

**Commerce 4SG3
Corporations and Society
Course Outline**

**Strategic Management
DeGroote School of Business
McMaster University**

COURSE OBJECTIVE

The goal of this course is to familiarize students with a variety of concepts related to the role of corporations in society. Using cases, simulations, guest speakers, a group project and reflections, students will sharpen their ability to critically analyze and debate complex and systemic issues from an informed position. Students will also learn tools to help management address many of the challenging issues facing our society. Students will emerge from this course understanding both the business challenges and opportunities inherent in sustainability.

INSTRUCTOR AND CONTACT INFORMATION

<p style="text-align: center;">Brent McKnight Instructor bmcknight@mcmaster.ca Office: DSB #210 Office Hours: after class Tel: (905) 525-9140 x24704</p>	<p>TA's name:</p> <p>TA's email:</p> <p>Website:</p>
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COURSE ELEMENTS

Credit Value: 3	Leadership: Yes	IT skills: No	Global view: Yes
Avenue: Yes	Ethics: Yes	Numeracy: Yes	Written skills: Yes
Participation: Yes	Innovation: Yes	Group work: Yes	Oral skills: Yes
Evidence-based: Yes	Experiential: Yes	Final Exam: No	Guest speaker(s): Yes

COURSE DESCRIPTION

The role of corporations and society has been evolving over the past couple of decades from a fringe business issue, to one of central concern to managers. A recent survey conducted by McKinsey found that for close to 75% of CEO's, sustainability was a priority item and for 25% it was a top three agenda item. Sustainability has become an increasingly important concern in today's business world.

At the core of this course are the relationships that firms build and maintain with society (a so called license to operate) and ecological systems (which provide invaluable inputs and essential services). The importance of these relationships cannot be understated as they significantly impact the long term viability of the firm. This course focuses on those relationships.

In the past, environmental and social issues were seen as constraints on business; unwelcome interruptions on the path towards increased profitability. They were peripheral. But no longer.

Today firms of all stripes, from mining and forestry, to food and beverage, and even banking are adopting strategies and practices that take into account a broader set of stakeholders including their environment, society, governments and NGOs. It was inevitable that firms would adopt these strategies and practices. To quote Ray Anderson, CEO of Interface Carpets and a highly regarded environmentalist in his own right:

"the only institution on earth that is large enough, powerful enough, wealthy enough, pervasive enough, and influential to lead humankind out of the mess it's making for itself is the same institution that is doing the most damage -- the institution of business and industry, my institution." - Ray Anderson, CEO Interface Carpets

The issues we raise and discuss in class are among the most critical and exciting challenges confronting business today. Sustainability is the quintessential international problem. In our time together we will explore innovative business models used across the globe in developed and developing countries. In this class, our joint task is to learn how we can think globally and act strategically in ways that also add the most value to the societies within which we operate as business leaders

LEARNING OUTCOMES

By the end of this course you will:

- Gain a familiarity with a variety of concepts related to corporations and society including triple bottom line, resilience, stakeholder engagement, the tragedy of the commons, sustainability and technology, and sustainable business models;
- Understand the application of tools and solutions to key challenges facing organizations resulting from environmental and social issues;
- Sharpen critical analysis and communication abilities, especially in the context of complex and systemic issues;
- Understand both the challenges and opportunities inherent in social and environmental issues;
- Be challenged to clarify your own values and opinions on issues related to corporations and society.

REQUIRED COURSE MATERIALS AND READINGS

Avenue registration for course content, readings and case materials

\$ FREE

- <http://avenue.mcmaster.ca>

Custom Courseware: Commerce 4SG3 Corporations and Society

\$ TBD CAD

- purchase at the bookstore

prices subject to change

EVALUATION

- **Participation:** 20%
- **Reflections:** 30%
- **Group Project – Written Report:** 30%
- **Group Project – Classroom Component:** 20%

Participation

The daily classroom discussion represents a unique opportunity for you to develop and enhance your confidence and skill in articulating a personal position, reacting "on the spot" to new ideas, and receiving and providing critical feedback from a group of assertive and demanding colleagues. Much of your learning will come from these classroom experiences.

You are expected to come to each class, with the case and readings prepared and with a readiness and willingness to contribute to the class discussion. Your contribution to the learning of others, through the experience and insights you share is a key part of this learning process. Contribution will be graded based on quality, quantity and consistency. Some of the things that will determine a contribution include:

- ◆ Are you listening, not just for a few minutes, but the duration of the class?
- ◆ Are your contributions relevant to the discussion? Do your comments relate to the comments of others and to the themes that the class is exploring together? Do you build on the class discussion?
- ◆ Do your comments add to our understanding of the situation? Are you incisive? Do you cut to the core of the problem?
- ◆ Are you willing to challenge the ideas that are being expressed in the classroom?
- ◆ Are you willing to test new ideas or are all comments "safe"?
- ◆ Do you bring in your own experience, personal or professional, in order to add value to the class discussion

Reflection

A key aim of this course is to provide the opportunity for students to think critically about issues pertaining to sustainability. Thus, following each class students are encouraged to actively reflect on what they have learned. For three of the classes, students must submit their reflections for grading. ***Each reflection will constitute 10% of your final grade.***

These reflections will take three different forms.

Executive Memo: The first form is an executive brief targeted at either a specific executive or a class of executives (ie Sustainability Director or CEO). It is meant to inform these executives about a particular issue or class of issues and offer concise, relevant and actionable advice. Your memo should first briefly present the issue of interest and engage the reader. Then, in 2-3 paragraphs the memo should describe 2-3 critical action items. A brief summary and call to action would follow. Further guidance and examples can be found at <http://owl.english.purdue.edu/owl/resource/590/1/> and <http://nku.edu/~fordmw/memo.htm>. You may also benefit from reading the following article

about executive communication: <http://www.theglobeandmail.com/report-on-business/careers/career-advice/recruiters-put-premium-on-communication-skills/article20206416/>

Editorial: Alternatively it can take the form of an editorial. Hard hitting and possibly controversial, it drives at making a point to a broader audience. For example, <http://webuser.bus.umich.edu/ajhoff/editorials/2008%20CRO.pdf>

Diary: A third form of reflection is that of a diary. In this diary you are expected to get personal and reflect on what a particular class meant to you. How did it alter your way of thinking or assumptions about particular issues? Be specific. *You may only choose to do the diary format for one reflection.*

Students must submit a reflection according to the following schedule.

- 1 reflection for classes 1 through 4;
- 1 reflection for classes 5 through 7;
- 1 reflection for classes 8 through 11;

Reflections are due **by midnight the day following the class** being reflected upon. Reflections must be **no more than 2 pages, 12 point Times New Roman font, double spaced, 1 inch margins.**

What you write in your reflections can be confidential however at the beginning of the next class students will be encouraged to share their reflections with the class. Shared reflections will benefit from feedback from the class. Students will then be able to revise and resubmit their reflections based on that feedback. Revisions are due at midnight the following day.

Group Project

Given the proliferation of social and environmental issues and their constantly changing nature, it is difficult for any one person to be aware of all that is going on. Yet, understanding these issues is important for effective decision making. We also believe the wide relevance of these issues provides an opportunity for you to contribute to your learning, your classmates', and to the wider community. It is this philosophy that has guided our development of this project.

On the last day of class, you must submit and discuss a final research project. Working in groups of **3 or 4** you must identify an environmental or social issue and describe innovative business approaches to addressing the issue. The project must comprise two major parts.

1. **Issue definition.** Define and describe the issue, including its scope and negative impacts on either society or on the planet.
2. **Innovative practices taken by business to address the issue.** You can focus on just one case study, or list a number of approaches that firms take or could take.

In selecting a topic, you could either first identify an issue that you find most troubling and want to see what businesses are doing, or find a company that you find innovative and then work backwards to say how it is addressing the issue. So, the ordering of these sections is up to you.

By **Week 4**, you will be required to submit the names of the people in your group, and a description of the issue or company that you will be researching (no more than 1 page). I will provide feedback by **Week 5**.

Written Report – Due Week 12

The written report should not exceed 3000 words, excluding references, title page, and appendices. It will be graded on both substance and style. In terms of substance, the paper should be researched well, and yet focus only on the most salient facts. The message should be credible and accurate with supporting facts and evidence. In terms of style, the paper should be easy to read and free of errors. It should be impactful and engaging.

Important Considerations:

- Better projects focus on a narrowly well-defined issue with a foreseeable impact on business. If you can't define the issue easily and well, the audience will never really understand what it is that you are talking about.
- Better projects also tend to avoid well-worn issues (such as deforestation, climate change), and focus on issues that are relatively new to your audience or take a new angle on well-known issues (e.g., greenhouse gas emissions associated with air travel).
- A good report is not an information dump, but a careful culling of the material, providing only the best, most credible and reliable data and images. There are significant space and time restrictions, so be selective in the information you choose.

Classroom Component – Due Week 11

To share your work you will prepare a **2-3 page** case for classroom discussion that outlines the issue at the centre of your project. In this case you will lay out the issue of concern in your project and create a protagonist – a central figure and organization that is tasked with resolving in some way your central issue.

Examples of protagonists are readily found in most cases under discussion throughout the course. For example, suppose your group project pertained to the issue of shark fin soup and the practice of shark finning. You may choose a number of protagonists including the manager of a Chinese banquet centre that caters to Chinese weddings and is placed in a difficult decision as to how to satisfy customers while addressing this harmful practice. Or you could be a manager of a food processing plant who is presented with an opportunity to incorporate new synthetic shark fin soup technologies. The choice of protagonist should be one that helps you explore the key findings of your report.

In your classroom component, you will facilitate a discussion among fellow students regarding this case focusing on resolving the case. Thus each group should come prepared to stimulate and advance classroom discussion.

The cases will be submitted a week prior to the presentation to give fellow students the time to prepare each case. Each group will be allocated approximately 20-30 minutes for the case discussion.

Grade Conversion

At the end of the course your overall percentage grade will be converted to your letter grade in accordance with the following conversion scheme.

LETTER GRADE	PERCENT	LETTER GRADE	PERCENT
A+ (12)	90 - 100	C+ (6)	67 - 69
A (11)	85 - 89	C (5)	63 - 66
A- (10)	80 - 84	C- (4)	60 - 62
B+ (9)	77 - 79	D+ (3)	57 - 59
B (8)	73 - 76	D (2)	53 - 56
B- (7)	70 - 72	D- (1)	50 - 52
		F (0)	00 - 49

Communication and Feedback

Students that are uncomfortable in directly approaching an instructor regarding a course concern may send a confidential and anonymous email to the respective Area Chair or Director:

<http://www.degroote.mcmaster.ca/curr/emailchairs.aspx>

Students who wish to correspond with instructors or TAs directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student. Emails regarding course issues should NOT be sent to the Administrative Assistant.

Instructors should conduct an informal course review with students by Week #4 to allow time for modifications in curriculum delivery. Instructors should provide evaluation feedback for at least 10% of the final grade to students prior to Week #8 in the term.

ACADEMIC DISHONESTY

It is the student's responsibility to understand what constitutes academic dishonesty. Please refer to the University Senate Academic Integrity Policy at the following URL:

<http://www.mcmaster.ca/policy/Students-AcademicStudies/AcademicIntegrity.pdf>

This policy describes the responsibilities, procedures, and guidelines for students and faculty should a case of academic dishonesty arise. Academic dishonesty is defined as to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. Please refer to the policy for a list of examples. The policy also provides faculty with procedures to follow in cases of academic dishonesty as well as general guidelines for penalties.

For further information related to the policy, please refer to the Office of Academic Integrity at:

<http://www.mcmaster.ca/academicintegrity>

In this course we will be using Turnitin.com which is a plagiarism detection service. Students will be expected to submit specific work electronically to Turnitin.com so that it can be checked against the internet, published works and Turnitin's database for similar or identical work. If a student refuses to submit his or her work to Turnitin.com, he or she cannot be compelled to do so and should not be penalized. Instructors are advised to accept a hard copy of the assignment and grade it as per normal methods. The assignment can be subjected to a Google search or some other kind of search engine if the instructor wishes. To see guidelines, please go to:

<http://mcmaster.ca/academicintegrity/turnitin/guidelines.html>

REQUESTING RELIEF FOR MISSED ACADEMIC TERM WORK

1. Students may request relief from a regularly scheduled midterm, test, assignment or other course component in the following two ways:

- a) **for absences from classes lasting up to five (5) days; or**
- b) **for absences from classes lasting more than five (5) days.**

a) For absences from classes lasting up to five (5) days

Students must use the MSAF (McMaster Student Absence Form). This is an on-line, self-reporting tool, for which submission of medical or other types of supporting documentation is normally not required. Students may use this tool to submit a maximum of one (1) request for relief of missed academic work per term as long as the weighting of the component is worth 29% of the final grade or less. Students must follow up with their course instructors regarding the nature of the relief within two days of submitting the form. Failure to do so may negate the opportunity for relief. It is the prerogative of the instructor of the course to determine the appropriate relief for missed term work in his/her course.

If the value of the component is worth 30% or more, students must report to the APO to discuss their situation and will be required to provide appropriate supporting documentation.

b) For absences from classes lasting more than five (5) days

Students cannot use the MSAF. They **MUST** report to the APO to discuss their situation and will be required to provide appropriate supporting documentation.

2. Students who wish to submit more than one request for relief of missed academic work per term cannot use the MSAF. They must report to the APO and discuss their situation with an academic advisor. They will be required to provide supporting documentation and meet with the Director.

3. The MSAF cannot be used during any final examination period.

4. Students who require accommodations to meet a religious obligation or to celebrate an important religious holiday must make their requests in writing within three weeks of the start of term to the APO.

5. Students seeking relief due to: work-related (for part-time students only) commitments; representing the university at an academic or varsity athletic event; and/or conflicts between two (or more) overlapping scheduled midterm exams, have the option of applying for special exam arrangements. Such requests must be made to the APO at least ten (10) working days before the scheduled exam along with acceptable documentation. There will be only one common sitting for the special exam. Instructors cannot themselves allow students to unofficially write make-up exams/tests. Adjudication of the request must be handled by the APO.

STUDENT ACCESSIBILITY SERVICES

Student Accessibility Services (SAS) offers various support services for students with disabilities. Students are required to inform SAS of accommodation needs for course work at the outset of term. Students must forward a copy of such SAS accommodation to the instructor normally, within the first three (3) weeks of classes by setting up an appointment with the instructor. If a student with a disability chooses NOT to take advantage of an SAS accommodation and chooses to sit for a regular exam, a petition for relief may not be filed after the examination is complete. The SAS website is:

<http://sas.mcmaster.ca>

POTENTIAL MODIFICATIONS TO THE COURSE

The instructor and university reserve the right to modify elements of the course during the term. The university may change the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check their McMaster email and course websites weekly during the term and to note any changes.

Commerce 4SG3 Corporations and Society Course Schedule

INSTRUCTOR AND CONTACT INFORMATION

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	Topic	Details
Week 1 Jan 7 th	The Tragedy of the Common	Introduction to the course <i>Simulation:</i> Fishbanks
Week 2 Jan 14 th	Confronting the Social Responsibility of the Firm	<i>Lecture:</i> The Triple Bottom Line <i>Case:</i> PepsiCo's Turning Point: Establishing a role in a sustainable society <i>Readings:</i> The Social Responsibility of Business is to Increase its Profits, by Friedman (1970)
Week 3 Jan 21 st	Resilient Organizations and Resilient Societies	<i>Lecture:</i> Resilient Organizations and Societies <i>Case:</i> YU Ranch: Strategy and Sustainability in Cattle Ranching (A) <i>Readings:</i> Chapter 1, <i>Resilience</i> by Zolli
Week 4 Jan 28 th	Certifications	<i>Lecture:</i> Certifications <i>Case:</i> SC Johnson and the Greenlist Backlash <i>Guest Speaker:</i> Braden Kurczak, Business Development Manager (Buildings) at MMM Group <i>Due In Class: Group names and 1 page topic write up</i>
Week 5 Feb 4 th	The Role of Regulations	<i>Lecture:</i> Regulations and Business <i>Case:</i> Molten Metal Technology <i>Exercise:</i> Life Cycle Analysis <i>Reading:</i> Nokia Report: Integrated Product Policy Pilot Project: pp 12-38 http://ec.europa.eu/environment/ipp/pdf/nokia_mobile_05_04.pdf
Week 6 Feb 11 th	Stakeholder Engagement	<i>Case:</i> Royal Dutch/Shell in Nigeria (A) <i>Exercise:</i> Stakeholder role play <i>Readings:</i> Community Engagement – Systemic Review - http://nbs.net/wp-content/uploads/NBS-Systematic-Review-Community-Engagement.pdf
Feb 18 th		<i>No Class – Reading Week</i>

Week 7 Feb 25 th	Climate Change: Business Strategies for Carbon Management	<p><i>Lecture:</i> Climate Change Strategies <i>Case:</i> Travelers Insurance <i>Reading:</i> http://nbs.net/wp-content/uploads/Adaptation-to-Climate-Change-Primer.pdf</p> <p><i>Mini-case:</i> Gamification at McMaster <i>Deliverable:</i> Please complete a personal carbon footprint calculator and bring it to class (ie http://www.footprintnetwork.org/en/index.php/GFN/page/calculators/)</p>
Week 8 March 4 th	The Role of Technology and Innovation in sustainability	<p><i>Lecture:</i> Technology and Sustainability <i>Case:</i> Blueprint for Ford's Future: From Personal Automobiles to Mobility <i>Debate:</i> Be it resolved that technology will resolve our environmental and social problems.</p>
Week 9 March 11 th	Sustainable Business Models	<p><i>Lecture:</i> Sustainable Business Models <i>Case:</i> Honey Care Africa: A Tripartite Model for Sustainable Beekeeping</p>
Week 10 March 18 th	Business Case for Corporations in Society	<p><i>Lecture:</i> Building the Business Case <i>Case:</i> Putting a Suit on a Tree Hugger: Sustainability at The International Centre <i>Guest speaker:</i> Trevor Lui, Director of Operations & Sustainability</p>
Week 11 March 25 th	Ethical Decision Making	<p><i>Case:</i> Merck & Co., Inc <i>Reading:</i> Giving Voice to Values: <i>Deliverable:</i> Complete a giving voice to values profile. http://www.babson.edu/faculty/teaching-learning/gvv/Documents/Student/Personal-Professional-Profile_S.pdf <i>Deliverable: Group project case due by hardcopy</i></p>
Week 12 April 1 st	Project Presentations	<p><i>Deliverable: Final group projects due hardcopy</i></p>