MANAGING INNOVATION AND CREATIVITY

MAN 385 – SPRING 2011

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Course Web Page	via Blackboard

Course Overview and Objectives

In its December 2009 issue, the *Economist* stated that innovation "is now recognized as one of the most important contributors to economic growth." Earlier, in June 2006, *Business Week* observed that "making innovation work is the single most important business issue of our era." In fact, managing innovation has always been critical to the survival and growth of organizations, and an essential component of leadership. Innovation and creativity are just as important to established organizations as they are to start-up organizations that are typically referred to as innovative. Yet, as organizations get more established, they often lose their edge, finding their very existence to be threatened by their inability to generate innovation and creativity. Obviously, some companies have done a much better job of stimulating innovation and creativity than others, and knowledge is rapidly accumulating regarding the effects of organizational policies, practices, structures, and cultures on innovation and creativity. This course will examine what we know about these topics.

Innovation depends on a complex set of variables reflecting individual, group, organizational, and contextual factors, and we will examine each of these levels of analysis. The course will draw on various theoretical foundations and business cases to develop an understanding of the factors that lead to successful innovation and creativity in organizations. The primary instructional method used in the course is case analysis, which is combined with lectures, exercises, and other pedagogical tools. This course will *not* focus on developing business plans, obtaining venture capital, starting new businesses from scratch, or identifying types of people who might start their own businesses. It *will* focus on the roles played by organizational processes, structures, systems, culture, and leadership in facilitating or hindering the creativity or innovativeness of individuals, groups, or organizations.

After completing this course, you should have a better appreciation and understanding of:
- The various types of innovation in organizations;
- The major organizational barriers to innovation and creativity;
- The roles played by leadership and organizational design factors in innovation and creativity;
- Steps in the innovation process, and mechanisms for directing and controlling the process;
- The components of individual and group creativity;
- Contextual influences on innovation and creativity within organizations;
- How organizations can improve their management of innovation and creativity.

Materials

Required: A course packet of articles and cases to be used in class is available from the University Co-Op (Note: The price of the course packet reflects additional readings that will be handed out in class).

Additional materials will be handed out in class.

Course Requirements and Grading

In-class discussions are at the core of the learning in this course. The discussions will cover the readings and cases listed in the schedule of classes below, as well as any conceptual material that is presented in lectures in class. Please read all readings and cases in the order that they are presented in the syllabus. To help you prepare for class discussion of the cases, I have provided preparation questions for each case in the syllabus. In general, you should develop detailed knowledge of the content of the reading(s) and/or case(s) assigned for each class session as well as a reasoned perspective on the issues they raise. In addition, you should pay particular attention to how the issues apply to organizations.

Your final grade for the course will be determined as a combination of the following:
> Class participation – 25% (graded for each class session)
> Midterm exam – 25% (in class on March 2, 2011)
> Team project report – 30% (due at the start of class on April 20, 2011)
> Team project presentation – 20% (in class in the last two weeks of class)

Plus/Minus grading applies to this course. Letter grades will be assigned in accordance with the grade distribution guidelines set for McCombs School of Business MBA courses by the MBA Programs Committee.

The requirements for each graded component are outlined in greater detail below.

Class participation will be assessed based on your active contributions to in-class discussions. Students who find it difficult to speak in class should see me – we can schedule participation in discussions in advance so that you will know what points will be raised and can prepare your comments in advance. Since you cannot participate in class discussions if you miss all or part of a class, your participation grade will be negatively affected by absences and tardiness. The template used for grading class participation is: absence = 0; missing part of a session plus minor contribution = 1; missing part of a session plus major contribution = 2; attending the whole session plus minor contribution = 3; attending the whole session plus medium contribution = 4; attending the whole session plus major contribution = 5. Also, disruptive actions such as comments that distract or disrupt the class rather than contribute to the conversation, or web surfing or e-mailing during class, take away from the class discussion and will negatively affect your class participation grade. To allow for unexpected or planned absences that cannot be avoided, I will drop your two lowest session grades from the final computation of the class participation grade.

The in-class **midterm exam** will cover the assigned readings, any additional handouts, lectures, class discussions, and exercises. The exam will test your knowledge of theories and concepts as well as your understanding of how these theories and concepts apply to organizational situations. Additional instructions for the exam will be provided in class.

Teams will be formed on the second day of class to work on a team project, the deliverables for which are (i) a **team project report** (Limit: 12 pages, 12 point Times New Roman font, double spaced, 1-inch margins; not including appendices or any other supporting material), and (ii) a **team project presentation** to the class.

For the project, you will assume the role of an internal consulting team charged with developing an innovation (any type) within an organization in a given industry. The innovation idea must be new to that industry (i.e., has not been done before). Once you've generated the idea, discuss what it would take to get the organization to further explore the viability of the innovation, invest in its development, and finally, decide to implement it on a large scale (including what could go wrong at each stage). Be sure to address (where relevant) issues related to: employees, technology, organizational capabilities, organizational structure, politics, leadership, culture, various stakeholders, and any other company, industry, or environment issues that would need to be taken into account, and that may influence the success of the innovation. Note how your team would propose to address each of these concerns, and how these concerns will influence your planning for what you will do, when, how fast, etc. The organization that you select for analysis can be an organization into which you have enough access to get good information on its structure, culture, processes, etc., or an organization with which you are very familiar (e.g., a former employer); please select an appropriate unit/level for the organization you analyze – for example,

in the case of GE, you should focus on a business within GE rather than the entire corporation. The purpose of this assignment is not to prepare a business plan, nor is it to arrive at precise financial analyses, marketing plans, etc. Rather, it is to show an understanding of the many issues, hurdles, dynamics, systems, processes, politics, organizational realities, and uncertainties that may need to be addressed on the long road from idea to implementation within an existing organization. The project report should consist of a short overview of the organization as well as the context in which it operates (its industry, its financial situation, etc.), an analysis portion, and a recommendations portion (imagine that you are submitting your report to someone with decision making authority over this organization – e.g., the board). The Project report is **due in hard copy at the start of class on April 20, 2011.** Late submissions will incur a grade penalty of 25% of the possible total grade for the assignment per day or part thereof late.

Having done your analysis, your team will prepare a 20-minute **team project presentation** of your innovation idea **to be presented to the class during the last two weeks of the course**. The presentation should include a brief description of the organization and its context, then present the innovation idea and its intended benefits to the organization, and then explain how it will be implemented, taking into account the structure, culture, processes, capabilities, etc. of the organization (i.e., you need to discuss how the various factors you analyzed in your project report will play a role as either supports or challenges to implementing the innovation idea, and how you will deal with them). Each presentation will be followed by Q&A. A hard copy of the presentation slides (or an outline of the presentation, if you do not plan on using slides) and/or supplementary materials is due at the start of class on the day of the presentation. No late submissions will be accepted.

NOTES ON TEAM WORK:

At the end of the course, you will be asked to assess the contributions of each team member to the team's work on the team project report and team project presentation. Based on your feedback, individual grades for these components of your course grade may be adjusted by an amount determined by the instructor, in order to ensure equity.

During your work on the assignment, if you feel that one or more of your team's members is/are not contributing sufficiently to the team's work, please provide this feedback to the team member(s), along with the changes that you would like to see. If the person's behavior does not change, please inform me.

McCombs Classroom Professionalism Policy

The highest professional standards are expected of all members of the McCombs community. The collective class reputation and the value of the Texas MBA experience hinge on this.

Faculty are expected to be professional and prepared to deliver value for each and every class session. Students are expected to be professional in all respects.

The Texas MBA classroom experience is enhanced when:

• **Students arrive on time.** On time arrival ensures that classes are able to start and finish at the scheduled time. On time arrival shows respect for both fellow students and faculty and it enhances learning by reducing avoidable distractions.

• **Students display their name cards.** This permits fellow students and faculty to learn names, enhancing opportunities for community building and evaluation of in-class contributions.

• **Students minimize unscheduled personal breaks.** The learning environment improves when disruptions are limited.

• **Students are fully prepared for each class.** Much of the learning in the Texas MBA program takes place during classroom discussions. When students are not prepared they cannot contribute to the overall learning process. This affects not only the individual, but their peers who count on them, as well.

• **Students respect the views and opinions of their colleagues.** Disagreement and debate are encouraged. Intolerance for the views of others is unacceptable.

- **Laptops are closed and put away.** When students are surfing the web, responding to e-mail, instant messaging each other, and otherwise not devoting their full attention to the topic at hand they are doing themselves and their peers a major disservice. Those around them face additional distraction. Fellow students cannot benefit from the insights of the students who are not engaged. Faculty office hours are spent going over class material with students who chose not to pay attention, rather than truly adding value by helping students who want a better understanding of the material or want to explore the issues in more depth. Students with real needs may not be able to obtain adequate help if faculty time is spent repeating what was said in class. There are often cases where learning is enhanced by the use of laptops in class. Faculty will let you know when it is appropriate to use them. In such cases, professional behavior is exhibited when misuse does not take place.

- **Phones and wireless devices are turned off.** We've all heard the annoying ringing in the middle of a meeting. Not only is it not professional, it cuts off the flow of discussion when the search for the offender begins. When a true need to communicate with someone outside of class exists (e.g., for some medical need) please inform the professor prior to class.

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.mccombs.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.

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.

Schedule of Classes

PART 1: THE ORGANIZATIONAL CONTEXT FOR INNOVATION AND CREATIVITY

This part of the course focuses on defining innovation and examining the effects of organizational design variables such as organizational structure, culture, capabilities, and leadership on innovation and creativity in organizations.

Wednesday, January 19. What is innovation and how does it happen?

The 12 different ways for companies to innovate. HBSP Product #: SMR207.

The discipline of innovation. HBSP Product #: R0208F.

Monday, January 24. The challenge of innovating within established organizations 1

Team formation in class

Disruptive technologies: Catching the wave. HBSP Product #: 95103.

Case: Boston.com. HBSP Product #: 9-800-165.
- In what ways are the operations of Boston.com different from those of print newspapers such as the Boston Globe?
- Does the Web represent an opportunity or threat for the Boston Globe?
- In what ways is the Web a disruptive v/s sustaining technology for the Boston Globe?
- Evaluate Boston.com's current role in the Boston Globe organization.
- What if anything should the Boston Globe do differently with Boston.com?
- Given the threats and opportunities facing Boston.com and its parent company, should Boston.com pursue a "Get Big Fast" strategy?

Wednesday, January 26. The challenge of innovating within established organizations 2

The ambidextrous organization. HBSP Product #: R0404D.

Case: Merrill's e-Battle. By L. N. Spiro, *Business Week*, November 15, 1999, pp. 256-268.
- Why was Schwab able to integrate the Internet into its operations much faster than Merrill?
- How do the two companies differ in the implementation of their respective e-business transformations?
- What are the challenges associated with incorporating new technologies into firms like Merrill and how should they be addressed?

Case: The World Bank's innovation market. HBSP Product #: R0211H.
- What are the core elements of the World Bank's Development Marketplace system for surfacing and funding ideas? What type of innovation is this?
- What are the benefits of such a system? What are the costs?
- How could you implement a similar concept within your organization?
- What challenges did Dennis Whittle and Mari Kuraishi face in implementing their innovative system for surfacing and developing ideas? Do you anticipate similar challenges within your own organization if you were to attempt to institute a similar system? How would you deal with the challenges?

Monday, January 31. Developing capabilities to innovate 1

Building breakthrough businesses within established organizations. HBSP Product #: R0505C.

Case: GE's growth strategy: The Immelt initiative. HBSP Product #: 9-306-087.
- How difficult was the task facing Immelt as he assumed the CEO role in 2001? What were the imperatives for change? What were the incentives to maintain the past?
- What do you think of the broad objectives Immelt has set for GE? Can a giant global conglomerate hope to outperform the overall market growth? Can size and diversity be made an asset rather than a liability?
- What are the core elements of the growth strategy Immelt has articulated? What do you think of his strategy? Is he betting on the right things to drive growth?
- After 4½ years, is Immelt succeeding in his objectives? How well is he implementing his strategy? What are his greatest achievements? What is most worrying to you?
- What advice would you offer to Immelt as he faces the next stage of his leadership of GE?

Wednesday, February 2. Developing capabilities to innovate 2

Case: GE's Imagination Breakthroughs: The Evo Project. HBSP Product #: 9-907-048.
- What is your evaluation of Immelt's new organic growth strategy? Why change GE's existing successful strategy? Is it reasonable to expect that a $125 billion global giant can significantly and consistently outperform the underlying economic growth rate?
- Is Immelt betting on the right things to drive growth in GE? Can he hope to change a company whose growth was driven by acquisitions and productivity improvement into an organic growth company dependent on innovation, entrepreneurship, and risk-taking -- particularly in such a large, complex, performance-driven corporation?
- How have the Locomotive IBs been able to survive in the wake of the failure of the AC 6000, the initial difficulty in obtaining orders for Evo, the continual redefinition of the global Evo product, and the failure to make Hybrid commercially viable?
- What action should the Transportation business take regarding the Hybrid locomotive?

Monday, February 7. Designing an innovative culture 1

Case: 3M: Profile of an innovating company. HBSP Product #: 9-395-016.

Case: 3M + GE = ? *Fortune*, August 12, 2002

Case: At 3M, a struggle between efficiency and creativity. *Business Week*, June 11, 2007.

- What are the key elements of 3M's vaunted innovation culture?
- What are the core values underlying the 3M culture?
- How did this culture come about? How is it maintained?
- What is your assessment of McNerney's actions described in the *Fortune* article, directed toward providing discipline to 3M's innovation efforts?
- What is the challenge facing Buckley, as described in the *Business Week* article? What should he do about the tension between efficiency and creativity?

Wednesday, February 9. Designing an innovative culture 2

Bringing Silicon Valley inside. HBSP Product #: 99504.

Case: Mars Incorporated: Building an innovation system. HBSP Product #: IMD 703.
- What does it mean to make "innovation the glue that holds the company together" as Gilles Morel seeks to do (p. 1 of case)?
- How did Groebl and Morel go about operationalizing a strategy of growth through innovation?
- What factors drove and or supported the push toward innovation and what factors held it back or slowed it down?
- To what extent has the innovation program at Mars CE succeeded? What areas need improvement?
- What is your opinion on the choices Morel discusses on p. 1 regarding whether innovation should be voluntary or mandated, and whether he should push the whole organization to innovate or create a dedicated innovation unit?

Monday, February 14. Leading innovation 1

Leading Clever People. HBSP Product #: R0703D.

Case: Applied Research Technologies, Inc.: Global Innovation's Challenges. HBSP Product No.: 4168.
- As Peter Vyas, how would you handle the expenditure request for the re-launch of the mini water oxidation system?
- As Cynthia Jackson, would you approve the expenditure request if Vyas sends it up to you?
- What is Vyas's role as a front-line manager at ART? How effective has he been?
- What is Jackson's role as a division vice-president at ART? How effective has she been?
- What is CEO David Hall's role in fostering innovation at ART?

Wednesday, February 16. Leading innovation 2

Manage the partnership: Leading an innovation team – the importance of a positive, persuasive, and collaborative approach. HBSP Product #: 7056BC.

Dawn of the idea czar. *Business Week*, April 10, 2006.

Monday, February 21. Organizing for innovation 1

Stop the innovation wars. HBSP Product #: R1007F.

Case: Emerging Business Opportunities at IBM (A). HBSP Product #: 9-304-075.
- What were the primary barriers to innovation at IBM?
- What do you think of the "horizons of growth" model?
- How did the EBO management system evolve over time?
- What are the key elements of the current EBO management system? What is your assessment of the system?
- How should Harreld deal with those businesses now reading H2 status?
- How should Harreld increase the number of EBOs?

Wednesday, February 23. Organizing for innovation 2

Innovation processes. HBSP Product #: 1579BC.

Case: We've got rhythm! Medtronic Corporation's cardiac pacemaker business. HBSP Product #: 9-698-004.
- Review the history of how Medtronic nearly lost its position as market leader in the 1970s and 1980s. Chart on a piece of paper what the root causes of those outcomes were.
- Which of the improvements in the new product development process that the Medtronic management team implemented strike you as having been particularly critical to turning the company around?
- What do the concepts of product line architecture and train schedule mean in the pacemaker business? What are the costs and benefits of having implemented these concepts as the Medtronic management team has done? What elements of Medtronic's approach could be applied in other business settings?
- Evaluate the nature of senior management involvement in Medtronic's implementation of its product development system. Which elements of the system does senior management need to be intimately involved in, and which can it delegate or pay less attention to?

Monday, February 28. Organizing for innovation 3

The Innovation Value Chain. HBSP Product #: R0706J.

Case: Managing Innovation at Nypro, Inc. (A). HBSP Product #: 9-696-061.
- How would you characterize Lankton's "mental model" of his business, and how does his model contrast with the mental models that other managers have demonstrated in the cases that we have discussed in this course? Note: "Mental models are deeply ingrained assumptions, generalizations, or even pictures or images that influence how we understand the world and how we take action" (*The Fifth Discipline* by Peter Senge, Doubleday, 1990, p. 8).
- What is the process employed at Nypro to identify and standardize upon important innovations?
- Can you make any generalizations about what sorts of innovations are likely to thrive within Nypro's "internal marketplace" for technologies? What sorts of innovations are likely to languish?
- How should Lankton roll out the Novaplast technology?

Wednesday, March 2. Midterm Exam

PART 2: INNOVATION AND CREATIVITY PROCESSES

This part of the course focuses on specific methodologies and approaches which individuals, groups, and organizations can use to stimulate innovation and creativity. Through a variety of cases and hands-on experiences and exercises, students will develop an enhanced appreciation for their own creative capacity and will learn a set of tools and approaches that can be used to stimulate creativity and innovation by others in their organizations.

Monday, March 7. Thinking outside the organizational box

Finding your innovation sweet spot. HBSP Product #: R0303J.

Wednesday, March 9. Small leaps innovation

Imitation is more valuable than innovation. HBSP Product #: F1004F.

Reverse engineering, learning, and innovation. HBSP Product #: 9-611-039.

Monday, March 14. Spring break.

Wednesday, March 16. Spring break.

Monday, March 21. Open innovation

Connect and Develop: Inside Procter & Gamble's New Model for Innovation. HBSP Product #: R0603C.

Case: BP's Office of the Chief Technology Officer: Driving open innovation through an advocate team. HBSP Product #: KEL366.
- Should the CTO office be expanded so that it can take on more projects in areas in which it may not have technical coverage or business unit knowledge?
- Should the CTO office request a larger budget so that it can perform more detailed "due diligence" and experimentation, as opposed to having to abandon a concept if a business unit cannot be found that is willing or able to fund even an initial small-scale pilot project?
- Considering the changes in the IT world since the dot-com crash of 2000, would the CTO office benefit from developing new capabilities for finding, evaluating, and transitioning technologies? Would you recommend any particular areas for future Blue Chalk? Should the CTO office pursue technologies beyond digital and IT-related technologies?
- How might engagement with business units and top BP executives be improved, and to what ends?
- How can BP improve on its leveraging of outside partners in technology seeking and application experimentation?

Wednesday, March 23. Generating and acquiring new ideas

Case: What's the BIG idea? (A). HBSP Product #: 9-602-105.
- Why does BIG seem better able to identify and bring to market innovative toy concepts, whereas the major toy companies feel they are in a period of a "lack of innovation" (p. 3)?
- How proprietary or defensible is BIG's system? Could one of the major toy companies replicate it? Why or why not?
- Can BIG replicate its system in other industries, such as home and garden?

Case: Best Buy Co. Inc. (A): An innovator's journey. HBSP Product #: 9-604-043.
- What are the stages of the innovation process employed at Best Buy?
- Who were involved in each stage of the innovation process and what were their roles?
- What mechanisms were developed to foster innovation at Best Buy?
- What aspects of the I-journey would you recommend that Best Buy transfer to other parts of its operations?

Monday, March 28. Design-driven product innovation

Innovation as a learning process: Embedding design thinking. HBSP Product #: CMR377.

Case: IDEO product development. HBSP Product #: 9-600-143.
- How would you characterize IDEO's innovation process, organization, culture, and leadership?
- Should IDEO accept the Visor project as is (on a dramatically reduced schedule)? Should they try to persuade Handspring's management to change its aggressive launch schedule? Or should they simply decline the project? As you think about these questions, please consider the IDEO and Handspring perspectives.

Wednesday, March 30. Design-driven process innovation

Toolkit: The customer-centered innovation map. HBSP Product #: R0805H.
- Using the job mapping template described in the article, create a job map of a customer job of your choice.

Case: Kaiser Permanente's innovation on the front lines. HBSP Product #: R1009H.
- What is the difference between product and process innovation?
- How is the IDEO design thinking process applied at KP?
- What commitments by the organization support innovation at KP?

Monday, April 4. Service innovation through experimentation

Creating new markets through service innovation. HBSP Product #: SMR195.

Case: Bank of America (A). HBSP Product #: 9-603-022.
- What should Brady and Butler do? Should they accept or decline the 10 additional branches? Why do you say so?
- How would you characterize BoA's innovation development system? What are your observations on process, organization, management, and culture?
- What constitutes an experiment at the bank? What does it mean to test a service?
- What are the strengths and weakness of BoA's innovation system?

Wednesday, April 6. Management innovation

The Why, What, and How of Management Innovation. HBSP Product #: R0602C.

How management innovation happens. HBSP Product #: SMR217.

Monday, April 11. Stimulating individual and group creativity 1

The Innovator's DNA. HBSP Product #: R0912E.

Case: What's stifling the creativity at Coolburst? HBSP Product #: 97511X.
- What about the company (structural features, policies, practices, reward systems, culture, management style, employees) is stifling the creativity of individuals and groups at CoolBurst?
- What changes are needed to make CoolBurst an innovative organization?
- What will Luisa Reboredo need to do in order to implement these changes successfully?

Wednesday, April 13. Stimulating individual and group creativity 2

The ten faces of innovation. HBSP Product #: ROT022.

Case: Medisys Corp. HBSP Product #: 4059.
- How well is this team performing, and why? What factors are posing challenges to the team?
- What should Merz do?
- What does the case illustrate about tasks in managing the innovation process?

Monday, April 18. Contextual Influences on Innovation – Frugal innovation

Innovation at the base of the pyramid. HBSP Product #: SMR267.

Innovation's Holy Grail. HBSP Product #: R1007N.

Wednesday, April 20. Contextual Influences on Innovation – Innovation in a Global Context

Team project report due

How GE is disrupting itself. HBSP Product #: R0910D.

Tapping the world's innovation hot spots. HBSP Product #: R0903J.

PART 3: INTEGRATION AND APPLICATION

Monday, April 25. Team project presentations 1

Hard copy of presentation slides due at the start of class
Presentations: 20 minutes each; Q&A: 15 minutes each

Wednesday, April 27. Team project presentations 2

Hard copy of presentation slides due at the start of class
Presentations: 20 minutes each; Q&A: 15 minutes each

Monday, May 2. Team project presentations 3

Hard copy of presentation slides due at the start of class
Presentations: 20 minutes each; Q&A: 15 minutes each

Wednesday, 4. Team project presentations 4

Hard copy of presentation slides due at the start of class
Presentations: 20 minutes each; Q&A: 15 minutes each

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.

Excerpts from the University of Texas at Austin Office of the Dean of Students website
(http://deanofstudents.utexas.edu/sjs/acint_student.php)

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.