**Law, Management & Economics**

**MGT 4610**

**Summer 2011**

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**Office Hours:** Tuesday, Wednesday and Thursday - 9AM to noon, or by appointment. Please do not hesitate to e-mail or call, either to make an appointment or to leave a message. Students are welcome and encouraged to make appointments to discuss issues related to the class, as well as other matters of importance to them. I am available for consultation or conversation through direct e-mail.

**Course Overview**

This course will explore the legal and economic environment for organizations seeking to address social issues and create social value in Central and Eastern Europe. Students will study the legal structure, governance systems and management practices of organizations providing services and products which meet societal needs. The course will focus on non-governmental organizations (NGOs), but will also investigate for-profit entities that are engaged in corporate social responsibility activities.

The primary focus of this course will be the transformation of the NGO community in Central and Eastern Europe during and after 1989. There was remarkable growth in the number of organizations addressing the needs of society. The development of this sector was greatly impacted by the changing legal and economic structure in the region. By investigating these changes students will gain an understanding of the challenges and opportunities faced by those managing these organizations. This experience, coupled with an overview of the legal and economic environment in the United States, will provide students with a unique understanding of organizations interested in creating social value throughout the world.

**Learning Objectives**

* Gain an understanding of the legal structure for organizations focused on creating social value in the United States and Central and Eastern Europe
* Identify the economic factors that impact social enterprises in the United States and Central and Eastern Europe
* Understand how the evolving economic and political landscapes have affected the relationship between government and the non-governmental sector in Hungary
* Compare and contrast the major differences between the legal and economic environments in the United States and Central and Eastern Europe
* Explore how legal and economic conditions and membership in the European Union have impacted management practices and strategies in Hungarian NGOs
* Apply the framework of legal and economic analysis to better understand the management practices and strategies in other countries of the world

**Instructional Methods**

The instructor will use a combination of lecture, case studies, class discussion, and guest lecturers. Students will be expected to read assigned readings prior to class and be prepared to engage in discussion of the topics and cases. The first week of class will be held in the College of Management in Atlanta. The final six weeks of class will be in Budapest, Hungary.

**Assignments**

Class Participation/Engagement/Attendance 30%

Written Assignments 40%

Final Exam 30%

**Required Readings**

Books:

* *Global Civil Society: Dimensions of the Nonprofit Sector*, Lester M. Salamon, Helmut K. Anheier, Regina List, Stefan Toepler, S. Wojciech Sololowski and Associates, The John Hopkins Center for Social Studies, 1996 (Parts 1 and 4)
* *A Concise Historical Atlas of Eastern Europe,* Dennis P. Hupchick & Harold E. Cox, Macmillian Press, 1996 (Resource)
* *The Magic Lantern: The Revolution of ’89 Witnessed in Warsaw, Budapest, Berlin & Prague,* Timothy Garton Ash, Vintage Press, 1993
* *How We Survived Communism & Even Laughed,* Slavenka Drakulic, Harper Perennial , 1993
* *A Concise History of Hungary,* Miklos Molinar, Cambridge University Press, 2001 (Resource)
* *Getting to Maybe: How the World is Changed,* Frances Westley, Brenda Zimmerman and Michael Quinn Patton, Vintage Canda, 2007

**Articles:**

* *The Citizen Sector: Becoming As Entrepreneurial as Business*, William Drayton, California Management Review, Vol. 44, Number 3, Spring 2002, 120-132 (CMR233)
* *The Six Practices of High-Impact Nonprofits*, Leslie Crutchfield and Heather Gran, Fast Company, February 11, 2008
* *NPO Legislation in Central and Eastern Europe*, Douglas Rutzen, Michael Durham and David Moore, [www.icnl.org](http://www.icnl.org)
* *Design Thinking for Social Innovation*, Tim Brown and Jocelyn Wyatt, Stanford Social Innovation Review, Winter 2010
* *So, You Want to Change the World: The Emergence of Social Entrepreneurship and the Rise of the Citizen Sector*, David Bornstein, Hart House Lecture 2005
* *About Miracles and Misperceptions – Lessons from the ‘percentage mechanism’ in Hungary*, Nilda Bullain, International Centre for Non-for-Profit Law, [www.icnl.org](http://www.icnl.org), 2006
* *The Relationship between the Governmental and Civil Sectors in Hungary*, Istvan Csoka, [www.icnl.org](http://www.icnl.org), 2000
* *The Hungarian Environment for Endowments and Financial Sustainability*, Robert N. Thomas, [www.icnl.org](http://www.icnl.org), 2003
* *To Change the World,* James Davidson Hunter, The Trinity Forum 2002, [www.thetrinityforum.org](http://www.thetrinityforum.org)

**Additional readings will be made available on T-Square or provided by the instructor.**

**Grading**

1. Attendance - Points will be deducted for class absences (both excused and unexcused)

1st absence 1 point

2nd absence 2 point deduction (cumulative 3 points)

3rd absence 2 point deduction (cumulative 5 points)

4th absence 2 point deduction (cumulative 7 points)

5th absence 3 point deduction (cumulative 10 points)

6th absence 3 point deduction (cumulative 13 points)

7th absence and above 3 point deduction for each absence (max 20 points)

The professor reserves the right to determine if an absence is excused or unexcused. Students must submit reason for the absence (via email) within 3 days of absence.

**Honor Code**

You are expected to uphold the Georgia Institute of Technology Academic Honor code. You may find information on the Honor Code at: <http://deanofstudents.gatech.eduHonor/>.

**Students with Disabilities**

To request classroom accommodations, students with disabilities should contact the ADAPTS office: Assistant Dean/Coordinator for Students with Disabilities, Smithgall Student Services Building, Suite 221 (404-894-2564).