Description
This course engages learners in the study of socially-active businesses. We will examine earlier conceptions of the social responsibility of business and examine the changing models of business in society. The course topic emerges from research on companies that engage in social action through employee volunteering programs. Their involvement in social responsibility differs from monetary contributions alone because their employee volunteering programs and partnerships with nonprofit organizations give person-to-person and employee-to-community contributions of time, expertise and commitment. Executive leaders and corporate volunteer managers in these organizations must create new corporate models that can handle continuous change, sustain profitability, and engage their employees in community volunteering at the same time. They must answer to stockholders, corporate boards, and multiple stakeholders that hold them accountable for maximizing the bottom line. These and other issues provide a basis for learners to explore phenomenon of socially-active businesses.

Required Texts and Readings

Book:

On-line Readings:
- Articles and book chapters – The remaining readings are available on Blackboard

GRADING
30% Comprehension Essays (2)
15% Research paper
40% Socially-active business analysis
Individual grade can be impacted by peer evaluations (given by members of each group) as indicated below
This overall evaluation will impact your grade for the final group project in the following manner – Overall peer evaluation: 100-80 points, student receives group grade; 79-75 points, lose one full grade from the final group paper; 74-70 lose, two full grades; 69-65 lose three full grades; 64 and below, lose all credit for the group paper.

CR Presentation of current articles and book discussion on business in society (Credit/No-credit)

15% Attendance and Participation
Class Attendance is required at all class sessions
0 absences = 100; 1 unexcused absence = 90; 2 unexcused absence = 80; 3 unexcused absences = 70; 4 unexcused absences = 60; 5+ unexcused absences = 0. Excused absences require documentation from a dean or physician. Without this documentation, you are considered absent. The instructor’s evaluation of team contributions can also be factored into this grade.
## Week 1
- **January 14**: Introduction
- **January 16**: What does a *socially-active* business look like?
  *Assignment (See handout)*

## Week 2
- **January 21**: Note class meets from 4:40-5:20 due to MLK celebration
  Discussion of syllabus and assignments
- **January 23**: Leading Corporate Citizens
  Reading: Waddock, Ch.1
  Video: *Doing well and doing good corporate social responsibility as a profit generator* / Jeffrey Swartz

## Week 3
### What is the Social Responsibility of Business?
- **January 28**: The Social Responsibility Controversy
  Reading:
  - Friedman, *The Social Responsibility of Business Is to Increase Its Profits* (Blackboard under assignments)
  - Davis, *What is the Business of Business?* (Blackboard)
  - Friedman, *Social Responsibility: Fundamentally Subversive?* (Blackboard)
  - O'Connell, *Social Responsibility: Do the Right Thing* (Blackboard)
  - Grow, Ham & Lee, *The Debate Over Doing Good* (Blackboard)
  *Assignment (See Attachment 2) – Preparation for debate*
  *In class: Debate - *Corporate social responsibility (CSR) is *not* a responsible business practice?* (See handout)
- **January 30**: Three spheres of human civilization
  Reading: Waddock, Ch.2
  Video: *Walmart: The high cost of low price* (20 minute version)

## Week 4
### Theories Underlying Social Responsibility: Transforming leadership, Altruism, Virtue Theory and the Common Good
- **February 4**: Reading:
  - Hickman, *Can organizations meet the test of transforming leadership? pp. 110-125 only*
  - EOL: Leadership for the common good (Crosby & Bryson), pp 853-858.
  - Arjoon, *Virtue theory as a dynamic theory of business* (Blackboard)
  - Andrea Wright
- **February 6**: Reading:
  - EOL: Altruism (O’Shea), pp. 29-35.
  - Kanungo & Conger, *Promoting altruism as a corporate goal* (Blackboard)
  - Issac Aaron
  - Camille Wingo

## Week 5
### Vision, Values, Mission and Social Responsibility: Balancing Business and Social Missions
- **February 11**: Readings:
  - Waddock, pp. 77-82 & Ch. 3
  - Michael Murray
- **February 13**: Readings:
  - EOL: Ben and Jerry’s (Reymers), pp. 92-95
  - Katie Donovan
  - Irin Tatiya
  *Research Report: Literature search - Bibliography with abstracts*
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<th>Week 6</th>
<th><strong>What does society want from business in the twenty first century?</strong></th>
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| February 18 | What are the motivations of socially-active businesses? Does it pay to engage in social activism (social responsibility)?  
**Reading:**  
- Vogl, Does it pay to be Good? (Blackboard)  
- Himmelstein, The Struggle Between Looking Good and Doing Good: Dilemmas of Corporate Philanthropy (Blackboard)  
  
- Kathryn Elberson |
| February 20 | Can or should business deliver what society wants (beyond products or services)?  
**Reading:**  
- Carroll & Buchholtz, Business and Community Stakeholders (Blackboard)  
- Lisa Sinkovitz |

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<th>Week 7</th>
<th><strong>Due: Comprehension Essay 1</strong></th>
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| February 25 | **Discuss progress on Socially-Active Business Analysis**  
Mid-course Assessment |
| February 27 | **Discuss progress on Socially-Active Business Analysis**  
Mid-course Assessment |

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<th>Week 8</th>
<th><strong>Social Capital in the Corporation</strong></th>
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| March 3 | **Reading:**  
- EOL: Social capital (Couto), pp. 1445-1452.  
- Waddock: pp. 160-162  
- Cohen, & Prusak, In Good Company (Blackboard)  
  
- Shanaya Fullerton  
- Kathleen Scrimale |
| March 4 | 8:00 p.m. **Film: The Corporation** (Boatright Library - MRC auditorium) |
| March 5 | **Attend Donchian Symposium on the Ethical Challenges of Leadership** (Jepson Alumni Center)  
- Attend as many sessions as possible throughout the day (No class meeting). At a minimum, please attend:  
  - 10:00 pm. – Keynote: Ray C. Anderson, Interface Corporation  
  - 3:30 p.m. – Concurrent Session – Leadership and Corporate Social Responsibility |

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<tr>
<th>Week 9</th>
<th><strong>SPRING BREAK</strong></th>
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<td>March 10 &amp; March 12</td>
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<th>Week 10</th>
<th><strong>Capacity Building and Leadership</strong></th>
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| March 17 | **Reading:**  
- Video: *Secrets of the super rich: Jim Sinegal, CEO of Costco* (ABC News)  
  
- Mary Gardiner  
- Lauren Reeves |
| March 19 | **Reading:**  
- Hickman, Can organizations meet the test of transforming leadership? **pp. 125-131 only** (Blackboard)  
- Lawler, The Era of Human Capital Has Finally Arrived (Blackboard)  
  
- Yu Iwashita |
### Week 11  Leadership, Sustainability and Accountability

**March 24  Leadership Processes**
- **Reading**
  - O'Toole, When Leadership is an Organizational Trait (Blackboard)
  - Glazebrook, The social construction of corporate citizenship (Blackboard)
  - In class - Video: *Johnsonville Sausage Company*
- Julian Kurland

**March 26  Accountability and Sustainability**
- **Reading**
  - Waddock, pp. 249-262; 265-271 & 274-283
  - Video: *Corporate Social Responsibility* (environmental issues)
- Kelly Padden

### Week 12  Global Business and Democracy

**March 31  Reading**
- EOL: Globalization (Hicks), pp. 570-577.
- Chris Genualdi

**April 2  Reading**
- Waddock, pp. 242-244;
- In class - Video: *The Bank of Madura*
- Katie Moscarino
- Lauren Harris

### Week 13  Do socially-active companies require different models of business and leadership?

**April 7  Reading**
- Hickman, *Organizations of Hope: Summary report of the volunteer manager survey* (handout)
- Waddock pp. 332-344 & Ch. 12
- Julia Nousss
- Aurie Horn

**April 9  Due: Comprehension Essay 2**

### Week 14

**April 14  Planning session**
**April 20  Planning session**

### Week 15  Preparation for Socially-Active Business Analysis

**April 21  Planning session**
**April 23  Planning session**
- Peer Evaluations
- Course Evaluations

**Saturday, April 26**
- 6:30 p.m. Dinner at the Hickman Home

May 3 – 2:00-5:00 p.m. - Presentation to company - Socially-Active Business Analysis
- Socially Active Business Presentation and Report Due
ASSIGNMENTS AND CLASS POLICIES
Hickman – LDST 390

CLASS POLICIES

Class Attendance and Participation
- Attendance - Sign the attendance sheet for each class session. This is my official record of your attendance.

  Unexcused absences = No documentation from RC or WC dean or a physician.
  Students are allowed 1 unexcused absence for illness or a scheduled off-campus event in another course. The instructor must receive a notification of the reason for the unexcused absence by e-mail only. Simply telling the instructor about the absence is not adequate. All other unexcused absences are deducted from the attendance grade.

  Excused absences = Written documentation of absence from RC or WC dean or a physician for authorized university events, major illness or family loss.

- Participation means that students must: complete the assigned readings prior to class; engage in class discussions and group activities; raise questions about the readings and assignments; and remain fully attentive and engaged in the class without distractions such as text messaging, telephone calls, using the Internet, and talking about matters unrelated to class.

Honor Pledge
The Jepson School supports and adheres to the provisions of the Honor System sanctioned by the School of Arts and Sciences. Every piece of individual written work must have the honor pledge and the student’s signature on it. The pledge is “I pledge that I have neither given nor received unauthorized assistance during completion of this work.”

Grading Scale
Grading for assignments is based on the university’s grading scale:

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<th>Value</th>
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<td>A</td>
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<td>B+</td>
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ASSIGNMENTS

Comprehension Essays (2)
Write a short paper that provides your thoughts on the assigned readings listed in the syllabus. Be prepared to share your paper in class. Prepare the paper as follows: approximately 3-4 doubled-spaced pages in 12 pt. Times Roman font and 1” margins. Essays are due at class time on the day designated in the syllabus. The focus of each essay will be taken from the topics in the course.

- What does it mean to be a good corporate citizen in today’s society?
- How do earlier perspectives on social responsibility in business differ from today’s viewpoints?
- Can business really be altruistic?
- What does society want from business in the twenty-first century?
  - Can and should business deliver what society wants (beyond products or services)?
  - Do the wants and expectations of society infringe on the primary role of business?
- What are the motivations of socially-active businesses?
  - Does it pay to engage in social activism or social responsibility?
- Do socially-active businesses require different models of business and leadership from traditional models?
- Does engagement with non-profit organizations and the community change business?
- What are the perspectives of non-profit organizations and the community about the advantages and challenges of working with socially active businesses?
- Are socially active businesses sustainable?
- Are there new social expectations for doing business globally in the twenty-first century?
  - What are the past and current perspectives on globalization and social responsibility of business?

Current Articles - Issues on Business and Society
Each student will be asked to share a news or journal article on a current topic related to business and society.

Possible sources:
New York Times (nyt.com) and other newspapers
Research Paper – Group Assignment
The class will be divided into five groups. Each group will examine one of the topics contained in the socially-active business analysis.

- The paper must analyze the topic using a minimum of 10 journal articles. For the best on-line sources go to:
  - The Boatwright Library web site, click on “Research Guides by Subject Matter/Major, click on “Business Ethics,” and then search the on-line databases for full-text articles.
  - You may also want to search the on-line sources below.
    - Business Ethics Quarterly (http://www.pdcnet.org/beq.html)
    - Business and Society (bas.sagepub.com)
    - Business and Society Review (blackwellpublishing.com/journal)
    - Business for Social Responsibility (bsr.org)
    - Council on Economic Priorities (cepnyc.org)
    - Points of Light Foundation (pointsoflight.org)
    - Social Accountability International (sa-intl.org)

- Integrate information from current reports or research (at least 5) on your topic using internet sites such as:
  - Business for Social Responsibility (bsr.org)
  - Center for Corporate Citizenship at Boston College (www.bc.edu/corporatecitizenship)
  - Points of Light Foundation (pointsoflight.org)
  - Other similar sites

- Use a standard style manual for your citations and

Socially-Active Business Analysis
The class will work with one organization in five groups. Each group will a business in the Richmond area to conduct a socially-active business analysis through interviews and observations. The purpose of this analysis is to understand - What kind of leadership makes it possible to handle continuous change, sustain profitability, and engage in “community-volunteering projects” at the same time? The questions will be distributed in class.
What does a socially-active business look like?

*Assignment (January 16):*
Each student should select one of the award-winning company’s below. Research the company’s volunteering program on the Points of Light web site (pointsoflight.org) and on the company’s web site.
In class, be prepared to:
- Explain what the company does (its products or services) and its size (employees, revenue, if available)
- Describe the company’s volunteering program and explain what distinguishes it (why did it win an award?).
- How does it portray itself as a corporate citizen?
  - How does the company present its volunteering program on its web site?
  - Is the company’s commitment to volunteering and the community apparent in their mission, vision and/or values statements
  - Does it seem to be a good company to work for? Why or why not? (Look at its employment page to see how it describes itself to potential employees)

**Awards for Excellence in Workplace Volunteer Programs**

**2007 Honorees**

**AAA of Northern California, Nevada, and Utah**, San Francisco, CA
As a company who’s CEO believes that “Volunteerism is in our DNA,” workplace volunteering is a natural fit for AAA of Northern California, Nevada, and Utah. In 2004, AAA formalized its community commitment with the launch of its employee volunteer program. The program focuses on three core areas: safety, environment and wellness, and just three years into the program, the company has full participation by senior management staff and sixty-five percent of all employees volunteered through the program. Employees serve their communities by performing safety-related activities such as installing car seats for small children; participating in park and beach clean-ups; and taking part in health related walks. AAA is committed to continual program evaluation and seeks opportunities for improvement through surveying partner organizations and incorporating their feedback. Major volunteer program partners include Habitat for Humanity, Junior Achievement, local food banks and soup kitchens.

**Citi**, New York, NY
Citi, a leading global financial services company, operates with a set of shared responsibilities to clients, colleagues, and the franchise. These responsibilities include taking an active role in the communities where employees work and live through the company’s volunteer program. Tapping into its staff’s financial expertise, Citi has trained more than 5,300 employees and nonprofit partner staff to deliver financial education to youth and adults. Employees also volunteer in other areas, including environmental projects, school revitalization, park restoration, nonprofit board memberships, and more. Individuals drive most of this participation, but increasingly groups of employees work together on community projects which has the added benefit of building stronger Citi teams across business lines. In 2006, nearly 46,000 Citi employee volunteers and their families in 100 countries gave the gift of their time for the company’s first annual Global Community Day.

**Microsoft Corporation**, Redmond, WA
Through its Employee Community Engagement program (ECE), Microsoft demonstrates its commitment to corporate citizenship and taps the creativity and innovation that are the hallmark of the company. Using skills-based programs, the company connects employees and communities through long-term professional and leadership volunteering. For example, Microsoft’s Leaders in Service pilot program prepares senior leadership teams to address key community challenges while the Loaned Executive program assists United Way with fundraising. Meanwhile, in response to local or global crises, Microsoft utilizes its expertise to leverage technology to aid relief efforts. The company matches employees’ volunteer time with a $17 donation for each volunteer hour, up to $12,000 per year. In international regions, employees receive a minimum of 3 days off a year to volunteer. Employees can search and register for volunteer opportunities worldwide and track their service online through the Microsoft Volunteer Connection System. Last year, employees logged nearly 110,000 volunteer hours. In September 2006, Microsoft celebrated the ECE program’s one-year anniversary with a marketing campaign and a weeklong series of events, including a nonprofit volunteer fair, a brown bag luncheon on women’s community leadership, and a board training session. The celebration concluded with over 3,600 employees volunteering in the United Way of King County Day of Caring – Microsoft’s most successful participation yet.

**SRP (Salt River Project)**, Phoenix, AZ
SRP has a passion for community service that spans 100 years and SRP employees take their “service” jobs personally. Beyond keeping the water and power flowing to their communities, eighty-five percent of SRP employees share their time with their
neighbors through hands-on help, serving on nonprofit boards, and volunteering on their own time at an estimated rate of 3.3 hours per person per week. SRP focuses its energy on programs and projects that employee volunteers and nonprofits have identified as most important (education, water safety and human services). Employee volunteers have had a tremendous impact on Tempe youth through SRP’s Tempe Tutors and Sports Buddies programs, now in their successful third year of operation. In response to needs within the Tempe Elementary School District, Tempe Tutors worked to improve students’ math and reading skills. Results show the average improvement was +6 points, almost a year’s growth in one semester. Sports Buddies, developed with Big Brothers Big Sisters of Arizona to attract much-needed male volunteers, has increased the recruitment rate for male mentors from 25 to 40 percent. To address the high rate of child drowning, SRP hosted a water safety day for children with the Phoenix Children’s Hospital.

The McGraw-Hill Companies, New York, NY
McGraw-Hill is working to build a strong network of community service teams across the corporation and around the globe. The employee volunteer program – Community Partners – coordinates an annual Global Volunteer Day. In 2006, this annual service day engaged more than 2,300 employees located in 40 cities and 14 countries in local volunteer activities. Service projects ranged from a village development project in India and a wetlands clean-up project in Australia, to introducing interview skills to women returning to the workforce in New York City, and a community beautification project in Ohio. McGraw-Hill has also successfully leveraged its employee core competencies to benefit the community through the company’s award winning Writers to the Rescue program. Writers, editors and communication specialists from the company have shared their skills with countless nonprofits, helping them create promotional materials, develop Web site content, edit grant applications, and much more.

2005 Honorees

Aetna, Hartford, CT
Nothing is left to chance with the Aetna Employees Reaching Out (AERO) employee volunteer program. For instance, employees heading up a community service project can download Aetna Employees' Guide to Organizing Extraordinary Group Volunteer Projects. Best-practice examples of group volunteer events that achieve business goals are available. A customized "My AERO Home" web site enables employee volunteers to log in and track their community service hours, search for volunteer opportunities, and receive e-mails when opportunities match the work they prefer.

Cisco Systems, San Jose, CA
If you want to witness the priority Cisco Systems assigns to social responsibility, ask employees to show you their badge. There, you will notice that giving back to the community is one of the cornerstones of the company and one of its five founding principles.

Federated Department Stores, Inc., Cincinnati, OH
Federated Department Stores' long-standing commitment to service is put into action with Partners in Time, the employee volunteer program that last year celebrated its 15th anniversary. The program is active in 500 Macy's and Bloomingdale's stores and office locations in all 11 store and support divisions. It's estimated that one-third of Federated employees participate in one-time and ongoing projects.

Georgia Natural Gas, Atlanta, GA
Georgia Natural Gas (GNG) may have a small number of employees — 60 or so — and a limited budget for its TrueBlue Crew employee volunteer program, but the heart of this utility marketer is enormous. Every single manager volunteered since the inception of the program, and so did 70% of employees. online.wsj.com

The Home Depot, Atlanta, GA
Home Depot's business is all about helping consumers build or improve their houses. Team Depot, the company's volunteer program, is all about helping build and improve communities. In both the business and community service worlds, the company exerts considerable influence.

The Washington Trust Company, Westerly, RI
For The Washington Trust Company, a long-standing commitment to service is backed up by its 205-year old charter, which calls on the bank to provide "those little assistances from time to time, that only banks give." The nation's oldest community bank prides itself on serving the community, both through its financial services and employee volunteering. About three-fourths of employees perform community service in the company's Reach for the Stars volunteerism program. All told, it's estimated 95% of employees participate in non-bank volunteerism such as church and youth groups.
The Social Responsibility Controversy

Preparation for Monday, January

Debate - Corporate social responsibility (CSR) is not a responsible business practice?
Team 1 - Develop the argument against social responsibility in business.
Team 2 – Develop the argument for social responsibility in business.

Prepare your argument using the readings for today, arguments from the Waddock text (where applicable), and your own ideas in support of your position.

1. What are the primary assumptions underlying your position for (against) CSR?
2. What are the supporting points or arguments that support your position?
3. Be prepared to respond to the other group’s argument

Team 1 (against)  
Aaron, Isaac C.  
Elberson, Kathryn P.  
Gardiner, Mary E.  
Harris, Lauren M.  
Iwashita, Yu  
Moscarino, Katie  
Nouss, Julia E.  
Reeves, Lauren E.  
Sinkovitz, Lisa A.  
Wright, Andrea M.

Team 2 (for)  
Donovan, Kaitlin E.  
Fullerton, Shanaya J.  
Genuaidi, Christopher M.  
Horn, Aurie A.  
Kurland, Julian D.  
Murray, Michael L.  
Padden, Kelly C.  
Scrimale, Kathleen A.  
Tatiya, Irin M.  
Wingo, Camille L.

Full class discussion:

4. What are the actual “costs” of CSR to business?
5. Is CSR a zero-sum game?