

Copenhagen Business School
FT MBA Program

SYLLABUS

Managing Sustainable Corporations (MSC)
Fall 2016

Professor Andreas Rasche
Phone: 3815 5701
Email: ara.ikl@cbs.dk

Room: PH18A, 0.114
Office Hours: Tuesdays, 13-15

Associate Professor Steen Vallentin
Phone: 3815 3785
Email: sv.mpp@cbs.dk

Room: PH18A, 0.143
Office Hours: Thursdays 13-15

Overview:

This course explores how managers can show leadership and contribute to the development of more sustainable business practices. It explores the individual, organizational and communicative aspects of responsibility along with the regulatory and political context affecting, shaping and constraining business mindsets and decisions. While the course has a strong emphasis on the practical/operational aspects of CSR and sustainability (through the use of cases and empirical examples), it also allows participants to familiarize themselves with cutting edge research in the field and how theoretical models and concepts can contribute to a better understanding of the mechanisms underlying recent developments. In order to give participants a strong sense of the richness, diversity and complexity of the field, the course is presented by an international team of academic experts and practitioners.

The course is divided into four main parts. The first, *Framing the Debate: Levels of Responsibility*, focuses on the different ways in which we can, fundamentally, approach discussions around responsibility and sustainability. Starting from a discussion of individual responsibility and responsible leadership, it goes on to show how CSR and sustainability also need to be seen as embedded concerns that are related to national institutional frameworks, norms and values. And how we, on top of that, increasingly need to consider these matters in a global context and as being affected by various modes of global governance, including the UN Global Compact.

The second part more explicitly addresses *Managing Responsible Business Practices*. We look at a variety of empirical “issues”, such as taxation, labor rights and corruption, which firms need to address in their day-to-day business whenever they manage for CSR and sustainability. The key aim is to understand (a) what makes these issues relevant for businesses (e.g. in how far do they represent risks), (b) how existing legal and non-legal frameworks influence firms’ responsibilities vis-à-vis these issues, and (c) what firms can do to manage their responsibilities in these areas. This part closes with a session on sustainability and circular economy where we will explore new business models.

The third part, *Communicating Responsible Behavior*, discusses how firms can communicate with different stakeholders when it comes to corporate responsibility and sustainability. The first session explores the relevance and legal status of sustainability reporting. The next session gives you an introduction to new theoretical frameworks that discuss the interaction between CSR talk and CSR action. Finally, we look into how to communicate with investors (both asset owners and asset managers) about topics relevant to corporate responsibility and sustainability.

The third part, *Final Reflections and Looking Ahead*, includes the final session during which we will wrap up the class by discussing the distinction between compliance and integrity. We will also discuss the final group assignment and the individual oral exam.

Access to Materials:

All readings are available via CBS Learn. You can also access most readings via direct links in the course syllabus. All case studies are handed out via the MBA Program Secretariat before the course. Please consider the environment before printing.

Learning Objectives:

The aim of this course is to gain an in-depth understanding of the different factors that shape – enable and constrain – corporate responsibility and sustainable development. The course introduces students to a variety of analytical and practical perspectives on leadership, organization and communication and discusses in what ways these tools can enable responsible corporate conduct. To achieve the grade 12, students should meet the following learning objectives with no or only minor mistakes or errors.

After completing this course students should be able to:

- Identify and discuss strengths and weaknesses of concepts and theories relating to CSR and sustainability and to apply these concepts and theories in appraising strategic alternatives for companies
- Identify new issues arising (e.g. corruption, labor, human rights) and recognize the threats and opportunities they involve for modern business
- Discuss the external (societal) and internal (organizational) factors that enable and constrain corporate responsibility and sustainability
- Apply relevant perspectives on CSR and sustainability to a case analysis outlining a leadership challenge
- Present the findings of the case analysis, including recommendations for future action, in a clear, concise and insightful manner.

Teaching Style and Methods:

This course blends a variety of pedagogical methods. You learn through interactive lectures combined with case study discussions, guest lectures, and group workshops. We will also use some short video supplements to explore selected issues in more depth. **It is important that you read case studies *prior* to the lecture in which they are discussed. Please think about answers to the case questions, which are listed in this syllabus, as these will form the basis of class discussion.**

Exam:

The exam will be based on a group written project and an individual oral examination of the findings of the project. The project will be based on a case analysis outlining a leadership challenge. Students are asked to analyze the challenging situation using some of the analytical frameworks discussed in class and come up with well-reasoned recommendations for future development.

Grading will follow the Danish 7-point scale. During the last session you will receive further information on how to approach the assignment. The written project needs to be a maximum of 10 pages. The deadline for submitting the final case analysis is November 23 at 9.00. Please submit your case analysis online via CBS LEARN. Please follow the Writing Guidelines for exam papers and assignments in the FT MBA program.

Exam dates (oral exam): December 14-15.

Teaching Faculty:

Andreas Rasche (AR) is Professor of Business in Society at Copenhagen Business School and Co-Director of the CBS World-Class Research Environment “Governing Responsible Business” (GRB). He regularly contributes to international journals in his field of study and co-edited *The United Nations Global Compact: Achievements, Trends and Challenges* (Cambridge University Press) as well as *Building the Responsible Enterprise* (Stanford University Press). He collaborated with the UN Global Compact in the context of different projects and served on the UN Global Compact LEAD Steering Committee. He is Associate Editor of *Business Ethics Quarterly* and Associate Fellow at Warwick Business School. He joined CBS from Warwick Business School in August 2012. More information under: www.arasche.com

Steen Vallentin (SV) is Associate Professor at the Department of Management, Politics & Philosophy and Director of the Centre for Corporate Social Responsibility at Copenhagen Business School. His research interests are centered on CSR as a social and political phenomenon in the broadest sense, including studies of the role of government and of the political-ideological side of corporate responsibility. He regularly contributes to international journals in his field of study, and is, along with other members of the course faculty, part of the GRB (Governing Responsible Business) World-Class Research Environment at CBS.

Lars Thøger Christensen (LTC) (PhD, Odense University) is Professor of Communication and Organization at The Copenhagen Business School. His research interests include issues of organizational identity, corporate communication and branding, CSR, transparency and accountability. In addition to six books and contributions to several edited volumes, his research appears in *Organization Studies*, *Human Relations*, *European Journal of Marketing*, *Organization*, *Consumption*, *Markets and Culture*, *The New Handbook of Organizational Communication*, *The Handbook of Public Relations*, *Communication Yearbook*, and elsewhere. He has more than 20 years of experience in providing lectures, courses, counseling and consultancy to public and private sector organizations within the large area of strategic communication.

Anne Mette Christiansen (AMC) is leading the work on sustainable development in the Arctic for the World Wildlife Foundation (WWF), including work on responsible industry issues and renewable energy. She has previously been partner in Deloitte with responsibility for the Nordic sustainability services. She has worked with Danish and international clients over the past 15 years in the field of sustainability strategy, stakeholder management and business development. Previously, she has run her own company in Greenland and worked at PricewaterhouseCoopers. In addition to working at Deloitte, she is lecturing at CBS and Washington & Lee University in the United States. She regularly publishes articles and blog posts about sustainability issues.

Guest Speakers:

- Ida Auken (IA), MP, Det Radikale Venstre (The Social Liberal Party)
- Simon Hoffmeyer Boas (SHB), Director, Group Sustainability, Carlsberg Group
- Julie Hjerl Hansen (JHH), Journalist, DanWatch
- Lars Koch (LK), Director, Programme and Influence, IBIS
- Ole Kjerkegaard Nielsen (OKN), Director, Corporate Sustainability, Novo Nordisk
- Lene Serpa (LS), Head of Governance and Research, Maersk Group Sustainability
- Mads Øvlisen (MØ), former CEO and chairman of the Board of Novo Nordisk, former chairman of the Board of LEGO

COURSE OVERVIEW

	<i>Date</i>	<i>Topic</i>	<i>Faculty</i>
PART I: FRAMING THE DEBATE: LEVELS OF RESPONSIBILITY			
1.	SEP 16 9.00-12.15	Introduction to the Course: Fundamentals of CSR and Sustainability	AR, SV
2.	SEP 20 13.00-16.15	Individual Responsibility: Transformational Leadership and Personal Values	SV, MØ
3.	SEP 22 9.00-12.15	Organizational Responsibility: (The Limits of) Creating Shared Value	SV, LS, OKN
4.	SEP 23 13.00-16.15	The Global Frontier: Corporations and Politics Case: Royal Dutch/Shell in Nigeria (A)	AR
PART II: MANAGING RESPONSIBLE BUSINESS PRACTICES			
5.	OCT 03 13.00-16.15	Corporate Responsibility and Taxation	SV, LK
6.	OCT 07 9.00-12.15	Corruption and the Problem of Weak Governance Multimedia-Case: Fighting Corruption at Siemens	AR
7.	OCT 13 9.00-12.15	Labour Rights in Global Supply Chains Case: IKEA's Global Sourcing Challenge (A)	AR
8.	OCT 26 9.00-12.15	Managing Business-NGO Relations	AR, AMC JHH
9.	OCT 27 09.00-12.15	Circular Economy and the Three Pillars of Sustainability	AR, SV, IA, SHB
PART III. COMMUNICATING RESPONSIBLE BEHAVIOR			
10.	OCT 31 13.00-16.15	Sustainability Reporting and Disclosure Requirements	AMC, SV
11.	NOV 09 13.00-16.15	CSR as Talk and Action: Aspirational Talk and Transparency	LTC, AR
12.	NOV 15 09.00-12.15	Enhancing Company-Investor Communication on Sustainability, Case: Aviva Investors	AR
PART IV: FINAL REFLECTIONS AND LOOKING AHEAD			
13.	NOV 16 13:00-14:30	Managing Sustainable Corporations: Compliance and Integrity (incl. Wrap-Up and Final Exam Preparation)	AR, SV

PART I: FRAMING THE DEBATE: LEVELS OF RESPONSIBILITY

Session 1 – 16 SEPTEMBER

Introduction to the Course: Fundamentals of CSR and Sustainability

This session will provide an introduction to the course and an overview of its different sessions and faculty. You will have the opportunity to discuss your respective starting points with regard to CSR and sustainability in groups, and there will be a plenary where we collect the different experiences. You will also have a chance to voice and discuss your expectations for the course. We then move on to discuss (a) commonalities and differences between selected theoretical concepts (e.g. CSR, sustainability, accountability), (b) different understandings of responsibility (i.e. classical, institutional, political, and strategic), and (c) the relevance of the debate around responsible business to Scandinavia in general and Denmark in particular.

Core Readings:

- Rasche, A., Morsing, M. & Moon, J. (2017). The Changing Role of Business in Global Society: CSR and Beyond, in: Rasche, A., Morsing, M. & Moon, J. (eds.) (2017). *Corporate Social Responsibility – Strategy, Communication, Governance*. Cambridge University Press. (available via CBS LEARN)
- Vallentin, S. (2015): [Governmentalities of CSR: Danish Government Policy as a Reflection of Political Difference](#). *Journal of Business Ethics*, 27, 33-47.

Further Readings:

- Carroll, A.B. & Shabana, K. (2013). [The Business Case for CSR: A Review of Concepts, Research and Practice](#). *International Journal of Management Reviews*, 12(1), 85-105.

Session 2 – 20 SEPTEMBER

Individual Responsibility: Transformational Leadership and Personal Values

This session will address issues of individual responsibility as it relates to management education in general and MBA programs in particular. We will touch on some of the critical concerns that have been raised particularly in regard to MBA programs in the United States and relate this to the practical experiences of participants. One of the key concerns of this lecture is how instrumental management theories and associated practices in some instances can serve to constrain the individual sense of responsibility while lending support to irresponsible and short-sighted behaviors in organizations. Responsible transformational leadership is one answer to the question of how this problem can be dealt with. In this session, ‘the grand old man’ of CSR in Denmark, Mads Øvlisen, will present and discuss his ideas about responsible leadership, drawing on his many years of experience as (among other things) CEO and chairman of the board of Novo Nordisk.

Core Reading:

- Veríssimo, J.M.C. & Lacerda, T.M.C. (2015). [Does integrity matter for CSR practice in organizations? The mediating role of transformational leadership](#). *Business Ethics: A European Review*, 24(1), 34-51.

Further Reading:

- Ghoshal, S. (2005). [Bad management theories are destroying good management practices](#). *Academy of Management Learning and Education*, 4(1), 75-91.
- Reardon, K.K. (2007). [Courage as a Skill](#). *Harvard Business Review*, 85(1), 58-64.

Session 3 – 22 SEPTEMBER

Organizational Responsibility: (The Limits of) Creating Shared Value

Strategic CSR, as promoted by Michael Porter and Mark Kramer, has emerged as a dominant mindset in corporate responsibility. It has been adopted by many companies and institutionalized in government policies. However, while its promises of (shared) value creation and win-win solutions are seductive, we also need to reflect on the possible limitations of this economic perspective on CSR. In this session, we, first, untangle the different strands of Porter & Kramer’s argument and discuss its strengths and weaknesses in light of the practical challenges of responsibility and accountability that companies are facing, e.g., in the area of human rights. Second, we engage with a couple of the leading Danish companies and their practical use of the shared value mindset.

Core Reading:

- Porter, M.E. and Kramer, M.R. (2011). [Creating Shared Value](#). *Harvard Business Review*, 89, 62-77.
- Vallentin, S. & Spence, L. (2017). Strategic CSR: Ambitions and Critiques. Chapter 3 in: Rasche, A., Morsing, M. & Moon, J. (eds.). *Corporate Social Responsibility – Strategy, Communication, Governance*. Cambridge University Press. (available on CBS LEARN)

Further reading:

- Crane, A., Palazzo, G Spence, L., & Matten, D., (2014). [Contesting the Value of “Creating Shared Value”](#). *California Management Review*, 56(2): 130-153.
- Porter, M.E. & Kramer, M.R. (2014). A response to Andrew Crane et al.’s article by Michael E. Porter and Mark R. Kramer. *California Management Review*, 56(2), 149-151.
- Porter, M.E. & Kramer, M.R. (2006). [Strategy & Society – The Link Between Competitive Advantage and Corporate Social Responsibility](#). *Harvard Business Review*, December Issue, 78-92.

Session 4 – 28 SEPTEMBER

The Global Frontier: Corporations and Politics

In this session, we look at CSR and sustainability from a macro (i.e. societal) perspective. We first explore why a number of transnational problems (e.g. climate change and child labor) are not simply addressed by inter-governmental organizations. Based on the insight that “governance gaps” exist in the global economy, we suggest that in recent years firms have turned into political actors, because they are offering public goods in national contexts in which governments are either not willing or not able to provide these goods (e.g. health care and education). Based on these insights, we explore the relationship between (multinational) corporations and the UN system, mostly with regard to the UN Global Compact and the Sustainable Development Goals.

This session uses the case of Royal Dutch/Shell in Nigeria as a springboard to discuss the political role of firms. The case shows how Shell struggled to make a decision about their political involvement in a situation of alleged human rights abuses.

Core Reading:

- Rasche, A. (2012). [The United Nations and Transnational Corporations: How the UN Global Compact Has Changed the Debate](#). In J. Lawrence and P. Beamish (eds.) *Globally Responsible Leadership: Business According to the UN Global Compact* (pp. 33-49). Thousand Oaks: Sage.

Further reading:

- Scherer, A.G./Rasche, A./Palazzo, G./Spicer, A. (2016): Managing for Political CSR: New Challenges and Directions for PCSR 2.0 *Journal of Management Studies*, Vol. 53(3): 273-298.
- Kell, G. (2013). [12 Years Later: Reflections on the Growth of the UN Global Compact](#). *Business & Society*, 52(1): 31-52.
- Vogel, D. (2010). [The Private Regulation of Global Corporate Conduct: Achievements and Limitations](#). *Business & Society*, 49(1): 68-87.

Case: *Royal Dutch/Shell in Nigeria (A)* (HBS 9-399-126) **PREPARE**

Case Questions:

1. Why has Shell (and not other oil firms) become the subject of criticism and controversy?
2. During its time in Nigeria, what, if anything, should Shell have done differently?
3. What is your appraisal of Shell's stated business principle of noninvolvement in political matters?
4. As Brian Andersen, what would you recommend to Shell's Committee of Managing Directors regarding the death sentence for Saro-Wiwa and his co-defendants? What, if anything, would you do personally about this matter?

PART II: MANAGING RESPONSIBLE BUSINESS PRACTICES

Session 5 – 3 OCTOBER

Corporate Responsibility and Taxation

In recent years corporate taxation has emerged as a challenging and very public CSR issue for companies to grapple with. Aggressive tax planning does not sit well with promises of social benevolence, and the focus on tax calls into question the integrity of many definitions of CSR. In this session we discuss the pros and cons of considering corporate taxation a (voluntary) CSR issue as opposed to a (mandatory) matter of regulation. We touch on the most recent developments in this arena and engage with the critical NGO perspective on responsible tax which is very prevalent in public debates.

Core Reading:

- Dowling, G.R. (2013). [The Curious Case of Tax Avoidance: Is it Socially Irresponsible?](#) *Journal of Business Ethics*, 124, 173-184.

Further readings:

- Links to various recent online reports and resources on responsible taxation will be put on CBS LEARN.

Session 6 – 7 OCTOBER

Corruption and the Problem of Weak Governance

Why and how do managers become corrupt? When do friendly relations cross into bribery? Does corruption ever pay? How can CEOs manage and prevent outbreaks of corruption? This session addresses these questions. We focus our discussion on (a) understanding causes and levels of corruption, (b) getting to know relevant legislation in different countries, and (c) discussing what top-management can do to develop governance structures within the corporation to prevent outbreaks of corruption. We use the multimedia case on *Fighting Corruption at Siemens* to more closely explore how corruption can be addressed.

Core Reading:

- Hansen, H.K. (2011). [Managing Corruption Risk](#). *Review of International Political Economy*, 18(1), 251-275.
- Eigen, P. (2013). [International Corruption: Organized Civil Society for Better Global Governance](#). *Social Research*, 80(4), 1287–1308.

Further Reading:

- Donaldson, T. (1996). [Values in Tension: Ethics Away from Home](#). *Harvard Business Review*, 74(5), 48-62.

Case: *Fighting Corruption at Siemens* (HBS 9-112-702) **PREPARE**

Case Questions:

1. How did a well-known multinational firm like Siemens get itself into this situation?
2. What would be your concerns if you were Peter Löscher and had just accepted the position as Siemens CEO?
3. Evaluate the change process adopted by Siemens. How effective is Löscher in changing the tone from the top in his meeting with employees (video shown on the “Tone from the Top” page)? Which of the other changes are important in addressing Siemens’ challenges and Löscher’s concerns identified in question 3?
4. As a Siemens employee working in a country where laws on corruption are not enforced, how would you respond to the changes adopted by the company? Are they adequate? Are they overdone?

Session 7 – 13 OCTOBER

Labor Rights in Global Supply Chains

We discuss how firms have used CSR standards to govern their supply chains (e.g. to improve working conditions in developing countries). We focus mostly on violations of labour rights in global supply chains (e.g. through sweatshop labour). We discuss two ways to govern CSR in global supply chains: (a) a self-regulatory approach and (b) a civil regulatory approach. We contrast both approaches and discuss their limits.

Our discussion also focuses on the question how far Western multinational firms can and should be held responsible for violations of labour and human rights at supply factories. We look at the case *IKEA's Global Sourcing Challenge* to discuss (a) how to respond to immediate public pressure due to alleged misconduct and (b) how to develop long-term responses to problems related to global supply chains. During the final class discussion, we contrast risk and opportunities attached to IKEA's decision.

Core reading:

- Locke, R., & Romis, M. (2007). [Improving Work Conditions in a Global Supply Chain](#). *MIT Sloan Management Review*, 48(2): 54-62.

Further reading:

- Zadek, S. (2004). [The Path to Corporate Responsibility](#). *Harvard Business Review*, 82(12): 125-132.
- O'Rourke, D. (2006). [Multi-stakeholder Regulation: Privatizing or Socializing Global Labor Standards?](#) *World Development*, 34(5): 899-918.
- Fung, A. (2003) . [Deliberative Democracy and International Labor Standards](#). *Governance*, 16(1): 51-71.

Case: *IKEA's Global Sourcing Challenge* (A) (HBS 9-906-414) **PREPARE**

Case Questions:

1. What actions should Marianne Barner take regarding the IKEA supply contract with Rangan Exports?
2. How should Marianne Barner respond to the invitation for IKEA to have a representative appear on the upcoming broadcast of the German TV program?
3. What long-term strategy would you suggest Barner should take regarding IKEA's continued operation in India? Should the company stay or exit? (Be prepared to describe the impact of such a decision and how you would manage it.)
4. For those recommending that IKEA should continue to source carpets in India, would you suggest:
 - a. that the company continues its own monitoring and control processes or signs up to Rugmark?
 - b. that the company focuses only on eliminating the use of child labor in its own supply chain or engage in broader action to address the root causes of child labor as Save the Children is urging?

Session 8 – 26 OCTOBER

Managing NGO-Business Relations – Between Collaboration and Confrontation

We discuss how civil society actors influence corporations, mostly focusing on the role of NGOs and social movements. We explore strategies that activists use to target corporations (e.g., via social media campaigns) and discuss possible response strategies. We also look into tools for crisis management and explore a variety of best practices for crisis prevention. We also discuss the question of how much control Western executives have over conditions that often lead to boycott situations (e.g., work conditions in factories).

Core Reading:

- Lawrence, A.T. (2010). [Managing Disputes with nonmarket Stakeholders: Wage a Fight, Withdraw, Wait, or Work It Out?](#) *California Management Review*, 53(1): 90-113.

Further Reading:

- Spar, D.L. and L.T. La Mure (2003). [The Power of Activism: Assessing the Impact of NGOs on Global Business.](#) *California Management Review*, 45(3): 78-101.
- de Bakker, F.G.A. and F. den Hond (2008). [Activists' Influence Tactics and Corporate Policies.](#) *Business Communication Quarterly*, 71(1): 107-111.

Session 9 – 27 OCTOBER

Circular Economy and the Three Pillars of Sustainability

This session will focus on recent developments in the area of sustainability and sustainable development in general and on the concept of circular economy in particular. We will be discussing relations (connects and disconnects) between the literature and knowledge production concerning CSR and sustainability respectively, and we will be digging into current practices and future prospects of circular (as opposed to linear) modes of production. For inspiration and guidance we will have to guest presenters with us: Ida Auken, MP and former Minister of the Environment, and Simon Hoffmeyer Boas, Director of Sustainability at Carlsberg Group.

Core Readings:

- Robinson, J. (2004). [Squaring the circle? Some thoughts on the idea of sustainable development.](#) *Ecological Economics*, 48, 369-384.
- Whiteman, G., Walker, B., & Perego, P. (2013). [Planetary Boundaries: Ecological Foundations for Corporate Sustainability.](#) *Journal of Management Studies*, 50(2): 307-336.

Further Reading:

- Ellen MacArthur Foundation: Resources on circular economy. Link: <https://www.ellenmacarthurfoundation.org/>

PART III: COMMUNICATING RESPONSIBLE BEHAVIOR

Session 10 – 31 OCTOBER

Sustainability Reporting and Disclosure Requirements

This session will focus on sustainability reporting and different disclosure requirements in Denmark and beyond. The number of companies reporting on their sustainability efforts is rapidly growing as the demand for transparency is increasing. Sustainability reporting is driven by a combination of investor demands, national legislation, wider stakeholder demands as well as the companies' own interests – and is certainly not without its critics. We will spend the first part of the session understanding the basic logic in sustainability reporting and explore disclosure requirements and then use the second part of the session to look at trends going forward including the growing interest in integrated reporting.

Core Reading:

- Herzig, C. & Kuhn, A.-L. (2016). Corporate Responsibility Reporting, in: *Rasche, A./Morsing, M./Moon, J. (2017). Corporate Social Responsibility: Strategy, Communication, Governance*. New York/Cambridge: Cambridge University Press. (forthcoming) posted on CBS LEARN
- A.P. Møller-Mærsk A/S (2015). [Sustainability Report 2015](#). (Please have a look at this document prior to the lecture, as it will form the basis of class discussion).

Further Reading:

- KPMG et al. (2013). [Carrots and Sticks: Sustainability Reporting Policies Worldwide](#).

Session 11 – 9 NOVEMBER

CSR as Talk and Action: Aspirational Talk and Transparency

Most people tend to believe that lack of consistency between organizational CSR talk and action is a serious problem that needs to be eliminated. In this session, we unfold and discuss the differences between talk and action, showing that such differences have potential to stimulate improvements on the CSR arena.

The emphasis on organizational transparency signifies a growing demand for insight, clarity, accountability and participation. Holding the promise of improved access to valid and trustworthy knowledge about organizations, the transparency pursuit has great potential for enhanced organizational effectiveness and widened democratic practice. Yet, as we shall discuss in this session, the transparency pursuit simultaneously produces new types of opacity. What can we see and what remains in the dark?

Core Reading:

- Christensen, L.T., Morsing, M. & Thyssen, O. (2013). [CSR as aspirational talk](#). *Organisation*, 20(3), 1-22.

Further Reading:

- Lunheim, R. (2005). Confessions of a Corporate Window-Dresser. *Leading Perspectives*, Summer, 6-7.
- Christensen, L.T. & Cheney, G. (2015). Peering into Transparency: Challenging Ideals, Proxies and Organizational Practices. *Communication Theory*, 25, 70-90.

Session 12 – 15 NOVEMBER

Enhancing Company-Investor Communication on Sustainability

Responsible investment is often discussed under different names, such as Socially Responsible Investment/Investing (SRI) and also Impact Investing. We start by briefly defining the field and revisiting the investment spectrum relevant to responsible investing. We then take a look at the size of the market for responsible investment and distinguish different strategies to responsible investing (e.g. positive and negative screenings).

Core Reading:

- Sucher, S.J., Beyersdorfer, D., & Cornell, I.M. (2012). Note on Socially Responsible Investing. Harvard Business School Background Note (9-609-060). Available on CBS LEARN

Further Readings:

- Oh, C. H., Park, J.-H., & Ghauri, P. N. (2013). [Doing right, investing right: Socially responsible investing and shareholder activism in the financial sector](#). *Business Horizons*, 56(6), 703–714.
- Sullivan, R., Martindale, W., Feller, E., & Bordon, A. (2015). [Fiduciary Duty in the 21st Century](#). New York et al.: United Nations Environment Program Finance Initiative.
- Trelstad, B. (2016). [Making Sense of the Many Kinds of Impact Investment](#). *Harvard Business Review* (Web-Edition).
- Revelli, C., & Viviani, J.-L. (2015). [Financial performance of socially responsible investing \(SRI\): what have we learned? A meta-analysis](#). *Business Ethics: A European Review*, 24(2), 158–185.

Case: *Aviva Investors* (HBS 9-112-047) **PREPARE**

Case Questions:

1. What are the reasons for Aviva Investors' activism?
2. What is your analysis of Aviva Investors' campaign against Vedanta? Is this campaign a good or a bad idea? What are pros and cons of engagement?
3. Is the Sustainable Stock Exchanges Initiative a good idea? Does it make sense for Aviva?
4. How would you expect investor and corporate behavior to change if the Sustainable Stock Exchange initiative is successful?

PART IV: FINAL REFLECTIONS AND LOOKING AHEAD

Session 13 – 16 NOVEMBER

Managing Sustainable Corporations: Compliance and Integrity

In this last session we summarize the course by identifying two different strategies for leading corporations in a responsible and sustainable way: compliance and integrity. We discuss both strategies, their shortcomings and benefits, and discuss how they can be used in a complementary way. We show that integrity often requires courage. Blowing the whistle or making decisions that enhance responsibility but impede short-term financial gains call for courageous actions. We also summarize the course and discuss the final exam.

Core Reading:

- Paine, L.S. (1994). [Managing for Organizational Integrity](#). *Harvard Business Review*, 72(2), 106-117.