**Management Team Assignment 2** 

**The Hershey Trust: Managing Conflicts of Interest**

**Assignment Goal:** The primary sections of the case include:

Introduction and History

History and Prior Offers (transactional history)

Values

Conflicts

It is important to understand the transactional history of the case. It explains a lot about the intent of the original owners of the company at the time of formation.

This case illustrates the real problem of conflicts between board responsibility to shareholders v stakeholders in the corporate setting. Specifically, the case highlights potential conflicts that can arise when shareholders are not the company’s sole stakeholders and how this fact can complicate corporate decision making. It becomes even more complex when the lines defining ownership are blurred and the concentrations of power within the various entities impact the decision-making process. The goal is to understand how a board manages conflicts of interest.

**Specifically do the following**: analyze and answer the five specific questions below. Your paper should be 3-5 pages. **USE the course readings AND the facts in the case to support your analysis!**

1. Identify and describe in detail the stakeholders and the interests of each stakeholder and the resulting conflicts of interest that are apparent in this case. Think about the readings as you answer this question.
2. Do the strategic goals or interests of the Hershey Co. align with the philanthropic interests of the trust? If not, how do they differ?
3. What are the fiduciary duties of the directors when considering an acquisition proposal and how do those duties impact the voting decisions of the board members who sit on both boards?
4. Which vote (yes/no), if either, could persuade the PA Attorney General to veto the decision? Why?
5. Considering the facts in the case and the legal obligations of the players, how would your team advise Layla Dayan to vote? Explain your answer.

I divided this research paper with my group (we are doing 1 page each) and I’M ANSWERING THE SECOND QUESTION THAT IS HIGHLIGHTED ABOVE AS WELL AS COVERING THE “HISTORY” SECTION OF THE CASE☺

* HISTORY
* Do the strategic goals or interests of the Hershey Co. align with the philanthropic interests of the trust? If not, how do they differ?

Your assignments should be 1 ½ line spaced, using Times New Roman (with appropriate footnotes and/or citations). Typestyle is 12. You must provide appropriate citations to source materials you rely upon. You may not use Blogs, firm websites, software websites, etc. If you quote be sure to provide appropriate reference to the quote. You may quote freely but make sure you properly reference your quote(s) and/or references.