

I. COURSE DESCRIPTION:

Department Information:

Division: Business & Information Technology

Department: Business Administration

Course ID: BUSAD 211

Course Title: The Legal Environment of Business

Units: 3

Lecture: 3 hours

Laboratory: None

Departmental Advisory: Pass a standardized test of reading comprehension at or above the Twelfth Grade level and eligibility for ENGL 101.

Catalog Description: A broad investigation of the legal environment in which business is required to operate in today's world. Includes an investigation of the different governmental entities and their jurisdictions, including the forums provided by each for conflict resolution. Focuses on the regulations in the employment, consumer protection, environmental, land-use control and real property, sole proprietorships, partnerships, corporations, antitrust, securities regulation, comparative and international law areas.

Schedule Description: This class entails a broad overview of the legal environment of business. Includes the areas of employment regulation, consumer protection, environmental law, land-use control, sole proprietorships, partnerships, corporations, antitrust, securities regulation, comparative and international law.

II. NUMBER OF TIMES COURSE MAY BE TAKEN FOR CREDIT: One

III. EXPECTED OUTCOMES FOR STUDENTS:

Upon successful completion of the course, the student should be able to:

- A. The Public and International Environment
 1. Constitutional Law
 - a. Differentiate between Federal and State authority to regulate business activities.
 - b. Distinguish between commercial and personal free speech.
 - c. Discuss the problems raised by the right of privacy and cyberspace.
 2. The Court System
 - a. Discuss the purpose of the pleadings
 - b. Explain the use of interrogatories and depositions.
 - c. Describe the function of a jury and its importance.
 - d. Discuss the function of an appeal.
 - e. List the methods provided for the enforcement of a judgement if not paid voluntarily.
 3. Alternative Dispute Resolution
 - a. Explain the difference between mediation and arbitration.
 - b. Discuss the arbitration process.
 - c. Explain the scope of review that a court would give an arbitration award.
 - d. Distinguish between voluntary arbitration and court-annexed arbitration.
 - e. List the disadvantages of arbitration.
 4. Administrative Law
 - a. List the types of administrative agencies.
 - b. Discuss the administrative rule making process.
 - c. Explain the formal process for formal administrative adjudication.
 - d. Describe how administrative agencies have been made accountable to the public.

5. Comparative Law
 - a. Discuss the problems that can arise due to language, perceptions of time, management styles, and ethics.
 - b. Distinguish between common law and civil law systems.
 - c. Compare major differences in tort law, contract law, and employment law, which exist between different countries.
 6. International Law
 - a. Distinguish between bilateral and multilateral agreements
 - b. Explain the increasing importance of international organizations and conferences.
 - c. Describe the doctrine of comity.
 - d. Analyze the most efficient method of doing business abroad, given a variety of different hypotheticals.
 - e. Explain the importance of the rise of the European Union and North American Free Trade Agreement on global trade.
- B. The Regulatory Environment
1. Business Organizations
 - a. Determine the most efficient form of doing business in different business environments.
 - b. Discuss the differences between sole proprietorships, partnerships, limited partnerships, corporations, and limited liability companies.
 - c. Explain the potential benefits and drawbacks to creating a franchise.
 - d. Explain cumulative voting and other shareholder voting techniques.
 2. Rights and Duties within the Corporation
 - a. Explain the rights and duties of directors in a corporation.
 - b. Discuss the rights and duties of shareholders within a corporation.
 - c. Discuss the special duties of majority shareholders to minority shareholders.
 3. Antitrust and Monopoly
 - a. Identify the presence of market power in a given situation.
 - b. Discuss the origins of federal antitrust legislation.
 - c. List the different antitrust laws and how they function.
 - d. Explain the purpose of allowing monopolies in some industries.
 - e. Explain the elements of the market-share test
 4. Antitrust and Restraints of Trade
 - a. Distinguish between horizontal and vertical restraints of trade.
 - b. Explain per se violations of the law.
 - c. Discuss how the Herfindahl-Hirschman index works.
 - d. Distinguish between per se, rule of reason, and soft per se rule or narrow rule of reason, analysis.
 5. Securities Regulation and Investor Protection
 - a. Explain the difference between stocks and bonds.
 - b. Discuss the different types of stocks and their characteristics.
 - c. Distinguish between the Securities Act of 1933 and the Securities Exchange Act of 1934.
 - d. Explain the concept of insider trading.
 - e. Discuss the potential problems raised by e-trading.
 6. Consumer Protection
 - a. Discuss the role of the Federal Trade Commission in deceptive advertising.
 - b. Explain the special rules on door-to-door sales, Telephone and mail-order sales, and real estate sales
 - c. Describe the different acts that been instituted to protect consumer credit.

7. Environmental Law
 - a. List at least ten federal environmental statutes and list specific examples of activities meant to be curtailed.
 - b. Distinguish between mobile and stationary sources of air pollution.
 - c. Define wetlands.
 - d. Distinguish between the major sources of water pollution.
 - e. Discuss the purpose of the super fund and the problems that have arisen in its application.
 8. Land-Use Control and Real Property
 - a. Distinguish between real property and personal property.
 - b. Explain the difference between an easement and a profit.
 - c. Discuss public control of land use through the police power.
 - d. Describe the different activities that can be controlled through zoning and growth-management ordinances.
- C. The Employment Environment
1. Agency
 - a. Distinguish between an agent and an independent contractor.
 - b. Describe the duties that an agent and principal owe to one another.
 - c. Explain the different types of authority that an agent might possess.
 - d. Discuss the liability of the principal for torts committed by the agent.
 - e. Discuss the different methods that may terminate an agent/principal relationship and the impact of an agency coupled with an interest.
 2. Employment Relationships
 - a. Explain the difference between a prevailing wage and a minimum wage.
 - b. Discuss the importance of the Fair Labor Standards Act.
 - c. Describe the evolution of the Occupational Safety and Health Act.
 - d. Discuss the key federal acts that have attempted to provide income security to the worker.
 - e. Discuss the rights of an employee to privacy as it relates to drug testing, aids testing, and new technology.
 3. Employment Discrimination
 - a. Distinguish between disparate-treatment and disparate-impact discrimination.
 - b. Define a protected group and list them.
 - c. Discuss the issue of sexual harassment in the work place and distinguish between quid pro quo and hostile environment cases.
 - d. Explain the requirements of the American with Disabilities Act and the application of the reasonable accommodation rule.
 - e. Discuss the evolution of the affirmative action doctrine.
 4. Labor Law
 - a. Distinguish between a closed shop and a union shop and the effect of a right-to-work law on both.
 - b. Describe the process for establishing a union in a non-union work environment.
 - c. Explain the process of collective bargaining and the role of the National Labor Relations Board to it.
 - d. Distinguish between a legal strike and an illegal strike.
 - e. Describe the rights of a non-union employee.

IV. CONTENT:

- A. The Public and International Environment
 1. Constitutional Law
 2. The Court System
 3. Alternative Dispute Resolution
 4. Administrative Law

5. Comparative Law
6. International Law
- B. The Regulatory Environment
 1. Business Organizations
 2. Rights and Duties within the Corporation
 3. Anti-trust and Monopoly
 4. Antitrust and Restraints of Trade
 5. Securities Regulation and Investor Protection
- C. The Employment Environment
 1. Agency
 2. Employment Relationships
 3. Employment Discrimination
 4. Labor Law

V. METHODS OF INSTRUCTION:

This course may be taught on campus or on other remote sites with 48 hours of contact devoted to:

- A. Lecture
- B. Discussion
- D. Group activities
- E. Multi-media
- F. Projects
- G. Guest speakers
- H. Internet research

VI. TYPICAL ASSIGNMENTS:

- A. Read text and/or CD and other sources
 1. Read chapter on employment relationships in text.
 2. Participate in class discussion on the different Acts effecting wage-hours, worker health and safety, income security, and family and medical leave.
- B. Writing, critical thinking problem solving.
 1. Have Students solve hypothetical questions presented at the end of the chapter and determine whether facts presented violate any employee rights. Can be done individually or as small group project. Solutions to be presented as persuasive written essays.
Example question:
Calzoni Boating Co. is an interstate business engaged in manufacturing and selling boats. The company has five hundred nonunion employees. Representatives of these employees are requesting a four-day, ten-hour-per-day workweek, and Calzoni is concerned that this would require paying time and a half after eight hours per day. Which federal act is Calzoni thinking of that might require this? Will the act in fact require paying time and a half for all hours worked over eight hours per day if the employees' proposal is accepted? Explain.

VII. EVALUATION:

- A. Methods of Evaluation
 1. Objective-style testing in weekly quizzes, group tasks, midterm, and final examinations.
 - a. Typical exam question:
The _____ Act requires an employer to offer insurance coverage to an employee for up to eighteen months after termination.
 2. Essay type testing in weekly quizzes, group tasks, midterm, and final examinations:
 - a. Typical Exam questions:

1. Explain the need for the regulation of private pension plans as demonstrated by the Employee Retirement Income Security Act.
 2. Analyze whether or not an employer would have to pay overtime in a hypothetical problem like the above typical assignment example.
 3. Term projects involving research, synthesis, and writing which focuses on a specific legal problem arising in a regulatory context.
 4. Weekly written homework analyzing hypothetical problems using standard rules of punctuation, spelling and grammar.
 5. Small group activities focusing on analyzing legal rights and duties of the parties in different business situations.
- B. Frequency of Evaluation
1. Minimum of one midterm and one final
 2. Quizzes as deemed appropriate throughout the semester
 3. Homework as appropriate throughout the semester
 4. Project as deemed appropriate

VIII. TYPICAL TEXT(S):

- A. Cross, Frank B., Miller, Roger R., (2003) West's Legal Environment of Business (5th Edition) Cincinnati, OH: West Legal Studies in Business, A division of Thomson Learning.
- B. Cross, (2000) Legal Environment of Business (3rd Edition) Cincinnati OH: South-Western College Publishing.
- C. Mann, Roberts; (2000) Essentials of Business Law & the Legal Environment (7th Edition) Pacific Grove CA. Thomson Learning.

IX. OTHER SUPPLIES REQUIRED OF STUDENTS: None