

LER 590 Corporate Social Responsibility

University of Illinois at Urbana-Champaign
Spring 2021

Time: Monday, 2 PM – 4:50 PM
Location: LER 35/43
Instructor: Jiwook Jung, Associate Professor
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Course Description

The renewed interest in corporate social responsibility (CSR) over the last decade poses both opportunities and challenges for human resource professionals. Human resource experts are well positioned to play an instrumental role in helping organizations achieve their CSR objectives, but new frameworks of CSR also require re-evaluation of conventional human resource management practices. This course explores corporate social responsibility in the contemporary business world, from a multi-disciplinary and multi-stakeholder perspective. The course will inform students of major issues and challenges in the rapidly growing field of corporate social responsibility, both theoretical and practical. The course also provides students with practical tools to implement and evaluate CSR strategies using case studies. There will be three assignments throughout the semester regarding CSR practices of selected companies, leading to a final report about how the companies can enhance their CSR performance.

In-Person Format

This course will be offered in the conventional, in-person format. Accordingly, all lectures and case discussions will be done in the classroom every week. This usual class format, however, is not so much so under this unusual pandemic situation. The class size is limited to ensure a safe classroom environment. Students are also required to follow all the University COVID-19 policy. Although it is not possible to take this course on-line a regular basis, there will still be arrangements so that students will not miss out class activities when they are unable to attend classes in person. These arrangements will be discussed during the first week of the course.

COVID-19

Following University policy, all students are required to engage in appropriate behavior to protect the health and safety of the community, including wearing a facial covering properly, maintaining social distance (at least 6 feet from others at all times), disinfecting the immediate seating area, and using hand sanitizer. Students are also required to follow the campus COVID-19 testing protocol.

Students who feel ill must not come to class. In addition, students who test positive for COVID-19 or have had an exposure that requires testing and/or quarantine must not attend class. The University will provide information to the instructor, in a manner that complies with privacy laws, about students in these latter categories. These students are judged to have excused absences for the class period and should contact the instructor via email about making up the work.

Students who fail to abide by these rules will first be asked to comply; if they refuse, they will be required to leave the classroom immediately. If a student is asked to leave the classroom, the non-compliant student will be judged to have an unexcused absence and reported to the Office for Student Conflict Resolution for disciplinary action. Cumulation of non-compliance complaints against a student may result in dismissal from the University.

Course Requirements

Readings

This is a reading-intensive course. It is important to come prepared to discuss assigned readings for each class session. Assignments should be read and given some thought in advance of class. You will not be able to successfully complete the course without full understanding of the readings. Exams and other assignments are designed to ensure that you complete the readings and understand the concepts in them thoroughly.

Attendance

Attendance is required at all class sessions. Attendance includes arriving on time and remaining until the end of the session. If you know ahead of time that you cannot attend class due to illness or civic duty (court appearance, jury duty, etc.), please notify the instructor immediately.

Participation

Active student participation is essential to successful class sessions. Your contribution of relevant and insightful comments is highly valued in this course. You will be cold-called to share your thoughts and opinions to the class discussion. Each student is allowed to miss no more than **ONE** class in the semester. Every additional absence leads to a **2-point cut** in the final grade. In

order to receive credits for this course, students are **not allowed to miss more than THREE classes** under any circumstances.

Weekly Quizzes

In each teaching session you will need to complete a short quiz (5 minutes) on your readings. The quiz includes five questions in the format of the true/false, multiple-choice or filling in the blanks. Each quiz will deal with the chapter(s), articles and cases that I have assigned for that class session. I may administer a quiz at the beginning, middle or end of class. There will be **NO** make-up quizzes. The summing of quiz performance will be done **after dropping the lowest quiz score**.

Group Discussion and Summary

Every week, there will be group discussion about a selected business case and related discussion questions. To facilitate constructive and meaningful discussion, each group will be asked to provide a short summary of discussion by the end of class. After group discussion is done, each group will be given 20 minutes to summarize their discussion and highlight main conclusions, and submit the summary via **Compass**. Grading of discussion summary will be done on a **three-point scale—fail, pass (good), and pass (very good)**.

Group Project and Presentation

During the first class, students will be assigned to a project team. This year's theme for group project is the B-corporation. After the first week's class, each team (3 students) will choose a b-corporation for which they will conduct research and work on two group assignments during the class. Based on these two assignments, student groups will do presentations during **Week 6**. Each group will be paired with another group who will provide feedback and raise questions after presentation.

The main purpose of the group project is to (1) learn about both the promises and challenges of B-corporations, (2) provide a long-term strategic plan to improve your company's CSR as well as financial performance, and finally (3) advocate for the active roles for HR in the process. Try to make a set of practical but creative suggestions based on what you learn about how other companies do to address CSR issues. The suggestions should be made based on your analysis of the current as well as future CSR issues for the company. More information about the group assignments and presentations will be provided during the semester.

Final Take-Home Exam

The final exam will be held during the final class time: **2:00 PM - 4:50 PM on May 3, 2021**. The exam will cover all topics of the course. It will be an open-book exam—bring your books,

notes, and any other materials you find useful. **IMPORTANT:** the exam will be administered through the course website (compass 2g). So you can take the exam wherever you want, but the exam will be available only during the designated time. Detailed guidelines for the exam will be provided later toward the end of the semester. The exam will be worth 30 percent of the total grade.

Evaluation

	%	Note
Attendance and Participation	10%	
Quiz	15%	
Case Discussion and Summary	15%	
Group Assignments	15%	Assignment #1 (5%), #2 (10%)
Group Presentation	15%	
Final Exam	30%	
Total	100%	

Calculation of Course Grades

The final letter grade will be “generally” based on the following scale:

<u>LETTER GRADE</u>	<u>TOTAL SCORE</u>
A	100-94
A-	93-87
B+	86-80
B	79-70
B-	71-74
C+	63-55
C	54-46
C-	45-37
D+	36-28
D	27-

Course Materials

1. **Compass.** Some readings in PDF are available on the Illinois Compass 2g website for this course. See the section “Course Website” below for more information.
2. **Harvard Business Publishing website.** All cases are available for purchase on the Harvard Business Publishing website at: <https://hbr.org/store/case-studies>. The web links to HBS cases will be provided on the course website.

Academic Integrity

In order to maintain a vigorous and healthy learning environment in the classroom, it is critical that no member of the class engage in or tolerate academic fraud, such as cheating or plagiarism. We believe strongly in giving certain liberties to students, and in return we expect honest and honorable conduct, including compliance with the University of Illinois' Student Code (see <http://admin.illinois.edu/policy/code> for details).

Since our reading materials and discussion topics include examples from well-known companies, it is often the case that relevant information can be found in the sources other than designated course materials (for example, the Internet, magazines, newspaper, etc.). Whereas referring to external sources is fine and encouraged, it may be tempting to use or copy information from such sources in your course assignment without proper acknowledgement of the sources. Such action is considered plagiarism and strictly prohibited. Brief guidelines about what constitutes plagiarism and how to avoid it will be provided during the class, but it is ultimately the students' responsibility to educate themselves about the risk of plagiarism and avoid committing it. Carefully review the University policy governing academic integrity and plagiarism, including the Student Code Article 1, Part 4, §1-402 "Infractions of Academic Integrity" (http://admin.illinois.edu/policy/code/article1_part4_1-402.html). Not knowing the policy is not an excuse.

This policy applies to all written assignments of this course, including case memos and exam answers. Any incidence of plagiarism will be handled according to the official University policies and reported to the University administration.

Class Schedule

Week 1 (March 22): Course Overview and Introduction to CSR

- Milton Friedman. 1970. "The Social Responsibility of Business Is To Increase Its Profits," *New York Times Magazine*, September 13.
- David Vogel. 2005. *The Market for Virtue: The Potential and Limits of Corporate Social Responsibility*. Washington, DC: Brookings Institution Press. Chapter 1: The Revival of Corporate Social Responsibility.
- Christopher Marquis. 2020. *Better Business: How the B Corp Movement Is Remaking Capitalism One Company at a Time*. New Haven, CT: Yale University Press. Chapter 1.

Group Assignment #1: Choose a B-corporation and conduct brief research about the company—its history, visions, and major CSR programs. Provide a summary of your findings (maximum 4 pages, double-spaced).

Week 2 (March 29): CSR for Whom or What? Customer Demands and Investor Relations

- David Vogel. 2005. *The Market for Virtue: The Potential and Limits of Corporate Social Responsibility*. Washington, DC: Brookings Institution Press. Chapter 3: What Is the Demand for Virtue?
- Philip Kotler and Nancy Lee. 2004. "When It Comes to Gaining a Market Edge While Supporting a Social Cause, 'Corporate Social Marketing' Leads the Pack," *Stanford Social Innovation Review* Spring.

Case discussion #1: "The Dannon Company: Marketing and Corporate Social Responsibility (A)."

Group assignment #1 due

Week 3 (April 5): CSR and Employee Relations

- Mirvis, Philip. 2014. "Employee Engagement and CSR: Transactional, Relational, and Developmental Approaches." *California Management Review* 54(4): 93-117.
- Cynthia Cocyota et al. 2016. "Corporate Social Responsibility and Employee Volunteerism: What Do the Best Companies Do?" *Business Horizons* 59: 321-329.

Case discussion #2: "Allied Electronics Corporation Ltd: Linking Compensation to Sustainability Metrics."

Group assignment #2: Identify and discuss future challenges for your b-corporation, based on Weeks 2-5's discussion about major driving forces for CSR (maximum 6 pages, double space).

Week 4 (April 12): Globalization, Activists, and CSR

- Richard M. Locke. 2013. *The Promise and Limits of Private Power*. New York: Cambridge University Press. Chapter 1: The Rise of Private Voluntary Regulation in a Global Economy.
- Jeff Swartz. 2010. “How I Did It? Timberland’s CEO on Standing Up to 65,000 Angry Activists.” *Harvard Business Review* 88(9): 39-43.

Case discussion #3: “Apple and Its Suppliers: Corporate Social Responsibility.”

Group assignment #2 due

Week 5 (April 19): Measuring CSR Performance

- Marc J. Epstein. Making Sustainability Work.
 - Chapter 6: The Foundations for Measuring Social, Environmental, and Economic Impacts
 - Chapter 7: Implementing a Social, Environmental, and Economic Impact Measurement System

Case discussion #4: “Facilitating Sustainable Development Decisions: Measuring Stakeholder Reactions” by Marc J. Epstein

Week 6 (April 27): Presentations

Week 7 (May 4): Final exam