

Centre for International Economics

# **Global Corporate Citizenship and Corporate Social Responsibility**

**INSTRUCTOR**

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## **COURSE AIMS AND DESCRIPTION OF CONTENT**

The business environment becomes ever more complex. This complexity is driven by globalisation and demands for greater accountability. Developments increasingly flag the importance of commitment to sustainable strategies, effective leadership, robust systems of governance in corporations and independent verification and authentication of claims. Only in this way can strategic and organisational corporate goals be realised.

The course will focus on the corporation, its definition in law and the role of directors, and other senior executives who *manage* and give expression to its affairs. Given the expectation of greater social, commercial and environmental corporate accountability these matters will be examined closely. In doing so we will address a key, if sometimes controversial question: can the corporation in reality be portrayed as a citizen and what particular dangers this may pose. The role directors and other senior managers play in the process of establishing the claim that the corporation can meaningfully aspire to citizen values will be searchingly explored and evaluated.

The ultimate aim of the course is to provide students with a critical insight into the importance of sound corporate governance. Only in this way can the highest standards of ethical behaviour become *hard wired* into corporate endeavour and, in turn, become the drivers that shape CSR.

## **INTENDED LEARNING OUTCOMES**

### **Key (Assessed) Learning Outcomes:**

On completion of this course, students should be able to do the following:

1. Explain the laws undergirding the corporation; how they have evolved and how they have influenced governance arrangements in different jurisdictions and the role of management in these processes.
2. Explain how corporate governance determines effective and meaningful CSR and how the complex dynamic between business and societal expectations is managed.
3. Explain how corporate culture is *embedded* within the DNA of the corporation and how the ethical underpinnings of the corporation are harnessed to realising the highest standards of probity through CSR.
4. Explain what conditions independent authentication and verification should aspire to.

### **Supplemental Learning Outcomes:**

It is anticipated that students will develop the following:

5. Insight into the complexity of establishing credible, authenticated and verifiable CSR corporate initiatives.

6. An appreciation of the interconnecting difficulties associated with monitoring CSR initiatives in a global context.
7. A capacity to assess corporate governance and CSR initiatives and how far they credibly meet the standards required to succeed.

## **TEACHING AND LEARNING**

### **Teaching Approach**

The objectives of the course will be realised using a combination of selected chapters from the required reading, articles, case studies videos (where appropriate) class lectures and most importantly the collective sharing of insights and experience as part of on-going class discussion. Guest lectures will, where appropriate, further enrich the educational experience.

## **METHOD AND WEIGHTING OF ASSESSMENT**

Students will be evaluated by the following means of assessment:

### **In-Class Participation (15%)**

We all have a responsibility to make this course a robust, valuable learning experience. There is, therefore, heavy emphasis on active class participation and team work. Everyone is expected to do the assigned reading and address the Questions for Review. They are also expected to apply thinking and experience to the analysis of the materials. Students will be invited, during class, to share their responses to the Questions for Review and their insights into any other topic under discussion. The Participation Grade will be determined in the following way. For attendance students will received a rating at the lower end of the B grade range. Enhancements will be to that on the basis of class contribution.

Students are asked to keep abreast of relevant news articles on this subject and share them with the class. Valuable English language sources are the Financial Times, Wall Street Journal, and the Asia Times. The Economist and Business Week which students are encouraged to read. We will discuss the main relevant 'headlines' and content at the start of each class. Your participation in these events will be considered in calculating your participation grade.

Finally, everyone is expected to contribute equally to any team project. In order to ensure that efforts made on team projects are recognized fairly, students will be expected to ensure that their fellow team members contribute to these projects. Each team will be invited to nominate a chairperson whose role will be to ensure the effectiveness of particular exercises. This will be recognised in terms of grading.

### **Assignment 1: CSR in Your Home Country (15%)**

In this first paper, you are to research the status of CSR and corporate governance in your home country and provide examples of CSR and how this is managed. Cite references in either footnotes or as an appendix at the end of your paper. If you are

unable to identify suitable companies in your home country you may choose examples from other countries. **This paper must be delivered electronically by Monday 15 October 2012.**

### **Assignment 2: Case Analysis (15%)**

We will be addressing a number of case studies illustrating various aspects of the Corporation and CSR in action that we will discuss in depth during class. Teams will be formed... Each team will be expected to read and then select a particular case for in-depth study. Cases will be made available and teams should be formed and make their selection by the 11 October.

The team project should be approx 10 pages of text, double-spaced, font size 12.

Note that your analysis, recommendations and conclusions need to be based *only* on information available in the published case. **This must be delivered electronically by Wednesday 17 October 2012.**

### **Assignment 3: CSR Report Card (20%)**

Each team will review various CSR reporting standards (e.g. the Global Reporting Initiative, UN Communicating on Progress, amongst others) and then establish their own criteria (CSR Report Card) for evaluating a socially responsible company. Each team will use the class report card and apply the criteria to a specific company. They should start by explaining why they have chosen that particular company and industry. Teams will be expected to explain their criteria and how they evaluated the company against them providing examples to back up their ratings. Teams will be expected to contrast what the company says about their CSR efforts and the rating the team gave them versus what external sources may say about the company's CSR actions. References to external resources (media articles, CSR indices, and environmental sites) are required and should be cited in the paper. Teams are encouraged to discuss the approaches they plan to make with other teams. All work submitted must however be the work of the individual team.

A written paper is required that should provide more details behind the scores given and any references used. Papers should be approximately 10-12 pages, double-spaced, excluding appendices. Copies of the paper are to be **delivered electronically by Thursday 18<sup>th</sup> October 2012.**

### **FINAL EXAM (35%)**

In the final examination, the core areas outlined in the **course** objectives will be covered. Students will be expected to discuss the different legal portrayals of the corporation, to discuss CSR definitions, the major CSR issues and how best CSR can be integrated into the business. The lessons learned from the required reading and all readings and cases used in class will be covered. The exam will be closed book. No cell phones, computers or backpacks will be permitted. The exam will be preceded by a revision session.

**The final exam will take place in the afternoon session of 19 October.**

## ADMINISTRATIVE DETAILS

1. I will be available to meet with you after each class. Any change to these arrangements will be notified. You can also e-mail me and we can try and make other arrangements.
2. Lecture materials will be issued ahead of each meeting. This is a fast moving topic and additional readings may be posted.
3. We have a lot of material to cover in a very short period of time. The total number of class contact hours is around 36 hours. Every class is therefore precious and attendance is mandatory. If a student is expected to be late or needs to leave early, please let me know by e-mail before class.
4. The text, cases, and assignments are an integral part of the learning. It is important that students are prepared for class and assignments are completed on time. Students are encouraged to discuss readings and the study questions with classmates, but all written assignments and the exam are to be each student's own work (or in the case of the Team assignments, that of the Team's work only) , without outside assistance.

## ASSESSMENT EXPECTATIONS

The scale of grade points and percentages will be applied as follows:

	%
A = 4.00	93-100
A- = 3.67	89-92
B+ = 3.33	85-88
B = 3.00	81-84
B- = 2.67	77-80
C+ = 2.33	73-76
C = 2.00	69-72
C- = 1.67	65-68
D+ = 1.33	60-64
D = 1.00	Fail

The final grade will reflect a combination of individual and team assignments and participation as follows:

<b>Class Participation</b>	<b>15%</b>
<b>CSR in Your Country - Assignment 1</b>	<b>15%</b>
<b>Case Analysis – Assignment 2</b>	<b>15%</b>
<b>CSR Report Card – Assignment 3</b>	<b>20%</b>
<b>Final Exam</b>	<b>35%</b>

In descriptive terms, each grade classification signifies the following, for all types of assessments - exams, essays or projects of different sorts.

- An ‘A’ is difficult to earn and requires substantial achievement above the norm. Even to be considered for an ‘A’, work must be polished, well presented, complete, on topic, and submitted on time. More importantly, beyond these base requirements, an ‘A’ signifies a degree of mastery of the topic or field being discussed, sophisticated analysis of materials, outstanding writing or presentation abilities, and a strong element of original thinking. Where applicable, sources will be used and documented with complete accuracy.
- A ‘B’ signifies, solid work, at or above the norm. The work will show solid understanding of the assignment, good critical thinking, a sound grasp of the field or topic, and the promise of originality. The work must be polished, complete, and well presented and structured. Where applicable, sources will be well used and documented.
- Work earning a ‘C’ may show a superficial response to the assignment, have a weak structure, omit important ideas or sources, be unclear in places, or lack a central idea to guide the work. It will still show occasional insight and some understanding of the field or topic, but falls short of minimum standards for the assignment.
- A ‘D’ will be awarded to work that does not demonstrate understanding of the assignment or of course materials, shows little evidence that the student has done the reading or necessary research, or struggles to communicate ideas effectively and clearly. The work is poorly presented and organised and lacks coherence.
- An ‘F’ indicates that a student’s work does not demonstrate understanding of course materials, shows no evidence of having done the reading, and is extremely poorly written. The work is incomplete and/or incoherent, lacking any discernible plan or argument. Where applicable, sources will be used and documented with no awareness at all of proper procedure. Plagiarized work will automatically receive an F grade.

## **PARTICIPATION AND STUDENT RESPONSIBILITIES**

Classroom attendance is a vital ingredient in the School’s mission to foster an effective learning environment for its students. Make sure you attend on time.

### **Maintaining the learning environment**

Certain behaviours disrupt class, such as a student arriving late, a phone ringing, a student leaving in the middle of class and other disruptive behaviour. Instructors have the authority to decide policies for their classroom regarding these and similar behaviours that may disrupt the learning environment. All members of the class are expected to respect the learning environment and the instructor’s efforts to maintain it.

## **Participation**

Students are expected to participate orally in seminars, and in online forums and discussions, in a critical and evaluative manner; to approach instructor and fellow students with respect and tolerance; and to actively engage in debate, while avoiding derogatory or inflammatory comments on the cultures or attitudes of others in the class.

## **ACADEMIC INTEGRITY**

Any work submitted by a student in this course for academic credit must be the student's own work. If you present, as your own idea, any material copied, paraphrased, or extensively drawn upon, you are plagiarizing—unless you give full citations for your sources. Of course, you may make full use of ideas, arguments and information obtained from books. but you must make clear in a footnote whose work you are drawing on. Failure to cite your sources will result in a failing grade for that assignment. In cases of blatant and intentional misrepresentation, a student will receive a failing grade for the course and may face disciplinary action.

During examinations, you must do your own work. Talking or discussion is not permitted, nor may you compare papers, copy from others, or collaborate in any way. Any failure to abide by examination rules will result in failure of the exam, and may lead to failure of the course and School disciplinary action.

## **Helpful Resources**

1. An interactive tutorial guide on how to avoid plagiarism and how to cite sources:

<http://library.acadiau.ca/tutorials/plagiarism/>

2. How to cite and write a bibliography: Your instructor will tell you which citation format she or he wants you to use (the most common are APA, MLA and Chicago). The most important thing is to use one citation and referencing format consistently and accurately throughout your paper. For guidance, try this useful web resource:

[http://www.plagiarism.org/learning\\_center/citation.html](http://www.plagiarism.org/learning_center/citation.html) - if you scroll down, you'll find links to all major styles and formats for citing and referencing.

## **REQUIRED READING**

### **Textbook**

Strategic Corporate Social Responsibility: Stakeholders in a Global Environment Second Edition by William B Werther, Jr. and David Chandler (Sage Publications: Thousand Oaks, 2011).

### **Articles**

(i) The Juridical Paradox of the Corporation: Richard Tudway, Annual of International Corporate Law, Hart Publishing 2002.

(ii) Values in Tension: Thomas Donaldson HBR Sept/Oct 1996 96502

## **Brochure**

UN Global Compact Brochure (6pages) downloadable from [http://www.unglobalcompact.org/docs/news\\_events/8.1/GC\\_brochure\\_FINAL.pdf](http://www.unglobalcompact.org/docs/news_events/8.1/GC_brochure_FINAL.pdf)

Chapters 1 – 5 of the recommended textbook constitute the main CSR knowledge base to be explored during the course. Chapters 6 – 8, which address some bigger issues in CSR, will be integrated into sessions where indicated. The article entitled the Juridical Paradox of the Corporation provides insight into the way in which the corporation has been portrayed in law in different jurisdictions and how it has evolved. It will help students to better understand how this has influenced the status of the corporation in different jurisdictions as a social and economic institution and shaped social expectations in terms of CSR. The Values in Tension article provides a framework within which we can better understand and make sense of ethical diversity in different cultural settings. Finally the UN Global Compact sets out how common goals, such as building markets, combating corruption, safeguarding the environment and ensuring social inclusion, have been collectively advanced through UN partnership.

## **RECOMMENDED READING**

Corporate Power and Responsibility J E Parkinson 1993 Clarendon Press Oxford

OECD Guidelines of Corporate Governance [downloadable from the OECD website]

EU Green Paper on CSR – 2002 and 2009 [downloadable from the EU website]