



Seminar MOEC0287
Seminar in Corporate Social Responsibility

Spring Term 2019

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 different stakeholders in CSR such as consumers, employees or NGOs, drivers and outcomes of CSR activities as well as CSR implementation and legitimization, among others.

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. Florian Überbacher (Email: florian.ueberbacher@business.uzh.ch)

Administrative Details

Time: Tuesdays from 9:00h to 13:00h.

(Dates: 26.02., 19.03., 26.03., 02.04., 09.04., 07.05.)

Location: Seminar room UNK-E-2, Universitaetsstrasse 84, 8006 Zurich

(Tram-Station Winkelriedstrasse, Line 9 & 10).

A maximum of **20 master students** will be admitted to the seminar.

In the first session (February 26, 2019), the course outline will be presented and students have to sign up for a topic. As we will focus in class on a total of **10 topics**, two students will be assigned to one topic and are expected to work in team. 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 15, 2019. 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 via OLAT.





Grading Weights

Seminar Paper	50%
Presentation	40%
Attendance and participation in class discussion	10%

The deadline for handing in the **seminar papers** is **June 10, 2019**. 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 and are related to the assigned overall topic. The specific subject of the seminar papers' topics has to be coordinated with the lectures (for example, after the corresponding presentation of the overall topic). The **seminar paper** constitutes **50%** of the final grade. The main text (without title, list of references, figures, tables, etc.) of the seminar paper should be **between 2,000 and 3,000 words** long (based on 12-point font size, Times New Roman, 2.5cm margins on all sides, and 1.5 space lined spacing). Further guidelines will be provided at the beginning of the seminar. In one session of the seminar, each student will be able to discuss his/her seminar paper topic in class.

The **seminar presentation** constitutes **40%** of the final grade. The presentations on assigned topics are held in teams of two students. Presentations are graded, amongst other, along the ability of the team to convey the content in an understandable and interesting manner to the audience. The **presentation** should not exceed a maximum time of **30 minutes**. A draft version of the presentation has to be send to the lecturer latest Wednesday in the week before the presentation for feedback. All teams are asked to facilitate **class discussions up to 60 minutes** after their presentation. The organization of an appealing and creative discussion format is equally important to the seminar presentation. Discussion formats could include for example role plays, panel discussions, focus groups, case study discussions, competitions, among others. The discussants are encouraged to involve all class participants as well as the lectures (as participants). The creativity and usefulness of the chosen discussion format will be acknowledged in the grading.

Finally, active **oral participation** in class constitutes **10%** of the final grade. Each session will be highly interactive. Students must carefully prepare some lectures if announced (e.g., read a text, read a case study).

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 companies and 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?



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.

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

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: <https://usingsources.fas.harvard.edu/avoiding-plagiarism>



THEMES AND DATES

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 course instructor will provide the references to you.

For each of the 10 themes that we will cover in the five sessions after the introductory lecture (26 Feb 2019), one reading, marked with an , is mandatory for all students. Yet, in order to facilitate group discussion in class, students are strongly encouraged to also read (or to at least browse) also some of the other readings listed. The students preparing the presentations should cover all readings and potentially do further literature research.

Introductory lecture (given by lecturer) (26 February 2019)

a) Introduction and Theoretical Foundations of 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). 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. The seminar will start with a general introduction into the field of Corporate Social Responsibility (CSR) and its related theories. 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:

- Garriga, E., & Melé, D. 2004. Corporate social responsibility theories: Mapping the territory. **Journal of Business Ethics**, 53: 51-71.
- McWilliams, A. & Siegel, D. S. (2001). Corporate social responsibility: A theory of the firm perspective. **Academy of Management Review**, 26, 117-127.
- Scherer, A.G., Palazzo, G., & Matten, D. 2009. Globalization as a challenge for business responsibilities. **Business Ethics Quarterly**, 19(3): 327-347.
- 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.



b) How to Conduct a Good Presentation/ Write a Good Seminar Paper. 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.

In this session, we will also 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.

References (not included among the reading documents):

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.

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>

Theme 1: Corporate Social Irresponsibility: The Dark Side of CSR (19 March 2019)

CSR activities of firms are intended to foster some social good beyond the firms' own interests. Hence, most academic literature focuses on the positive side of CSR and the benefits that result from CSR activities for firms and society. However, firms might not implement the claimed CSR activities properly or even act irresponsibly. An organization that has a bad image is not attractive to consumers, so why do some firms refuse to 'walk the talk'? The objective of this presentation is twofold. First, the presentation should focus on the potential negative consequences of CSR activities for firms (e.g., reduced performance) and society (e.g., failed CSR projects) and evaluate to what extent negative consequences play a role in practice. Second, the presentation should introduce different concepts that center around the improper implementation of CSR activities by firms (e.g., corporate social irresponsibility, decoupling, greenwashing) and investigate under which conditions firms tend to irresponsible behavior and insufficient implementation of CSR activities. Finally, the presentation can discuss different issues, for example, why irresponsible behavior can be successful for the firm, how the dark side of CSR can be prevented or even if there is a positive side of the dark side (could irresponsible behavior of a firm be beneficial to the firm's stakeholders?).



References:

- Crilly, D., Zollo, M., & Hansen, M. T. (2012). Faking it or muddling through? Understanding decoupling in response to stakeholder pressures. **Academy of Management Journal**, 55(6), 1429-1448.
- Lange, D., & Washburn, N. T. (2012). Understanding attributions of corporate social irresponsibility. **Academy of Management Review**, 37(2), 300-326.
- * Pope, S., & Wæraas, A. (2016). CSR-washing is rare: A conceptual framework, literature review, and critique. **Journal of Business Ethics**, 137(1), 173-193.
- Wickert, C., Scherer, A. G., & Spence, L. J. (2016). Walking and talking corporate social responsibility: Implications of firm size and organizational cost. **Journal of Management Studies**, 53(7), 1169-1196.

Theme 2: The Outcomes of CSR Activities (19 March 2019)

CSR activities are implemented with the intention to achieve something 'good'. But what does 'good' mean and which outcomes do CSR activities affect? The presentation should review potential positive outcomes of CSR activities on the societal, organizational and individual level and evaluate whether there are conflicting goals between different intended outcomes. For example, do CSR activities that benefit society also lead to financial performance of firms? The 'shared value' concept even suggests that there is no trade-off between economic value and societal value and that company success is closely tied to societal progress. The presentation can elaborate on the relationship between CSR activities and financial performance of firms and review existing theoretical explanations as well as empirical results on the relationship between those two constructs. In addition, the presentation should investigate under which conditions positive outcomes are likely and discuss whether CSR activities are an adequate means to achieve 'social good' effectively.

References:

- Aguinis, H., & Glavas, A. 2012. What we know and don't know about corporate social responsibility. **Journal of Management**, 38(4): 932-968.
- * Barnett, M. L., & Salomon, R. M. 2012. Does it pay to be *really* good? Addressing the shape of the relationship between social and financial performance. **Strategic Management Journal**, 33(11): 1304-1320.
- Halme, M., & Laurila, J. (2009). Philanthropy, integration or innovation? Exploring the financial and societal outcomes of different types of corporate responsibility. **Journal of Business Ethics**, 84(3), 325-339.
- Porter, M. E., & Kramer, M. R. (2011). The big idea: Creating shared value. **Harvard Business Review**, 89(1), 2.



Theme 3: Top Management and CSR Activities (26 March 2019)

According to the so-called ‘upper echelons’ perspective (e.g. Hambrick, D. C. 2007. Upper Echelons Theory: An Update. *Academy of Management Review*, 32: 334-343), it is the top management – especially the CEO but also other members of the top management team – that largely determines corporate strategies and their outcomes. Following this general line of argument, a wealth of studies have investigated how characteristics of the CEO and the top management team affect the social (ir)responsibility of corporations and their actions. Covering this field of research, this presentation could for instance address the following questions: How and under which conditions do top management characteristics shape corporate outcomes? Which top management characteristics may lead to corporate social responsibility and irresponsibility? Why? Which factors may strengthen the effect of certain top management characteristics on corporate responsibility and decrease the effect of other top management characteristics on irresponsibility?

References:

- Deckop, J. R., Merriman, K. K., & Gupta, S. 2006. The Effects of CEO Pay Structure on Corporate Social Performance. ***Journal of Management***, 32(3): 329-342.
- * Maak, T., Pless, N. M., & Vöggtlin, C. 2016. Business Statesman or Shareholder Advocate? CEO Responsible Leadership Styles and the Microfoundations of Political CSR. ***Journal of Management Studies***, 53(3): 463-493
- Wong, E. M., Ormiston, M. E., & Tetlock, P. E. 2011. The effects of top management team integrative complexity and decentralized decision making on corporate social performance. ***Academy of Management Journal***, 54(6): 1207-1228.
- Tang, Y., Qian, C., Chen, G., & Shen, R. 2015. How CEO Hubris affects Corporate Social (Ir)responsibility. ***Strategic Management Journal***, 36: 1338-1357.

Theme 4: Employees and CSR Activities (26 March 2019)

Employees are at the core of business activities and often seek identification with the firm they work at. Hence, a moral organization conducting CSR activities might encounter higher employee commitment than a firm that is perceived as unmoral by its members. This presentation should include theoretical concepts of employees’ perceptions of CSR activities (e.g., organizational justice theory, attribution theory) and demonstrate how employee perceptions of CSR activities are formed. It would also be interesting to discuss how employee perceptions of CSR activities differ from perceptions of other stakeholder such as consumers or suppliers. For example, do consumers and employees perceive the same types of CSR activities as suitable? While CSR activities often address society or the environment, CSR activities can also positively affect the employees or even be targeted at employees. What are the (positive or negative) effects of a firm’s CSR activities on its employees? Are there even CSR activities that directly focus on employees rather than society and how are they different to ‘traditional’ CSR activities?



References:

- Bode, C., Rogan, M., & Singh, J. 2017. Up to no good? Gender, social impact work and employee promotions. **Working Paper**.
- Bode, C., & Singh, J. 2017. Taking a hit to save the world? Employee participation in a corporate social initiative. **Strategic Management Journal**, 39: 1003-1030.
- Rupp, D. E., Ganapathi, J., Aguilera, R. V., & Williams, C. A. (2006). Employee reactions to corporate social responsibility: An organizational justice framework. **Journal of Organizational Behavior**, 27(4), 537-543.
- * Rodrigo, P., & Arenas, D. (2008). Do employees care about CSR programs? A typology of employees according to their attitudes. **Journal of Business Ethics**, 83(2), 265-283.

Theme 5: Investors, Financial Markets, and CSR Activities (2 April 2019)

Due to the progressing “financialization” of the economy (Davis & Kim, 2015), the “shareholder value” has become a key metric for (publicly listed) companies and actors connected to the financial market (such as investors, banks, fund managers, and financial analysts) have become particularly powerful stakeholders. This presentation should introduce us to the stance of financial market actors with regards to CSR. It could for instance address the following questions: How do actors in the financial market evaluate and respond to responsible/irresponsible companies? Why? How have these evaluations and responses changed over time? Why? What are recent developments and innovations in the financial market that aim at increasing the focus of investors on CSR or sustainability? How do they fare – and why?

References:

- Arjaliès, D. L., & Bansal, P. 2018. Beyond numbers: How investment managers accommodate societal issues in financial decisions. **Organization Studies**, 39(5): 691-719.
- Davis, G. F., & Kim, S. 2015. Financialization of the economy. **Annual Review of Sociology**, 41: 203-221.
- * Ioannou, I., & Serafeim, G. 2014. The impact of corporate social responsibility on investment recommendations: Analysts’ perceptions and shifting institutional logics. **Strategic Management Journal**, 36(7): 1053-1081.
- Busch, T., Bauer, R., & Orlitzky, M. 2016. Sustainable Development and Financial Markets: Old Paths and New Avenues. **Business & Society**, 55(3), 303–329.



Theme 6: The Media and CSR Activities (2 April 2019)

Believe it or not, but the media are a very powerful stakeholder for corporations! As “infomediaries”, they aggregate and evaluate newsworthy corporate events and shape not only public opinion more generally but importantly also the judgments and actions of those stakeholders that companies are more directly dependent on (e.g. investors, suppliers, buyers, regulators, etc.). Hence, in this presentation, one could cover the following questions: How do the media respond to responsible/irresponsible corporate actions? How do corporations respond to the disapproval of their actions by the media? How do corporations and their top managers attempt to influence journalists and the media coverage of their actions more generally?

References:

- * Durand R, & Vergne J.-P. 2015. Asset divestment as a response to media attacks in stigmatized industries. **Strategic Management Journal**, 36(8): 1205–1223.
- Vergne, J. P., Wernicke, G., & Brenner, S. 2018. Signal incongruence and its consequences: A study of media disapproval and CEO overcompensation. **Organization Science**, article in press.
- Westphal, J. D., & Deephouse, D. L. 2011. Avoiding bad press: Interpersonal influence in relations between CEOs and journalists and the consequences for press reporting about firms and their leadership. **Organization Science**, 22(4): 1061-1086.
- Zavyalova A, Pfarrer M, Reger R, & Shapiro D. 2012. Managing the message: The effects of firm actions and industry spillovers on media coverage following wrongdoing. **Academy of Management Journal**, 55(5):1079–1101.

Theme 7: Social Movements and CSR Activities (9 April 2019)

Social movements – forms of relatively informal collective action with a focus on ethical, political, or social issues and aimed at promoting social change – have become a powerful driver of firms’ CSR activities. This presentation could deal with the following questions: What are major types of social movements of relevance to the promotion of CSR, and how do they differ from each other? Why and when do social movements form? How (through what strategies and tactics) can social movements promote CSR in companies and industries? How do companies respond to social movements? What makes companies more or less susceptible to social movement pressure?

References:

- * Briscoe, F., & Gupta, A. 2016. Social Activism in and around Organizations. **Academy of Management Annals**, 10(1): 671-727.



- Hiatt, S. R., Sine, W. D., & Tolbert, P. S. 2009. From Pabst to Pepsi: The deinstitutionalization of social practices and the creation of entrepreneurial opportunities. **Administrative Science Quarterly**, 54: 635-667.
- Walker, E. T. 2009. Privatizing participation: Civic change and organizational dynamics of grassroots lobbying firms. **American Sociological Review**, 74: 83-105.
- Weber, K., Rao, H., & Thomas, L. G. 2009. From streets to suites: How the anti-biotech movement affected German pharmaceutical firms. **American Sociological Review**, 74: 106-127.

Theme 8: Private Governance and CSR Activities (9 April 2019)

As a wide range of scholars across disciplines have been arguing, national governments have become increasingly unable and unwilling to regulate companies and to secure corporate contributions to social welfare. To fill this regulatory vacuum, private actors have stepped in on the national as well as transnational levels aiming to constrain and regulate companies and promote CSR. In this context, the presentation could address the following questions: Why have national governments become increasingly unable and unwilling to regulate corporations? Who are the private actors who have assumed a role in the governance of corporations? What are the governance strategies that private actors mobilize? How and under which conditions do these private governance tools work? How do corporations respond to these private governance tools?

References:

- Bartley, T. 2007. Institutional Emergence in an Era of Globalization: The Rise of Transnational Private Regulation of Labor and Environmental Conditions. **American Journal of Sociology**, 113(2): 297-351.
- King, A. A., & Lenox, M. J. 2000. Industry Self-Regulation without Sanctions: The Chemical Industry's Responsible Care Program. **Academy of Management Journal**, 43(4): 698-716.
- Moore, D. A., Tetlock, P. E., Tanlu, L., & Bazerman, M. H. 2006. Conflicts of interest and the case of auditor independence: Moral seduction and strategic issue cycling. **Academy of Management Review**, 31(1): 10-29.
- * Vogel, D. 2008. Private Global Business Regulation. **Annual Review of Political Science**, 11: 261-282.

Theme 9: Governments and CSR Activities (7 May 2019)

Despite the advent of private regulation (see Theme 8), national governments are an important player in the promotion of CSR. For instance, there are several ways in which public regulation and private regulation relate to each other. Moreover, governments,



regulators, and politicians still possess both hard and soft mechanisms through which they can “encourage” companies to engage in responsible conduct. Hence, this presentation could deal with the following questions: How do the presence and the absence of public governance impact the development of private governance on a national as well as transnational level? What are the different governance mechanisms through which governmental authorities and policy-makers can induce companies to engage in CSR? How and when do these mechanisms work?

References:

- Flammer, C. 2018. Competing for government procurement contracts: The role of corporate social responsibility. **Strategic Management Journal**, 39: 1299-1324.
- Short, J. L., & Toffel, M. W. 2010. Making Self-Regulation more than merely symbolic: The Critical Role of the Legal Environment. **Administrative Science Quarterly**, 55: 361-396.
- * Schrempf-Stirling, J. 2016. State power: Rethinking the Role of the State in Political Corporate Social Responsibility. **Journal of Business Ethics**, Article in press.
- Vasudeva, G. 2013. Weaving together the normative and regulative role of government: How the Norwegian sovereign wealth fund’s responsible conduct is shaping firms’ cross-border investments. **Organization Science**, 24(6): 1662-1682.

Theme 10: CSR Implementation (7 May 2019)

Last but not least, to effect real change rather than constructing a smoke screen, CSR needs to be firmly implemented in companies. However, as you probably all know from your own experience, formulating strategies or plans is much easier than actually implementing them. Hence, as final theme, we focus on perhaps the most crucial one: CSR implementation. In this context, we should learn more about the following issues: How can CSR be implemented in corporations? What are the main levers and hurdles – and how can these be overcome? Who – besides top managers and employees, who we have already covered – are key actors in the CSR implementation process, and what can they do to promote CSR in the corporation?

References:

- * Arjalies, D-L., & Mundy, J. 2013. The Use of Management Control Systems to Formulate and Implement CSR Strategy: A Levers of Control Perspective. **Management Accounting Research**, 24(4): 284 - 300.
- Halme, M., Lindeman, S., & Linna. 2012. Innovation for inclusive business: Intrapreneurial bricolage in multinational corporations. **Journal of Management Studies**, 49(4): 743-784.



- Wickert, C., & De Bakker, F. G. A. 2018. Pitching for social change: Toward a relational approach to selling and buying social issues. **Academy of Management Discoveries**, 4(1): 50-73.
- Wright, C., & Nyberg, D. 2017. An inconvenient truth: How organizations translate climate change into business as usual. **Academy of Management Journal**, 60(5): 1633-1661.