

MGT 573
Social Responsibility of Business
Summer I, 2008

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Office hours: MTuWTh: 9-10; 2-4
 MW: 5-6 at The University Center

Textbook: There is no textbook for this class. Several articles are on reserve in the library that will serve as the textbook.

Course Objectives:

1. Understand the arguments both for and against corporate social responsibility
2. Understand how globalization impacts the arguments for and against corporate social responsibility
3. Understand the relationship between government and business and the political environment in which business organizations operate
4. Understand basic ethical principals used in analyzing business decisions
5. Understand how issues such as the environment, executive pay, minimum wage, family work balance and other current topics help frame the arguments for and against corporate social responsibility
6. Understand the governing and decision-making structure of organizations

Course Description: This course will study the relationship between business, government, and society, and discuss whether business has an obligation to help society. There will be a strong focus on history in examining the ethical, environmental, and cultural implications of business activity on the societies in which they operate. The main objective is to learn the different societal attitudes held about business activity and how those attitudes impact business operations.

Class Format: The class will be conducted primarily as a seminar. There will be some lecture, but the majority of the class time will be devoted to class discussion. Students are expected to come to class prepared so that meaningful discussions can take place.

Grading:

Article Summaries – 9 worth 30 pt each	270 points	A = 450 points
Discussion Questions – 20 worth 10 pt each	200 points	B = 400-449 points
Participation	30 points	C = 350-399 points
Total points	500 points	

Article Summaries: The article summary should include 4 parts: The heading, the purpose, a summary of the content, and a critique of the article. The entire summary should be no more than 1-page typed, double-spaced. Do not use more than 1 page.

Heading (5 points): Using APA style, the title, author, and all other necessary information should be listed at the top of the page.

Schuler, R. S. & Jackson, S. E. 1987. Linking competitive strategies with human resource management practices. *The Academy of Management Executive*, 1: 207 -219.

The purpose (5 points): The purpose of the article should be stated in no more than 2 sentences.

The summary of the content (10 points): Discuss the article content in this section. Include key arguments authors use to make their point. What message is the author(s) trying to get across to the reader? Do not include student opinions in this section. Opinions should be included in the critique section.

The critique (10 points): The student should state whether they agree or disagree with the author and give solid reasons (fact-based) for their opinion. It is OK to use some information from the article, but do not just copy ideas from the article. Students need to think about the article and discuss ideas that are **original thoughts of the student**.

NOTE: The summary needs to demonstrate student understanding of the article and an ability to write at the graduate level.

Discussion Questions: Discussion question examples are given on a separate page. These questions should reflect an understanding of the material and should

Participation: Students in a graduate class are expected to be prepared and to contribute to the class discussion. Each student is required to make a minimum of six (6) thought-provoking statements during the semester. A thought-provoking statement is not a yes/no comment nor is it a simple observation based on the current discussion. It is a statement that reflects insight not patently obvious, and the determination of whether the statement is thought-provoking rests entirely with the instructor. Students may check at the end of each class period to see how many thought-provoking statements they have accumulated.

You may find online a more detailed description of the following policies. These guidelines will also provide you with a link to the specific university policy or procedure:

<http://www.shsu.edu/syllabus/>

Academic Dishonesty: Students are expected to maintain honesty and integrity in the academic experiences both in and out of the classroom. *See Student Syllabus Guidelines.*

Classroom Rules of Conduct: Students are expected to assist in maintaining a classroom environment that is conducive to learning. Students are to treat faculty and students with respect. Students are to turn off all cell phones while in the classroom. Under no circumstances are cell phones or any electronic devices to be used or seen during times of examination. Students may tape record lectures provided they do not disturb other students in the process.

Student Absences on Religious Holy Days: Students are allowed to miss class and other required activities, including examinations, for the observance of a religious holy day, including travel for that purpose. Students remain responsible for all work. *See Student Syllabus Guidelines.*

Students with Disabilities Policy: It is the policy of Sam Houston State University that individuals otherwise qualified shall not be excluded, solely by reason of their disability, from participation in any academic program of the university. Further, they shall not be denied the benefits of these programs nor shall they be subjected to discrimination. Students with disabilities that might affect their academic performance should visit with the Office of Services for Students with Disabilities located in the Counseling Center. *See Student Syllabus Guidelines.*

Article Assignments

All students are required to write summaries for the following articles:

1. The social responsibility of business is to increase profits – Friedman
2. A critique of Milton Friedman's essay – Mulligan
3. Parable of the Sadhu – Bowen McCoy
4. Marching to the tune: Colonization, globalization... - Donkor
5. Globalization is not a dirty word – Weidenbaum
6. Nickel and dimes: On not getting by... - Ehrenreich
7. The impact of HR practices on low-income workers in the context of a natural disaster
8. Complexity and catastrophe: Disentangling the complex narratives... - Hopfl & Matilal
9. On the folly of rewarding A... - Kerr

All students are required to write one (1) discussion question for the following articles:

1. Milton Friedman responds – McClaughray
2. Why firms should not always maximize profits – Kolstad

All students are required to write two (2) discussion questions for each of the following articles or sets of articles:

1. Set 1: *The poverty business – Grow & Epstein
*Fresh pain for the uninsured – Grow & Berner
*The Test – Kishor
2. Two myths of globalization – Gottesman
3. Globalization and its discontents – Daly
4. Set 2: ~Food crisis... - Lynas
~Farm programs, fuel mandates... - Babcock
5. Set 3: **Cattle prod... - Charles McCoy
**The final stretch – Fulford
6. How labor gets framed – Martin
7. Set 3: ~~Going green – Armbruster
~~Harvard Business Review Oct 2007 – Esty, Hoffman, Schendler
8. What's wrong with executive compensation? – Elson
9. Leading from the boardroom – Lorsch & Clark

Tentative Schedule

June	4	<p>Topic for night - Introduction</p> <p>Review lecture on BGS topics</p> <p>Film – Connections</p>
	9	<p>Topic for night - What is Corporate Social Responsibility?</p> <p>Articles to discuss:</p> <p style="padding-left: 40px;">The social responsibility of business is to increase its profits – Friedman</p> <p style="padding-left: 40px;">A critique of Milton Friedman’s essay... - Mulligan</p> <p style="padding-left: 40px;">Milton Friedman responds – McCloughry</p> <p style="padding-left: 40px;">Why firms should not always maximize profits - Kolstad</p>
	11	<p>Topic for night – Ethics in Business</p> <p>Articles to discuss:</p> <p style="padding-left: 40px;">Parable of the Sadhu – McCoy</p> <p style="padding-left: 40px;">The Poverty Business – Grow & Epstein</p> <p style="padding-left: 40px;">Fresh Pain for the Uninsured – Grow & Berner</p> <p style="padding-left: 40px;">The Test - Kishor</p> <p>Film – The Corporation</p>
	16	<p>Topic for night – Globalization</p> <p>Articles to discuss:</p> <p style="padding-left: 40px;">Marching to the tune: Colonization, globalization... - Donkor</p> <p style="padding-left: 40px;">Two myths of globalization – Gottesman</p> <p style="padding-left: 40px;">Globalization and its discontents – Daly</p> <p style="padding-left: 40px;">Globalization is not a dirty word – Weidenbaum</p> <p>Film – Is Wal-Mart good for America?</p>
	18	<p>Topic for the night – Government Regulation/Politics</p> <p>Articles to discuss:</p> <p style="padding-left: 40px;">Food crisis... - Lynas</p> <p style="padding-left: 40px;">Farm programs, fuel mandates... - Babcock</p> <p style="padding-left: 40px;">Cattle prod... - McCoy</p> <p style="padding-left: 40px;">The final stretch – Fulford</p>
	23	<p>Topic for night – Human Resources as part of social responsibility</p> <p>Articles to discuss:</p> <p style="padding-left: 40px;">How labor gets framed – Martin</p> <p style="padding-left: 40px;">The impact of HR practices on low-income workers...</p> <p style="padding-left: 40px;">Nickel and dimes: On not getting by... - Ehrenreich</p> <p>Film – Alex & Melinda</p>
	25	<p>Topic for night – The environment</p> <p>Articles to discuss:</p> <p style="padding-left: 40px;">Union Carbide case – from Steiner & Steiner text</p> <p style="padding-left: 40px;">Going green – Armbruster</p> <p style="padding-left: 40px;">Harvard Business Review Oct 2007 on environmental issues – Esty, Hoffman, Schendler</p> <p>Film – A Dangerous Business</p>
	30	<p>Topic for night – Corporate Governance</p> <p>Articles to discuss:</p> <p style="padding-left: 40px;">On the folly of rewarding A while hoping for B – Kerr</p> <p style="padding-left: 40px;">What’s wrong with executive compensation? – Elson</p> <p style="padding-left: 40px;">Leading from the boardroom – Lorsch & Clark</p>

Examples of Discussion Questions

A discussion question should demonstrate that the student understands the reading and can think about the information in a way that expands into other ideas or thoughts not directly addressed by the reading. A discussion question is not a test question. If the question can be answered by reading the article, it is not a good discussion question and will receive a grade no higher than a C.

Past examples of questions:

1. What is the difference, if any, between leaders, managers, and supervisors?

The problem with question 1 is that it could be answered by the reading that was assigned. The entire article addressed the difference between all three people; thus, the question is a test question and received a grade of D because it wasn't even a very creative test question.

2. With creativity being such an important part of problem solving and organizational structures become flatter. How do your organizations help to encourage and nurture creativity?

The problem with question 2 is that it has grammatical errors (unacceptable for a graduate level class), and it's extremely shallow. The readings were about creative problem solving, and the question only asks how you encourage creativity. That is not graduate level thinking, and the question received a grade of F.

3. Do you think managers need to blend a combination of both masculine and feminine characteristics in their approach to being a successful leader in the 21st century? How does a manager effectively balance feminine characteristics without canceling out their best masculine characteristics?

Question 3 received a grade of A. The reading was about male versus female leadership traits. The student pulled information from the reading and from earlier discussions in class on Hofstede's cultural dimensions to write a question that showed he understood the reading and how the reading fit into a broader context of organizational behavior theory.

4. Is it possible for the delegation of managerial tasks to be perceived as shirking of responsibility? How does a manager determine what tasks are appropriate for delegation versus tasks the manager simply does not care to perform? Is it ethical for a manager to delegate unsavory tasks to his or her employees?

Question 4 received a grade of A. The reading was about empowerment and how delegation of tasks often empowers employees. The student took the reading a step farther by pulling ethics into the issue of task delegation. This demonstrated that the student understood the reading itself and how a positive concept like empowerment (task delegation) could be turned into an ethical dilemma.