



Sustainability & Corporate Social Responsibility

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SHORT COURSE DESCRIPTION

The public increasingly expects businesses to act in an ethical or socially responsible manner, above and beyond legal requirements. Most of the large global companies have ethical codes of conduct, environmental management systems, and corporate social responsibility (CSR) reports. In recent years, CSR activities grew fastest in emerging economies such as South Korea and India. In the Asia Pacific region, the average proportion of the 100 largest companies with a CSR report increased from 49% in 2011 to 79% in 2015. This course puts CSR and sustainability in the wider global context. We discuss the meaning of CSR and sustainability, using case studies and videos from around the world. Different perspectives on CSR and sustainability are explained, including social science theories, strategic perspectives and developmental perspectives. We explain the crucial role of governments and corporate governance for CSR and sustainability. We then examine how sustainability and CSR are understood and practised in different contexts, including CSR reporting, financial investment, industry context and small enterprises. We finish by considering the key criticisms of CSR and sustainability, and their likely future.

READING MATERIALS

Readings for each topic are specified in the course schedule (see below). They are mostly academic journal papers, and they will be available in digital format when students arrive at Sungkyunkwan University. Students should particularly read the following introductory chapter:

Frynas, J. G. and Yamahaki, C. 2019. "Corporate social responsibility – An outline of key concepts, trends and theories", chapter in Belaid Rettab and Kamel Mellahi (eds.) *Practising CSR in the Middle East – Concepts, theories and cases* (Palgrave Macmillan).

COURSE REQUIREMENTS AND GRADING

Students are expected to read the recommended reading materials as assigned. Please come to class prepared to discuss this material in order to maximize your learning.

Grading scheme (percent of final grade):

Attendance	15%
Group Project Presentation	15%
Group Project Report	20%
Final Exam	50%

Assessment criteria:

Attendance: Students must attend at least 80% of all teaching sessions according to SKKU regulations.

Group Project Presentations and Reports: The Group Project require students to submit an essay on the topic of sustainability and CSR issues, practices and regulations in their home countries. The group project will have the following deliverables: (i) A presentation to the Class, and (ii) A written report. Each group is required to give a presentation on the assigned topic. The group project presentation and report will be assessed according to students' understanding to the topic, quality of presentation and appropriate use of references.

Final exam: There will be a one-hour final exam with a mix of multiple choice and true-false questions.

COURSE SCHEDULE

– WEEK I –

Thursday (27 June)

Lecture topic: Corporate Social Responsibility and Globalization

This session discusses the concepts surrounding Corporate Social Responsibility (CSR), and the emergence of CSR within a globalizing world.

Case study: Royal Dutch/Shell (2014); Pharmaceuticals – What are the limits to responsibility? (2017)

Preparatory reading:

Frynas, J. G. and Yamahaki, C. 2019. “Corporate social responsibility – An outline of key concepts, trends and theories”, chapter in Belaid Rettab and Kamel Mellahi (eds.) *Practising CSR in the Middle East – Concepts, theories and cases* (Palgrave Macmillan).

Friday (28 June)

Lecture topic: Sustainability versus Corporate Social Responsibility

This session introduces the concept of sustainability, and contrasts it with the concepts of ‘Business Ethics’ and ‘Corporate Social Responsibility’.

Case study: Sustainability at Tetra Pak in India (2017)

Preparatory reading:

Kuhlman, T. and Farrington, J. 2010. “What is Sustainability?”, *Sustainability* 2(11), pp. 3436-3448 (available at <http://www.mdpi.com/2071-1050/2/11/3436/htm>).

– WEEK II –

Monday (1 July)

Lecture topic: Theoretical explanations of CSR

This session explains and discusses various academic theories that can be used to explain why organizations pursue Corporate Social Responsibility, such as stakeholder theory, institutional theory and resource-based view of strategic management.

Case study: Stakeholders and Suncor Energy Inc. work together to create value (2002)

Preparatory reading:

Frynas, J. G. and Yamahaki, C. 2016. “Corporate Social Responsibility: Review and Roadmap of Theoretical Perspectives”, *Business Ethics: A European Review* 25(3), pp. 258–285.

Tuesday (2 July)

Lecture topic: ‘Margin Call’ – The unethical impact of money

We will watch the award-winning film ‘Margin Call’. Set in a fictional investment bank at the start of the global financial crisis, the film offers very rich material for understanding unethical behaviours in the business world and how such behaviours have contributed to the financial crisis. Building on the film, this session will discuss how ethical and unethical decisions are made in companies.

Preparatory reading:

Banaji, M.R., Bazerman, M.H. and Chugh, D. 2003. “How (un)ethical are you?”, *Harvard Business Review* 81(December), pp.56-65.

Wednesday (3 July)

Lecture topic: Practical tools for CSR

This session explains the different tools that can be used for managing CSR issues in companies such as ISO26000, Global Compact, codes of conduct, risk assessments and CSR guidelines – all of which are part of the professionalization of CSR management within large corporations. The session will also discuss CSR and sustainability reporting – including the Global Reporting Initiative (GRI) guidelines.

Case study: Implementing Tata's code of conduct (2006)

Preparatory reading:

Johnson and Johnson Health for Humanity Report 2018 (<http://healthforhumanityreport.jnj.com>)

Thursday (4 July)

Lecture topic: The role of government and corporate governance

This session explains the role of government for CSR and sustainability. We also explain the role of corporate governance – that means, the rules, processes and control systems by which shareholders seek to ensure that 'their' corporation is run according to their intentions.

Case study: Diageo and DrinkWise Australia (2017)

Preparatory readings:

Knudsen, J. S., Moon, J. and Slager, R. 2015. "Government policies for corporate social responsibility in Europe: A comparative analysis of institutionalization", *Policy & Politics* 43(1), pp. 81-99.

Yamahaki, C. and Frynas, J. G. 2016. "Institutional Determinants of Private Shareholder Engagement in Brazil and South Africa: The Role of Regulation", *Corporate Governance: An International Review* 24(5), pp. 509-527.

– WEEK III –

Monday (8 July)

Lecture topic: Sustainability and CSR in different countries

This session shows how the meaning and the practice of sustainability and CSR differ between different countries, bringing in examples from around the world.

Case study: IKEA in China (2018)

Preparatory reading:

Findings section in Kim, C.H. et al. 2013. "CSR and the national institutional context: The case of South Korea", *Journal of Business Research* 66, pp.2584-2587.

Tuesday (9 July)

Lecture topic: Sustainability and CSR in different industries

This session shows how the meaning of sustainability and CSR can differ across industries and, specifically, how they differ between the garment/shoe industry and the oil/gas industry.

Case study: Shell – Integrating transparency and anti-corruption throughout its business (2008); Fast fashion and sustainability (2018)

Preparatory readings:

Frynas, J. G. 2003. "The Transnational Garment Industry in South and South-East Asia", chapter in: J. G. Frynas and S. Pegg (eds.) *Transnational Corporations and Human Rights*, Palgrave.

Frynas, J. G. 2009. "Corporate Social Responsibility in the Oil and Gas Sector", *Journal of World Energy Law & Business* 2(3), pp. 178-195.

Wednesday (10 July)

Lecture topic: Sustainability and CSR in small firms

Case study: Bagel Bee – How can you be a responsible café owner? (2017)

Preparatory reading:

Spence, L., Frynas, J. G., Muthuri, J. and Navare, J. 2018. *Research Handbook on Small Business Social Responsibility*, Edward Elgar, chapter 1.

Thursday (11 July)

Group Presentations

Preparatory reading: student choice

Assignment: group reports are due for submission on Monday

– WEEK IV –

Monday (15 July)

Lecture topic: CSR as management and strategy

This session discusses the use of Corporate Social Responsibility as management and strategy, i.e. how social and environmental activities can help the firm to improve its overall economic performance and encourage innovation.

Case study: BP tackles climate change and innovation (2014)

Preparatory reading:

Frynas, J. G. 2015. "Strategic CSR, value creation and competitive advantage", chapter in: T. C. Lawton and T. S. Rajwani (eds.) *The Routledge Companion to Non-Market Strategy*, Routledge.

Tuesday (16 July)

Lecture topic: CSR as human development

This session views CSR from the perspective of wider society, asking to what extent CSR activities can help achieve developmental goals such as poverty alleviation and better health.

Case study: Akassa development project in Nigeria (2013)

Preparatory reading:

Frynas, J. G. 2012. "Is Corporate Social Responsibility effective in reducing poverty in Africa?", *BBC Focus on Africa* magazine, January-March.

Wednesday (17 July)

Lecture topic: Socially responsible investment and the investment game

This session discusses the emergence of socially responsible investment (SRI) and its role in the promotion of CSR and the governance of corporations. We review related issues such as screening, shareholder activism and investment fund indices. We will play an investment game, whereby students will decide how to allocate investment funds to different types of share funds.

Case study: China – the new SRI frontier? (2017)

Preparatory reading:

Bugg-Levine, A. and Emerson, J. 2011. "Impact investing: Transforming how we make money while making a difference", *Innovations* 6(3), pp. 9-18.

Thursday (18 July)

Final Exam

Friday (19 July)

Lecture topic: The future of CSR and the CSR role-play

This session discusses the latest trends and the likely future of CSR. Then the students will take part in a role-play where they have to address a real life crisis in a company.

Preparatory reading:

none