Overview

Corporate Social Responsibility is a field of critical importance and much debate. In recent decades there have been increasing efforts by companies large and small to act in a “socially responsible way.” The motives and results can vary company to company, market to market and country to country. But what does it mean and why is it important? How does CSR relate to the theory of the firm as an instrument to maximize financial return to its shareholders? How do CSR efforts affect management decisions in traditional fields such as strategy, finance, and marketing? What role does CSR play in the transition of companies that create negative externalities into becoming those that translate those challenges into new income and sustainability opportunities for themselves, their customers and communities? What differentiates a successful CSR program from one that fails and why should anyone, especially a business, care about those results?

The goal in MGB290 will be to develop a thought process and approach to CSR that students will be able to build on during their post-school leadership roles, whether as corporate executives, entrepreneurs, or NGO leaders. We gratefully acknowledge Professor DiNunzio for providing the core syllabus on which we have built our class. As instructors we will bring two sets of experiences with CSR to the class that students can draw on for discussion. One is based on having managed the global CSR program for one of the world’s largest companies. The other is from having worked with many CSR and corporate leaders on participating in socially responsibility programs, as well as partnering with emerging market enterprises that solve those same social challenges in a profitable manner. We often will provoke opposing points of view in class and share related experiences for class discussion.
The strategy in MGB 290-01 will be to expose students to a broad set of CSR issues in the context of cross-purpose business challenges, and then focus on the analysis and critical decisions that managers must make to move their business and their social agenda forward. Via the case studies that we explore and the guest speakers that we interact with, we will assess CSR efforts across a wide variety of business situations and through a diverse set of points of view.

Students will be expected to engage early and often in class discussions and guest speaker sessions – this will be a very interactive class. Students will also lead their own field study of a local/regional company, where they will have the opportunity to observe and assess CSR initiatives in the “real world” of day-to-day business.

**Objectives**

Throughout the course we discuss and debate a set of critical questions in Corporate Social Responsibility, including:

- What is the social responsibility of a firm?
- Can a firm “Do well by doing good?” Is there a market for virtue?
- What are key elements of a socially responsible business?
- How does CSR affect the strategy of the firm? How does it integrate into that strategy?
- What operational trade-offs does CSR force us to consider? Across employees, partners, shareholders, customers, communities?
- Is CSR only for those who “can afford it?” What about small businesses? Developing economies?
- When is CSR in the marketplace more a marketing strategy than corporate commitment? Does it matter?
- How do we think about the role of corporations versus governments? Self-monitoring versus government regulation? Global problem-solving?
- What is social entrepreneurship and what role does/can it play in realizing CSR objectives?
- How do evolving social constructs and technologies change how we think about CSR?

While many of these questions will not have a definitive and clear answer, our goal is to develop a well-reasoned approach to addressing them and others at all levels of the business ecosystem.
Specific areas we will focus on and debate include:

- What a business is for?
- The link between CSR and competitive advantage
- The role of enterprise versus governments
- Local versus global CSR challenges
- The role of sustainability in business
- CSR and the competition for talent
- Disruptive innovation driving social change
- Social entrepreneurship filling market gaps
- Measuring and communicating the impact of CSR

Our class plan involves four overarching elements:

1. Build a foundation of issues and opportunities through key readings
2. Drive situational analysis and critical analytical thinking through assessment and discussion of case studies and select topics
3. Gain pragmatic insights through listening and interacting with experienced leaders
4. Obtain pragmatic insights by working with a local/regional business

Evaluation of student performance in the class will be based on three elements:

- 25% Company Project (teams of two)
- 25% Case Write-ups (teams of two)
- 50% Class Participation (you are on your own)
1) **Company CSR Strategy Report Project.** For this hands-on field assignment, teams of two students will identify, interview and profile a company in the region on their CSR practices. The goal will be to gain a practical understanding of how the business defines and thinks about CSR, how they make trade-offs between mission and profit, and how their actions affect their key stakeholders. The project will require in-person interviews with a key member of management/CSR in the business and a thorough search of publicly available information to produce a review of their operational practices and an assessment of how CSR affects their investors, employees, customers, competitors, and community. From this you will develop a robust, complete CSR strategy and performance report on the firm. This may be any size of business. The final deliverable will be a written report and a verbal presentation due at the end of the quarter. Teams will deliver an overview of their findings to the class for discussion. Both members of the team must participate in the presentation in relatively equal measure. More detailed guidelines for the project will be distributed separately during the first two class sessions.

2) **Project Write-ups.** There will be four project write-ups during the course. Some will be asking for a case summary of a situation and key issues facing company executives while others will be research on specific aspects of CSR. In every case the goal is to demonstrate your knowledge and research skills, as well as prepare you for active participation in the related class session. In the case write-ups we will be looking for a topline analysis at a level which is appropriate for a senior executive briefing (i.e., +/- 2 pages). The write-ups should be prepared in groups of two, with each group turning in a single analysis or research summary. Details on each assignment will be handed out in the class prior to the one in which the write-up is due. There is a substantial premium on thoughtful and provocative analysis.

3) **Class Participation.** Active participation in our class discussions is the most critical component of this course. We expect you to come fully prepared to engage in the key issues of the case material and associated readings for every class, to have your own POV on the analysis, and be prepared to grapple with the key challenges presented. Each class assignment will have suggested questions: (a) to help you think through and be prepared to discuss the foundation material presented in the reading and; (b) to help focus your case preparation, which should include analysis as well as specific recommendations on implementation. We encourage you to form study groups to work through the cases together, although this is at your option (i.e., it is not required).

In general, we employ the Socratic Method during our discussions and will often call on students who do not have their hands raised. Typically one or more members of the class will be asked to start the session by addressing a specific question and then we will open up the floor to the broader group. During the case discussion, the class will build a thorough analysis of the situation, based on an assessment of the case materials and readings, and liberal use of your good managerial judgment. Our goal throughout is to engage each other and learn, not necessarily to come up with the “right” answer. In most of the cases we discuss there will be a number of different ways of looking at the situation, as well as actions and plans that could be undertaken. Given that fact and the varied perspectives of our class members, we look forward to a healthy and lively debate during class. We also expect all class members to conduct themselves in a professional and respectful manner at all times.
Criteria that will be applied in measuring effective class participation include:

- Is the participant a good listener?
- Are the points that are made relevant to the discussion? Are they linked to the comments of others?
- Do the comments show evidence of analysis of the case and an understanding of the assigned reading?
- Is there a willingness to test new ideas or are all comments "safe" (for example, repetition of case facts without analysis and conclusions)? N.B., a thoughtful question can be an important contribution.
- Do comments lead to a clearer statement of the concepts being covered and the problems being addressed?

We also expect and will assess interactions between you and our guest speakers. The extent to which you are prepared to engage our guests, and drive insights for your and the class's benefit, will reflect favorably on your review.

**Grading**

A+ (rare, premium given for superior performance and participation far above the norm)

A, A- (outstanding performance well above standard)

B+, B (fully meets the requirements of the course)

B- (deficient performance and participation)

C+ and below (significant deficiencies in performance and participation)
Class Operations

• Classes each week will be conducted as a two-class series. Each series will include the first class on Fridays from 6 to 9 PM and on the subsequent Saturday from 1 to 4 PM. Classes will be split accordingly into two modules. Generally speaking, the first class in each two-class series (Friday) will be dedicated to our case discussion. The second class (Saturday) will be dedicated most often to a guest speaker, who will deliver a talk from the POV of their personal experiences, and will offer the class the opportunity to engage in a Q&A session. Often the two sessions in a given two-class week will be directly related, but in some cases – in order to cover as many critical CSR topics as possible – the second module will have a different focus from the first. Nearly all of the two-class series will involve a guest speaker but a few will instead have an exercise and in the case of the last two-class series, the student team presentations.

• We look forward to our 5, two-class meetings together, so we expect to see you each and every scheduled Friday and Saturday. However, if something unavoidable presents a problem, please let us know in advance via email if you must miss a class. More than one absence will affect your grade and each subsequent absence will have an increasingly negative effect.

• As a courtesy to your classmates and to the guests we will have during the quarter, please arrive on time and depart only once the class has concluded. During our time together, you will need to shut down all laptops, tablets, cell phones, and the like, and leave the outside world behind.

• To help us learn your names as quickly as possible and remember your participation in class discussions, we ask that you use a name card in class and sit in the same seat throughout the quarter. In the first class we will ask each of you to speak briefly about your background and give us a proper pronunciation of your last name (“Ansbach,” for example, has been mispronounced in every way possible and even differs within the family itself – so we will endeavor to get your name right).

• We plan to be thoroughly prepared for every class and expect you to be as well. Because we often call on individuals whose hands are not raised, you should let us know before class if an emergency has made it impossible for you to be prepared adequately for that class.

• Throughout the class, each student is expected to conduct him/herself in concert with the UC Davis Code of Academic Conduct http://sja.ucdavis.edu/files/cac.pdf. Furthermore, while we expect a lively discussion and debate each class, we expect that it will occur within the boundaries of professionalism and civility.
Class Materials

Required Study Cases & Readings
The Course Packet on Study.net contains the case studies and other articles for each class. Case discussion and article discussion questions will be provided on Smartsite or via handout. The cases and articles are required reading and will form the basis of our discussion each week. The readings in the Course Packet are also required and will provide overall insights into CSR and typically will be helpful in preparing for your case analysis or your discussion with our guests.

In addition, you are required to read Dr. Kellie McElhaney’s book: *Just Good Business: The Strategic Guide to Aligning Corporate Responsibility and Brand*. It is available in hardback or as an eBook on Google, Amazon (for Kindle or PC), or, if you prefer, as a paperback from Amazon and other sources. It is a hands-on POV assessment of many of the issues we will be covering, and will serve you well both in class and afterwards.

Background/Optional Reading
After each topic we will post a set of optional readings. They are not required but will provide more depth for those of you who are interested in a particular area. We are always willing to go into more depth in an area of interest, whether for an individual or the class as a whole.

Guest Speakers
We are fortunate to have several highly experienced guest speakers who will be joining us for discussions during the quarter. The objective in bringing in these leaders is for us to be able to share in their personal experiences and insights. There will not necessarily be a one-to-one match between the case discussion and the guest speaker in terms of specific topic for any individual class, nor will the guest speakers necessarily provide a POV that is consistent with what you have read or debated. What they will bring is deep real-world experience across a spectrum of topics within Corporate Social Responsibility. It is in your best interest to be prepared to engage each guest on the areas of their expertise and the points that they deliver. The extent to which you come armed with specific questions and points of discussion, the more you will get out of their presence in the class. Given unpredictable demands on their time, the schedule of speakers is subject to revision.
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<tr>
<th>Class Date/Time</th>
<th>Class Focus:</th>
<th>Guest / Class Discussion</th>
<th>Read:</th>
<th>Assignment:</th>
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<tr>
<td>Class 1A (Friday): 9-28</td>
<td><strong>Topic:</strong> What is CSR &amp; what purpose does it serve? &lt;br&gt; <strong>Cases:</strong> Teichert Corporation, Nestlé’s &amp; BROVOS Coffee</td>
<td><strong>Class Overview</strong>  &lt;br&gt; <strong>Introductions</strong>  &lt;br&gt; <strong>Final projects &amp; teams</strong>  &lt;br&gt; <strong>Case discussion:</strong> &lt;ul&gt; • Personal values, business objectives &amp; community needs  &lt;br&gt; • What is business for?  &lt;br&gt; • How has CSR evolved over the last decade? &lt;/ul&gt;</td>
<td>- McElhaney: (Pages 1-13)  &lt;br&gt;  - Milton Friedman: “The Social Responsibility of Business is to Increase Its Profits”  &lt;br&gt;  - Michael Porter: “Rethinking Capitalism”  &lt;br&gt;  - “7 Reasons to Learn About CSR”</td>
<td>- Write-up #1: Write personal definition of CSR. List 5 firms you believe practice effective CSR, and why.  &lt;br&gt;  - Select course Teams</td>
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<td>Class 1B (Saturday): 9-29</td>
<td><strong>Topic:</strong> Developing a CSR Strategy (Part 1)  &lt;br&gt; <strong>Case:</strong> Ford Motor Company: Support of breast cancer</td>
<td><strong>Class Discussion:</strong> &lt;ul&gt; • Aligned/Non-aligned  &lt;br&gt; • Strategy components  &lt;br&gt; • Stakeholders  &lt;br&gt; • Setting goals  &lt;br&gt; • PR, regulation or marketing?  &lt;br&gt; • Measuring success  &lt;br&gt; • Reporting &amp; communicating  &lt;br&gt; • Where does responsibility end? &lt;/ul&gt;</td>
<td>- “The Economist”:  &lt;br&gt;  - “Corporate Social Responsibility”  &lt;br&gt;  - “Two-Faced Capitalism”  &lt;br&gt;  - “Just Good Business”  &lt;br&gt;  - “Schumpeter, Good Business; Nice Beaches”</td>
<td>- Turn in/discuss Write-up #1  &lt;br&gt;  - Write-up #2: Summarize and critique one (any) business’ CSR strategy</td>
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| Class 2A (Friday): 10-12 | **Topic:** CSR Strategy (Part 2)  
**Case:** Wal-Mart, Toms Shoes and Hewlett Packard | Class Discussion:  
• A bolt-on versus integrated strategy  
• Guidelines for developing an integrated approach  
• The range of CSR strategies | Read:  
• McElhaney, Chapters 1-6  
• “History of CSR”  
• Wal-Mart Watch, 21st Century Leadership  
• Wal-Mart Stores: Sustainability  
In class:  
• HP slide deck | Assignments:  
• Turn in/discuss Write-up #2  
• Write-up #3: Analyze and compare one of the leading CSR evaluation tools (GRI, SA8000, ISO 28000, The Global Compact, UN Guiding Principles, FTSE4Good) |
| Class 2B (Saturday): 10-13 | **Topic:** CSR Strategy: Accountability  
Measurement, Reporting and Communication (Internal & external audiences)  
**Cases:** Ford Motor Company, Toms Shoes, Hewlett Packard | Class Discussion:  
• Living up to CSR statements  
• Reaching objectives  
• Assessing credibility  
• Using external voluntary or non-certified standards  
• Competitor data  
• Who should tell the company story?  
• Brand impact  
• The end of golf sponsorships | Read:  
• Ceres Association of Chartered Accountants  
Reporting Awards: Awards/previous-winners  
“Greenwashing”, Greenwashing Report 2010  
“Improve Brand Identity and Brand Image Through Community Action,” suite101 | Assignments:  
• Turn in and discuss Team selections of target firms for final projects  
• Turn in and discuss Write-up #3  
• Write #4: Choose cause-related marketing campaign and evaluate success |

**Guest Speaker:** Marcus Chung, VP, Corp Practice, Fleishman-Hillard
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<td>Class 3A (Friday): 10-26</td>
<td>Topic: Working with Nonprofits: The Evolution of Philanthropy; What’s Next?”</td>
<td>Class Discussion: • ‘Spray-n-Pray,’ Mutual Benefit and Targeted Outcomes approaches  • Culture clash: goals and language  • Cause related marketing  • CSR, marketing and governmental affairs</td>
<td>Read: McElhaney, Chapters 7-9</td>
<td>Assignments: • Report on status of final projects  • Turn in and discuss Write-up #4</td>
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<td>Cases: The Crocker Art Museum, Sacramento Theater, Red Cross, McDonald House and the Sacramento Children’s Home</td>
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<td><strong>Guest Speaker:</strong> H. Camilla Nelson, HP Global Community Engagement Program</td>
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<td>Class 3B (Saturday): 10-27</td>
<td>Topic: Social Investment/Entrepreneurship: An Emerging Opportunity</td>
<td>Class Discussion: • What is social enterprise?  • What relationships does it have to major companies?  • What are companies learning about entering emerging markets and making money from past mistakes?</td>
<td>Read: “Did Ben &amp; Jerry’s Change Unilever?”</td>
<td>Assignments: • Work on team projects</td>
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<td>Cases: Grameen Bank, Proctor &amp; Gamble, Danon, Unilever Hindustan and Husk Power</td>
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<td>View: Dell Innovation Challenge 2012 Semi-Finalists</td>
<td>In class: • Social Entrepreneurship PowerPoint</td>
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<td>Class 4A (Friday): 11-9</td>
<td>Topic: CSR Challenges: Internal</td>
<td>Class Discussion:</td>
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<td>Case: A tale of two business sectors: Pharma and High Tech</td>
<td>• Who are the internal stakeholders?</td>
<td>• McElhaney, Chapters 10-11</td>
<td>• Continue Team projects</td>
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<td>• Who and what can impact a CSR program internally?</td>
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<td>• Internal challenges and opportunities</td>
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<td><strong>Guest Speaker:</strong> Nancy Nielsen, Global</td>
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<td>Community Affairs, Applied Materials. Formerly w/ Pfizer</td>
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<td>Class 4B (Saturday): 11-10</td>
<td>Topic: Supply Chain Dilemmas: How Different Industries Respond.</td>
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<td>Cases: Textiles (FLA) and Tech (EICC).</td>
<td>• Is ten cents an hour a fair wage in Vietnam?</td>
<td>• “Electronics Industry Supply Chain”</td>
<td>• Continue Team Projects</td>
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<td>• How far out the supply chain is far enough?</td>
<td>• “Fair Labor Association”</td>
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<td>• The evolution of supply chain CSR</td>
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<td>• Future trends in CSR</td>
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<td><strong>Guest Speaker:</strong> Dunstan Allison-Hope, Managing Director, Advisory</td>
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<td>Class 5A (Friday): 11-30</td>
<td>Topic: Student projects</td>
<td>Class Discussion:</td>
<td>Read: None</td>
<td>Assignments: Final written and oral presentations</td>
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<td>• Final project reports and discussion</td>
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<td>Class 5B (Saturday): 12-1</td>
<td>Topic: The future of CSR</td>
<td>Class Discussion: Complete final project reports and discussion</td>
<td>Read:</td>
<td>Assignments: Final graded discussion</td>
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<td>• CSR and Sustainability</td>
<td>“The Graduation Pledge”</td>
<td>Revisit personal definition and list of good CSR firms from Class 2A. Any changes thinking?</td>
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<td>• Integrating CSR into your own company</td>
<td>“The Business Case for CSR: Employee Retention”</td>
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<td>• CSR jobs</td>
<td>“MBA Graduates Want to Work for Caring and Ethical Employers”</td>
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<td>• New CSR-related enterprise opportunities</td>
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**Guest Speaker:** TBD