



## CIEE Shanghai, China

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| <b>Course name:</b>              | Managing Sustainability in Transnational Business  |
| <b>Course number:</b>            | BUSI 3006 SBLC   |
| <b>Programs offering course:</b> | Shanghai Accelerated Chinese Language, Shanghai Business, Language and Culture, Shanghai China in a Global Context |
| <b>Language of instruction:</b>  | English  |
| <b>U.S. Semester Credits:</b>    | 3 semester/4.5 quarter hours   |
| <b>Contact Hours:</b>            | 45   |
| <b>Term:</b>                     | Fall 2019  |

### Course Description

This course will provide an overview on the development of Corporate Social Responsibility (CSR) in China in comparison with North American and European countries. It aims to help students build a global perspective of CSR and sustainable business, with a strong mindset of applying practical knowledge to local issues. We will explore all essential CSR subjects, including environmental footprint, community involvement & development, fair operating practices, labor practices, and supply chain management, in a context of addressing challenges faced by transnational companies engaging various sets of stakeholders in different geographic territories. With a special emphasis on China, students will study actual cases in MNCs' China operation. This course also plans to cover more advanced topics such as Corporate Social Innovation and CSR-related public policy in China if time permits.

### Learning Objectives

Corporate social responsibility (CSR) is integral to long-term business success. In some occasions, it might seem to conflict with organization's short term profitability goal. So, it requires both senior executives and all levels management be increasingly mindful of the fundamental rationale of CSR and have a comprehensive understanding towards CSR portfolio.

After completing this course, you will be able to use the concepts, principles and theories of CSR to explain the rationale of companies which are actively pursuing a Corporate Citizenship to gain sustainable competitiveness. You are expected to build a solid knowledge base on the best CSR practices of multinationals, including the strategy and structure applied, as well as approaches taken in all CSR aspects.

You are also expected to develop skills to analyse the stakeholder relationship in a complex business environment, to apply managerial tools and formulate strategy to address varied CSR/Sustainability issues.

Last but not least, the ultimate goal of this course is to equip the students with an open-minded global perspective and develop capability to handle complex cross-board business challenges in your future career.

### Course Prerequisites

Knowledge in international relations, public policy, general management, microeconomics,



accounting, finance, marketing, organizational behaviour and human resource will be helpful but not compulsory.

### **Methods of Instruction**

**Lectures:** lectures will consist of an open discussion on real business scenarios faced by U.S. companies in China followed by a PowerPoint presentation based on the readings. Other activities will include debates and role plays.

**Field trips:** The whole class will have the opportunity to visit two U.S. companies and their stakeholders in Shanghai and have conversations with the senior executives. A community service field trip will be part of this program for the students to gain better understanding on civil society development in China.

**Guest lectures:** We are inviting CSR experts and business/NGO leaders to provide insight and first-hand expertise on related CSR subjects.

### **Assessment and Final Grade**

|    |                            |     |
|----|----------------------------|-----|
| 1. | Class Participation:       | 20% |
| 2. | Companies Research Project | 25% |
| 3. | Company Visit Report       | 15% |
| 4. | Op-ed Essay                | 15% |
| 5. | Final Paper / Proposal     | 25% |

### **Course Requirements**

#### **Companies Research Project (Group)**

Students will work with their peers (up to four students in one group) to get a close look at a U.S. invested company in China. Using the toolkit and applying the knowledge from the course, students are expected to 1) collect the corporate profile, including the organizational structure, the major business scope and product lines, the market and its competitors, the employees, and the financial position, 2) carry out a company stakeholders mapping exercise and to figure out the relationships among company and its stakeholders.

#### **Company Visit Report (Group)**

Students will work with their peers (up to four students in one group) on a company visit report. The report consists of two parts: the pre-visit part should include the company profile (company history, core business, mission statement, etc.) and objectives of the visit. The after-visit part should include group observations and learnings, a conclusion, and references.

#### **Op-ed Essay (Individual)**

Students are required to submit a 900-1200 word op-ed. It must be a strong argument about an issue related to CSR or Sustainable Development.

#### **Final Paper / Proposal (Individual)**

For the final paper, students will be asked to write a proposal for the company they investigated



during the group project. The proposal is for a new project/program/initiative or the improvement of the design/implementation of a current project/program that will lead to a better engagement with the company's key stakeholder(s).

The following criteria will be applied in assessing the paper:

- 1) Student's ability to define the NEED that derives from a specific business and social context.
- 2) The idea, project, program or improved approach proposed should be innovative, implementable and result-oriented.
- 3) Ideally, the proposal will demonstrate how a business could work with other stakeholders by leveraging its resources and expertise to address existing social issues in a more effective or efficient way.

### **Attendance and Class Participation**

In addition to encouraging a productive academic community and high academic standards, monitoring student attendance helps CIEE staff ensure that repeated absences are not the result of a student's physical or mental illness. Attendance in all area studies courses will be taken by the instructor of record or CIEE staff within the first fifteen minutes of each class. Students arriving after enrolment is taken should speak to the instructor after class, but may be marked absent at the discretion of the instructor. Students are expected to arrive prepared for each class and to remain for the entire class period. Arriving late to class or leaving class early may affect your final grade and is considered very disrespectful in Chinese culture. There is no excused absence for area studies courses.

### **Absenteeism**

The CIEE Study Center in Shanghai observes a strict attendance policy and absenteeism is subject to disciplinary actions. Absenteeism involves situations where the student is absent, without documentation (unexcused absence) in any area studies course, or is absent for more than 2 days, without documentation, in language classes.

## **Weekly Schedule**

### **Week 1**

#### **Debate: "What Does CSR Mean to You?"; Introduction to Class**

The first session will be devoted to an introduction on Corporate Social Responsibility and Sustainable Development and help students identify multi-dependences and inter-relationships between economic, social and environmental interests.

International Standard ISO 26000 – Guidance on social responsibility, International Organization for Standardization

### **Week 2**

#### **Business, Society, and Stakeholders**

Students will explore the business and society relationship, and learn about key terms of Corporate Social Responsibility.



- Carroll and Buchholtz 2008, Part One, Chapter 1 & 2
- Zadek and Forstater et al. 2012

### Week 3

#### **A CSR Practitioner's Perspective on CSR and SD**

A CSR manager will share an in-depth account of his/her working experience/ observations/thoughts/reflection on the company's CSR strategy and practice.

*More than a Market 2018 – CSR & SD Cases Studies from Foreign Invested Enterprises in China* (Extensive Reading)

### Week 4

#### **The Stakeholder Approach and the Primary Stakeholders in China**

The session introduces students to the origins of the stakeholder concept, applications of the stakeholder approach in management and adaptations of the toolkit of this approach to situations in China.

- Carroll and Buchholtz 2008, Part One, Chapter 3
- Lawrence 2013
- Kinnicutt and Carapinha et al. 2009

### Week 5

#### **CSR Strategy and Programs; Integrating CSR throughout an Organization**

The class will meet with a U.S corporate executive to gain a better understanding of how CSR is part of the business operations of a multinational company, and learn about that company's business and social challenges in China.

**Company visit to Bayer/Intel/Coca Cola**

### Week 6

#### **Strategic Philanthropy**

The session begins with a lecture on the key terms, history, recent development, and future outlook of strategic philanthropy, followed by a structured Q&A session and debate.

Michael E. Porter and Mark R. Kramer, "The Competitive Advantage of Corporate Philanthropy." *Harvard Business Review*, December 2002

**Due date for submission of Company Visit Report**

### Week 7

#### **Meet and Analyze the Key Stakeholders (Government, NGOs and Community)**

The class will visit a local operational foundation, charity and community center. The goal is to explore how none-profits interact with businesses, and to understand key challenges and limitations while working with NGOs.



**Site visit to Shanghai Young Bakers Charity program / Shanghai A Dream Foundation / AmCham Shanghai / Local Community Center**

**Week 8**

**Managing Business Ethics in China**

This session will help students understand key terms and concepts of business ethics, and introduce them to models of management ethics through exercises dealing with the development of moral judgement. A second focus will be on managing organizational ethics and on how to move from moral decisions to moral organizations.

- Carroll and Buchholtz 2008, Part Three, Chapter 7 & 8
- Flannery 2010
- Hennig 2010
- Dew 2010
- Park and Vanhonacker 2007

**Week 9**

**Managing Business Ethics in China – Stimulation / Role Play**

The session will be devoted to a business stimulation game to emulate the business decision-making process of a multinational company regarding ethical dilemmas in the business environment.

**Presentation on Company Research Project**

**Due date for submission of Company Research Project**

**Week 10**

**How to Design a CSR Project & Employee Involvement (EV) and Community Investment (CI)**

During this session, students will analyze commonly used frameworks for building an effective CSR program and use different approaches to create a solid CSR program for a multinational company in China.

EV and CI are the most common and widely used approaches for companies to practice their social responsibilities. In this session, students will learn through exercises how a company can directly support a community.

- Keys and Malnight et al. 2009
- Carroll and Buchholtz 2008

**Due date for Op-ed Essay**

**Week 11**

**Social Innovation and Creating Shared Value**



This session will present an initial overview of the Creating Shared Value (CSV) approach and the meanings of social innovation from the perspective of business administration. Recent trends and developments of social innovation in China, USA and Europe will be discussed.

- Jr and Deiglmeier et al. 2008
- Porter and Kramer 2011

## Week 12

**Final Presentation and group discussion**  
**Due date for submission of the Final Paper / Proposal**

### Course Materials

#### **Readings**

Students will be expected to read around fifty pages per week on average. Readings are expected to be completed before each class session.

*International Standard ISO 26000 – Guidance on social responsibility*, International Organization for Standardization.

Carroll, Archie B and Buchholtz, Ann K. *Business & Society: Ethics and Stakeholder Management*, 7th ed., 2008. South-Western Cengage Learning.

Dew, Douglas. "China Crisis Management: Interesting Times for Foreign Multinationals in the PRC". Burson-Marsteller Beijing, 2010.

Flannery, Russell. "On the Front Line in China: Challenging Business Ethics", 2010. Forbes <[www.forbes.com](http://www.forbes.com)>

Hennig, Alicia. "Corporate Ethics in China – An Introduction, China Business & Research". Frankfurt School of Finance & Management, 2010.

Jr, James A. Phills, and Deiglmeie, Kriss et al. "Rediscovering Social Innovation. "Stanford *Social Innovation Review*, 2008.

Keys, Tracey and Malnight, Thomas W et al. and Kees van der Graaf "Making the most of corporate social responsibility." *McKinsey Quarterly* December issue, 2009.

Kinnicutt, Sylvia and Carapinha, Rene et al. "The influence and impact of global stakeholders." *Mapping Stakeholder Landscapes*, Global Education Research Network & Boston College Center for Corporate Citizenship, 2009.

Lawrence, Susan V. "Understanding China's Political System". Congressional Research Service, 2013.

*More than a Market 2018 – CSR & SD Cases Studies from Foreign Invested Enterprises in China.* Porter, Michael E and Kramer Mark R. "The Competitive Advantage of Corporate Philanthropy." *Harvard Business Review* December 2002 issue.

Porter, Michael E and Kramer Mark R. "Creating Shared Value". *Harvard Business Review* Jan-Feb issue, 2011.

Park, Seung Ho and Vanhonacker, Wilfried R. "The Challenge for Multinational Corporations in



China: Think Local, Act Global". *MIT Sloan Management Review*, 2007.  
Zadek, Simon and Forstater, Maya et al., "Corporate Responsibility and Sustainable Economic Development in China: Implications for Business." US Chamber of Commerce, 2012.