LEADERSHIP OF SOCIALLY-ACTIVE BUSINESSES
LDST 390-04 SYLLABUS
SPRING 2006
Instructor: Gill Robinson Hickman, Ph.D.

Contact Information
E-mail & Telephone: ghickman@richmond.edu - (try e-mail first); 287-6097 (telephone)
Office Hours: Tuesday and Thursday 3:15-5:30 p.m., and by appointment. Location: JH 128
Class Hours: Tuesday and Thursday, 12:45p.m. – 2:00 p.m., JH 108

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
Books:


Articles:
Blackboard – Go to the Blackboard website (http://blackboard.richmond.edu). Click on “External Links”
Reserve Articles (Library web site) - You can access assigned articles in the syllabus on the Boatwright library webpage under UR Library Catalog and then click on “Course Reserves.”

GRADING
15% Research paper
25% Socially-active business analysis
25% Midterm Exam
25% Final Exam
5% Presentation of current articles and book discussion on business in society (Credit/No-credit)
5% 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.
Grading Scale
All graded assignments and final grades in the course will be based on the scale below.

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<td>C+</td>
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<td>D+</td>
<td>68-66</td>
<td>F</td>
<td>59 &amp; below</td>
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CLASS POLICIES

CLASS ATTENDANCE: Attendance is required at all class sessions. 0 absences = 100; 1 unexcused absence = 90; 2 unexcused absences = 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.

HONOR CODE: The Jepson School supports and adheres to the provisions of the Honor System sanctioned by the School of Arts and Sciences. Every piece or written work presented by individual students must have the honor pledge with your signature on it. The pledge is: “I pledge that I have neither given nor received unauthorized assistance during the completion of this work.”

SERVICES FOR STUDENTS

STUDENTS WITH DISABILITIES: If you have a verified disability and would like to discuss special academic accommodations, please contact me during the first week of class to arrange reasonable and appropriate accommodations.

AVAILABLE RESOURCES: My office hours are for you, whether you are struggling with course material or simply want to talk. Please feel free to drop in.

Academic Skills Center: The academic skills center offers free tutoring in a variety of subjects. Advising in study skills (i.e., test-taking, note-taking, information processing, concentration, etc.), stress management, and time management is also available. Call or visit their web site for more information (289-8626; http://oncampus.richmond.edu/student/affairs/office/asc/).

Counseling & Psychological Services (CAPS): The CAPS office offers a wide range of counseling and psychological services to full-time students at the University of Richmond. Call or visit their web site for more information (289-8119). http://oncampus.richmond.edu/student/affairs/caps/index.htm
Central Questions

• 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?

Internet Resources for Current Issues on Business and Society:
Business and Society (bas.sagepub.com)
Business and Society Review (blackwellpublishing.com/journal)
Business Ethics Magazine (business-ethics.com)
Business for Social Responsibility (bsr.org)
Council on Economic Priorities (cepnyc.org)
Economist, The (economist.com)
Fast Company (fastcompany.com)
Fortune.com and Fortune Magazine
New York Times (nyt.com) and other newspapers
Points of Light Foundation (pointsoflight.org)
Social Accountability International (sa-intl.org)
Wall Street Journal (online.wsj.com)
Virtual Volunteering (serviceleader.org/new/virtual)
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<th>Week 1</th>
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<td><strong>January 17</strong></td>
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| **January 19** | What does a *socially-active* business look like?  
Reading: Hickman, *Organizations of Hope*  
**Assignment** (See Attachment 2) |

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<th>Week 2</th>
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| **January 24** | Leading Corporate Citizens  
Reading: Waddock, Ch.1 |
| **January 26** | Three spheres of human civilization  
Reading: Waddock, Ch.2 |

| Week 3 | **What is the Social Responsibility of Business?** |
|---|
| **January 31** | The Social Responsibility Controversy  
Reading:  
- Friedman, The Social Responsibility of Business Is to Increase Its Profits (Blackboard)  
- Social Responsibility: Fundamentally Subversive? (Blackboard)  
- Social Responsibility: Do the Right Thing (Blackboard)  
- Grow, Ham & Lee, The Debate Over Doing Good (Blackboard)  
**In class:**  
- Prepare to take a position on the social responsibility controversy  
- Guests – Dr. Valter Moreno & Dr. Flavia Cavazotte, IBMEC, Rio de Janeiro, Brazil |
| **February 2** | Discussion of assignments and syllabus. Assignment of research topics  
Hickman, Organizations of Hope: Summary Report of the Volunteer Manager Survey |

| Week 4 | **History and Theories Underlying Social Responsibility: Altruism, Virtue Theory and the Common Good** |
|---|
| **February 7** | Reading:  
- Campbell, Gulas & Gruca, Corporate Giving Behavior and Decision-Maker Social Consciousness  
- Kanungo & Conger, Promoting altruism as a corporate goal. |
| **February 9** | Reading:  
- Arjoon, Virtue theory as a dynamic theory of business  
Emily Aicklen |

| Week 5 | **What does society want from business in the twenty-first century?** |
|---|
| **February 14** | 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?  
- Himmelstein, The Struggle Between Looking Good and Doing Good: Dilemmas of Corporate Philanthropy |
| **February 16** | Can and should business deliver what society wants (beyond products or services)?  
Reading:  
- Carroll & Buchholtz, Business and Community Stakeholders (Blackboard)  
Rick Zullo |

| Week 6 | **Vision, Values and Social Responsibility** |
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| **February 21** | **Readings:**  
Waddock, pp. 77-82 & Ch. 3 |
| **February 23** | Discuss midterm  
Balu Chandrasekaran |
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<th>Week 7</th>
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<td>February 28</td>
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<td>March 2</td>
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<th>Week 8</th>
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<td>March 7</td>
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<td>March 9</td>
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| Week 9 | Social Capital in the Corporation |
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| March 14 | Reading: |
| | Cohen, & Prusak, In Good Company |
| | Will Vanthunen |
| March 16 | Work on-site with company (Socially-Active Business Analysis) |

| Week 10 | Capacity Building and Leadership |
| --- |
| March 21 | Reading: |
| | Lawler, The Era of Human Capital Has Finally Arrived |
| | John Eggbeer |
| March 23 | Reading: |
| | O’Toole, When Leadership is an Organizational Trait |
| | Video: Johnsonville Sausage Company |
| | Plan ahead - Begin reading the Hertz book, The silent takeover, for discussion on April 11 & 13 |

| Week 11 | Accountability and sustainability |
| --- |
| March 28 | Accountability |
| | Reading |
| | Waddock, Ch. 8 |
| | Assignment: Each student should go to two social accountability web-sites – AccountAbility (www.accountability.org.uk) to examine the content of the AA1000; and the SA 8000 standards (www.cepaa.org) |
| | Tara Sulzen |
| March 30 | Sustainability |
| | Reading |
| | Waddock, pp. 265-271 & pp. 274-283 |
| | Discuss progress on Socially-Active Business Analysis |
| | Plan ahead - Continue reading the Hertz book, The silent takeover, for discussion on April 11 & 13 |

<p>| Week 12 | Are there new social expectations for doing business globally in the twenty-first century? |
| --- |
| April 4 | Research Report due. Discuss findings |
| April 6 | Reading: |
| | Bill Miller |
| | Video: The Bank of Madura |</p>
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<tr>
<th>Week 13</th>
<th>Global Business and Democracy</th>
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| April 11 | Reading:  
  - Hertz, *The silent takeover*  
  - Jess Scrimale |
| April 13 | Reading  
  - Hertz, *The silent takeover* |

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<tr>
<th>Week 14</th>
<th>Do socially-active businesses require different models of business and leadership from traditional models?</th>
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| April 18 | Reading:  
  - Waddock pp. 332-344 & Ch. 12  
  - Jake Morris |
| April 20 | Hickman’s model |

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<th>Week 15</th>
<th>Presentation of Socially-Active Business Analysis</th>
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<tr>
<td>April 25</td>
<td>Oral and Written Report due - Company 1</td>
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<td>April 27</td>
<td>Oral and Written Report due - Company 2</td>
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<th>Final Exams</th>
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ASSIGNMENTS (LDST 390-04)

**Current Articles on Socially-Active or Socially-Responsible Business**

Each person in the class is assigned a designated day in the syllabus to lead a discussion for approximately 15-20 minutes that focuses on a current (last 18 mos.) article that is highly relevant to the course. The article can reflect views pro or con or provide significant insight on some aspect of socially active/socially responsible businesses. Review the key questions in the course, and then search for full-text articles (see examples of sources below). Provide a copy of the article to the instructor.

**Sample Internet Resources for Current Issues on Business and Society:**

Expanded Academic Index
Wilson Business full-text
Lexis-Nexis
Business and Society (bas.sagepub.com)
Business and Society Review (blackwellpublishing.com/journal)
Business Ethics Magazine (business-ethics.com)
Economist, The (economist.com)
Fast Company (fastcompany.com)
Fortune.com and Fortune Magazine
New York Times (nyt.com) and other newspapers
Wall Street Journal (online.wsj.com)

**Socially-Active Business Analysis**

The class will work in two groups. Each group will with a business in the Richmond area to conduct a socially-active business analysis. 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? See questions in Attachment 1)

**Research Paper**

Each student will examine one of the topics contained in the socially-active business analysis (Attachment 1).

- 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 and Society (bas.sagepub.com)
    - Business and Society Review (blackwellpublishing.com/journal)
    - Economist, The (economist.com)
- 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 bibliography – APA, MLA, Turabian, etc.
Objective: 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? Prepare a report for the company based on the group’s findings.

Data Collection Methods: Interviews (each group - 20 employee at all levels + 5 community/non-profit partners); observation of meetings; document analysis.

About the Company: (Obtain from the company Web-Site and publications, and employee volunteer manager)
- Explain what the company does (its products or services)
- To what industry does the company belong - finance/insurance, services, manufacturing, retail, public utilities or transportation? Is the company publicly-held, privately-owned or quasi-governmental?
- How many years has the company been in business?
- Total number of employees (eligible for the volunteer program)
- Have the revenues and net income been stable over the last three years (2003-2005)? Provide the numbers.
- Describe the company’s volunteer program. How does it operate? Do employees volunteer during work hours and are they paid? How many hours do employees volunteer per year? How are the volunteering opportunities decided?

Company Values (Talk to multiple stakeholders – managers, employees, volunteer manager, non-profit or community partners)
- What are the “values” that characterize your organization? What is the process used by the leadership to impart the values to employees? How do the values come alive; who makes them come alive; and what actions do they take to do so?
- Is corporate citizenship a part of the company’s values? What does corporate citizenship mean in this company? What is the process used by the leadership to impart corporate citizenship to employees? How does corporate citizenship come alive; who makes it come alive; and what actions do they take to do so?

The Employee Volunteering Program (Talk to multiple stakeholders – managers, employees, volunteer manager, non-profit or community partners)
- Why does the company have an employee volunteering program? What is the process used by the leadership to impart its commitment to the volunteering programs? How does the volunteering program come alive; who makes it come alive; and what actions do they take to do so?
- Is the employee volunteer program a part of the culture (internal environment) of the organization? Is it aligned and integrated throughout the organization? What kind of culture or internal environment does it produce among the employees? Is it positive or negative, strong or weak?
- What do employees gain from participating in the volunteer program? What do they learn and how do they use this learning in the company, if at all. What do employees lose by participating in the program, if anything? How do employees and the volunteer manager gauge what they gain or lose?
- What does the community (or non-profits) gain from participating with the company in the volunteer program? What does it learn and how does the community use this learning? What does the community (or non-profits) lose by participating in the program, if anything? How does the community (or non-profits) gauge what it gains or loses?

Continuous Change (Agility) - (Talk to multiple stakeholders – managers, employees, volunteer manager)
- What is the process used by the leadership to handle change in response to opportunities and challenges? How does the company encourage its members to embrace change? How are decisions about change made and who makes them? What actions do they take? Are decisions about change consistent with the company’s core values?
- Do job responsibilities or the organizational structure change? If so, how? Does the company’s involvement in continuous change impact its commitment to employee volunteering? Explain.

Employees (Talk to multiple stakeholders – managers, employees, volunteer manager)
- What is it like to work in this company? What is the process used by the leadership to impart its views or attitudes about employees? How does this come alive; who makes it come alive; and what actions do they take to do so? Are these actions consistent with the company’s core values? Non-profit or community partners – What is it like to work with this company?
- What kind of employee development and learning does the company support (commit resources to)? What kind of leadership development does the company provide? Who has the opportunity to participate in the learning and development (including leadership development); and who doesn’t?

Leadership (Process and people)
- What direct or indirect leadership process do you observe and detect at work in the company? Are these processes aligned and integrated throughout the organization? What kind of culture (internal environment) does it produce among the employees? Is it positive or negative, strong or weak? Explain.
- How is leadership distributed in the organization? Is it closely held at the top, contained within executive and middle management levels, or broadly distributed among employees throughout the company? How are the company’s views of leadership imparted? Are the company’s leadership perspectives and practices consistent with its core values?
- How do the leadership processes work to handle continuous change, sustain profitability, and engage in “community-volunteering projects” at the same time? Explain. Are there areas that need better alignment or strengthening?
Assignment (January 19): What does a socially-active business look like?
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
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.

2003-2004 Honorees

GE
Fairfield, CT Community by community and around the world, GE volunteers are making a difference. Lead by the 53,000 members of GE Elfun Volunteers, we are mentoring students, improving literacy, creating better communities and helping solve serious social problems.

KPMG LLP
New York, NY KPMG’s INVOLVE program nationally supports, encourages and enables KPMG’s 18,000 partners and employees throughout the U.S. to perform volunteer community service. INVOLVE has formed relationships with several nationally recognized non-profit organizations which provide volunteer opportunities, while also encouraging employees to volunteer locally for additional charitable causes that have meaning to them. KPMG is a strong supporter of the Points of Light Foundation, Connect America, and the USA Freedom Corps through Business Strengthening America.

State Street Corporation
Boston, MA State Street Corporation supports a culture of community service through its worldwide employee volunteer program, Global Outreach, and alumni volunteer program for retired and former employees, Spirit of State Street.

Tucson Electric Power
Tucson, AZ Tucson Electric Power's (TEP) Community Action Team (CAT) is a formal part of its business structure, integrated into the Corporate Services Department. Two committees representing the company's primary work sites serve as directors, advocates and leaders. Annual budget is $18,500 and philanthropic grants supporting volunteer involvement average $100,000 annually.