

# MGT 8803: RESPONSIBLE CORPORATE GOVERNANCE

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Four Weekends: Friday evenings and Saturdays until 3PM  
Fall Semester ~ 3 credit hours ~ Live at Scheller COB  
CRNs for sections A & EMA are 93905 & 93904



## FALL '26 DATES:

(Class held Friday evenings at 6:30 and Saturday 8:30AM til 3PM)

1st Module: Aug 28/29

2nd Module: Sep 18/19

3rd Module: Oct 9/10

4<sup>th</sup> Module: Oct 30/31

*What really happens in boardrooms?*

*Why doesn't Corporate Governance seem to work anymore?*

*Are Sustainability and Social Responsibility simply fads, or will they last?*

*Is there a new model of company leadership with fairer outcomes for the rest of us?*

At the intersection of capital and opportunity is governance. Governance has changed a lot since the late twentieth century, and now its scope is expanding as our world grapples with serious social, environmental and equity challenges. As you consider your own future in business and social enterprises, it is important to understand how these organizations are governed and led.

## SCHEDULE & LOCATION

***This course will meet at Scheller COB for four weekends over the semester.*** Friday class meets from 6:30 to 9:00PM, and Saturday class meets from 8:30AM to approximately 3:00PM.

## METHODOLOGY AND THEMES:

Corporate governance in listed companies, private companies and startups will be studied as background. Then the course will address a few essential questions:

- What is happening in board rooms of the best companies that makes them both perform well *and* be socially responsible? Is this about shareholders who care, leadership, or both?
- How does corporate governance really work? When does it reward the shareholder but cheat society, or vice versa?
- As a new generation business leader, how can you do more than make a profit? How can you make a difference in the world around you?

The course is built around discussion of thought-provoking cases, articles, and webcasts. A guest speaker(s) will be added to the lecture plan. All of this is complemented by examples from my own long experience as a leader of companies and social enterprises. My aim is to deepen your understanding of what happens (or not!) at the very tops of all kinds of companies, and to help you plan a career path that satisfies your values and personal aims.

## LEARNING OUTCOMES

When you complete this elective you will:

1. Know the most common forms of capital (venture, public company, private equity, family, charitable, and others), their return expectations and be able to explain the corresponding styles of governance of each.

2. Understand the important role of startup companies, the Darwinian pressure that drives them, and the resultant governance methodologies they employ.
3. Understand family companies and why they are the most common form of ownership, describe the return expectations of their owners, and articulate a model for successful long term family governance.
4. Understand the four legal principles that enable corporate governance.
5. Understand the role of Boards of Directors; Know how to judge board processes and culture and how they enhance or diminish board effectiveness.
6. Understand the substantial gap between governance Ideals, and Realities;
7. Advance your understanding of the balance between investor rewards and social rewards; Understand the nascent role of investor social and environmental expectations;
8. Deeply consider capitalism in the world economy and understand its power and consequences.

## REQUIRED MATERIALS

There is no text for this elective; rather, a case pack of articles and cases (PDFs) is available for you to purchase from HBS Publishing. You will find them at <https://hbsp.harvard.edu/import/1305460>.

## DELIVERABLES and ACADEMIC EXPECTATIONS

I have high expectations of student engagement, timeliness and performance. You are expected to come to class fully prepared to discuss assigned readings and everything you turn in must be work of your own creation.

At the first session we will develop agreed standards of behavior that we will publish as our Class Standards. Once adopted, students and instructor are expected to abide by them.

Below are the deliverables and expectations in this elective:

- **First Class Prep: Due at beginning of first class.** 1) Come to the first class prepared to make a two-minute oral (no slides) presentation about your own story, why this topic is personally relevant for you, and what you want to get out of this course and; 2) Watch the "Coach K" video and come to the first class prepared to give your input on Class Standards, ie, *What attitudes and behaviors by students and professor will make this class really rewarding for you?* 3) Read the dozen or so readings(!) for the first module, and 4) Your first two submittals for the first Reading Discussion Board, below.
- **Two Posts (one post and one reply) Before Each Module on Canvas Discussion Board:** *Both posts due by end of day Wed before we meet.* One should respond to one or more of the questions in the prompt and the other should respond to one of your classroom colleagues (which may include me). Posts might connect to class discussion, connect to your personal life experience, or suggest avenues for future discussion. Post length should be less than 350 words; Clarity and brevity matter, and short paragraphs are fine. Comments will be graded per rubric below.
- **Short Essay #1: A Company I Admire: Due Thursday before our 2<sup>nd</sup> module meeting.** Choose a company you admire and analyze it from the perspective of a long term investor concerned about financial performance, social and environmental responsibility (all three), thinking in terms of a "triple bottom line". Discuss the company's business model, key figures, competitive advantages, successes and challenges. Explain your personal relationship with it (if any), how your personal values align with those you perceive at the company, why you admire the company and why you might like to be a long term share owner there. Other Important details:
  - Write in essay format (not bullet points), and less than 600 words. Make your writing simple, clear and concise and write a professional paper.
  - You can write about any company, public or private. Questions about your company? Let me know.
  - Use a variety of sources for your research (media, interviews, press articles, etc.) but cite your sources and write the essay in your own words. Suggest you focus on reliable third-party sources; Company websites are mostly propaganda.
  - Include a cover page with paper title, your name, email address, and the date. Leave space for feedback.
  - Submit your essay as a PDF file named "Essay1.myLastname.myFirstname.PDF" to [roy.richards@scheller.gatech.edu](mailto:roy.richards@scheller.gatech.edu).
  - Aim for an "A" paper. Refer to the "How to Write a Strong Paper" guide and have a peer review your draft before submission.
- **Short Essay #2: What Did Jane Recommend? Due Thursday before our 3<sup>rd</sup> Module meeting.** Reflect on the reading, "Jane Joins the Club." What should Jane do next regarding the board chair position? If she accepts it, what governance changes might she suggest to her board colleagues? Among other things, consider...

- Should Jane accept the job? Why or why not?
- Is this job a trap or a chance for professional growth?
- If she accepts the role, how should she approach her colleagues to achieve acceptance and support for her agenda?
- What specific governance changes should Jane recommend to improve this boards effectiveness (think about board composition and process)?
- Have you ever been in Jane's position as an outsider trying to fit in?

Your essay should include your personal opinions and recommendations, connect to class readings and discussions, and provide strong analysis. Make your writing simple, clear and concise and write a professional paper. Other details are same as Essay 1. Length should be 600-700 words.

- **Two Questions for Class Discussion:** *Due three days before 2<sup>nd</sup> and 4<sup>th</sup> Module meets.*, Submit one question via email that pertains to an open topic from prior classes, perhaps something we talked about that needs more discussion. Wordcount limit of 50 words per question. I will compile and address these at the end of the 2<sup>nd</sup> and 4<sup>th</sup> module, so, total of two questions per student for the elective. I am looking for questions with high learning value for the class and scoring will depend on how instructive questions are for your fellow students.
- **Essay #3: Responsive Governance:** *Due midnight nine days after our final module meets* in lieu of a final exam. Choose a company (it may or may not be the same as Essay #1) and analyze it's response to pressure for results beyond just profitability. Consider how the company made significant advances in terms of (pick at least one) Sustainability, Social Responsibility, Governance, or its Social License to Operate, and apply your learnings from this elective to evaluate their progress. Use facts and your own judgment to assess...
  - What activated or enabled this strategy? Did any events lead to a change in direction?
  - What role did leadership play? Were mistakes made, and why?
  - Judge whether the company genuinely committed to governance, social and environmental responsibility or is instead just 'greenwashing'.
  - How can it serve as a model for others?
  - Suggest recommendations for the future.
  - Why does this story personally interest you? How does it relate to your own career?

Your essay should include your personal opinions, connections to class readings/discussions, strong sources and analysis. Make your writing simple, clear and concise and write a professional paper. Other details are same as Essay 1. Length: 1000 to 1200 words.

- **Class Participation will be scored every time we meet**
- **Attendance will be taken every time we meet**
- **Student performance relative to our agreed Class Standards will be scored at the end of the elective**

## GRADING

***Class participation scoring*** shows your real-time classroom engagement with colleagues and instructor. It considers the quality and depth of your classroom comments, how they advance your classmates' understanding, alternate/contrary points of view, and regularity (so long as they don't crowd out others). Comments that refer to your own experiences are especially valuable, and those students who successfully open discussions of assigned readings always get a good mark. If you are distracted by your phone, laptop, or other work, it will probably affect this grade. Scoring is per below, showing points/session:

- |   |   |
|---|---|
| 0 | Not present and not excused   |
| 2 | Present + distracted or silent  |
| 3 | Present + engaged in discussion (or absent & excused)                 |
| 4 | Present + engaged + brought new insights from your own experience.    |
| 5 | Present + engaged + made most insightful contributions to discussion. |

***Discussion board scoring*** considers how you apply your personal opinions and recommendations to the topic, and connection of the topic to class readings and discussions. Reactions to others and bringing personal experiences into the discussion are particularly helpful, as are valuable new questions that other students can respond to. Scoring:

- |   |  |
|---|--|
| 0 | No posts   |
| 2 | One post, or late posts  |
| 3 | Two interesting posts raising new insights or questions          |
| 4 | The most thoughtful, insightful posts submitted for that module. |

**Essay scoring** will be:

- 40% Essay fully responds to the prompt with your personal opinions, argument, criticism, and recommendations.
- 30% Essay connects to themes from class readings and discussions
- 15% Strong research and analysis; sources cited as footnotes or endnotes.
- 10% Paper professionally presented with concise writing, good grammar and spelling;
- 5% Paper turned in on time and meets length requirements.

**Final assessment** of your work on a 100-point scale will be calculated as follows:

2	First Class Prep
16	Sum of Discussion Board Scores
20	Sum of Class Participation Scores
10	Essay 1- A company I admire
15	Essay 2- What did Jane Recommend?
30	Essay 3- Final Essay on Responsive Governance
2	Two Questions for Class Discussion
2	Your demonstration of the Class Standards
3	Full Attendance all sessions
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100	points

**Final grades** awarded A, B, C, D & F according to:

Above – 89.50	A
89.49 – 79.50	B
79.49 – 69.50	C
69.49 – 59.50	D
59.49 and below	F

*For those taking the elective Pass/Fail a passing grade will be considered 'C' or better.*

**TO SCORE WELL IN THIS COURSE YOU WILL...**

- ...be tuned-in in class, active in class discussion, and undistracted by other work or devices;
- ...post thoughtful reactions/questions on the online discussion boards;
- ...write three strong papers.

**CLASS ABSENCE POLICY**

I will attend every class on time and expect you to do the same. Absences are only appropriate in cases of illness, personal emergency or professional conflict. If you must be absent you should a) advise me beforehand, and b) submit a short essay about a corporate governance challenge as shown by an example in the current media. This paper (or a doctor's note, coach's note, or job interview documentation) will excuse your absence. If your absence is not excused, your final grade will be reduced by 3% for each unexcused absence. We will follow the Georgia Tech absence policy, and details are found here: <https://catalog.gatech.edu/policies/student-absence-regulations/>.

**STUDENT-FACULTY EXPECTATIONS AGREEMENT**

Georgia Tech strives for an atmosphere of mutual respect, acknowledgement, and responsibility between faculty and students. See <http://www.catalog.gatech.edu/rules/22/> for an articulation of some basic expectations that you can have of me and I will have of you. In the end, simple respect for knowledge, hard work, and cordial interactions will help build the environment we seek. I encourage you to remain committed to the ideals of Georgia Tech while in this class.

**MY POSITION ON ARTIFICIAL INTELLIGENCE**

Our objective in this elective is to deepen your personal understanding of successful leadership and corporate governance. Use of AI to avoid the critical thinking required to build your own understanding of governance is very strongly discouraged. Your classroom dialogue and everything you turn in must be work of your own creation. Likewise, I do not use AI to generate my syllabus, slides, course materials, or to grade student work. Deliverables in this course may be scanned for plagiarism or use of AI sources. Any student work suspected of being generated by Artificial Intelligence or directly sourced from the internet will go unread and be given a "C". My view is that we all learn more by applying our brains to difficult questions, and my job is to encourage that.

## **ACADEMIC INTEGRITY and the STUDENT HONOR CODE**

Georgia Tech aims to cultivate a community based on trust, academic integrity, and honor, and students are expected to act according to the highest ethical standards. All students are expected to abide by the *letter* and *spirit* of the Georgia Tech Honor Code, which can be found at <http://osi.gatech.edu/content/honor-code> and any student suspected of behavior in violation thereof will be referred to Georgia Tech's Office of Student Integrity.

## **ACCOMMODATIONS FOR STUDENTS WITH SPECIAL NEEDS**

If you have special needs please speak to me at the beginning of the course. I will ask you to obtain a form from the ADAPTS office and turn it in to me. Anyone requesting academic accommodations based on a documented disability are required to register with the Access Disabled Assistance Program for Tech Students (ADAPTS). The ADAPTS Office is in the Smithgall Student Services Building, Suite 220. The phone number is 404.894.2563, and more details can be found at <http://www.adapts.gatech.edu/index.html>

## **OTHER THINGS YOU SHOULD KNOW**

- Reach me at the email address at the top of this syllabus. In lieu of office hours, I am available for an hour before each class and can Zoom-schedule other times as needed. If you have questions or input about the course or have a business or career problem I can help with, contact me and we will arrange to talk. I enjoy that.
- This syllabus, course architecture, lecture contents, slides and learning materials are all curated or created by me. Nothing in this course came from AI-- It came from my own experience and readings from people/institutions that are instructive to me.
- I take a professional approach to our work together and expect you to do the same, especially in terms of attendance, classroom interaction, and attention. When we are in class together, you will have my full attention, and I expect to have yours. If I find your attention frequently diverted by your phone, laptop, or other work it will probably affect your final grade.
- I will use Canvas announcements to communicate with the entire class before each weekend session, so look for this. For one-on-one coms, I will email directly to your GT address and you can reach out to me at the email address at the top of this syllabus.
- I have not configured a course calendar, sequenced course materials or otherwise tailored the elective for your ease of use.
- You will be working in teams and everyone is expected to do their full share of the work such that the load is carried fairly. I may ask for a short peer evaluation of team participation from other members to consider in the final grade.
- Some classes may be online using video. Any video behavior or background that I find offensive or distracting for others will not be allowed, and the offending student may suffer a penalty in class participation or dismissal from the course. Classes will not be recorded for viewing later.
- In the final class session you will evaluate me and the elective and suggest ways to improve it for the next time it is taught.

## **ABOUT ME AND MY APPROACH:**

I teach business students about leadership and governance to help them deal with challenges they will face later in their careers. My professional experience has been in general management and leading company and non-profit boards. I began serving on corporate and NGO boards in my early twenties and took over my family's manufacturing company as CEO at age 28. I still chair it today (southwire.com: \$9BUSD+ revenues and 8000+ employees). I also care deeply about climate change and preservation of ecologically important American landscapes. I launched and run a private fund to finance high-priority land conservation in the southeastern US (*terraconservationcapital.com*), launched and run a venture fund for climate change communications and co-founded an environmental advocacy non-profit to protect Georgia's coastal land and waters (*onehundredmiles.org*).

I am a practitioner. I teach primarily from my own CEO and board chair experience, supplemented with ideas from other business leaders and writers. My teaching complements but does not replace essential courses on family venturing, organization behavior, corporate finance, and business law. My courses are about real-world company challenges and how successful leaders deal with them.

## **HERE IS WHAT WE WILL DO...**

### 1<sup>st</sup> MODULE/ UNDERSTANDING WHAT CAPITAL WANTS

**COURSE DETAILS AND ORGANIZATION + OUR STORIES + DEVELOPMENT OF CLASS STANDARDS, then,**

#### **CAPITALISM: WHAT INVESTORS WANT AND WHY**

Origins of capitalism from Dutch East India Company to Tesla | How capital searches for returns, and different forms of capital desire different kinds of returns | Forms of capital we will study in this course | The concept of governance | Four legal concepts that enable corporate governance

#### **GOVERNANCE: THE POINT OF CONTROL OF THE CORPORATION**

How corporate governance works, and why it matters | The framework behind boards' roles and their important responsibilities | How the style of governance depends on the kind of company and investors (public, partnership, and family) | How one type of owner differs from the others and what returns they all want | Concentrated ownership vs dispersed ownership | Different types of directors and the importance of director independence | The Friedman Doctrine's affect on the last thirty years of governance.

#### **FROM BOOTSTRAP TO BUSINESS: ANGELS, VENTURE CAPITAL, AND THE VAST STARTUP ECOSYSTEM**

The wave of new capital that has come into high-risk, high-reward, early-stage ventures. | Accepted standards of governance that enable startup functionality and satisfy startups' specialized owners | Satisfying early stage investors that the company will be well-supervised, problems will be solved and goals met | What the leadership team must do to meet investor expectations | Step-wise standards of governance that early-stage companies develop in response to investor needs | The high stress, high stakes life of a startup CEO.

#### **PRIVATE EQUITY and WHY FAMILY COMPANIES RULE THE WORLD:**

Most companies begin under private control and most stay that way | Half of the publicly listed companies in the USA and nearly two-thirds of those abroad are privately owned | The enormous economic presence of private equity and family-owned companies, both numerically and in terms of their business performance | Why private equity-owned companies are displacing publicly-owned companies | Why so many companies remain in family ownership for decades, even generations | How private companies outperform others by keeping long-term owners happy and well-represented.

#### **Readings for 1st module**

- **(Read and Comment For Discussion Board)** HBP Article: **A Guide to the Big Ideas and Debates in Corporate Governance** by Lynn S Paine & Suraj Srinivasan, Harvard Business Review, Oct 2019, Reprint H052AD
- Graphic: **Four Legal Concepts that Enable Governance** by Roy Richards, Jr.
- Article: -- only pages 47 to 54-- **The Board of Directors: Role & Composition** by Cornelis A. De Kluyster, 2009, Harvard Business Publishing article number BEP021
- Case: **SuperApps A** by Roy Richards, Jr., 2021, IE Publishing case number STR010201-A-ENG-WOD (Short case about three co-founders and how they must prepare and adapt their growing startup for a Series A investor)
- Chart from **Governance by Stages of Growth**, by David W. Rowat, [earlystagetechboards.com](http://earlystagetechboards.com) (Shows the sequence of governance steps that early-stage companies must implement to satisfy outside investors)
- Technical Note: **Board Design and Management: Considerations for Startups** by Noam Wasserman and Anthony Tjan, HBS case 9-814-098; (Written from the CEO perspective; an excellent, concise list of recommendations for who should be on your board, and how the board should be organized; the starting place when building your own board from the beginning)
- Report (read only executive summary, introduction, and review charts and tables): **Private Markets Come of Age**, at <https://www.mckinsey.com/~media/mckinsey/industries/private%20equity%20and%20principal%20investors/our%20insights/private%20markets%20come%20of%20age/private-markets-come-of-age-mckinsey-global-private-markets-review-2019-vf.ashx>, McKinsey & Co, 2019
- Article: **Why the 21<sup>st</sup> Century will Belong to Family Business**, Josh Baron, March 2016, Harvard Business Review (Shows how the essential skills of most family companies are well suited for the challenges of the 21<sup>st</sup> century)
- Reading: A sample statement of **Shareholder Expectations**, by Roy Richards, Jr. (Issued to the board, this document describes in detail the long-range expectations of Southwire shareholders with respect to vision, governance, and returns)
- Essay: **How to Write a Strong Paper** by Roy Richards, Jr. (Follow these tips to write a good paper for my class)
- Extra reading from current media to be selected and assigned just before class
- Video **Coach K: Standards vs Rules**: [https://www.youtube.com/watch?v=L\\_EJnyQgzXE](https://www.youtube.com/watch?v=L_EJnyQgzXE) (To use in the development of class standards. Prepare three bullet points of suggested class standards of behavior you believe will make this the best class you will take at GT)

## 2<sup>nd</sup> MODULE / THE ROLE OF GOVERNANCE

## SHORT ESSAY #1 & CLASS DISCUSSION QUESTION DUE YESTERDAY

### GOVERNING SOCIAL ENTERPRISES

Social enterprises operate behind the scenes serving the needs of communities and the public good | They fill an important gap between public and private enterprises | Their systems of governance are hybrids of civil service and corporate models | Macro view of their importance in American society | Instructor's own experience founding and leading three social enterprises in the environmental sector | Lessons about how to get such an organization started and set up for success

### GOVERNING PUBLIC (LISTED) COMPANIES

Data on public or listed companies | Why they are the most useful examples for our study of governance | Why their equities and debt are the preferred investment vehicles for many asset classes | Why and how they are regulated | Their usefulness for standardized, comparable data | Usefulness as a barometer of investor investor dissatisfaction with environmental, social and governance outcomes | Why they are the most common investment for pensions and private assets | The special requirements of boards in the public company context | A review of listed company board characteristics.

### COMMON FLASHPOINTS of GOVERNANCE CONFLICT

SHARE SPLIT IN THE STARTUP- A common point of intense friction in startup when co-founders begin with best intentions by splitting shares equally among them | Problems develop as individual contributions and commitments change | How this happens and how to avoid it.

LEADERSHIP SUCCESSION & NEPOTISM- A predictable source of conflict where the founder can become either savior or burden | Why won't the "old" man/woman leave and make room for new leadership? | Why do so many family firms fail after three generations? | Professional and emotional pressures that accompany leadership transition and the role of nepotism, its advantages and disadvantages | Examples from companies that manage succession well.

REPRESENTATION AND BEING HEARD- Important for private company owners who cannot easily walk away and take their investment with them | Company owners want their opinions heard and their expectations met | Different ways sophisticated private companies ensure their owners are adequately represented.

WHEN CAN WE OPEN THE PIGGY BANK? -Often a big shareholder demands a buyout at precisely the time the firm needs capital to grow and expand | Owners become hostile because profits are locked up in the company diversify their holdings | How and why these situations occur | importance of agreed-upon buy/sell terms, and successful strategies to reduce liquidity as a cause of owner conflict.

### Readings for 2nd module:

- (Read and Comment for Discussion Board) **Reminders for Owner-Managers Regarding the Board of Directors of Private Companies**, by JA Davis, HBS case number 9-805-154 (Shows what a board should look like and do in its early stages; an excellent template for building a board)
- Article: -- only pages 54 to 64 -- **The Board of Directors: Role & Composition** by Cornelis A. De Kluiver, 2009, Harvard Business Publishing article number BEP021
- Article: **Board Norms at Southwire**, by Roy Richards, Jr. (detailed list of board governance practices at the company)
- Article: **The Secrets of Outperforming Family-owned Businesses**, McKinsey Quarterly, by Eduardo Asaf and Acha Leke and Francesco Malatesta, at <https://www.mckinsey.com/industries/private-capital/our-insights/the-secrets-of-outperforming-family-owned-businesses-how-they-create-value-and-how-you-can-become-one#/>
- Reading: **A True Test for Family Companies**, by Roy Richards, Jr., April 2020 (Set at the outset of the Coronavirus crisis, this reading describes the important role independent boards can play in company survival)
- Article: **The Very First Mistake Most Startup Founders Make**, by Noam Wasserman & Thomas Hellmann, Harvard Business Review, 2016 (Describes the common mistake of equal share split often made by founders)
- Case: **Succession at Suarez Coffee Company**, by Roy Richards, Jr. (Why won't the old man leave? This case explores a common scenario facing a board at a family-owned company)
- Case: **Where's My Seat?** by Roy Richards, Jr. (Sibling shareholders sit on a company board; Whose shares do they represent: their own or each other's?)
- Case: **Robert Stands Up: Liquidity at McArthur Furniture (Parts A & B)**, by Roy Richards, Jr. (McArthur furniture faces a big, angry shareholder asking for a premium-priced buyout)
- Case: **Transportes Mavic: Why Do We Need a Board of Directors?** by Roy Richards, Jr. (A classroom workshop where students build a board and governance structure for a growing private company)
- Extra reading from current media to be selected and assigned just before class

## 3<sup>RD</sup> MODULE: WHAT MAKES GOOD GOVERNANCE WORK

SHORT ESSAY #2 DUE YESTERDAY

### BOARDS: WHAT THEY DO AND WHY

Theory behind boards' roles and their responsibilities | The four legal principles that enable corporate governance | Social framework within which boards operate | Typical board agendas | The role of independent board members | Preparing you to sit on or lead a board

### STRUCTURAL AND STYLISTIC ESSENTIALS FOR GOVERNANCE TO WORK WELL

A deep dive into the practices that most enable corporate governance to be effective | The makeup and organization of a board, boardroom procedures, and culture | Role of committees | Both the "hard" and "soft" features that make an organization's top team effective or not

### THE FULCRUM OF GOVERNANCE: THE BOARD/CEO RELATIONSHIP:

The Modern CEO's real life | Lonely at the top | Bid vs Ask: the nature of the gap between board expectations and CEO performance | Optimizing this Relationship: Structure | Optimizing this Relationship: Style

### GOOD GOVERNANCE: BOARD IDEALS VS REALITIES

Real-world issues that degrade board objectivity and effectiveness | Discussion of director independence, perceived and real | Board debate and whether boardroom climate allows for open expression | Important board decisions and how pre-board choices by staff pre-ordain approval | Ratio of board time spent on internal matters vs scanning the external environment

### CAPITAL WITH A CONSCIENCE: ENVIRONMENTAL, SOCIAL, AND GOVERNANCE EXPECTATIONS OF INVESTORS

Capitalism, once thriving in an environment of seemingly unlimited resources and accommodative policy, now finds itself up against an often-dubious public | The Friedman Doctrine, once the *raison d'être* for almost all large enterprises, is suddenly in question | Changed attitudes among investors who now desire environmental sustainability and social conscience in addition to financial reward | The social and environmental movements that now influence most major boardrooms | Reference to writings of Professors Lynne S Paine and others who have commented upon this action/reaction | Discussion of how this movement applies to other companies around us | Preparation for your final paper examining a company of your choice.

### QUESTIONS FROM THE CLASS

Some of the most interesting questions raised in the reading discussion boards and the *last class prep* questions.

### Readings for 3rd Module:

- (Read and Comment for Discussion Board) Interview: **'Night School, Class 4: ESG reshapes the boardroom'** by Peter Spiegel and Gillian Tett, 2023 the Financial Times, at <https://www.ft.com/content/3eabb5a4-dfa2-48be-8439-82a0496bdc7b?shareType=nongift>
- Case: **Jane Joins the Club**, by Roy Richards, Jr., 2019, HBP# ABC007 (A case about a new board member who joins a socially closed board with much dysfunction; Should she join the "club"?)
- Article: **Board Norms at Southwire**, by Roy Richards, Jr. (The detailed list of governance practices at the board level of the company)
- Reading: **Coronavirus: Questions Boards Should Ask Now**, by Roy Richards, Jr, April 2020 (A reading set at the outset of the Coronavirus crisis that describes precisely the way an independent board can probe for company vulnerabilities)
- Article: **What Makes Great Boards Great**, Jeffrey Sonnenfeld, Harvard Business Review, 2012; (An insider's look at how the best boards operate, this article describes the essential factors that make boards effective)
- Graphic: **Board Ideals vs Reality** by Roy Richards, Jr. (Shows some of the most common failings of boards of directors)
- Article: **Can Private Equity Meet Public Responsibilities?** By Sarah Murray; Financial Times; OCTOBER 11 2023; <https://www.ft.com/content/3d78e733-3c2c-4c60-b63c-c961d7a89c0f?shareType=nongift>
- HBP Articles: **Governing Sustainability in a Shifting Context A & B**, by Lynn S Paine & Will Hurwitz, June 5, 2025, HBS Case # 9-325-121
- Extra reading from current media to be selected and assigned just before class

## 4<sup>th</sup> MODULE: WHERE GOVERNANCE GOES FROM HERE

Class Discussion Question  
due today

### ADVICE FOR NEXT GENERATION LEADERS

The challenges and satisfactions of being a young leader | Begin with Trust | Mentors and making yourself more promotable | Importance of *humility* | Discussion of a dozen habits and practices the instructor has used in his own career to become a more effective leader

### CAPITALISM AND THE NEW OPERATING ENVIRONMENT FOR CORPORATE AMERICA

What has been the historic economic environment in the US, and what has it yielded? | Short review of the operating context in the US as a baseline | Discussion about how this has changed recently | Nature of today's environmental, social and governance problems | Risks that follow from those pressures | Discussion of what leaders should do | early/late mover advantages

### LOOK WHO'S TAKING THE LONG VIEW

Some observations about companies and leaders whose long-term view has shaped their success.

### QUESTIONS FROM THE CLASS

Some of the most interesting questions raised in the reading discussion boards and the *last class prep* questions.

### LEARNINGS AND CONCLUSIONS

A review of some takeaways from the course.

### Readings for 4th Module

- **(Read and Comment for Discussion Board) Business Roundtable Statement on the Purpose of a Corporation** at <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>
- Advice: **Habits for Leadership Success**, by Roy Richards, Jr. (A short compilation of personal habits and standards that have been helpful in my own development)
- Article: **Begin With Trust**, by Frances Frei and Anne Morriss, Harvard Business Review, June 2020 (Leaders build trust with authenticity, logic, and empathy)
- Article: **Are Companies Actually Greener— or Are They All Talk? 13 JAN 2023 | by Rachel Layne** <https://hbswk.hbs.edu/item/are-companies-actually-greener-or-are-they-all-talk-esg-greenwashing>
- HBR Article: **Are Companies Actually Scaling Back their Climate Commitments?** by Neil Hawkins and Kelly Cooper, Published on HBR.org / September 23, 2025
- Article: **Who buys the dirty energy assets public companies no longer want?** The Economist, Jan 2022, <https://www.economist.com/finance-and-economics/who-buys-the-dirty-energy-assets-public-companies-no-longer-want/21807594>
- Webcast: **The Infinite Game: How to Lead in the 21st Century** by Simon Sinek, May 2019, <https://www.youtube.com/watch?v=3vX2iVlJMFQ>. About 91 minutes. (A primer on Sinek's concept of a truly sustainable enterprise)
- Video Clip **interview of Giannis Antetokounmpo on Youtube**: <https://youtu.be/-qLchg4xkOY> "When you focus on the past, that's your ego." Giannis Antetokounmpo Life Lessons
- Essay: **Letter from the Birmingham Jail** by Martin Luther King, Jr., August 1963 (A remarkable essay on the American civil rights struggle written from a jail cell in Birmingham, AL)
- Optional Essay: **Finding Your Niche in the Family Business**, by Roy Richards, Jr. (You think you want to join the family firm? Here is what to think about first, and how to get the job)

**ESSAY #3 DUE NINE DAYS AFTER FINAL CLASS**