Department of Business Administration

Chair of Foundations of Business Administration and
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Seminar 542
Seminar in Corporate Social Responsibility

Spring Term 2016

Course Objective

The course assesses the landscape of Corporate Social Responsibility (CSR) in theory and practice. It introduces the major themes and players that currently drive the agenda. The aim of the class is to bridge theory and practice of CSR by highlighting the implementation challenges of CSR. These challenges are closely linked to the perceived legitimacy of corporate activities.

The course sensitizes students for ethically critical issues and highlights aspects of responsibility on the organizational level and the individual level. The students will develop and present relevant topics of this field and will learn more about ongoing research projects of the Chair of Foundations of Business Administration and Theories of the Firm.

The class sessions will be interactive, with emphasis on discussion. Students will be expected to write a seminar paper and prepare a presentation.

Lecturer

Dr. Christian Vögtlin
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Hannah Trittin, M.A.
Email: hannah.trittin@business.uzh.ch

Administrative Details

Time: Tuesdays from 8:00h to 12:00h.
Location: Seminarraum UNK-E-2, Universitaetsstr. 84, 8006 Zurich
(Tram-Station Winkelriedstr., Line 9 & 10).

In the first session the course outline will be presented and students have to sign up for a topic. In order to get credit for the course, students have to write a seminar paper, present their findings to the class, and participate in the seminar meetings. The deadline for the module-booking of this course is March 18, 2016. The successful completion of the seminar accounts for **3 ECTS-Points**, which can be credited to MA: BWL 5. The students will be provided access to the reading material at the beginning of the course.

The deadline for handing in the seminar papers is June 10, 2016. Yet, we strongly advise all participants to use the second half of the semester to finish the papers and hand them in before the other exams start. The papers have to be written in English.

All questions concerning the seminar can be directed to the lecturers: christian.voegtlin@uzh.ch or hannah.trittin@business.uzh.ch

Introductory Literature on How to Write Scientific Papers:

Bänsch, A., & Alewell 2009. **Wissenschaftliches Arbeiten**, München: Oldenbourg.

Huff, A. S. 1999. **Writing for scholarly publication,** Thousand Oaks, USA: Sage.

Huff, A. S. 2009. **Designing research for publication**, London: Sage.

Sachs, S., & Hauser, A. 2002. **Das ABC der betriebswirtschaftlichen Forschung: Anleitung zum wissenschaftlichen Arbeiten**, Zürich: Versus.

Theisen, R. 2012. **Wissenschaftliches Arbeiten: Technik-Methodik-Form**, 15. Auflage, München: Vahlen.

For further guidelines on how to write scientific papers, please refer to the download box on our homepage: http://www.business.uzh.ch/professorships/as/themenliste.html

Handbooks Related to the Seminar Topics:

Brenkert, G.G., & Beauchamp, T.L. 2010. **The Oxford handbook of business ethics.** Oxford, New York: Oxford University Press.

Crane, A., McWilliams, A., Matten, D., Moon, J., & Siegel, D.S. 2008. **The Oxford handbook of corporate social responsibility**. Oxford, New York: Oxford University Press.

Doh, J.P., & Stumpf, S.A. 2005. **Handbook on responsible leadership and governance in global business**. Cheltenham: Edward Elgar.

Ihlen, Ø., Bartlett, J., & May, S. 2011. **Handbook on communication and corporate social responsibility**. 1st ed.. Oxford: Wiley-Blackwell

Scherer, A.G., & Palazzo, G. 2008. **Handbook of research on global corporate citizenship**. Cheltenham: Edward Elgar.

Yukl, G. 2012. **Leadership in organizations**. 8th ed.. New Jersey: Pearson Prentice Hall.

CSR Blog of two renowned scholars in the field: http://craneandmatten.blogspot.ch/

A Note on Plagiarism

Plagiarism is defined as the use of another person's ideas, knowledge, or language without appropriate crediting of the source. Plagiarism is theft of intellectual property, and therefore is a serious offense. It cannot be tolerated in academic work. Any evidence of plagiarism in a student paper will result in a failing grade for the course. It is also inappropriate to use very long quotes from an author even if the material is properly cited and enclosed in quotation marks. Such a practice raises the possibility that students do not really understand the material they are quoting. Ideas should be expressed in the students' own words except for the occasional use of quotations from other sources to highlight or support specific points. For further information see the *Harvard Guide for Using Sources* and its guidelines on avoiding plagiarism: http://isites.harvard.edu/icb/icb.do?keyword=k70847&tabgroupid=icb.tabgroup106849

Course Outline

In the following you will find the themes we will address during the course. The readings listed under each theme provide you with a preliminary introduction to the literature in that field. The references in italics are for those of you who are interested in an introduction to the topic. We encourage all students to read them before class, reading them will facilitate group discussions in class. The course instructors will provide the references in italics to you. The students preparing the presentations should do further literature research. As a starting point, students can use the introductory references attached to each theme.

The following research questions can guide you in preparing your presentations as well as your papers:

(1) What is the theoretical/scientific relevance of the phenomenon you study?
(2) What is the practical relevance of the topic you analyze?
(3) What are the challenges for multinational corporations or their employees in relation to the topic you analyze?
(4) What are possible solutions?
(5) What are theoretical and practical implications that can be derived from these solutions?

Grading Weights

Seminar Paper	60%
Presentation	30%
Attendance and participation in class discussion	10%

University of Zurich UZH

Theme 1: Introduction into the Field of CSR: The Implications of Globalization

The seminar will start with a general introduction into the field of Corporate Social Responsibility (CSR). An emphasis will be placed on the challenges of globalization and the post-national constellation for the multinational corporation. Further, the general themes of the seminar will be introduced and the research program of the Chair of Foundations of Business Administration and Theories of the Firm in relation to issues of CSR will be presented.

References:
Beck, U. 2000. **What is globalization?** Cambridge: Polity Press.

Habermas, J. 2001. **The postnational constellation: Political essays**. Cambridge, UK: Polity Press.

*Scherer, A.G., & Palazzo, G. 2008. Globalization and corporate social responsibility. In A. Crane, A. McWilliams, D. Matten, J. Moon & D.S. Siegel (Eds.) **The Oxford handbook of corporate social responsibility**: 413-431. Oxford: Oxford University Press.*

Scherer, A.G., Palazzo, G., & Matten, D. 2009. Globalization as a challenge for business responsibilities. **Business Ethics Quarterly,** 19(3): 327-347.

Theme 2: Agenda and How to Conduct a Good Presentation

In the first session you will get an additional introduction on how to conduct a presentation in our seminar. We will examine the structure and content of a presentation and highlight the important aspects you need to consider when preparing it. We will review what a good presentation is and we will discuss how you can increase the interactivity with the audience during your presentation.

Theme 3: Case Study

A current case study that deals with issues in CSR will serve as an introduction to the course. The study will be distributed at the beginning of the seminar and will be discussed in class.

Theme 4: Theoretical Foundation: Corporate Social Responsibility (CSR)

In an ongoing globalization process, organizations are faced with changing environmental conditions and growing demands of internal and external stakeholders. This in turn enhances the pressure on firms to engage in corporate social responsibility initiatives in order to address these challenges.

The expanding role of the business corporation in society is discussed in the scholarly literature under the umbrella term of corporate social responsibility. CSR is becoming a broad field within management research. Its scholarly roots can be traced back to the 1950s. Yet, it gained momentum in the 1990s and evolved into a concept that is discussed from very different theoretical perspectives and that is defined in multiple ways.

Learning goals:
The aim of this session is to give the class an overview of the concept of CSR and its related theories. After your talk, your audience should have an understanding of what CSR is, should be able to critically evaluate the different approaches to CSR and reflect on their strengths and limitations in addressing the changing expectations of business firms.

References:

Aguinis, H., & Glavas, A. 2012. What we know and don't know about corporate social responsibility. **Journal of Management,** 38(4): 932-968.

McWilliams, A. & Siegel, D. S. (2001). Corporate social responsibility: A theory of the firm perspective. **Academy of Management Review**, 26, 117-127..

Garriga, E., & Melé, D. 2004. Corporate social responsibility theories: Mapping the territory. **Journal of Business Ethics,** *53: 51-71.*

Matten, D., & Moon, J. 2008. "Implicit" and "explicit" CSR: A conceptual framework for a comparative understanding of corporate social responsibility. **Academy of Management Review,** 33(2): 404-424.

Theme 5: Theoretical Foundation: Corporate Citizenship and the Firm as a Political Actor

Globalization can be understood as the intensification of social interrelations among distant locations. This process is initiated and advanced by a number of decisive factors (e.g., political decisions on deregulation and liberalization; political upheavals; technological advancements; and socio-cultural processes). As a result, the regulatory power of nation state governance is eroding and multinational corporations begin to operate increasingly in a complex and uncertain environment with gaps in regulation and ill-defined rules of appropriate business conduct.

It can be observed that business organizations have started to change their role from one of simply following the rules to one of co-creating the rules of the economic game. They already assume social and political responsibilities that once were regarded as belonging to government (e.g., the production of public goods). As such, business firms engage in political activities or behave as political actors on a global level. These developments have implications for the role of the firm. Theoretical conceptualizations have begun to address this new, political role.

Learning goals:
The aim of this session is to provide an overview of the challenges of globalization for the business firm and to introduce the concepts of corporate citizenship and the political role of the firm. Your audience should be able to understand the differences between corporate citizenship and conceptualizations of CSR and should be able to critically analyze the political role of the business firm.

References:
Crane, A., Matten, D., & Moon, J. 2008. The emergence of corporate citizenship: Historical development and alternative perspectives. In A.G. Scherer & G. Palazzo (Eds.) **Handbook of research on global corporate citizenship.** Cheltenham: Edward Elgar, S. 25-49.

Matten, D., & Crane, A. 2005. Corporate citizenship: Toward an extended theoretical conceptualization. **Academy of Management Review**, 30(1): 166-179.

Mirvis, P., & Googins, B. 2006. Stages of corporate citizenship. *California Management Review,* 48(2): 104-126.

*Scherer, A.G., & Palazzo, G. 2011. The new political role of business in a globalized world: A review of a new perspective on CSR and its implications for the firm, governance, and democracy. **Journal of Management Studies,** 48(4): 899-931.*

Theme 6: The Corporation in Global Business: CSR and the Consumer

Business corporations' engagement with CSR is triggered by consumer choices. However, while, on the one hand, consumers can affect the extent corporations engage with CSR, corporations on the other hand can use CSR signals to differentiate products, attract new customers and get a price premium for CSR products. The customer, as a crucial stakeholder of a corporation, becomes even more powerful, but also more approachable in the role of the consumer. The CSR engagement of corporations selling products directly to the consumer can become a competitive advantage or a liability, if not accounted for.
There are two possibilities of approaching this topic. First, the focus can be placed on the impact of the consumer on the CSR engagement of business firms, addressing issues like the impact of consumer boycotts. The challenges of a specific industry can be used to illustrate the problematic. The second possibility to present this topic is to focus on the impact of CSR on the consumer, addressing issues like the influence of CSR on purchase decisions, price, or the impact of CSR related product labeling.

Learning goals:
The aim of this session is to discuss the ambivalent role of the consumer, and analyze either, the impact of CSR on customers, the role of the consumer in setting standards for CSR, or both. Your audience should be able to understand and reflect on these possible interrelations between the consumer and CSR.

References:

Ballet, J., Bhukuth, A., & Carimentrand, A. 2014. *Child Labor and responsible consumers: From boycotts to social labels: Illustrated by the Indian hand-knotted carpet industry.* **Business & Society**, 53(1): 71-104.

Mohr, L.A., & Webb, D.J. 2005. The effects of corporate social responsibility and price on consumer responses. **Journal of Consumer Affairs**, 39(1): 121-147.

Singh, J., Iglesias, O., & Batista-Foguet, J. 2012. Does having an ethical brand matter? The Influence of consumer perceived ethicality on trust, affect and loyalty. **Journal of Business Ethics**, 111(4): 541-549.

Torelli, C.J., Monga, A.B., & Kaikati, A.M. 2012. Doing poorly by doing good: Corporate social responsibility and brand concepts. **Journal of Consumer Research**, 38(5): 948-963.

Theme 7: Guest Speaker

Theme 8: The Corporation in Global Business: Global Governance and Self-Regulatory CSR Initiatives

Global governance is concerned with how to govern global activities and how to impose rules and regulations in a transnational context. Due to the globalization process, nation states loose part of their regulatory power over the multinational corporation. However, the capacity of nation state governance is only partly compensated by the contributions of international organizations and private or civil society actors, such as industry associations, business firms or NGOs. In global governance, private actors and civil society actors engage with the production of public goods either with the help of governmental institutions or without their support.

Learning goals:
The aim of this session is to analyze the interplay between the different actors who participate in global governance and to discuss the purpose, legitimacy and effectiveness of selected self-regulatory initiatives. Your audience should know about the challenges of global governance and understand the potential contribution of the different actors. Ideally, they will be able to evaluate the value of specific initiatives.

References:

Abbott, K.W., & Snidal, D. 2010. International regulation without international government: Improving IO performance through orchestration. **Review of International Organizations,** 5(3): 315-344.

Voegtlin, C. & Pless, N.M. 2014. Global governance: CSR and the role of the UN Global Compact. **Journal of Business Ethics,** 122(2): 179-191.

*Wolf, K.D. 2008. Emerging patterns of global governance: The new interplay between the state, business and civil society. In A.G. Scherer & G. Palazzo (Eds.), **Handbook of research on global corporate citizenship**: 225-248. Cheltenham: Edward Elgar.*

Levy, D.L., & Kaplan, R. 2008. Corporate social responsibility and theories of global governance: Strategic contestation in global issue arenas. In A. Crane, A. McWilliams, D. Matten, J. Moon & D.S. Siegel (Eds.), **The Oxford handbook of corporate social responsibility**: 432-451. Oxford: Oxford University Press.

Theme 9: Guest Speaker

Theme 10: CSR and Communication: The Role of Corporate Reporting and Communication for Organizational Legitimacy

Gaining and maintaining organizational legitimacy is one of the main challenges that organizations in global business are facing. Legitimacy is crucial for an organization, as it improves its survival chances, grants better access to resources, and reduces the chances of opposition for the organizations constituencies. However, in today's networked society, this has become an increasingly challenging task. In recent years, corporations have experienced a change in their public perception. Business organizations and their representatives are increasingly confronted with societal scrutiny that transcends mere economic performance through a growing concern for social and environmental issues. One way of dealing with challenges to the corporate legitimacy and to answer to the call of increasing accountability is communication. Today, corporations engage in extensive (obligatory and voluntary) reporting on their sustainability and CSR engagements. Also, corporations rely on corporate communication through corporate media, including social media to secure or (re-)build their legitimacy. This observation offers a starting point for the evaluation of how organizations aim to legitimize their conduct through the use of reporting and new media. The aim is therefore, to analyze the challenges of gaining and maintaining organizational legitimacy through corporate reporting and corporate communication.

Learning goals:
The goal of this session is to give an overview on the connection between CSR, communication, and legitimacy. Your audience should be able to name different forms of legitimacy and should know why legitimacy is important for corporations in the context of CSR. Your audience should be familiar with the way corporations try to gain and maintain their legitimacy through reporting on their sustainability and CSR activities. Your audience should also be able to critically discuss the opportunities and challenges for gaining and maintaining legitimacy in social media.

References:
Castelló, I., Etter, M., Årup Nielsen, F. 2015. Strategies of legitimacy through social media: The networked strategy. **Journal of Management Studies**, online first; 1-30.

Capriotti, P. 2011. Communicating corporate social responsibility through the internet and social media. In Ø. Ihlen, J. Bartlett, & S. May (Eds.). **The handbook of communication and corporate social responsibility**: 358-378. Oxford, UK: Wiley.

Hahn, R., & Lülfs, R. 2014. Legitimizing negative aspects in GRI-oriented sustainability reporting: A qualitative analysis of corporate disclosure strategies. **Journal of Business Ethics**, 123(3): 401-420.

Suchman, M.C. 1995. Managing legitimacy: Strategic and institutional approaches. Academy of Management Review, 20(3): 571-610.

Veil, S. R., Sellnow, T., & Petrun, E. 2011. Hoaxes and the paradoxical challenges of restoring legitimacy: Dominos' response to its YouTube crisis. **Management Communication Quarterly**, 26(2): 322-345.

Theme 11: How To Write a Good Seminar Paper

In this session we will discuss how to write a good seminar paper. We will examine the structure and content of a scientific paper and highlight the important aspects you need to consider when preparing your paper. This session is also useful to discuss the ideas for the topic of your seminar paper. You will be able to work with your peers on your ideas and we will discuss your research questions in class.

Theme 12: Implementing CSR: The Role of Communication

After focusing on the macro-level of the business firm in an international context, we now turn to questions on implementing CSR within the organization. We start this part of the seminar with an evaluation of the role of CSR communication for organizations. Relevant topics include the organizational need and purpose of CSR communication, the relation between implementation ('action') and communication ('talk') on CSR (including the danger of "greenwashing" and the idea of aspirational talk) as well as the role of organizational structures in implementing and communicating CSR.

Learning goals:
The aim of this session is to give an introduction of the challenges of implementing CSR and communicating on it. After your presentation, your audience should be able to describe what CSR communication is and differentiate the different theoretical perspectives on CSR communication. Also, they should be able to explain the differences in organizing CSR between small and large firms. Furthermore, they should be able to explain what "greenwashing" is and critically link it to the concept of "aspirational talk".

References:

Baumann-Pauly, D., Wickert, C., Spence, L., & Scherer, A. G. 2013. Organizing corporate social responsibility in small and large firms: Size matters. **Journal of Business Ethics***, 115: 693-705.*

Crane, A., & Glozer, S. (2016). Researching csr communication: Themes, opportunities and challenges, **Journal of Management Studies**, online first: p. 1-61.

Christensen, L.T., Morsing, M., & Thyssen, O. 2013. CSR as aspirational talk, **Organization**, 20(3): 372-393.

Schoeneborn, D., & Trittin, H. 2013. Transcending transmission: Towards a constitutive perspective on CSR communication, **Corporate Communications: An International Journal**, 18(2): 193-211.

Theme 13: Implementing CSR: How Managers Prioritize Stakeholder Concerns

The themes so far have covered aspects of CSR on the macro-level of the business firm in society and the meso-level of organizational functions and mechanisms. In this last session, the implications for managers shall be discussed. Managers in business organizations are faced with an increasing stakeholder complexity. This becomes especially evident in the different expectations of stakeholders about what responsible business behavior is or should be. Shareholders usually expect responsible behavior to be the effective allocation of firm resources to maximize profits; employees expect their supervisors to treat them with respect and to provide a good work-life balance; and the community regards responsible organizations as those that do not harm the environment and give back to the community.

One possibility for individuals to cope with the growing stakeholder complexity is to become more complex themselves and try to engage with all legitimate stakeholder concerns. Another possibility is to prioritize the different stakeholder demands and address only those with high priority. Research has discussed how managers develop perceptions of stakeholder salience and started to identify individual characteristics that influence managers' perceived responsibility for stakeholder claims.

Learning goals:
The aim of this session is to discuss the conditions that lead managers to respond to stakeholder concerns. Your audience should learn about the stakeholder attributes and individual characteristics that influence stakeholders' salience. They should be able to interpret individual and situational contingencies of managerial responses to CSR.

References:
Agle, B.R., Mitchell, R.K., & Sonnenfeld, J.A. 1999. Who matters to CEOs? An investigation of stakeholder attributes and salience, corporate performance, and CEO values. *Academy of Management Journal,* 42(5): 507-525.

Mitchell, R.K., Agle, B.R., & Wood, D.J. 1997. Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts. **Academy of Management Review,** 22(4): 853-886.

Voegtlin 2016. Drivers and outcomes of managers' stakeholder responsibility perceptions: Revisiting stakeholder salience, Working Paper, University of Zurich.

Weitzner, D. & Deutsch, Y. 2015. Understanding motivation and social influence in stakeholder prioritization. **Organization Studies,** *36(10): 1337-1360.*

Theme 14: Case Study

A case study that deals with issues in CSR will serve as the foundation of further in-class discussion and will give the students the change to apply the knowledge they have gained throughout this seminar. The study will be distributed at the beginning of the seminar and will be discussed in class.