



ETHICS & CSR

Quarter: 2ND

Professor(s): Tanguy Jacopin

Dr. Tanguy Jacopin is the Managing Director of Global Born Ltd. He earned his Doctorate at the Sorbonne University in Applied Economics, studied his post-doctorate and some MBA classes at Columbia University and received two Masters Degrees in economics and international management. He was also a visiting scholar at Cambridge University, UK; the University of Sao Paulo, Brazil; the University of Buenos Aires, Argentina and the Instituto de Empresa, Spain.

He teaches as well with Esic, ESCP EUROPE, EOI, ESC RENNES, ESC BREST, FRANCE Fundación CIFF (joint venture between University of Alcalá and Santander bank), University of Carlos III and University Pompeu Fabra, Spain. His interests lie in Corporate Social Responsibility (CSR), CEOs and Cross Cultural Management and sectors of interest include banking, automotive, utility and sport sectors. He has written and contributed to several books, articles and business cases in these areas and has a wide experience in assessing companies such as Santander, BBVA, Iberdrola, Repsol, Telefónica, Kohler Group, the America's Cup or the FC Barcelona.

He recently published CEOs as Leaders and Strategy Designers at Palgrave Mc Millan and Value Creation and Sport management. His Iberdrola case based on the study of the business model of the utility and its stakeholder management was selected by the London Business School and EABIS (European Association for Business in Society) as a successful tool to foster CSR mainstreaming. He can deliver presentations in French (Native), English, Spanish and Brazilian Portuguese (proficient).

Office Hours: Appointment required through mail inquiry (tanguy.jacopin@globalborn.com)

Office Hours: upon appointment at tanguy.jacopin@globalborn.com

SHORT COURSE DESCRIPTION

The course ETHICS & CORPORATE SOCIAL RESPONSIBILITY (CSR) presents an overview of central concepts in business ethics and corporate social responsibility. It examines the responsibilities of corporations and executives to all its stakeholders, and provides an introduction to how social and environmental problems are incorporated into corporate strategy.

The course will begin by reviewing recent corporate scandals like those of Enron, WorldCom or Arthur Andersen. The course will address the shift towards a new governance where the value creation does not obey exclusively to the classic bottom line criteria but to the triple bottom line i.e. firms need to take into consideration social and environmental criteria to create value as well.

In that sense, the collaboration or the confrontation with the stakeholders acquires a new strategic dimension for which new tools are required. Until recently, CSR was much more defensive in order to prevent any stakeholder offense. Nevertheless, success stories such as



Ben and Jerry's, Starbucks or the Bodyshop paved the way to much more offensive ideas to create value.

The course will cover several examples of how different corporations reacted to crisis situations which could damage their medium-long term performance.

Finally, the class participants will study some clusters to analyze the business model and the CSR model of some companies. This issue will enable the course participants to grasp the challenges and current bottlenecks of CSR.

OBJECTIVES

COURSE OBJECTIVES	PROGRAM LEARNING OUTCOMES (see Appendix)										Evaluation Methods/instruments	
	1.1	1.2	1.3	1.4	2.1.a	2.1.b	2.2.a	2.2.b	2.3.a	2.3.b		
1												Oral participation + exam + ppt presentation
2												Oral presentation + exam + cases

ADVANCING YOUR KNOWLEDGE

This course has been specifically designed for MBA students due to the following reasons:

- 1- It has the aim to embed CSR into strategy through analysis, decision-making and cases.
- 2- It has the aim to train ethical leaders
- 3- It has the aim to tell those leaders not to focus exclusively on industrialized countries but on emerging countries as well. Indeed, lots of disruptive models come from the BRIC and other hi-growth emerging countries.

EVALUATION CRITERIA

25% Active participation at class

25% Exam

50% Oral communication – Presentation of Case Study

EXAM DATES (Final exam and make-up exam)

TBC

REFERENCE BOOKS

- ▶ **Lensen & Smith (2009), Corporate Responsibility mainstreaming**
- ▶ Freeman, E. (1984), "Strategic management: A stakeholder approach", Boston, MA: Pitman.
- ▶ Gómez-Mejía, L.R., Balkin, D.B., Cardy, R.L. (2005), "Management", McGraw-Hill.
- ▶ Austin, J. (2000), "The collaboration challenge" (2000), Jossey-Bass.

REFERENCE PAPERS



- ▶ Abelson, A. (2002), "Up & down Wall Street: Eruption of corruption", Barron's. 82(26): 7-9.
- ▶ Byrne, J.A: (2002), "No Excuses for Enron's Board", Business Week. 3793: 50.
- ▶ Donaldson & Dunfee (1999), "When Ethics Travel", California Management Review, 41(4): 45-63.
- ▶ EABIS and INSEAD Report (2007) : Response
- ▶ Friedman, M. (1970), "The social responsibility of business is to increase its profits", New York Times Magazine 13: 32-33.
- ▶ Hillman, A.J., & Keim, G.D. (2001), "Shareholder value, stakeholder management, and social issues: What's the bottom line?", Strategic Management Journal, 22: 125-139.
- ▶ Jacopin T., Poisson S. and Fontrodona J, (2007): Iberdrola case: A Utility's Approach to Sustainability and Stakeholder Management – IESE and EABIS Ed.
- ▶ Lewis, M. (2004), "The irresponsible investor", New York Times Magazine. June 6.
- ▶ McWilliams, A., & Siegel, D. (2000), "Corporate social responsibility and financial performance: Correlation or misspecification?", Strategic Management Journal, 21: 603-609.
- ▶ Media Responsible, Anuario empresa responsable y sostenible, 2006-2007
- ▶ Observatorio de la RSC, Anuario 2006
- ▶ Porter, M.E., & van der Linde, C. (1995), "Toward a new conception of the environment-competitiveness relationship", Journal of Economic Perspectives, 9(4): 97-118.
- ▶ Prahalad, C.K. (1994), "Corporate governance or corporate value added? Rethinking the primacy of shareholder value", Journal of Applied Corporate Finance, 6: 40-50.
- ▶ Quelch J. and Laidler-Kylander N. (2006), The new global brands: managing NGOs in the 21st Century, Thomson Ed.
- ▶ Sen S. and Batthacharya CB (2004), Doing better at doing good: when, why and how consumers respond to corporate social initiatives, California Management Review vol. 47, no 1, fall
- ▶ Stevens, J.M., Steensma, H.K., Harrison, D.A., & Cochran, P.L. (2005), "Symbolic or Substantive Document? The Influence of Ethics Codes on Financial Executives' Decisions", Strategic Management Journal 26: 181-195.
- ▶ Sustainability, UNEP and Global Compact (2004), The XXIst Century NGO
- ▶ The Economist (2005), "The Good Company", 1/22/2005, Vol. 374 Issue 8410,
- ▶ Waddock, S.A., & Graves, S.B. (1997), "The corporate social performance-financial performance link", Strategic Management Journal, 18: 303-319.

OFFICE HOURS

upon appointment at tanguy.jacopin@globalborn.com



DETAILED PROGRAM OF THE COURSE

- Class 1: From the bottom line to the triple bottom line:
Definition and evolution of the Concept of CSR, SRI, stakeholders, CSR Report.

Ethics is not going to be set as a topics in itself but will be taught in all cases.

Readings: Excerpts Movie: Bakan J. : The Corporation

Cases/Exercises: Eccles E. G. (2013) et al. : Foxconn Technology Group (A) – HBS 112002-PDF-ENG

- Class 2: How to create value with the stakeholder management - NGOs

Readings:

Cases/Exercises: Case: Quelch J. and Laidler-Kylander (2006): WWF - HBS case 503113-PDF-ENG

- Class 3: Impact of the precautionary principle

Readings:

Cases/Exercises: Case: Hull S. , Kou J. and Spar D. (1995), Union´s carbide Bhopal Plant (A) – HBS case 795070

- Class 4: CSR, sustainability and corporate strategy. Embedding CSR in management and organization

Readings:

Cases/Exercises: Case: Jacopin T., Poisson S. and Fontrodona J, (2007): Iberdrola case: A Utility´s Approach to Sustainability and Stakeholder Management – IESE and EABIS Ed.

- Class 5: Challenges of the emerging world
local multinational vs. Subsidiary of a Western multinational
Bottom of the Pyramid (BOP)
From microcredit to microfinance

Readings:

Case: Jones and Pinho (2007) Natura: Global Beauty made in Brazil – HBS 9-807-029

Day of the exam: PPT presentation on a BRIC corporation on CSR



Appendix: PROGRAM LEARNING OUTCOMES

1. BUSINESS KNOWLEDGE AND SKILLS

1.1. Students should gain a thorough understanding of the problems relevant to the different functional areas.

Students should have a complete understanding of the most important Finance, Accounting, Management, Marketing and Operations problems. They should understand the most relevant aspects of the problems as well as the potential solutions to them. Regular course work is designed to meet this objective.

1.2. Students should be able to diagnose potentially complex real-world problems.

For this purpose, they should be able to gather and analyze the relevant data. Regular course work, electives, case studies and the Business plan are designed to meet this objective.

1.3. Students should be able to relate theory and practice.

Students should be prepared to tailor general concepts and solutions to specific organizational settings. Case studies, simulation games and the Business Plan are designed to meet this objective.

1.4. Students should be able to understand the role of ethics in business decision making

2. ORGANIZATION TEAM AND PERSONAL SKILLS

2.1. Students should be able to explain their diagnosis and the solutions they propose in a clear and convincing way.

(a) Students should be able to effectively communicate verbally in both English and Spanish languages with different types of people, particularly senior managers, teammates, subordinates, clients and suppliers. The team work that is being carried out throughout the year, electives and the Business Plan are designed to meet this objective.

(b) Students should be able to effectively communicate in writing ideas and arguments in both English and Spanish languages with different types of people, particularly senior managers, teammates, subordinates, clients and suppliers. Case studies, projects and the Business Plan are designed to meet this objective.

2.2. Students should be able to work effectively in teams and to demonstrate their capacity in managing diversity

(a) Students should demonstrate their capacity to listen, manage and influence others and facilitate their development.

(b) Students should demonstrate their capacity to perceive commonalities and differences in other's values, styles and perspectives. To this purpose they will intensively work in teams throughout the program.

2.3. Students should be able to demonstrate their capacity to lead others and their own professional life

(a) Each graduate will use team building and high performance management behaviors to lead a team task that results in effective team performance

(b) Students should be able to assess their own strengths and weaknesses and manage risk in the design of their professional careers