

Course:	MKT 382 Invisible Global Market Rowling Hall 5.402; T-Th 930-11AM
Instructor:	Dr. Vijay Mahajan Office: CBA 3.228 Tel: 512-471-1128
Office Hours:	T-Th 12:30-1:30 in the Rowling Hall Faculty Lounge, 5 th Floor 5.416 (and by appointment in my office)
Teaching Assistant:	Ryan Kenny Email: rakenny1985@utexas.edu Office Hours: As needed
Course Web Page:	Canvas

COURSE OBJECTIVES

This course will focus on the unique characteristics of the world's developing markets and the relevant market strategies.

Developing markets, which are home to 86 percent of the world's population, not only represent the future of global commerce but present rich opportunities today. These opportunities can be seen in growing markets for luxury goods among a newly minted luxury class, entry-level automobiles and appliances for a burgeoning middle class and low-cost products for poor and rural customers. Today about half of the estimated 1.7 billion members of the "consumer class" live in the developing world and this percentage is increasing year by year.

But companies won't realize these opportunities through the market strategies that work in the markets of the developed world. In developing markets, there are no smooth superhighways, no distribution networks, and, in many cases, no electricity. These markets are younger, behind in technology (but rapidly catching up) and inexperienced as consumers. These characteristics, which can present obstacles, also create opportunities for companies with the right strategies.

Specifically, the course objectives are:

- Provide students with an understanding of the unique market realities of the developing countries.
- Discuss creative and profitable market strategies that are being implemented by companies to leverage the 86% opportunity.

- Understand the important role being played by NGOs, Foundations, social organizations and entrepreneurs in addressing the social problems of the developing countries.

The course will be of particular value to students planning careers in management consulting, NGOs, foundations, social organizations and multinational companies.

The format of the course will include lectures by the instructor, guest speakers and group presentations by students.

REQUIRED COURSE MATERIAL

Vijay Mahajan and Kamini Banga, The 86 Percent Solution: How to Succeed in the Biggest Market Opportunity of the Next 50 Years, Pearson Prentice Hall, Paperback, 2010. (86%)

Vijay Mahajan, Rise of Rural Consumers in Developing Countries: Harvesting 3 Billion Aspirants, Sage Publications, 2016. (RISE)

RECOMMENDED COURSE MATERIAL

Vijay Mahajan, Africa Rising: How 900 Million African Consumers Offer More Than You Think, Pearson Prentice Hall, 2009.

Vijay Mahajan, The Arab World Unbound: Tapping into the Power of 350 million Consumers, Jossey: Bass (Wiley), 2012.

Here are some of the reviews on these books:

1. “*New York Times*, October 2, 2005,” http://www.nytimes.com/2005/10/02/business/yourmoney/02shelf.html?pagewanted=print&_r=1&
2. “*Harvard Business Review*, July-August 11, 2012,” <https://hbr.org/2009/07/the-new-frontiers>
3. “*KNOWLEDGE@WHARTON*, July 15, 2009,” <http://knowledge.wharton.upenn.edu/article/walk-the-market-tapping-into-africas-900-million-consumers/>
4. “*The Economist*, August 11, 2012,” <http://www.economist.com/node/21560243>
5. “*KNOWLEDGE@WHARTON*, February 19, 2013,” <http://knowledge.wharton.upenn.edu/article/vijay-mahajan-understanding-the-potential-and-power-of-arab-consumers/>
6. “*Los Angeles Times*, August 26, 2012,” <http://articles.latimes.com/2012/aug/26/business/la-fi-books-20120826>
7. “*Shanghai Daily.com*, January 6, 2017”, <http://www.shanghaidaily.com/opinion/book-review/Tradition-technology-spur-rural-spending-in-developing-countries/shdaily.shtml>

8. “*KNOWLEDGE@WHARTON*, January 26, 2017,”
<http://knowledge.wharton.upenn.edu/article/why-companies-need-to-understand-rural-markets-in-developing-countries/>
9. “Indian Management magazine, October 2017,” <https://medium.com/texas-mccombs/three-billion-rural-consumers-can-marketers-profit-from-them-792d141049f4>

GRADING

- Group Presentation of chapter issues/solutions
 - Overall performance (Instructor evaluation) **15%**
 - Peer Evaluation **10%**
- Individual McKinsey Report on “Market Opportunities in the Rural 86% World” **55%**

Please see the video on Canvas prepared by a student from one of the earlier classes on how to write the McKinsey Report.

- Class participation **20%**
In addition to the class attendance, this also includes:
 - (a) Three (3) takeaways per chapter of length one page max per chapter, from the assigned chapter(s) before the beginning of each class, starting with Chapter 1 (86%), Chapter 1 (RISE) and Chapter 2 (RISE) on February 5. Only hard copy will be accepted. Late submission will not be graded. If you are unable to come to class, please have someone else bring it to the class. You should turn in your take-away from these chapters at the beginning of the class. Please see the video on Canvas prepared by a student from one of the earlier classes on how to write takeaways.
 - (b) Posting three (3) stories **spread throughout the semester** from popular media on developing countries on the class Facebook page. These stories should be related to the material discussed in the class. On the last day of the class, please let the class TA know about the three stories you have posted for grading purposes. Please contact the TA so you can be added to the Facebook page.

NO ELECTRONICS POLICY

To show respect to your fellow classmates, guest speakers and the professor, please refrain from using your laptop or mobile phone in class. Use of laptops and other electronic devices during class will result in a reduction of your participation grade.

Videos on how students from earlier classes approached the assignments including Takeaways and McKinsey Report are available on Canvas

(1) Group Chapter Presentation

There are ten chapters in the 86% Solution book (and a Conclusion chapter). We will divide the class into groups. Each group will be asked to pick a chapter (other than the chapters 1 and 10). The presentation in the class should (1) discuss the main takeaways in the assigned chapter with the examples **NOT** included into the book and recent data (if possible), and (2) develop exercises etc. to make the presentation interactive and INVOLVE the class. Students will present for 1.5 class sessions (approximately 110 minutes, with the remaining half session set out for class discussion.) Grading is relative to the other group presentations. It will be based on research, and presentation style including class involvement. Please make sure that the presentation content stays relevant to the chapter.

NOTE: Every Group will receive a pre-presentation briefing by the Teaching Assistant. Please, set the briefing date in advance and make sure it is convenient for all of the Group members and Teaching Assistant as well. The briefing is to take place 2-3 weeks before the presentation date.

(2) McKinsey Report: Market Opportunities in the Rural 86% World

Most of the population in the 86% World lives in rural areas (e.g. India, China and Africa). It has been suggested that both local and multinational companies have mostly focused on meeting the needs of the urban consumers ignoring a vast majority of the population living in the rural 86% world. Table 1 lists top 30 countries with the largest rural population. Table 2 gives rural profiles of BRICS countries.

Top 30 Countries with Largest Rural Population 2016						
Country	GDP (bln \$US)	Population (millions)	GDP per capita(\$US)	Household consumption % of GDP	Rural population (millions)	Percent rural (%)
India	2,264	1,324	1,710	59%	885.4	67%
China	11,199	1,379	8,123	39%	595.9	43%
Indonesia	932	261	3,570	55%	118.9	46%
Pakistan	279	193	1,444	80%	117.4	61%
Bangladesh	221	163	1,359	69%	105.9	65%
Nigeria	405	186	2,176	78%	95.6	51%
Ethiopia	72	102	707	70%	82	80%
Vietnam	205	93	2,214	64%	61	66%
United States	18,624	323	57,638	69%	58.8	18%
Philippines	305	103	2,951	74%	57.6	56%
Egypt, Arab Rep.	333	96	3,478	83%	54.3	57%
Congo, Dem. Rep.	32	79	406	79%	44.9	57%
Tanzania	47	56	879	65%	37.6	68%
Russian Federation	1,283	144	8,748	53%	37.4	26%
Kenya	71	48	1,455	78%	35.8	74%

Uganda	24	41	580	77%	34.7	84%
Myanmar	63	53	1,196	50%	34.6	65%
Thailand	407	69	5,911	46%	33.4	48%
Brazil	1,796	208	8,650	64%	29.2	14%
Mexico	1,047	128	8,209	66%	26.1	20%
Sudan	1,048	40	2,415	78%	26.1	21%
Afghanistan	1,049	35	562	110%	25.3	22%
Nepal	1,050	29	729	85%	23.5	23%
Iran, Islamic Rep.	1,051	80	5,219	49%	21	24%
Turkey	1,052	80	10,863	60%	20.8	25%
Germany	1,053	83	42,070	53%	20.2	26%
Uzbekistan	1,054	32	2,111	61%	20.2	27%
Mozambique	1,055	29	382	72%	19.5	28%
South Africa	295	56	5,285	60%	19.4	29%
Italy	1,859	61	30,675	61%	18.7	30%

Table 2 – Profile of BRICS countries (2016)

Country	GDP (in \$US Bln)	Population (millions)	GDP per capita (\$US)	Household consumption % of GDP	Shadow economy (as % of GDP)	Urban Population %
Brazil	\$1,796	208	8,650	64%	34%	86%
Russian	\$1,283	144	8,748	53%	39%	74%
India	\$2,264	1,324	1,710	59%	17%	33%
China	\$11,199	1,379	8,123	39%	10%	57%
South Africa	\$295	56	5,285	60%	23%	65%
USA	\$18,624	323	57,638	69%	8%	82%

Sources: World Bank Data 2017; Shadow economy from [ACCA](#) (the Association of Chartered Certified Accountants)

McKinsey and Company (a global consulting company) has set up a task force to further study this issue in different countries. Given your experience with the 86% world, you have been asked to serve as the chairperson for one country of your choice. Your final report needs to include three chapters, in addition to the introduction (telling the reader what to expect in your report) and conclusion chapters (with main takeaways and recommendations). This report should focus on only one developing country of your choice.

For examples please reference the following McKinsey Reports on China in 2013 and Africa in 2018:

China: <https://www.mckinsey.com/quarterly/the-magazine/2013-issue-3-mckinsey-quarterly>

Africa: <https://www.mckinsey.com/featured-insights/middle-east-and-africa/africas-overlooked-business-revolution?cid=other-eml-alt-mkq-mck-oth-1811&hlkid=604d7c20c4c84dcf8ed1042b7f2a2676&hctky=2020200&hdpid=ad95c082-8714-4a60-9204-caeaf71e2199>

- The book on rural consumers (RISE) will serve as a background for the report
- You may wish to look at this article: Mamta Kapur et al, “Unlocking the wealth in rural markets”, Harvard Business Review, June 2014, pp 113-117

McKinsey Report Structure and Deliverables

- A. **Chapter 2:** This chapter should give an overview of the rural vs. urban markets in the country that you have selected: how does this country define rural vs. urban markets? How has this composition (% rural vs. urban) changed in the last decade or so? Where are the rural market concentrations in this country? What are the differences between rural vs. urban markets that may help a company to identify opportunities (e.g., pick the metrics that will be helpful to understand market opportunities such as demographics, occupations, consumer behavior, access to infrastructure including education, housing, health, telecom, entertainment, and utilities, etc.) Several sources including the IMF and the World Bank could be helpful to you. Look for individual country government websites also.

Maximum length is 10 pages (double-spaced, 12-point font) excluding tables, figures, etc. You may wish to develop the chapter around a table that includes two columns of Urban/Rural and compares them on several metrics. The chapter can elaborate on this table with examples/case studies. The chapter should conclude with major takeaways. The introduction of this chapter should tell the reader what to expect in this chapter.

Due Date: **Session 11 (2/26)**

Grade: **15%**

- B. **Chapter 3:** This chapter should focus on how companies (i.e., local, multinational, NGO) market their products/services in the rural markets in the country identified in Chapter 2 (e.g., product design, distribution, pricing, advertising, promotion, CSR initiatives, alliances, use of technology, etc.). If you like, you can also focus on only one company so long you have enough information for this chapter. Maximum length is 10 pages (double-spaced, 12-point font) excluding tables, figures, etc. The chapter should conclude with major takeaways. The introduction of this chapter should tell the reader what to expect in this chapter.

Due Date: **Session 19 (4/2)**

Grade: **15%**

- C. **Chapter 4:** Technology (e.g. mobile phones) is changing the ways companies, NGOs, and public sectors are engaging with the rural consumers in providing

and communicating products and services (e.g. health, education, banking, etc). Discuss in this chapter the role and importance of technology in the country that you are studying.

Maximum length is 10 pages (double-spaced, 12-point font) excluding tables, figures, etc. The chapter should conclude with major takeaways. The introduction of this chapter should tell the reader what to expect in this chapter.

Due Date: **Session 25 (4/23)**
Grade: **15%**

- D. **Final Report** should include the above three chapters, an introduction and conclusion (i.e two additional chapters). You may wish to revise the above three chapters based on the comments from the instructor and your friends and colleagues for the final report. Maximum length (introduction and conclusion) is 10 pages (double-spaced, 12-point font).

Final Report Due Date: **Session 30 (5/9)**
Grade: **10%**

*****Note: Think through the entire report upfront. The three chapters are interconnected. Think about chapters 3 and 4 before selecting a country for chapter 2. Grading is relative to the rest of the class. It will be based on thoroughness of your research, data, insights, and recommendations.*****

CLASS PARTICIPATION / ATTENDANCE

Each of you is expected to contribute to class discussions. To do well, you must actively participate in presentations and class discussions. Any student who has two unexcused class absences will have his or her end of semester grade reduced by one-half grade. Each additional unexcused absence will result in the student's grade being reduced by an additional one-half grade. Excused absences do not include obligations to other classes or otherwise worthy university or professional activities. Excused absences are for personal events and if you are unable to attend a particular session, please inform us as soon as possible. Out of respect for your fellow classmates, all students must arrive on time for class and not leave until the class is formally dismissed. **YOU MUST PLACE YOUR NAME CARD IN FRONT OF YOU IN EVERY CLASS TO RECEIVE CREDIT FOR YOUR ATTENDANCE AND CLASS PARTICIPATION.**

PEER EVALUATION

To ensure that each presentation group member performs responsibly, 10% of the total grade will be based on a peer evaluation conducted at the end of the semester. Group members will rate each group member, including themselves, on a 10-point scale. The average of these ratings will be the peer evaluation score. For example, if you rate yourself 8, and other members rate

you 9, 8 and 9, your peer evaluation will be 8.5. You should be honest and impartial in your evaluations. The instructor reserves the right to correct and/or discard evaluations if they appear to be questionable. The evaluation form is included into your course package (see page 10). It should be filled out and returned to the instructor after the group's presentation.

ABOUT THE INSTRUCTOR

Vijay Mahajan holds the John P. Harbin Centennial Chair in Business at McCombs School of Business, University of Texas at Austin. He has received numerous lifetime achievement awards including the American Marketing Association (AMA) Charles Coolidge Parlin Award for visionary leadership in scientific marketing. The AMA also instituted the Vijay Mahajan Award in 2000 for career contributions to marketing strategy. In 2006, he received the Distinguished Alumnus Award from the Indian Institute of Technology (Kanpur) for his contributions to management research. He served as the dean of the Indian School of Business, Hyderabad, from 2002-2004. He served as the Associate Dean for Research for the McCombs School of Business, University of Texas at Austin, from 1991-1994. He served on the World Economic Forum Global Agenda Council for The Arab World from 2012-2014.

Professor Mahajan is author or editor of thirteen books including his recent 2016 book, *Rise of Rural Consumers in Developing Countries: Harvesting 3 Billion Aspirations*. These books have been translated into twelve languages. His book, *The 86% Solution*, received the Book-of-the-Year award (Berry-American Marketing Association) in 2007 and *Convergence Marketing and Africa Rising* were among the finalists for the same award in 2003 and 2010 respectively. Professor Mahajan has been invited by The World Bank, several Think Tanks and more than 120 universities and research institutions worldwide for research presentations. He has also been the editor of the *Journal of Marketing Research*. Professor Mahajan has consulted with various Fortune 500 companies and has delivered executive development programs worldwide.

Dr. Mahajan received B.Tech in Chemical Engineering from the Indian Institute of Technology at Kanpur, his M.S. in Chemical Engineering and Ph.D in Management from the University of Texas at Austin.

His research has been reported and reviewed in dozens of media outlets in many countries including CBS ,BBC ,NPR, Wall Street Journal, NY Times , Washington Post . LA Times , Financial Times UK, Economist , Harvard Business Review , Time magazine, Knowledge@Wharton, Fast Company, Shanghai Daily, Ode , Inc., Economic Times India, Indian Management magazine, IndiaNow (India Brand Equity Foundation/Ministry of Commerce and Industry) , Livemint (India) , Austin-American Statesman, Hindu Business Line , Jeune Afrique France, African Business UK, Gulf News , Asharq Alawsat UK, Chosunilbo South Korea ,Absatzwirtschaft Germany, LaPresse Canada, Lactualite Canada, The Island Sri Lanka, Lider Croatia, MS Marketing Srbija Serbia, Management Today UK , Domus Italy , Business Day South Africa, Politiken Denmark , The Nation UAE, Kitaab Singapore.

ABOUT TEACHING ASSISTANT:

Ryan Kenny is a second-year masters candidate at the LBJ School of Public Affairs at UT Austin. His policy interests include global development and social innovation. Ryan holds a B.A. in Accounting and Finance from Texas Christian University in Fort Worth. He has 6+ years of experience in accounting and financial consulting for biotech, tech and energy companies in Dallas and San Francisco. He is also a former Peace Corps Volunteer who developed community-level food and income security solutions in rural Zambia. He is currently researching policy and writing public-facing content for a statewide political campaign in Texas.

Email:rakenny1985@utexas.edu **Cell:**(817) 307-2415

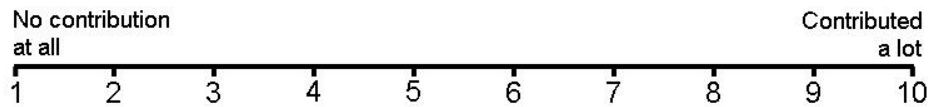
Group # _____

Confidential

Peer Evaluation Form for Group Presentation

MKT 382

The purpose of this evaluation is to measure the contribution of each member of the group effort in successfully preparing and presenting the Chapter. Each member will rate the relative contribution of all members in the group on a 10-point scale. The average of these ratings will be the peer evaluation score. For example, if you rate your contribution 8, and other members rate you a 9, 8 and 9, then your peer evaluation will be 8.5. You should be honest and impartial in your evaluations. The instructor reserves the right to correct and/or discard evaluations that are questionable. Please use the scale shown below:



Enter the name of each group member, yourself first, below	Rate the member's contribution on the 0-10 scale:	Please provide some justification for your score below:
1.		
2.		
3.		
4.		

Please return this form to Prof. Mahajan's mailbox in the Marketing Department, CBA 7.202

Class Schedule

Advanced Marketing Management: The Invisible Global Market

SESSION	Date		In-Class Topics
1	Tue	1/22	<ul style="list-style-type: none"> • Introduction • Overview • Developing Countries and The 86% Solution • Chapter 1 (86%) • Chapters 1-2 (RISE)
2	Thurs	1/24	
3	Tue	1/29	
4	Thurs	1/31	
5	Tue	2/5	
6	Thurs	2/7	
7	Tue	2/12	<ul style="list-style-type: none"> • Chapter 2 (86%): Don't Build a Car When You Need a Bullock Cart • Chapters 3-4 (RISE)
8	Thurs	2/14	• Guest Speaker: DKT International Brazil
9	Tue	2/19	• Chapter 2 (86%): Don't Build a Car When You Need a Bullock Cart
10	Thurs	2/21	<ul style="list-style-type: none"> • Chapter 3 (86%): Aim for the Ricochet Economy • Chapter 5-6 (RISE)
11	Tue	2/26	<ul style="list-style-type: none"> • Chapter 3 (86%): Aim for the Ricochet Economy • Due: McKinsey Report Chapter 2
12	Thurs	2/28	• Guest Speaker: Gates Foundation East Africa
13	Tue	3/5	• Guest Speaker: Talent Edge India
14	Thurs	3/7	<ul style="list-style-type: none"> • Chapter 4 (86%): Connect Brands to the Market • Chapters 7-8 (RISE)
15	Tue	3/12	• Work on McKinsey Report
16	Thurs	3/14	• Work on McKinsey Report
		3/18-3/23	• SPRING BREAK
17	Tue	3/26	• Guest Speaker: Social Cops India
18	Thurs	3/28	• Chapter 4 (86%) Connect Brands to the Market
19	Tue	4/2	<ul style="list-style-type: none"> • Chapter 5 (86%): Think Young • Due: McKinsey Report Chapter 3
20	Thurs	4/4	• Chapter 5 (86%): Think Young
21	Tue	4/9	• Chapter 6 (86%): Grow Big by Thinking Small
22	Thurs	4/11	• Chapter 6 (86%): Grow Big by Thinking Small
23	Tue	4/16	• Chapter 7 (86%): Bring Your Own Infrastructure
24	Thurs	4/18	• Chapter 7 (86%): Bring Your Own Infrastructure
25	Tue	4/23	<ul style="list-style-type: none"> • Chapter 8 (86%): Look for the Leapfrog • Due: McKinsey Report Chapter 4
26	Thurs	4/25	• Chapter 8 (86%): Look for the Leapfrog

27	Tue	4/30	• Chapter 9 (86%): Take the Market to the People
28	Thurs	5/2	• Chapter 9 (86%): Take the Market to the People
29	Tue	5/7	• Chapter 10 (86%)
30	Thurs	5/9	• Conclusion and Wrap Up • Due: McKinsey Report Final

Submission Schedule

Key Takeaway Submission Schedule

Tue	2/5	• Chapter 1 (86%) • Chapter 1-2 (RISE)
Tue	2/12	• Chapter 2 (86%) • Chapter 3-4 (RISE)
Thurs	2/21	• Chapter 3 (86%) • Chapter 5-6 (RISE)
Thurs	3/7	• Chapter 4 (86%) • Chapter 7-8 (RISE)
Thurs	4/2	• Chapter 5 (86%)
Thurs	4/9	• Chapter 6 (86%)
Thurs	4/16	• Chapter 7 (86%)
Thurs	4/23	• Chapter 8 (86%)
Thurs	4/30	• Chapter 9 (86%)
Thurs	5/7	• Chapter 10 (86%) • Conclusion (86%)

McKinsey Report Submission Schedule

Tue	2/26	Chapter 2
Thurs	4/2	Chapter 3
Thurs	4/23	Chapter 4
Thurs	5/9	Final

Academic Dishonesty

I have no tolerance for acts of academic dishonesty. Such acts damage the reputation of the school and the degree and demean the honest efforts of the majority of students. The minimum penalty for an act of academic dishonesty will be a zero for that assignment or exam.

The responsibilities for both students and faculty with regard to the Honor System are described on <http://mba.mcombs.utexas.edu/students/academics/honor/index.asp> and on the final pages of this syllabus. As the instructor for this course, I agree to observe all the faculty responsibilities described therein. During Orientation, you signed the Honor Code Pledge. In doing so, you agreed to observe all of the student responsibilities of the Honor Code. If the application of the Honor System to this class and its assignments is unclear in any way, it is your responsibility to ask me for clarification.

Insert specific guidance you have here. For example:

As specific guidance for this course, you should consider the *writing* of all examinations to be an individual effort. Group *preparation* for examinations is acceptable and encouraged. Homework assignments are to be turned in individually but I encourage you to work together in answering the questions. You should, however, develop your own answer and not cut and paste the work of others.

Students with Disabilities

Upon request, the University of Texas at Austin provides appropriate academic accommodations for qualified students with disabilities. Services for Students with Disabilities (SSD) is housed in the Office of the Dean of Students, located on the fourth floor of the [Student Services Building](#). [Information on how to register](#), [downloadable forms](#), including [guidelines for documentation](#), accommodation request letters, and releases of information are available online at <http://deanofstudents.utexas.edu/ssd/index.php>. Please do not hesitate to contact SSD at (512) 471-6259, VP: (512) 232-2937 or via [e-mail](#) if you have any questions.

Honor Code Purpose

Academic honor, trust and integrity are fundamental to The University of Texas at Austin McCombs School of Business community. They contribute directly to the quality of your education and reach far beyond the campus to your overall standing within the business community. The University of Texas at Austin McCombs School of Business Honor System promotes academic honor, trust and integrity throughout the Graduate School of Business. The Honor System relies upon The University of Texas Student Standards of Conduct (Chapter 11 of the Institutional Rules on Student Service and Activities) for enforcement, but promotes ideals that are higher than merely enforceable standards. Every student is responsible for understanding and abiding by the provisions of the Honor System and the University of Texas Student Standards of Conduct. The University expects all students to obey the law, show respect for other members of the university community, perform contractual obligations, maintain absolute integrity and the highest standard of individual honor in scholastic work, and observe the highest standards of conduct. Ignorance of the Honor System or The University of Texas Student Standards of Conduct is not an acceptable excuse for violations under any circumstances.

The effectiveness of the Honor System results solely from the wholehearted and uncompromising support of each member of the Graduate School of Business community. Each member must abide by the Honor System and must be intolerant of any violations. The system is only as effective as you make it.

Faculty Involvement in the Honor System

The University of Texas at Austin McCombs School of Business Faculty's commitment to the Honor System is critical to its success. It is imperative that faculty make their expectations clear to all students. They must also respond to accusations of cheating or other misconduct by students in a timely, discrete and fair manner. We urge faculty members to promote awareness of the importance of integrity through in-class discussions and assignments throughout the semester.

Expectations Under the Honor System

Standards

If a student is uncertain about the standards of conduct in a particular setting, he or she should ask the relevant faculty member for clarification to ensure his or her conduct falls within the expected scope of honor, trust and integrity as promoted by the Honor System. This applies to all tests, papers and group and individual work. Questions about appropriate behavior during the job search should be addressed to a professional member of the Career Services Office. Below are some of the specific examples of violations of the Honor System.

Lying

Lying is any deliberate attempt to deceive another by stating an untruth, or by any direct form of communication to include the telling of a partial truth. Lying includes the use or omission of any information with the intent to deceive or mislead. Examples of lying include, but are not limited to, providing a false excuse for why a test was missed or presenting false information to a recruiter.

Stealing

Stealing is wrongfully taking, obtaining, withholding, defacing or destroying any person's money, personal property, article or service, under any circumstances. Examples of stealing include, but are not limited to, removing course material from the library or hiding it from others, removing material from another person's mail folder, securing for one's self unattended items such as calculators, books, book bags or other personal property. Another form of stealing is the duplication of copyrighted material beyond the reasonable bounds of "fair use." Defacing (e.g., "marking up" or highlighting) library books is also considered stealing, because, through a willful act, the value of another's property is decreased. (See the appendix for a detailed explanation of "fair use.")

Cheating

Cheating is wrongfully and unfairly acting out of self-interest for personal gain by seeking or accepting an unauthorized advantage over one's peers. Examples include, but are not limited to, obtaining questions or answers to tests or quizzes, and getting assistance on case write-ups or other projects beyond what is authorized by the assigning instructor. It is also cheating to accept

the benefit(s) of another person's theft(s) even if not actively sought. For instance, if one continues to be attentive to an overhead conversation about a test or case write-up even if initial exposure to such information was accidental and beyond the control of the student in question, one is also cheating. If a student overhears a conversation or any information that any faculty member might reasonably wish to withhold from the student, the student should inform the faculty member(s) of the information and circumstance under which it was overheard.

Actions Required for Responding to Suspected and Known Violations

As stated, everyone must abide by the Honor System and be intolerant of violations. If you suspect a violation has occurred, you should first speak to the suspected violator in an attempt to determine if an infraction has taken place. If, after doing so, you still believe that a violation has occurred, you must tell the suspected violator that he or she must report himself or herself to the course professor or Associate Dean of the Graduate School of Business. If the individual fails to report himself or herself within 48 hours, it then becomes your obligation to report the infraction to the course professor or the Associate Dean of the Graduate School of Business. Remember that although you are not required by regulation to take any action, our Honor System is only as effective as you make it. If you remain silent when you suspect or know of a violation, you are approving of such dishonorable conduct as the community standard. You are thereby precipitating a repetition of such violations.

The Honor Pledge

The University of Texas at Austin McCombs School of Business requires each enrolled student to adopt the Honor System. The Honor Pledge best describes the conduct promoted by the Honor System. It is as follows:

"I affirm that I belong to the honorable community of The University of Texas at Austin Graduate School of Business. I will not lie, cheat or steal, nor will I tolerate those who do."

"I pledge my full support to the Honor System. I agree to be bound at all times by the Honor System and understand that any violation may result in my dismissal from the Graduate School of Business."

The following pages provide specific guidance about the Standard of Academic Integrity at the University of Texas at Austin. Please read it carefully and feel free to ask me any questions you might have.

The Standard of Academic Integrity

A fundamental principle for any educational institution, academic integrity is highly valued and seriously regarded at The University of Texas at Austin, as emphasized in the standards of conduct. More specifically, you and other students are expected to "maintain absolute integrity and a high standard of individual honor in scholastic work" undertaken at the University ([Sec. 11-801](#), *Institutional Rules on Student Services and Activities*). This is a very basic expectation that is further reinforced by the University's [Honor Code](#). At a minimum, you should complete any assignments, exams, and other scholastic endeavors with the utmost honesty, which requires you to:

- acknowledge the contributions of other sources to your scholastic efforts;

- complete your assignments independently unless expressly authorized to seek or obtain assistance in preparing them;
- follow instructions for assignments and exams, and observe the standards of your academic discipline; and
- avoid engaging in any form of academic dishonesty on behalf of yourself or another student.

For the official policies on academic integrity and scholastic dishonesty, please refer to [Chapter 11](#) of the *Institutional Rules on Student Services and Activities*.

What is Scholastic Dishonesty?

In promoting a high standard of academic integrity, the University broadly defines scholastic dishonesty—basically, all conduct that violates this standard, including *any act designed to give an unfair or undeserved academic advantage*, such as:

- Cheating
- Plagiarism
- Unauthorized Collaboration
- Collusion
- Falsifying Academic Records
- Misrepresenting Facts (e.g., providing false information to postpone an exam, obtain an extended deadline for an assignment, or even gain an unearned financial benefit)
- Any other acts (or attempted acts) that violate the basic standard of academic integrity (e.g., multiple submissions—submitting essentially the same written assignment for two courses without authorization to do so)

Several types of scholastic dishonesty—[unauthorized collaboration](#), [plagiarism](#), and [multiple submissions](#)—are discussed in more detail on this Web site to correct common misperceptions about these particular offenses and suggest ways to avoid committing them.

For the University's official definition of scholastic dishonesty, see [Section 11-802](#), *Institutional Rules on Student Services and Activities*.

Unauthorized Collaboration

If you work with another person on an assignment for credit *without the instructor's permission to do so*, you are engaging in unauthorized collaboration.

- This common form of academic dishonesty can occur with all types of scholastic work—papers, homework, tests (take-home or in-class), lab reports, computer programming projects, or any other assignments to be submitted for credit.
- For the University's official definitions of unauthorized collaboration and the related offense of collusion, see Sections [11-802\(c\)\(6\)](#) & [11-802\(e\)](#), *Institutional Rules on Student Services and Activities*.

Some students mistakenly assume that they can work together on an assignment as long as the instructor has not expressly prohibited collaborative efforts.

- Actually, students are expected to complete assignments independently unless the course instructor indicates otherwise. So working together on assignments is *not* permitted unless the instructor specifically approves of any such collaboration.

Unfortunately, students who engage in unauthorized collaboration tend to justify doing so through various rationalizations. For example, some argue that they contributed to the work, and others maintain that working together on an assignment "helped them learn better."

- The instructor—not the student—determines the purpose of a particular assignment *and* the acceptable method for completing it. Unless working together on an assignment has been specifically authorized, always assume it is not allowed.
- Many educators do value group assignments and other collaborative efforts, recognizing their potential for developing and enhancing specific learning skills. And course requirements in some classes do consist primarily of group assignments. But the expectation of individual work is the prevailing norm in many classes, consistent with the presumption of original work that remains a fundamental tenet of scholarship in the American educational system.

Some students incorrectly assume that the degree of any permissible collaboration is basically the same for all classes.

- The extent of any permissible collaboration can vary widely from one class to the next, even from one project to the next within the same class.
- Be sure to distinguish between collaboration that is authorized for a particular assignment *and* unauthorized collaboration that is undertaken for the sake of expedience or convenience to benefit you and/or another student. By failing to make this key distinction, you are much more likely to engage in unauthorized collaboration. To avoid any such outcome, always seek clarification from the instructor.

Unauthorized collaboration can also occur in conjunction with group projects.

- How so? If the degree or type of collaboration exceeds the parameters expressly approved by the instructor. An instructor may allow (or even expect) students to work together on one stage of a group project but require independent work on other phases. Any such distinctions should be strictly observed.

Providing another student unauthorized assistance on an assignment is also a violation, even without the prospect of benefiting yourself.

- If an instructor did not authorize students to work together on a particular assignment *and* you help a student complete that assignment, you are providing unauthorized assistance and, in effect, facilitating an act of academic dishonesty. Equally important, you can be held accountable for doing so.
- For similar reasons, you should not allow another student access to your drafted or completed assignments unless the instructor has permitted those materials to be shared in that manner.

Plagiarism

Plagiarism is another serious violation of academic integrity. In simplest terms, this occurs if you represent *as your own work* any material that was obtained from another source, regardless how or where you acquired it.

- Plagiarism can occur with *all* types of media—scholarly or non-academic, published or unpublished—written publications, Internet sources, oral presentations, illustrations, computer code, scientific data or analyses, music, art, and other forms of expression. (See [Section 11-802\(d\)](#) of the *Institutional Rules on Student Services and Activities* for the University's official definition of plagiarism.)
- Borrowed material from written works can include entire papers, one or more paragraphs, single phrases, or any other excerpts from a variety of sources such as books, journal articles, magazines, downloaded Internet documents, purchased papers from commercial writing services, papers obtained from other students (including homework assignments), etc.
- As a general rule, the use of any borrowed material results in plagiarism if the original source is not properly acknowledged. So, you can be held accountable for plagiarizing material in either a final submission of an assignment *or* a draft that is being submitted to an instructor for review, comments, and/or approval.

Using *verbatim* material (e.g., exact words) without proper attribution (or credit) constitutes the most blatant form of plagiarism. However, other types of material can be plagiarized as well, such as *ideas* drawn from an original source or even its *structure* (e.g., sentence construction or line of argument).

- Improper or insufficient paraphrasing often accounts for this type of plagiarism. (See additional information on [paraphrasing](#).)

Plagiarism can be committed intentionally *or* unintentionally.

- Strictly speaking, any use of material from another source without proper attribution constitutes plagiarism, regardless why that occurred, and any such conduct violates accepted standards of academic integrity.
- Some students deliberately plagiarize, often rationalizing this misconduct with a variety of excuses: falling behind and succumbing to the pressures of meeting deadlines; feeling overworked and wishing to reduce their workloads; compensating for actual (or perceived) academic or language deficiencies; and/or justifying plagiarism on other grounds.
- But some students commit plagiarism without intending to do so, often stumbling into negligent plagiarism as a result of sloppy notetaking, insufficient paraphrasing, and/or ineffective proofreading. Those problems, however, neither justify nor excuse this breach of academic standards. By misunderstanding the meaning of plagiarism and/or failing to cite sources accurately, you are much more likely to commit this violation. Avoiding that outcome requires, at a minimum, a clear understanding of plagiarism *and*

the appropriate techniques for scholarly attribution. (See related information on [paraphrasing](#); [notetaking and proofreading](#); and [acknowledging and citing sources](#).)

By merely changing a few words or rearranging several words or sentences, you are *not* paraphrasing. Making minor revisions to borrowed text amounts to plagiarism.

- Even if properly cited, a "paraphrase" that is too similar to the original source's wording and/or structure is, in fact, plagiarized. (See additional information on [paraphrasing](#).)

Remember, your instructors should be able to clearly identify which materials (e.g., words and ideas) are your own *and* which originated with other sources.

- That cannot be accomplished without proper attribution. You must give credit where it is due, acknowledging the sources of any borrowed passages, ideas, or other types of materials, and enclosing any verbatim excerpts with quotation marks (using block indentation for longer passages).

Plagiarism & Unauthorized Collaboration

[Plagiarism](#) and [unauthorized collaboration](#) are often committed jointly.

By submitting *as your own work* any unattributed material that you obtained from other sources (including the contributions of another student who assisted you in preparing a homework assignment), you have committed plagiarism. And if the instructor did not authorize students to work together on the assignment, you have also engaged in unauthorized collaboration. Both violations contribute to the same fundamental deception—representing material obtained from another source as your own work.

Group efforts that extend beyond the limits approved by an instructor frequently involve plagiarism in addition to unauthorized collaboration. For example, an instructor may allow students to work together while researching a subject, but require each student to write a separate report. If the students collaborate while writing their reports *and* then submit the products of those joint efforts as individual works, they are guilty of unauthorized collaboration as well as plagiarism. In other words, the students collaborated on the written assignment without authorization to do so, and also failed to acknowledge the other students' contributions to their own individual reports.

Multiple Submissions

Submitting the same paper (or other type of assignment) for two courses *without prior approval* represents another form of academic dishonesty.

You may not submit a substantially similar paper or project for credit in two (or more) courses unless expressly authorized to do so by your instructor(s). (See [Section 11-802\(b\)](#) of the *Institutional Rules on Student Services and Activities* for the University's official definition of scholastic dishonesty.)

You may, however, re-work or supplement previous work on a topic with the instructor's approval.

Some students mistakenly assume that they are entitled to submit the same paper (or other assignment) for two (or more) classes simply because they authored the original work.

Unfortunately, students with this viewpoint tend to overlook the relevant ethical and academic issues, focusing instead on their own "authorship" of the original material and personal interest in receiving essentially double credit for a single effort.

Unauthorized multiple submissions are inherently deceptive. After all, an instructor reasonably assumes that any completed assignments being submitted for credit were actually prepared for that course. Mindful of that assumption, students who "recycle" their own papers from one course to another make an effort to convey that impression. For instance, a student may revise the original title page or imply through some other means that he or she wrote the paper for that particular course, sometimes to the extent of discussing a "proposed" paper topic with the instructor or presenting a "draft" of the paper before submitting the "recycled" work for credit.

The issue of plagiarism is also relevant. If, for example, you previously prepared a paper for one course and then submit it for credit in another course without citing the initial work, you are committing plagiarism – essentially "self-plagiarism" – the term used by some institutions. Recall the broad scope of [plagiarism](#): all types of materials can be plagiarized, including unpublished works, even papers you previously wrote.

Another problem concerns the resulting "unfair academic advantage" that is specifically referenced in the University's definition of scholastic dishonesty. If you submit a paper for one course that you prepared and submitted for another class, you are simply better situated to devote more time and energy toward fulfilling other requirements for the subsequent course than would be available to classmates who are completing all course requirements during that semester. In effect, you would be gaining an unfair academic advantage, which constitutes academic dishonesty as it is defined on this campus.

Some students, of course, do recognize one or more of these ethical issues, but still refrain from citing their authorship of prior papers to avoid earning reduced (or zero) credit for the same works in other classes. That underlying motivation further illustrates the deceptive nature of unauthorized multiple submissions.

An additional issue concerns the problematic minimal efforts involved in "recycling" papers (or other prepared assignments). Exerting minimal effort basically undercuts the curricular objectives associated with a particular assignment and the course itself. Likewise, the practice of "recycling" papers subverts important learning goals for individual degree programs and higher education in general, such as the mastery of specific skills that students should acquire and develop in preparing written assignments. This demanding but necessary process is somewhat analogous to the required regimen of athletes, like the numerous laps and other repetitive training exercises that runners must successfully complete to prepare adequately for a marathon.