



MGB 433-1: Corporate Social Responsibility, Course Syllabus

Graduate School of Management

University of California, Davis

Spring Quarter 2019, San Ramon Campus 3/31, 4/7, 4/14; 9 AM to 12 PM

MGB 433-1

Course Topic: Corporate Social Responsibility

Lecturer: Charley Ansbach

Office: TBD

Office Hours: By appointment

Phone: Ansbach: mobile (916) 718-9221

Email: cansbach@ansbachassoc.com, cjansbach@ucdavis.edu

Teaching Dates: 3/31, 4/7 and 4/14 2019

Class Times: 9 AM to 12 PM

Location: San Ramon campus

Overview

Corporate Social Responsibility (CSR) is a topic and field of growing importance, as well as much debate. The definition of CSR is also morphing. Some companies are relegating philanthropy to the CSR office while creating new “sustainability” programs to integrate responsibility into the creation of value. Meanwhile, there is often considerable cynicism about the value and intent of such programs. To some observers, CSR and sustainability are a whitewashing (or ‘greenwashing’) tool used to draw attention away from product defects or corporate misbehavior. To others they are a benign but necessary box to check in order for a company to remain viable in today’s marketplace. To others still, CSR and sustainability represent an emerging discipline companies can use to methodically identify opportunities for creating value that eliminate the negative externalities associated with that process and strengthen the bottom line.

MGB 433-1: Corporate Social Responsibility 2 of 10

None of this is new. The responsibility of business to the social and environmental well-being of the communities around them and simultaneously to their investors has been an issue of evolving importance since well before the Industrial Age. Methods and results can vary company to company, market to market and country to country. What is the business case for CSR/sustainability? How does it relate to the emergence of the “social entrepreneur” from the NGO sector? How can companies design, develop, manage and evaluate successful CSR and sustainability programs? How do some they translate their CSR failures today into new and profitable features in their business for tomorrow? In this class students will learn practical information that will help them understand the basics of designing, managing and evaluating an effective CSR program. It will expose students to a basic set of CSR issues in the context of cross-purpose business challenges and then focus on the analysis and critical decisions that managers must make to move their business and their social agenda forward. Student also will learn about new ideas for improving the performance and outcomes of a CSR program when it is used as an integral part of a company’s core business strategy. Students will be able to use the information from this class to build upon during their post-school leadership roles, whether as corporate executives, entrepreneurs, or NGO leaders. Students will be expected to engage early and often in class discussions.

Instructor

Charley Ansbach has worked with major corporations nationally and internationally representing not only their interests in discussions as donors to major nonprofits/NGOs but also in appeals for support and partnership made by community groups. In those many interactions he learned why most corporate CSR programs fail and how to fix them. He has learned what CSR directors must do to manage their programs inside corporate structures and the practical sides of serving effectively in that role. Charley also was an early adopter of social entrepreneurship in the 1970’s before the name of the field became popular. He created one of the top five projects for the US Labor Department under the Comprehensive Employment and Training Act where he demonstrated the viability of taking select people from the unemployment ranks and developing new small businesses around their skills to take them from welfare rolls to the small business tax-payer rolls of their communities. Currently, he is working with companies and nonprofits on how to form profitable social impact partnerships and on innovative banking and investment groups to design new ways to engage corporate and institutional investors in the growth of CSR and social entrepreneur partnerships for mutual benefit.

After serving nationally as a capital campaign director for Ketchum Inc. Charley opened Ansbach & Associates in 1985 to raise capital funding and provide management consulting for nonprofits and NGOs worldwide. He worked with world leaders, social innovators and major individual, corporate and foundation donor/investors to maximize the impact of their community actions. He sold that firm in 2012 to Skystone Ryan Inc., a global consultancy for NGOs, where he served as a managing partner. Mr. Ansbach sits on the boards of multiple

new companies and has created his own new firm to provide sustainability strategies for innovative nonprofits, social entrepreneurs and corporations. He was a judge on the Dell Global Challenge for social entrepreneurs, teaches action planning to USAID-sponsored business and political leaders from Eastern Europe, serves/served on multiple boards, including the Global Center for Social Entrepreneurism, University of the Pacific, Roots of Peace and Innovative Education Management. He is a contributing author to *Building Strong Nonprofits*, published by Wiley, 2010, and *The Handbook of Persuasion and Social Marketing*, published by Praeger, 2014. He is a global trainer/speaker on issues impacting the field.

Objectives

Throughout the course students will discuss and debate such questions as:

- What, if anything, is the social responsibility of a firm?
- What does “sustainability” mean when applied to business and how can it impact the common goods broader community?
- What are key characteristics of a socially responsible, sustainable business?
- Is this topic new in business?
- What is the business case for or against CSR/sustainability?
- If given the job, how do you create and manage a CSR program? How would that differ and be the same as a sustainability initiative?
- How are some companies using CSR/sustainability to strengthen their bottom line?
- How does/can CSR and sustainability affect the core strategy of a firm?
- How can CSR be used in ways that can damage a company’s place in the market or community?
- What operational trade-offs does CSR force managers to consider in relation to employees, partners, shareholders, customers, communities?
- Is CSR only for those who “can afford it?” What about small businesses? Developing economies?
- When is CSR more a marketing strategy than corporate commitment? Does it matter?
- Did a lack of commitment to ethics, sustainability, and community responsibility play a role in the fall of companies like Enron and Lehman Brothers and if so would a commitment to those principles have helped to save them?
- What is the role of corporations versus that of governments in addressing the community’s social and environmental problems?
- What is social entrepreneurship and what role does/can it play in realizing CSR/sustainability objectives?

MGB 433-1: Corporate Social Responsibility 4 of 10

- What is “social intrapreneurism” and how does it play a role in value creation and the fulfillment of CSR/sustainability objectives?

While many of these questions will not have a definitive and clear answer, the goal is to develop a well-reasoned approach to addressing them and others at all levels of the business ecosystem.

Using Kelli McElhaney’s text, ***Just Good Business***, the discussion will focus on practical steps for developing, managing and evaluating a CSR program.

Using Wayne Visser’s text, ***The Age of Responsibility: CSR 2.0 and the New DNA of Business***, specific areas of focus and debate will include:

- The history and performance of CSR to-date
- The idea and principles of the CSR 2.0 concept
- Approaches for creating current and future high impact CSR initiatives

The instructors use of case studies in class from companies such as Walmart, Interface, Cliff, and Ben & Jerry’s, the discussion will explore “responsibility”, “sustainability”, “social entrepreneurship/intrapreneurship”, and “social innovation-based risk mitigation” as platforms for protecting and creating value.

The class plan involves four overarching elements:

- (1) Build a foundation of issues and opportunities through key readings
- (2) Drive situational analysis and critical analytical thinking through assessment and discussion of case studies and select topics
- (3) Gain pragmatic insights through lecture and discussion

Evaluation of student performance in the class will be based on three elements:

- 40% Final Quiz
- 30% Written papers (2)
- 30% Class Participation

- 1) **Quiz.** There will be one final quiz at the end of the class to determine each student’s understanding of the text and lecture materials

MGB 433-1: Corporate Social Responsibility 5 of 10

- 2) **Written Papers:** There will be 2 short written papers for students to demonstrate an understanding of the topic
- 3) **Class Participation.** Active participation in class discussions is important. Students are expected to come fully prepared to engage in the key issues from the case material and associated readings for every class, to have their own POV on the analysis, and be prepared to grapple with the key challenges presented. In general, open discussion will seek to engage every student and will often mean calling on students who do not have their hands raised. In open discussion, class members are expected to conduct themselves in a professional and respectful manner at all times.

Prerequisites

There are no formal prerequisites for this class. This course will encourage students to draw upon the knowledge gained from core classes and apply it in traditional and innovative ways.

Grading

- A+** (rare, premium given for superior performance and participation far above the norm)
- A, A-** (outstanding performance well above standard)
- B+, B** (fully meets the requirements of the course)
- B-** (deficient performance and participation)
- C+ and below** (significant deficiencies in performance and participation)

Class Operations

- Attendance is part of each student's overall grade. However, if something unavoidable presents a problem, please contact the instructor in advance via email if you must miss a class. More than one absence will affect your grade and each subsequent absence will have an increasingly negative effect.
- As a courtesy to classmates and guests during the quarter, please arrive on time and depart only once the class has concluded. Please turn off cell phones and unless it is part of the class activity, the computers as well.
- Please use a name card in class and sit in the same seat throughout the quarter. In the first class you will be asked to speak briefly about your background and give the instructor a proper pronunciation of your last name.

- Throughout the class, each student is expected to conduct him/her self in concert with the UC Davis Code of Academic Conduct <http://sja.ucdavis.edu/files/cac.pdf>.

Class Materials

Required reading

The core texts for this course will be:

- McElhaney, Kellie. ***Just Good Business***. Berrett-Koehler Publishers, 2008, ISBN 978-1-57675-441-2
- Visser, Wayne. ***The Age of Responsibility: CSR 2.0 and the New DNA of Business***. Wiley & Sons, 2011, ISBN 978-0-470-68857-1

Class Outline

Class 1: What is CSR? Is it a new topic? Why does It succeed or fail? Why is it increasingly important in the market? What direction is it going?

Discussion Topics:

- Operational Topics
 - Introductions
 - Class overview & focus: operational knowledge and knowledge of the field
 - Written report format
 - Distribution of reading materials
- Concept
 - The Interface case
 - What is the purpose of corporations: Friedman vs Kramer?
 - What is CSR?
 - The Shared Value case
 - A crossroads in management in the Industrial Revolution
 - The Robert Owen case
 - Berle vs Dodd
 - The warnings from leaders in business education
 - ***Silent Spring***, big tobacco
 - Why has CSR become so comparatively important to more businesses in recent years?

MGB 433-1: Corporate Social Responsibility 7 of 10

- What does responsibility mean and what is social responsibility?
- Has CSR failed to deliver on its promise? Will sustainability do the same? If so, what would success look like?
- What is “sustainability” and how does it relate to CSR?
- Are global issues like population growth, over consumption of resources, the decline in biodiversity, poverty and climate change a real and present danger or simply looking at the glass half empty? In any case, what should the role of business be in addressing them compared to or in line with maintaining a strong bottom line?
- What was the predicted future of NYC in the 1800s and how did that turn out?
- Is the net impact of business positive or negative globally?
- Is CSR and sustainability part of a corporate effort to hid or excuse irresponsible behavior or is an effort in the right direction that either has or has not gone far enough?
- What are among the key reasons CSR programs fail and what does failure mean?
- Are some industries more likely to adopt CSR than others?
- The triple bottom line
- B Corps, Flexible Benefit Corps, and L3C's
- Social entrepreneurship: Definition, examples and relationship to CSR
- Intrapreneurship: Change from within

Reading Assignment:

- **Visser: Chapters 1 and 6**
- **McElhaney: Pages 3-12, Chapter 1**

Writing Assignment:

- Write a 1-2 page summary describing what is CSR, using examples of three companies with CSR programs to illustrate the concept

Class 2: History, Observations and Predictions

WRITTEN ASSIGNMENT DUE

Discussion Topics: Visser's Ages of CSR

- The Age of Greed

MGB 433-1: Corporate Social Responsibility 8 of 10

- Is greed good?
- Were Enron and Lehman simply badly run, hit with unexpected changes in the market or irresponsibly and unethically managed? Would ethics and responsibility have saved them? What role if any did their active CSR programs play in their fall? What role could it/should it play?
- The Age of Philanthropy
 - The Standard Oil case
 - Global ethics, religion, charity and business
 - Victorian perspectives on wealth, labor, fair wages and the needs and rights of labor
 - Philanthropy and the mega-givers
- Age of Marketing
 - Greenwashing
 - BP case
 - Rachael Carson and Ralph Nader
- Age of Management
 - Global standards
 - Alignment of CSR and business strategy
 - Cadbury case
- Age of Responsibility
 - CSR: full integration with business strategy and value creation
 - Interface case
 - Dannon and Grameen Bank case
- Principles of CSR 2.0
 - Principle of creativity
 - Principle of scalability
 - Principle of Responsiveness
 - Principle of “Glocality”
 - Principle of Circularity

Reading Assignment:

- **McElhaney: Chapters 10-11**

Writing Assignment:

- Write a 1-2 page summary of 3 companies you believe have used CSR as an integrated element in their core strategies and how they use it to create value

Class 3: Highlights in operationalizing CSR

WRITTEN ASSIGNMENT DUE

- Degrees of implementation: Hungarian toilet paper to Wal Mart to Patagonia to GE's Ecomagination to Beneficial Bank
- What is the advantage of a CSR goal aligned with core business strategy and brand?
- Developing a strategy:
 - Leadership buy-in
 - Conduct an internal and external comparative industry assessment
 - Identify stakeholder needs/interests
 - Select from available, applicable tools, including but not limited to:
 - Sustainability measures
 - Philanthropy
 - Employee volunteerism
 - Applied expertise (ex: scaling, engineering, promotion, etc.)
- Set goals related to helping achieve specific core business objectives. Ex: from name protection to new value creation
- Align goals with core business competencies
- Integrate implementation into top governance and management structure
- Develop a communications and transparency plan
- Assess risks
- Develop clear performance metrics
- A shift is underway in creating value beyond shareholder value, corporate responsibility, and philanthropy
- What is social enterprise and how is it impacting value creation?
- How are companies "seeing" and acting upon social innovation opportunities, and why?
- Aligning with and leveraging Brand
- McElhaney's 7 Steps
 - Know your company
 - Pick a good fit with a good cause
 - Consistency vs. "Spray n Pray"

- Keep it simple
- Work from inside to outside the company
- Know your customer
- Tell (and get told) your story well and effectively
- Assessing risk
- Measuring success

Final Quiz