Southeast Missouri State University

Department of Accounting & Management Information Systems

Course No.: BA667

Title of Course: Liability Risks in Products and Services

Revision: Spring 2004

Revised: Fall 2009

I. CATALOG DESCRIPTION AND CREDIT HOURS OF THE COURSE:

This course examines liability laws and how those laws impact American businesses in the production of goods and services. (3)

II. PREREQUISITE:

Admission to the MBA graduate program or consent of MBA Director.

III. PURPOSES OR OBJECTIVES OF THE COURSE:

A. to understand the fundamentals of tort law and how it relates to business.
B. to understand liability issues unique to the service sector with particular emphasis on malpractice liability.
C. to understand consumer protection issues in a regulatory environment and how they impact business operations.
D. to develop skills in critical thinking and reasoning, and to learn to analyze legal cases, journal articles, and other written materials as they relate to the business decision-maker.
E. to develop proficiency in using information technology and legal research skills.
F. to develop student oral and written skills.

IV. EXPECTATIONS FROM STUDENTS AND LEARNING GOALS:

A. to comply with academic honesty & class attendance university policies
B. to carefully read and prepare assignments on a timely basis.
C. to have access to microcomputers; SE key e-mail address required.
D. to participate actively in all class discussions.
E. to make satisfactory scores on all periodic exams/quizzes.
F. to demonstrate the ability to research and analyze legal cases.
G. to formulate and defend your judgments and solutions to liability problems for business decision-makers in both oral and written form.

LEARNING GOALS FOR HARRISON MBA STUDENTS

The Harrison business faculty has identified five critically important learning goals for those pursuing the Masters of Business Administration degree offered by the Donald L. Harrison College of Business. A student receiving the Harrison MBA degree should:

1. Demonstrate proficiency in effective communication and team work by writing a clearly focused, organized and mechanically correct business document, creating and delivering a professional presentation on a relevant
business problem with substantive content, organization and delivery; recalling work related information and exhibiting effective team work.

2. **Demonstrate advanced knowledge** of accounting, finance, business law, management, marketing, management information systems, and economics by using business related terms, concepts, theories and principles appropriately.

3. **Demonstrate the ability to apply critical thinking skills and advanced research skills** to business problems and ethical dilemmas by identifying a problem or ethical issue, presenting and evaluating relevant information; evaluating alternatives; and resolving the problem or ethical dilemma with a justification based on general principles, discipline-specific understanding and professional judgment.

4. **Demonstrate upper-level management and leadership skills in a diverse environment** by providing evidence of understanding of individual management styles, evidence of adapting to a diverse environment and other cultures.

5. **Demonstrate executive management level knowledge (mastery) of technology** by using the Internet, business computer applications, statistical software, and presentation software when creating and making presentations.

V. **COURSE CONTENT:**

A. **Introduction**

   1. Legal Environment of Business
   2. Critical Thinking & Legal Reasoning
   3. The American Legal System

B. **Fundamental of Tort Law**

   1. Intentional Torts
   2. Negligence
   3. Strict Liability
   4. Professional Malpractice

C. **Fundamentals of Products Liability**

   1. Product safety issues
   2. Responsibility for Defective Products
   3. Warranties
   4. Theories of Legal Action
   5. Damages

D. **Product and Service Providers**

   1. Service Providers
   2. The Role of Sellers and Buyers
   3. Third Parties

E. **Selecting Remedies**

   1. Defenses
   2. Disclaimers and limitations
F. Defects in Products and Design
   1. Production Defects
   2. Design Defects

G. Consumer Warnings and Instructions
   1. Duty to Warn
   2. Exceptions

H. Required Elements
   1. Proving Causation
   2. Foreseeability
   3. Consumer Misconduct

VI. **TEXTBOOK:** Required reading materials would be dependent upon current business literature. Selection of a textbook would be at the discretion of the instructor.

VII. **BASIS FOR STUDENT EVALUATION:**
   A. content mastery: examination/quizzes/class projects.
   B. writing skills: periodic writing assignments.
   C. oral skills: class participation and presentation.
      1. Mid-term and final essay exams.
      2. Major research paper.
      3. Class discussions.
      4. Other individual and group exercises.

Specific assignments and the percentage of the course grade will be explained in class.

VIII **GRADING POLICY:**

The weight of the evaluation criteria may vary according to each instructor and will be communicated at the beginning of the course.

IX. **ACADEMIC POLICY STATEMENT:**
Students will be expected to abide by the University Policy for Academic Honesty regarding plagiarism and academic honesty. Refer to:
[http://www6.semo.edu/judaffairs/code.html](http://www6.semo.edu/judaffairs/code.html)

X. **STUDENT WITH DISABILITIES STATEMENT:**
If a student has a special need addressed by the Americans with Disabilities Act (ADA) and requires materials in an alternative format, please notify the instructor at the beginning of the course. Reasonable efforts will be made to accommodate special needs.