



A PRiME Focus on Corporate Sustainability in the Classroom

January 6, 2010

Introduction

- The ISU College of Business is one of the first public universities to become a signatory to the United Nations' Principles for Responsible Management (PRiME). The mission of PRiME is to inspire a new generation of business leaders and champion responsible management education, research, and thought leadership globally.
- PRiME highlights four key topics within the theme of corporate social responsibility: climate, labor, human rights, and anticorruption.
- This panel will talk about how three different professors in the COB have integrated these principles into their undergraduate courses. Our hope is that this panel will inspire others to add elements of sustainability and social responsibility into their curricula.

Purpose: to gain a better understanding of how ethical behavior is applied to various ethical dilemmas

READ YOUR TEXTBOOK:

a. Ethics, Character, & Personal Integrity (Ch2, p26-30) b. Factors that Affect Ethical Behavior (Ch4, p62-67). Be able to discuss the various components of the Model of Ethical Behavior, Figure 4.3 on p.6.

2. READ AT BUSINESSWEEK.COM:

- a. The Trouble with Business Ethics
- b. Wal-Mart's Latest Ethics Controversy
- c. My Year at Wal-Mart: How marketing whiz Julie Roehm suffered a spectacular fall in 10 short months

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Discuss some of the following questions:

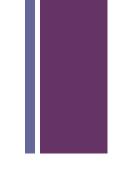
- 1. What elements of the Model of Ethical Behavior do you find being mentioned (either explicitly or implicitly) in these articles?
 - Specifically, how does each of the elements you found directly or indirectly impact the decisions made and actions taken by: Chase Epley Lowry, Julie Roehm, Wal-Mart executives, or Other key players in these stories
- 2. What were some of the ethical issues involved? Alleged ethical violations? The problem of protecting whistleblowers against retaliation?
- 3. Given the statistics on how many whistleblowers eventually get fired, what would you do if you knew of serious ethical violations by your supervisors?
- 4. Whom do you believe acted most "ethically" in these scenarios, and why? Support your reasoning carefully with principles given in the readings from the textbook.

Team Grading Criteria

POINTS	DESCRIPTIVES
20	All students on the team contribute AND the team contribution is characterized throughout by multiple instances of the 9 evidences of critical thinking (above). Logical support from chapter concepts is very clear and specific.
15	Most students on the team contribute AND the team contribution exhibits one of more of the 9 evidences of critical thinking. Logical support from chapter concepts is adequate.
10	Fewer than half of the students on the team contribute OR few, if any, of the team's contribution exhibits one of more of the 9 evidences of critical thinking. Logical support from chapter concepts is offered but is not clear or specific.
5	Team does not seem to know the chapter material. Logical support from chapter concepts is not given by the team.
0	No participation.



Guidelines for positive contributions:



- 1. Offering up ideas or resources and inviting critique of them.
- 2. Asking challenging questions.
- 3. Articulating, explaining, and supporting positions on issues.
- 4. Exploring and supporting issues by adding explanations and examples.
- 5. Reflecting on and re-evaluating personal opinions based on examples of personal experience.
- 6. Offering a critique, challenging, discussing, and expanding the ideas of others.
- 7. Negotiating interpretations, definitions, and meanings across team members.
- 8. Summarizing and modeling previous contributions.
- 9. Proposing actions based on ideas that have been developed.

■ I have just read over the Trouble With Business Ethics article and was a little shocked at how big of a problem whistle blowing can actually be. When smear campaigns are coming after whistle blowers there is an evident problem. In my opinion, employees that whistle blow are just protecting their company and the public. These people should be protected by the company. It is terrible that these people are having to go through scrutiny and even divorce for doing the right thing.

■ We often want to believe that if we act ethically that "it will all be ok." The character theory of ethics would emphasize the intent of the action and character of the individuals. The actions were judicious, and all parties showed ethical character in this case, but that doesn't mean there is going to be a pretty bow on it in the end. Sometimes ethics can be dirty too. If we are supposed to act ethically and in the best interest of the whole, maybe Lowry leaving was the most ethical thing to do. Fair? Maybe not, but not necessarily unethical.

■ Katie I agree when you say Wal-Mart is not doing a good job to give their employees comfort in knowing they can speak up but I think if Roehm was giving such a bad name to Wal-Mart it was a wise decision to fire her. It only takes one person and one situation to change the perception of a brand, in a good way or bad way. The book discusses organizational influence such as the code of conduct, training programs, norms and modeling to promote ethical behavior. I think the key factor that Wal-Mart was missing was to implement is the idea of rewards and punishments. If Wal-Mart had clear rewards to reporting unethical behavior and punishments to those in the wrong it would me much clearer to the employees on how the situation would be handled.

Purpose: to gain a better understanding of how organizations are integrating corporate social responsibility into their strategies

READ YOUR TEXTBOOK:

- a. Social Responsibility (Ch2, p29-30)
- b. External Forces for Change (Ch18, p286-289).

2. READ:

- a. MBA Students want Changes in their Curriculum
- b. Outgreening Delivers Sustainable Competitive Advantage
- c. CSR Doesn't Pay
- d. From Starbucks to Nike, Business Asks for Green Legislation
- e. The Walt Disney Company Announces Significant Long-Term Environmental Goals

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Discuss some of the following questions:

- 1. Dov Seidman and David Vogel have seemingly opposite views on corporate social responsibility and competitive advantage. Can you reconcile these? Companies like Disney (www.disney.com/crreport) and Starbucks (www.starbucks.com/csr/) are using company resources to take a stand on issues of corporate social responsibility. Why do you think they would do this?
- 2. Imagine you are a government policy-maker. How would you respond to requests like those in the Lubber article?
- 3. The Net Impact/Aspen Institute survey indicates business students want corporate social responsibility to appear in the curriculum. What are your thoughts?

■ CSR in my mind is just like whistle blowing. We all talk about how we would do the right thing when we go out into the real world, but how many of us actually would? If you went into a job ready to make that company socially responsible but your boss told you not to worry about that and instead just do your job, would you tell him no? Would you tell your boss that you would rather work on being socially responsible?

■ For example, one company that is practicing social responsibility is General Electric. The reason for this is because they are making efforts to "go green." They advertise this a lot in their commercials and this encourage people to follow these practices and make the environment a much better place to live in. They are concerned with more than just their company. Can anyone think of any more examples of companies that have been practicing social responsibility recently?

■ In contrast to this article, Vogel concentrates on how CSR cannot always be the solution. In the article Vogel states that firms with superior CSR performance have not performed any worse than their less virtuous competitors. He went on to say that neither have done any better. Although these statistics may prove true from a financial standpoint, I don't understand why more firms wouldn't incorporate CSR if they're not losing out on profits. I guess my question is, if a company may not see great financial rewards or a significant loss in profits, shouldn't they incorporate CSR because of their ethical responsibility to do so?

■ To a point I feel you are right about having to focus on the field of study you want learn, but I also see there being a need of this being incorporated in your MBA. This is something that is becoming more of a crucial thing to know and not having it really seems to put you at a disadvantage I think. I see many companies wanting people of all areas to have knowledge in CSR.