



LGST 230: SOCIAL IMPACT AND RESPONSIBILITY: FOUNDATIONS
FALL SEMESTER 2012

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Office Hours: Wed. 3.30-5.00pm

Meeting times: Tue. & Th. 10.30am-12.00pm
Meeting place: TBD

OVERVIEW

What role can business play in meeting societal needs in protecting the environment, improving health, or eradicating poverty? Does business have a responsibility to help meet these needs? What are successful examples of business approaches to meeting these needs? Are there limits to what can and should be done through business?

This survey course provides students the opportunity to engage in an analysis of these and other issues that lie at the foundation of social impact and responsibility as an area of study. Through cases, conceptual readings and guest lectures from practitioners, the course is designed to help students address the question: *"How should business enterprises and business thinking be engaged to improve society in areas not always associated with business?"*

TARGET AUDIENCE

As a survey course, the course is designed to meet the interests of a wide range of students, including those who seek careers in social impact and those interested in learning more about a quickly growing and visible area of business. The course also is designed for students whose primary interest is not necessarily business but are interested to learn how the application of business thinking can address challenges in their area of interest, such as education or health. The course is required for students pursuing the Secondary Concentration in Social Impact and Responsibility. No prior background is assumed and there are no prerequisites.

CONTACTING ME

Should you have any questions or concerns about the class, please do not hesitate to see me. No appointment is needed to meet during office hours. They are on a walk-in basis, so you should feel free to drop by. If you are not able to meet during office hours, please get in touch to arrange an alternative meeting time.

GRADING AND LOGISTICS

The grade in the course is based on the following components.

Class Participation (20%)

The course is intended to allow students to develop the analytic skills and substantive framework to address challenges as they arise in business. Many of these challenges will involve justifying one's position to those in disagreement. To this end, the course emphasizes articulating reasoned arguments. Class participation is an integral component of this emphasis. Accordingly, absences for no good reason will count against one's grade.

Short Paper (20%) – Due Th. 27 Sept.

The topic concerns the challenges of measuring impact and will be discussed in more detail in the second week of the course.

Midterm Exam (25%) – Th. 18 Oct.

The midterm exam will focus on the readings.

Analysis of Potential for Social Impact (35%) – Due during finals period

Over the course of the semester, students are to choose a societal need and to evaluate the potential and appropriateness for the need to be met through a business-based approach. Examples of business-based approaches include harnessing existing business enterprises, starting a new business enterprise, government policies to encourage business involvement, and applying business skills and thinking to non-business organizations.

CLASSROOM ETIQUETTE

To avoid disruption, electronic devices must be turned off prior to class.

GUEST SPEAKERS

Guest speakers are invited to address the topics in the course. Whenever possible, opportunities will be arranged for students to interact with speakers outside of class. The order and content of topics in the reading list and calendar may change depending on the schedule of guest speakers.

READING LIST AND CALENDAR

Readings are open to modification in order to accommodate the interests and flow of the class.

“S” = material available through Study.net (<https://www.study.net>). All other materials are available through Canvas (<https://wharton.instructure.com/login>).

| A. INTRODUCTION | |
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| Th. 6 Sept. | 1. Overview of Themes, Questions, and Approaches Video in class |
| B. WHAT DO WE CARE ABOUT? | |
| Tues. 11 Sept. | 2. Measuring Impact Case: Teach for America 2005 (HBS Case: 9-406-125) S Terrence Lim, <i>Measuring the Value of Corporate Philanthropy</i> (New York: Committee Encouraging Corporate Philanthropy, 2010): 4-17. http://www.corporatephilanthropy.org/pdfs/resources/MVCP_report_singles.pdf Robert S. Kaplan, “The Balanced Scorecard and Nonprofit Organizations” (Boston: Harvard Business School Publishing, 2002). S |
| Th. 13 Sept. | 3. Defining Impact Human Development Index http://hdr.undp.org/en/statistics/hdi/ Ceri Phillips, “What Is a QALY?” (Hayward Medical Communications, 2009). http://www.medicine.ox.ac.uk/bandolier/painres/download/whatis/QALY.pdf Daniel M. Hausman and Michael S. McPherson, <i>Economic Analysis, Moral Philosophy, and Public Policy</i> (Cambridge: Cambridge University Press, 2006): chapter 8. S |
| Tues. 18 Sept. | 4. Measuring Return Case: Acumen Fund (HBS Case: 9-310-011) S Terrence Lim, <i>Measuring the Value of Corporate Philanthropy</i> (New York: Committee Encouraging Corporate Philanthropy, 2010): 18-27. http://www.corporatephilanthropy.org/pdfs/resources/MVCP_report_singles.pdf |

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| Th. 20 Sept. | 5. Measurement Impossible? John C. Sawhill and David Williamson, "Mission Impossible?: Measuring Success in Nonprofit Organizations," <i>Nonprofit Management and Leadership</i> 11 (2001): 371-386. S Lisa Newton, "Eight Perceptions of the Natural World," in <i>Business Ethics and the Natural Environment</i> (Oxford: Blackwell Publishing, 2005): 84-93. S |
| Tues. 25 Sept. | 6. Measurement: Remaining Issues |
| C. NON-PROFIT OR FOR-PROFIT? | |
| Th. 27 Sept. | 7. The Role of Nonprofits Case: Salud Digna (HBS Case: 9-311-051) S Burton A. Weisbrod, "The Pitfalls of Profits" <i>Stanford Social Innovation Review</i> (Winter 2004): 40-47. S William Foster and Jeffrey Bradach, "Should Nonprofits Seek Profits?" <i>Harvard Business Review</i> (February 2005): 92-100. S |
| Tues. 2 Oct. | 8. Business-Nonprofit Sponsorship and Partnership Matthew Berglund and Cheryl Nakata, "Cause-Related Marketing: More Buck than Bang?" <i>Business Horizons</i> 48 (2005): 443-453. S Shirley Sagawa and Eli Segal, <i>Common Interest, Common Good: Creating Value Through Business and Social Sector Partnerships</i> (Boston: Harvard Business School Publishing, 1999): 13-26. S |
| Th. 4 Oct. | 9. Bottom of the Pyramid Strategies Case: Unilever in India (HBS Case: 9-305-002) S Aneel Karnani, "The Mirage of Marketing to the Bottom of the Pyramid," <i>California Management Review</i> (Summer 2007): 90-111. S |
| Tues. 9 Oct. | 10. Bottom of the Pyramid Strategies Case: SKS and the AP Microfinance Crisis (HBS Case: 9212018) S |
| Th. 11 Oct. | 11. The Market Exploitation (Stanford Encyclopedia of Philosophy) http://plato.stanford.edu/entries/exploitation/ Elizabeth Anderson, "The Ethical Limits of the Market," in <i>Value in Ethics and Economics</i> (Cambridge: Harvard University Press, 1993): chapter 7. S |
| Tues. 16 Oct. | Exam Review |
| Th. 18 Oct. | Exam |

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| Tues. 23 Oct. | Fall Break: No Class |
| Th. 25 Oct. | Exam Review |
| Tues. 30 Oct. | Speaker: Kat Rosqueta, Center for High Impact Philanthropy http://www.impact.upenn.edu/about/bio/katherina_rosqueta/ |
| D. RESPONSIBLE BUSINESS? | |
| Th. 1 Nov. | 13. Negative Externalities Case: COCSO: Implementing Sustainability (HBS Case: N9-412-081) S |
| Tues. 6 Nov. | 14. Positive Responsibilities Case: Merck & Co. Inc. (Business Enterprise Trust Case: 9-991-021) S Thomas Dunfee, "Do Firms with Unique Competencies for Rescuing Victims of Human Catastrophes Have Special Obligations?" <i>Business Ethics Quarterly</i> 16 (2006): 185-210. S |
| Th. 8 Nov. | Speaker: Kyle Zimmer, President and CEO, First Book http://www.firstbook.org/first-book-story/first-book-leadership-zimmer |
| Tues. 13 Nov. | Speaker: John Kim, Co-founder and CEO, District Management Council http://www.dmcouncil.com/about-dmc/leadership-team/1-john-j-h-kim |
| Th. 15 Nov. | Speaker: Stephani Kobayashi Stevenson, Nike |
| Tues. 20 Nov. | 15. Socially Responsible Investing Case: Norway and Wal-Mart (HBS Case: 308019) S Terrence Lim, <i>Measuring the Value of Corporate Philanthropy</i> (New York: Committee Encouraging Corporate Philanthropy, 2010): 52-63. http://www.corporatephilanthropy.org/pdfs/resources/MVCP_report_singles.pdf |
| Th. 22 Nov. | Thanksgiving: No Class |
| E. SOCIAL ENTERPRISE? | |
| Tues. 27 Nov. | 16. Social Value Michael Porter and Mark Kramer, "Creating Shared Value," <i>Harvard Business Review</i> (2011). S Julie Battilana, Matthew Lee, John Walker, and Cheryl Dorsey, "In Search of the Hybrid Ideal," <i>Stanford Social Innovation Review</i> (2012): 51-55. S |

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| Th. 29. Nov. | Speaker: Bart Houlahan, B Lab http://www.bcorporation.net/team |
| Tues. 4 Dec. | 17. Social Entrepreneurship Case: OneWorld Health (IESE Case: DG-1480-E) S Donald W. Light and Rebecca Warburton, "Demythologizing the high costs of pharmaceutical research," <i>BioSocieties</i> (7 February 2011). http://www.pharmamyths.net/files/Biosocieties_2011_Myths_of_High_Drug_Research_Costs.pdf |
| Th. 6 Dec. | 18. Social Entrepreneurship J. Gregory Dees, "The Meaning of 'Social Entrepreneurship'" (working paper 2001). http://www.caseatduke.org/documents/dees_sedef.pdf |