Course title: Sustainability and Corporate Social Responsibility: From Theory to Practice
Course code: MGMT 3002 BASP
Programs offering course: Business and Culture, Economics and Culture, Language and Culture
Language of instruction: English
U.S. semester credits: 3.00
Contact hours: 45.00
Term: Spring 2020

Course Description

In recent years, the guiding model of sustainable development and its corporate derivatives, known as Corporate Social Responsibility (CSR) or Corporate Sustainability (CS), have become popular in the business world. However, the results of the implementation of sustainability into the company’s core values and its business model vary from organization to organization, resulting in sustainability excellence and innovation for some companies or, when done poorly, in sustainability and ethical disasters for others. This course has been designed to introduce students to the theory and practice of sustainable business. The course will enable students to develop a deep understanding of the concepts of weak and strong sustainability; its importance for society at international, national and organizational levels; its application to business within its economic, social and environmental pillars. The course includes case study analysis as well as research and experiential activities and projects to better understand the challenges and opportunities of business sustainability for all stakeholders. Business ethical dilemmas and their role in CSR will be presented to students throughout the course.

Learning Objectives

By completing this course, students will:
- Distinguish between main concepts such as strong and weak sustainability, CSR, triple bottom line (TBL) and shared value and their theoretical foundation and application by companies through conducting research activities and in-class discussions.
- Differentiate and criticize the steps and challenges of CSR evolution within society and businesses at organizational, national and international levels by analyzing companies’ strategic planning.
- Generate the solutions to the real-life ethical dilemmas faced by organizations and their stakeholders by analyzing case studies.
- Criticize and evaluate companies by identifying and analyzing their ethical disasters and sustainability innovation practices.
- Categorize and outline the CSR instruments by investigating their integration into companies’ activities.
- Design an implementation plan of a new integrated sustainability strategy for a selected company by analyzing its current CSR initiatives and formulating recommendations for its short and long-term future.

Course Prerequisites

3 semesters of college-level micro- or macroeconomics, accounting, finance, management, or statistics.

Methods of Instruction

There will be two basic working units in the class: plenary and groups. Before each session students will have to individually read a text about the session as well as answer a question on the text posted on the course website. Generally, each week we will read one text and one case study, sometimes in the form of newspaper articles or even videos. In class we will discuss the text in plenary and listen to a presentation on the subject. Most days we will also have an additional activity such as a group exercise, discussing a specific case, looking at videos, analyzing company documents or reading articles. Each student will also have to prepare and present two presentations (the task will be developed in pairs) on (1) a business ethics misstep and (2) sustainable innovation. In addition, as a final project student will have to present in groups (of 3 students) an analysis of CSR strategy and innovation sustainability project for a specific company (each group will have assigned/selected a specific company).

Assessment and Final Grade
Course Requirements

In-pair Presentations

Each student will have to research, documents and present in pairs a business ethics disaster (misstep) (1st presentation before mid-term quiz; students will Identify one example of ethical disaster from a company of their choice; The example can be from any nation, any product/service, any brand); and sustainable innovation (2nd presentation, before final quiz; It has to be something with a wow factor, in the sense that it needs to be creative, innovative and inspiring. The goal is to have every day one inspiring presentation of how sustainable innovations can help solve some of the social and environmental issues we face, while at the same time produce value for the firm).

Written Reflections (On Cases)

Each week students will be assigned different readings that they will have to prepare before class. On the selected cases during the semester they will have to submit a reflection in writing on the course website. All students must turn in their written reflections before the start of the session for which the writing needs to be submitted. Even if the student misses the sessions, he/she needs to read the assigned text and submit their paper. The professor will post a question or questions on the case or paper, which should be the basis for the written reflection. Late submissions will be penalized, but it will always be better to submit the thread late than not to do it, which will be a zero.

Quizzes (Mid-term & Final)

Final Project

Each student will be assigned to a team (of a team of 3 students), and each team will have to analyze the current CSR strategy and design and develop a sustainable innovation for a specific company or organization. That is, teams will develop real projects for a company or companies. Projects should include: analysis of the company (business model, value proposition, sustainability strategy, etc.); benchmark; issue mapping; materiality analysis; stakeholder mapping; innovation strategy; implementation (includes feasibility, impact, resources, financing, etc.); and strategic recommendations. The goal is for students to learn in practice how to design a real sustainable innovation project for an organization.

Class Participation

Discussion with peers is one of the key learning methods in this course. As such, students are expected to contribute to a positive learning atmosphere in class. This means paying attention, preparing the readings and materials, doing the in-class activities, and participating in the discussion. It should be noted that for a student to have a good participation grade it is not enough to raise the hand and speak, but that the student needs to be focused and have quality contributions, which can be in the form of affirmations or questions. In that regard at the end each session the professor will assign a number from 0 to 4 to each student for participation:

- **0 means** that the student was in class but distracted and not participated;
- **1 means** that the student was in class and focused, but did not participate;
- **2 means** that the student was focused and participated, but that the instructor can not remember what the student said (hence the contribution was not of quality);
- **3 means** that the student was focused and had quality contribution;
- **4 means** that there was a clear wow factor, that the student helped take the discussion to a superior level.

At the end of the course, and looking at the overall performance, the instructor will translate these into a grade from 0 to 10 (>1=>5; 1-2=5-7; 2-3=7-9; 3-4=9-10).
**Attendance**

Students are expected to attend all scheduled class sessions on time and be prepared for the day’s class activities. CIEE does not distinguish between justified or unjustified absences, whether due to sickness, personal emergency, inevitable transportation delay and/or other impediments. You are considered responsible of managing your own absences. Please keep in mind that exams, paper submission dates, presentations and any other course work deadlines cannot be changed.

No academic penalty will be applied if students miss up to 3 class sessions. If students miss up to 5 class sessions, students’ final course grade will drop 5 points out of 100 on the CIEE grade scale for each additional absence beyond 3 (for example a 95 will become a 90 if they reach the 4th absence, and an 85 if they reach the 5th absence). **Students will automatically fail the course if they miss more than 20% of total class hours (i.e. if they exceed 5 absences).**

For students who miss up to 20% of the total course hours due to extenuating circumstances, the Academic Director may allow for exceptions to the local attendance policy based on documentation such as proof of bereavement, religious observances, hospitalization etc.

Students arriving more than 10 minutes late to the class will be considered absent for a day.

*N.B. Course schedule is subject to change due to study tours, excursions, or local holidays. Final schedules will be included in the final syllabus provided to students on site.*

**Weekly Schedule**

**Week 1**

**Class: 1.1  Course, professor & students’ presentation**

Students will discover the course outline, class organization, group work exercises and presentations. We will start by discussing students’ motivation to take this course as well as their current understanding of the main concepts (sustainability, CSR, business ethics, etc.). Students will be challenged by Kahoot game, where they will discover their learning outcomes after finishing the course.

**Class: 1.2  Giving the definition to multi-interpretable concepts**

This session will focus on understanding the different definitions and approaches that exist within concepts of CSR and sustainability. The departing point will be to distance our understanding of CSR and sustainability as a management issue from the classic approach from a purely philanthropic and charitable focus to a strategic understanding rooted in sound management practices. The goal of this session is not to come up with a definition, but to understand the complexity of the issue and the need for each company to come up with their own interpretation and definition, based on some common ideas.

**Readings:** (Montiel and Delgado-Ceballos; Elkington, 2014)

**Week 2**

**Class: 2.1  Evolution of Corporate Sustainability**

During this session we will look at the advancements in the field of research of Corporate Sustainability, focusing on the micro- and macro-level models of stages of development from literature in corporate sustainability, corporate social responsibility, environmental management, and sustainable development. Then we will discuss research paper by Landrum (2018) on a new unified model of stages of corporate sustainability as well as understanding and differences between weak and strong sustainability.

**Reading:** (Landrum, 2018)

**Class: 2.2  Theories for CSR**

**Topics: Stakeholder view of the firm, Stakeholder mapping**

In this session we will look at how companies have changed their approach in recent years from focusing solely on generating shareholder value, toward understanding the need for generating
stakeholder value. Departing from the work of Edward Freeman, we will look at how the stakeholder concept has evolved, and how there are some proposals on how to map and prioritize stakeholders.

**Reading:** (Friedman, 1970)

**Week 3**

**Class: 3.1 Business Ethics Dilemma Game by UN Global Compact and KPMG**

Before discovering the codes of conduct and theories of business ethics, students will be challenged by real life ethical dilemmas multinational companies are facing on a day to day basis. Students will play business ethics dilemma game developed by KPMG and UNGC, where they will be able to experience the pressure of decision making from different stakeholder perspective.

**Reading:** (Xin, 2011) – Written reflection due

**Class: 3.2 What stands behind Business Ethics**

In this session we will focus on ethical issues inherent to business. We will discuss classic ethical cases in order to see the types of ethical issues that arise. Then, using the Corruption at Siemens case study we will discuss the more subtle and complex management issues of ethics as related to organization, strategy and identity. We will also learn about different philosophical approaches to business ethics.

**Green and blue washing**

It seems that nowadays it is almost impossible to turn on the TV or look at a magazine or newspaper without seeing a company or a brand claiming to generate some type of environmental and/or social value with their products and services. We will look at different examples, such as BP, Shell, Samsung, Toyota, Coca Cola, Ben & Jerry’s to try to differentiate between washing and genuine, trying to understand the risks inherent to cosmetic social and environmental strategies.

**Reading:** (Hamilton and Eckardt, 2011)

**Week 4**

**Class: 4.1 Corporate Political Responsibility**

During this session we will focus on political role of the firm and corporate political actions such as lobbying. We will discuss possible metrics for political actions from the side of multinational companies as well as debate on the issue of transparency.

**Readings:** (Lyon et al. 2018; Gitsham, 2018)

**Presentation due: Business Ethics Misstep Pair 1**

**Class: 4.2 CSR Instruments**

During this session we will focus on the concept of soft law and soft law instruments available for the companies to help them integrated CSR into their management. Our special focus will be on UNGC and ISO 26000.

**Readings:** (Zinenko, Rovira, and Montiel, 2015)

**Presentation due: Business Ethics Misstep Pair 2**

**Week 5**

**Class: 5.1 Engaging Shareholders**

In this session we will look at how companies can manage and engage their shareholders in their sustainability strategies, and we will discuss how there are some investors who integrate social and environmental issues in their investment evaluation criteria. We will look at the growth of ethical and ESG funds, the growth of rating agencies and organizations such as the Dow Jones Sustainability Index and FOTSE4Good, and the increase of shareholder activism. We will debate the role of institutional investors and the risks posed by some investment.

**Readings:** (Hafenbraedl, and Waeger, 2018; Flammer, 2018; Burchman, 2018)
UN Sustainable Development Goals

In this session we will look at how frontrunner companies are embedding social innovation and entrepreneurship in the organization, transforming corporate culture and therefore turning sustainability and CSR into a key strategic asset central to the business model. Additionally, we will learn about SDGs and how companies approaching them.

Reading: (Zelleke and Billaud, 2017)

Presentation due: Business Ethics Misstep Pair 4

Week 6
Class: 6.1 Accountability, reporting and assurance: concepts and initiatives

In this session we will look at the issue of transparency and accountability. We will discuss the Global Reporting Initiative guidelines for sustainability reporting as a potential tool to report and perhaps manage some of these issues. We will also analyze the database of GRI to see what kind of companies are adapting this prominent framework.

Research: Students will review the guidelines from the Global Reporting Initiative

Presentation due: Business Ethics Misstep Pair 5

Class: 6.2 Integrated Reporting

Following the discussion on sustainability reporting we will learn about first steps of Integrated Reporting and the work of the International Integrated Reporting Council (IIRC). Additionally, we will see how frontrunner companies are preparing and producing their integrated reports.

Reading: (Eccles and Krzus, 2013)

Presentation due: Business Ethics Misstep Pair 6

Week 7
Class: 7.1 Guest Speaker #1

Tentative date
Sustainability consulting field

Class: 7.2 Mid-term Quiz

10% of a final grade

Presentation due: Business Ethics Misstep Pair 7 & 8

Week 8
Class: 8.1 Managing Human Rights in a corporation

In this session we will first discuss what human rights are and how they are relevant to management. We will discuss some classic examples such as Nike and their supply chain in the 1990’s and more recent cases. We will look at the type of issues generated by human rights in companies such as the complexity of developing global policies in multinational organizations, or the growing trend of international directives from organizations such as the ILO or the WTO. We will look at some of the difficulties and complexities by viewing the documentary “The Dark Side of Chocolate”.

Documentary: The Dark Side of Chocolate (2010)

Presentation due: Sustainable Innovation Pair 1

Class: 8.2 Community engagement

During this session we will focus on the role of NGOs and strategic cooperation with companies. We
will proceed by focusing on a specific NGO from Barcelona #HomelessEntrepreneur. After learning about its commitments, students will be proposing possible new strategies for cooperation and engagement with companies.

**Reading:** (Janus, 2018)

Research: #HomelessEntrepreneur.

**Presentation due:** Sustainable Innovation Pair 2

### Week 9

**Class:** 9.1 Managing Environmental Issues

In this session we will look at how the environment is a key strategic stakeholder for companies, but how companies need to proactively design a strategy to identify, mitigate and remediate their environmental impacts. We will first discuss the key environmental tendencies, such as climate change, pollution, or water scarcity. At the same time, we will look at some solutions such as the concept of Cradle-to-Cradle, and how sustainable innovation is becoming a strategic issue for more companies.

**Reading:** (Markman, 2018)

**Presentation due:** Sustainable Innovation Pair 3

**Class:** 9.2 Open Innovation in Environmental Issues

Continuing the discussion on environmental issues, we will learn about open innovation and how sustainability can be a powerful motivator to drive open innovation efforts. Through the case of Carlsberg in a Nordic context we will observe how open innovation driven by sustainability is being used to address a grand societal challenge of a plastic waste.

**Reading:** (Chesbrough, Bogers, and Strand, 2018)

**Presentation due:** Sustainable Innovation Pair 4

### Week 10

**Class:** 10.1 Sustainable Innovation

Our focus will be sustainable innovation. Though the case of Patagonia we will illustrate Patagonia’s corporate challenges and tensions within its mission of performance, durability, profitability, and sustainability.

**Reading:** (O’Rourke and Strand, 2016)

**Presentation due:** Sustainable Innovation Pair 5

**Class:** 10.2 Sustainable Sourcing/ Responsible Supply Chain

In this session we will focus on the risks and opportunities that are being generated in the supply chain in terms of managing social and environmental issues. We will use the case of IKEA as an example to understand the complexity of designing a responsible supply chain, including issues of enforcement and accountability.

**Reading:** (Rangan et al., 2014)

**Presentation due:** Sustainable Innovation Pair 6

### Week 11

**Class:** 11.1 Social Entrepreneurship

It seems that most publications and initiatives on CSR and sustainability revolve around large multinational companies, preferably global players. However, these larger international companies represent a very small percentage of companies in terms of number of forms, employment, revenues, etc. Change more often than not comes from entrepreneurs. In this session we will focus on the concept of social entrepreneurship, and how some social entrepreneurs are creating real change.
Class: 11.2 Doing business at the bottom of the pyramid

In this session we will look at how companies are targeting business in emerging markets and how business in these markets often require new approaches not used in more developed markets such as Europe or the U.S.A. We will look at examples such as Hindustan Unilever, Tata, Tetra Pack or Grameen-Danone to discuss whether these markets generate different challenges in terms of social and environmental practices. We will introduce the concept of Bottom of the Pyramid as a particular innovative proposal for business to develop new revenue streams.

In this session we will aim to put together many of the ideas discussed in the previous

Reading: (Simanis and Duke, 2014)

Presentation due: Sustainable Innovation Pair 8

Week 12

Class: 12.1 Guest Speaker #2

Tentative date

Class: 12.2 Shared Value

In this last session of the course we will review previous sessions by discussing the idea of strategically integrating all these different issues into a coherent business strategy embedded in the business model. We will look in particular at the recent article from Porter on shared value as specific proposal in this direction. We will also try to come up with some takeaways in terms of learnings. The goal will be to review the different sessions, reading and case studies and to reflect on what sort of strategic assets, strategic focus and corporate attributes must a company develop in order to integrate social and environmental issues as a core competitiveness factor.

Reading: (Porter and Kramer, 2010)

Week 13

Class: 13.1 Final Quiz

Final Project presentations (3 groups)

In this session the students will present in groups their final projects, which they will have developed throughout the course. The objective will be to present innovative projects tailored to a specific company.

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Course Materials

Readings


All mandatory readings are detailed in the previous section. Additionally, the instructor will provide students with additional readings for each session if they are interested in learning further about the topic.