</td>
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<tr>
<td>Case 3 (Regulation vs Choice)</td>
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<td>C3</td>
<td>11/07</td>
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<td>Speigel Division (S3) *</td>
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<td>S3b</td>
<td>11/14</td>
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<td>Case 4 (Occupational Safety)</td>
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<td>C4</td>
<td>11/14</td>
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<tr>
<td>Speigel Division (S3) *</td>
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<td>S3c</td>
<td>11/21</td>
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<td>Cases 5,7 (Downsizing, International)</td>
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<td>C5,C7</td>
<td>11/21</td>
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<td>Speigel Division (S3) *</td>
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<td>S3d</td>
<td>11/28</td>
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<td>Case 6 (Conflicts of Interest)</td>
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<td>C6</td>
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<tr>
<td>Quiz 2</td>
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<td>Q2</td>
<td>11/28</td>
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*NOTE: The Speigel Division case (S3a-d) is a single budget-control computer simulation spread out over 4 weeks. Its total grading weight is 20 points, but the case will be graded as a single paper after the final part has been handed in. All parts of this case must be completed to receive any credit. Seventy percent of the grade will be based upon the quality of control decisions made during the exercise while thirty percent will be based upon how close the operating results are to the budget objectives.

Notations
P = Ross Text, Si = Suran Supplement Case i, SN = Suran Supplement Notes, Ci = student-led case discussion of Case i, Qi = quiz i.
Grading

A course letter grade will be assigned according to the following assignment weights:

- One oral presentation ........................................................... 15
- Two written cases:
  - Creighton Laboratory ..................................................... 20
  - Creighton Lab - A .......... 10
  - Creighton Lab - B .......... 10
  - Speigel Division ............................................................. 20
  - Speigel Div. - A .......... 7.0
  - Speigel Div. - B .......... 7.0
  - Speigel Div. - C .......... 3
  - Speigel Div. - D .......... 3
- Quiz 1 .............................................................................. 20
- Quiz 2 .............................................................................. 20
- Class participation ................................................................ 5

TOTAL .................................................................................. 100

It is recommended that all written cases be turned in as team papers. A single team grade will be given to each of the team members. Each team must turn in the papers in accordance with the assignment schedule. Each team will be responsible for only one oral presentation, but each team member is required to participate in the oral presentation. In general, the oral presentation will be graded on the basis of individual performance. Total time of each case presentation should be about 45 minutes in length. Class discussion of the case, led by the team responsible for the presentation of the case, may be another 20 minutes. Attendance of classes, unless excused by prior notification to the instructor, and participation in class discussions are factored into the class-participation grade.

Syllabus Flexibility

Since MGT/P 216 is an elective course, it is not possible to determine how many students will take the class in advance of the dropout date. Consequently, the syllabus and grading described above is subject to change, depending on the class size. The class will be capped at 21 students maximum, on a first-come, first-served basis.

Instructor Office Hours

Office hours are by special appointment. The instructor is available by email at: jjsuran@ucdavis.edu.