

THE CHINESE UNIVERSITY OF HONG KONG
Department of Management
MGNT2610: Legal Environment, Corporate Social Responsibility and Business Ethics
Section A, B, & C
(First Term, 2020-2021)

INSTRUCTOR

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TEACHING ASSISTANT

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COURSE OVERVIEW

Firms/organizations are faced with an increasingly complex relationship between legal, ethical and responsible business environments. On the one hand, they have a legal responsibility to ensure profits are made within the confines of law. On the other hand, operating within the parameters of the law is now seen as an inadequate foundation for being a responsible business. Moreover, there is mounting evidence of a correlation between corporate social responsibility (CSR) and the ability of companies to formulate better business strategies and decisions, thus enhancing competitiveness and firm performance. Firms are required to not only make profit, but to contribute economic and social value to the communities in which they operate and do business. Today's manager is expected to not only understand this, but to be able to think and act accordingly.

This course provides students with an introduction to the interconnections between corporate social responsibility (CSR), business ethics and law, in order to foster understanding of the role that corporations play with regard to these areas. It provides participants with basic concepts to help them comprehend a growing and evolving area of management responsibility, enabling them through theory and practice (including case studies and a major group project) to see how and why companies respond to a complex array of expectations from society (stakeholders).

Although it will focus on the Hong Kong business environment, the course will also canvas global practices to prepare students for their responsibilities as future managers and entrepreneurs in a globalized economy.

LEARNING OUTCOMES

After completing the course, students will be able to:

1. Be aware of and embrace the relationship between CSR, the law and business ethics globally and in Hong Kong;
2. Understand the interrelationship between business and stakeholders in CSR contexts;
3. Understand how managers implement corporate social responsibility in real situations;
4. Be able to make business decisions in a legally, ethically and socially responsible manner

ASSESSMENT SCHEME

| Task nature | Description | Learning outcome | Weight | Length | Due Date |
|--------------------------------|---|------------------|------------------------------|--|------------------------|
| 1. In-class activities | Commitment and involvement through a range of in-class activities | 1, 2, 3, 4 | 25% | | For duration of course |
| 2. *Essay | Individual essay | 1, 2, 3, 4 | 25% (individual assignment) | 1,500 words (topics to be provided on class website) | 06 Nov 2020 |
| 3. Business intelligence video | Small-group student video of issue providing business intelligence on sustainability business | 1, 2, 3, 4 | 35% (small-group assignment) | - 7-minute video, & 20 mins Q&A | Starting 23 Nov 2020 |
| 4. *Exam | Take home exam (essay type – not MC) | 1, 2, 3,4 | 15% | 60 minutes (in class) | 09 Dec 2020 |

This course is assessed based on the following class work and assignments:

1. In-class activities (25%) is to encourage participation in activities and lectures. Each week, students will participate in individual activities (including homework) aimed at developing the ability to apply theories and tools taught in class to solve real-world company problems involving social and environmental issues (e.g., via mini cases studies).
2. Individual Essay (25%) is to assess student ability to analyze the relationship between CSR, the law and business ethics globally and in Hong Kong, understand the interrelationship between business and stakeholders, and understand theories and practice of business ethics and corporate social responsibility
3. Business intelligence video (35%), which aims to encourage students to demonstrate their understanding through problem identification and solving within legal, ethical and corporate social responsibility contexts by providing real-world sustainability intelligence to real businesses. The assignment consists of two tasks: i) a YouTube video of seven-minutes duration based on the briefing; and iii) a 20-minute one-on-one Q&A session with me about the video. (NB: best videos will be promoted to business via my newsletter and (nascent) YouTube channel – if quality meets business standard). [Detailed information will be provided in class on this assignment.]
4. There will be a take-home exam after the course finishes (worth 15%). It will consist of short answer questions and/or essays, and cover material taught in class.

Turn-around time for grading assignments:

- Assignment 2 (turn-around time of 3 weeks)
- Assignment 3 (turn-around time of 2 weeks)

- Assignment 4 (turn-around time of 3 weeks)

Grading feedback will be provided via Blackboard, but students are also welcome to make an appointment to visit me and talk about performance in greater detail.

RECOMMENDED LEARNING RESOURCES

Major references

- ✓ A. Crane & D. Matten, *Business Ethics: Managing Corporate Citizenship and Sustainability in the Age of Globalization* (Oxford University Press, latest version/3rd ed., 2010).
- ✓ Harvard Business Review, *Harvard Business Review on Corporate Responsibility*. (Harvard Boston, MA: Business School Publishing Corporation, 2003).

Legal references

- ✓ Bangladesh Labour Rules, 2015
- ✓ Bangladesh Constitution
- ✓ Garment Factory Construction Guidelines, Bangladesh
- ✓ 2018 Accord, Bangladesh
- ✓ Main Board Listing Rules, Appendix 27, Environmental, Social and Governance Reporting Guide, Hong Kong Stock Exchange
- ✓ UK Companies Act 2006, Chapter 2, General Duties of Directors, Article 172 – “Duty to promote the success of the company”
- ✓ Shenzhen Stock Exchange Social Responsibility Instructions to Listed Companies
- ✓ Guidelines to the State-owned Enterprises Directly under the Central Government on Fulfilling Corporate Social Responsibilities – SASAC, China
- ✓ Companies Ordinance (Cap 622) - Schedule 5 [s. 388 & Section 388 and Schedule 5] - Contents of Directors’ Report: Business Review, Hong Kong
- ✓ The Companies Act 2013, Article 135, Corporate Social Responsibility, and Schedule VII, India
- ✓ Ghana Labour Act, 2003
- ✓ Ghana Constitution
- ✓ Côte d'Ivoire Constitution 2016
- ✓ Côte d'Ivoire Labour Code 2015
- ✓ Labour Law of the People’s Republic of China
- ✓ Constitution of the People’s Republic of China

Other reference books/useful websites

- ✓ J. Cramer, *Corporate Social Responsibility and Globalization: An Action Plan for Business*. Greenleaf (2006 or latest version).
- ✓ Michael E. Porter and Mark R. Kramer, *Strategy and Society: The Link between Competitive Advantage and Corporate Social Responsibility* (Boston: Harvard Business Review, Dec. 2006, pp. 4-16).
- ✓ Michael E. Porter and Mark R. Kramer, *Creating Shared Value: How to Reinvent Capitalism – and Unleash a Wave of innovation and Growth* (Boston: Harvard Business Review, Jan-Feb. 2011, pp. 2-17).
- ✓ P. Tom, L. Beauchamp, & N.E. Bowie, *Ethical Theory and Business*. (Prentice Hall, 2013).
- ✓ R. Tulder & A. Zwart, *International Business-Society Management - Linking Corporate Responsibility and Globalization* (Routledge. Taylor & Francis Group London and New York 2006, Ch 8 & 9: pp133-168).

- ✓ W. Vissar, D. Matten, M. Pohl, & N. Tolhurst, *The A to Z of Corporate Social Responsibility: The Complete Reference of Concepts, Codes and Organizations*. (John Wiley & Sons, 2007).
- ✓ W.B. Jr. Werther & D. Chandler, *Strategic Corporate Social Responsibility: Stakeholders in a Global Environment*. (Sage Publications, 3rd ed., 2011).
- ✓ G. Williams, *Responsible Management in Asia: Perspectives on CSR* (Palgrave Macmillan, 2011).
- ✓ Business and Professional Ethics Journal
- ✓ Business and Society Review
- ✓ Business Ethics - A European Review
- ✓ Business Ethics Quarterly
- ✓ Corporate Social Responsibility and Environmental Management
- ✓ The Journal of Business Ethics
- ✓ Global Reporting Initiative (GRI): www.globalreporting.org
- ✓ ISO 26000: www.iso.org

FEEDBACK FOR EVALUATION

- ✓ Evaluation Assessment Form filled in by students to lecturer
- ✓ Peer Evaluation: allow students to evaluate fellow students
- ✓ Students are warmly welcome to send email messages to teachers if they have any comment or feedback on the course.

COURSE SCHEDULE

| Lecture | Topic (With content / fundamental concepts) |
|---------|---|
| 1 | ➤ Why CSR, law and business ethics? Or, How we got where we are today |
| 2 | ➤ The core characteristics of CSR |
| 3 | ➤ Guidance on CSR: GRI and other tools (what they mean, and how to use them) (I) |
| 4 | ➤ Guidance on CSR: GRI and other tools (what they mean, and how to use them) (II) |
| 5 | ➤ Stakeholders: What are they, and what role do they play? |
| 6 | ➤ Six phases to a responsible business |
| 7 | ➤ Ethics and worldviews: Ethics in business |
| 8 | ➤ Managing risk in supply chains: Human rights |
| 9 | ➤ Managing risk in supply chains: Environmental |
| 10 | ➤ Community investment: A company's role in the community |
| 11 | ➤ ESG investing: The business case for CSR |
| 12 | ➤ Student Presentations |
| 13 | ➤ Student Presentations |

DETAILS OF COURSE WEBSITE (if any)

For course details, please refer to CUHK Blackboard (<https://blackboard.cuhk.edu.hk>).

POLICY ON ACADEMIC HONESTY AND PLAGIARISM

The Chinese University of Hong Kong places very high importance on honesty in academic work submitted by students, and adopts a policy of *zero tolerance* on cheating and plagiarism. Any related offence will lead to disciplinary action including termination of studies at the University. Attention is drawn to University policy and regulations on honesty in academic work, and to the disciplinary guidelines and procedures applicable to breaches of such policy and regulations. Details may be found at <http://www.cuhk.edu.hk/policy/academichonesty/>.

With each assignment, students will be required to submit a signed declaration that they are aware of these policies, regulations, guidelines and procedures. In the case of group projects, all students of the same group should be asked to sign the declaration, each of whom is responsible should there be any plagiarized contents in the group project, irrespective of whether he/she has signed the declaration and whether he/she has contributed directly or indirectly to the plagiarized contents.

For assignments in the form of a computer-generated document that is principally text-based and submitted via VeriGuide, the statement, in the form of a receipt, will be issued by the system upon students' uploading of the soft copy of the assignment. Assignments without the properly signed declaration will not be graded by teachers. Only the final version of the assignment should be submitted via VeriGuide.

The submission of a piece of work, or a part of a piece of work, for more than one purpose (e.g. to satisfy the requirements in two different courses) without declaration to this effect shall be regarded as having committed undeclared multiple submission. It is common and acceptable to reuse a turn of phrase or a sentence or two from one's own work; but wholesale reuse is problematic. In any case, agreement from the course teacher(s) concerned should be obtained prior to the submission of the piece of work.

GRADE DESCRIPTORS

Grades will be assigned based on the following general criteria:

| Grade | Overall course |
|-------|--|
| A | Outstanding performance on all learning outcomes. |
| A- | Generally outstanding performance on all (or almost all) learning outcomes. |
| B | Substantial performance on all learning outcomes, OR high performance on some learning outcomes which compensates for less satisfactory performance on others, resulting in overall substantial performance. |
| C | Satisfactory performance on the majority of learning outcomes, possibly with a few weaknesses. |
| D | Barely satisfactory performance on a number of learning outcomes |
| F | Unsatisfactory performance on a number of learning outcomes, OR failure to meet specified assessment requirements. |

For major assignments, see the following specific guidance:

1. Essay

| Criteria | A | B | C |
|-------------------------------|--|--|--|
| Logic and Organization | Presents clear statement of purpose/thesis in appropriate location; material is presented in clear and/or logical order appropriate to the task; organization increases readability | Contains statement of purpose but may rely on implicit thesis or organization | Omits clear statement of purpose; addresses topics without clear logical sequence |
| Paragraph coherence | Develops a single topic in each paragraph; provides a logical sequence for document content; transitions develop connections between paragraphs; paragraphs are not overly long or brief | May lack development; may stray to other topics within paragraphs; generally provides clear transitions between paragraphs | May present overly short paragraphs, have undeveloped material, or contain unrelated material; omits necessary transitions |
| Audience/ Tone | Addresses audience concerns by explaining unfamiliar terms/material; employs professional diction and avoids overly technical or colloquial language; maintains appropriate tone | Demonstrates audience awareness but may include some overly technical or colloquial language; may lose control of ton | Uses technical or colloquial language inappropriate to the context of the assignment; errs in appropriate ton |
| Support/ Case Studies | Includes thorough documentation or citation as necessary; supports all claims within either text or appendix; properly labels/identifies outside material | Generally supports claims with properly cited material; may omit occasional supporting documentation or material | May fail to include required supporting materials or documentation; may include irrelevant addenda |
| Presentation/ Document design | Includes proper formatting of margins, spacing, indentation, etc.; typeface and use of emphasis are appropriate to task | Mostly includes proper formatting and limits errors or inconsistencies | Distracts reader with errors or inconsistencies in formatting |

2. Business Intelligence Video

| Student Name: | Student ID: |
|--|-------------|
| Issue choice: did the student choose a suitable issue for an intelligence briefing | /5 |
| Followed instructions: is the file a PPT, WAV, MP4; was it uploaded correctly, etc? | /3 |
| Punctuality: did student arrive on time? | /2 |
| Video Presentation (technical): | |
| Design: (overall look: neat, clean, stylish, text vs graphics, etc.) | /4 |
| Synchronization: are voiceover and graphics in synchronization? | /3 |
| Timing: did the video conform to time expectations (5 mins)? | /3 |
| Evidence of sufficient work: is this the outcome of hard work, or rushed? | /10 |
| Clarity of analysis: is the analysis clearly linked to the real situation? | /10 |
| Sufficient analysis: has the issue been sufficiently explained and analyzed? | /10 |
| Depth of Analysis: is there evidence to support conclusions or statements? | /10 |
| Would an industry professional find this useful? | /20 |

| | |
|--|------|
| Coherent story: did the video present a coherent story? | /10 |
| Q&A: evidence of knowledge beyond that shown in the video | /10 |
| Final Score | /100 |
| Comments | |