

**ESCOLA POLITÉCNICA DA USP
DEPARTAMENTO DE ENGENHARIA DE PRODUÇÃO**

**PRO 3385 Corporate Social Responsibility
(CSR)**



Lecture 1

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Agenda



Presentation and Discipline Program

What is CSR?

Freeman: companies focus on profit

Video: Why growth is not enough

Case: Vale – Brumadinho and Mariana

Case: reading in groups, answer questions and presentation

Discipline Program



Class	Data		Content
1	Feb. 18 th		Understanding CSR; case for and against CSR; greenwashing; case with questions
	Feb. 25 th	Carnaval	
2	Mar. 3rd		Stakeholders and CSR
3	Mar. 10th		CSR reporting
4	Mar. 17 th		Economic performance and CSR
5	Mar.24 th		CSR in the marketplace; bottom of pyramid
6	Mar.31 st		CSR in the community, seminar
7	April 2nd		Project discussion
	Ap. 7th	Semana santa	
8	Ap. 14th		- CSR community
	Ap. 21 st	Tiradentes	
9	Ap. 28th		CSR in the workplace
10	May 5th		CSR and strategy
11	May 12th		CSR and strategy *visit / seminar
12	May 19th		CSR developed countries and developing countries *project discussion
13	May 26th		Social entrepreneurship (seminar)
14	Jun.2nd		Students presentation
15	Jun. 9 th		Feedback

Assessment



- 1) Cases and questions (50%):
- 2) Project (50%):

Group of students have to choose a company to analyse from the perspective of the discipline. At the end, each group have to present their results: to the class and also written.

They need to deliver parts of the project during the semester. Each 5 classes, has a deliver package. The project will have three delivers (Mar.10th, Ap. 14th, Jun. 2nd final deliver with presentation).

The first deliver (March 10th) name of students, name of the company, also a justification. (*three students per group or less)

- all delivers through *edisciplinas* USP web site.

Reference

Crane, A., Matten, D., & Spence, L. (Eds.). (2019). *Corporate social responsibility: Readings and cases in a global context*. Routledge. [textbook]

And articles from different journals and newspapers (available at *edisciplinas usp*).

What do you understand by Corporate Social Responsibility (CSR)?

The famous Milton Friedman statement about CSR...

What does it mean to say that the corporate executive has a “social responsibility” in his capacity as businessman? If this statement is not pure rhetoric, it must mean that he is to act in some way that is not in the interest of his employers. For example . . . that he is to make expenditures on reducing pollution beyond the amount that is in the best interests of the corporation or that is required by law in order to contribute to the social objective of improving the environment. . . . Insofar as his actions in accord with his “social responsibility” reduce returns to stockholders, he is spending their money. Insofar as his actions raise the price to customers, he is spending the customer’s money. Insofar as his actions lower the wages of some employees, he is spending their money [22:33].



1912-2006

Milton Friedman
Economist from University of
Chicago
Nobel Prize 1976

Friedman, 1970.



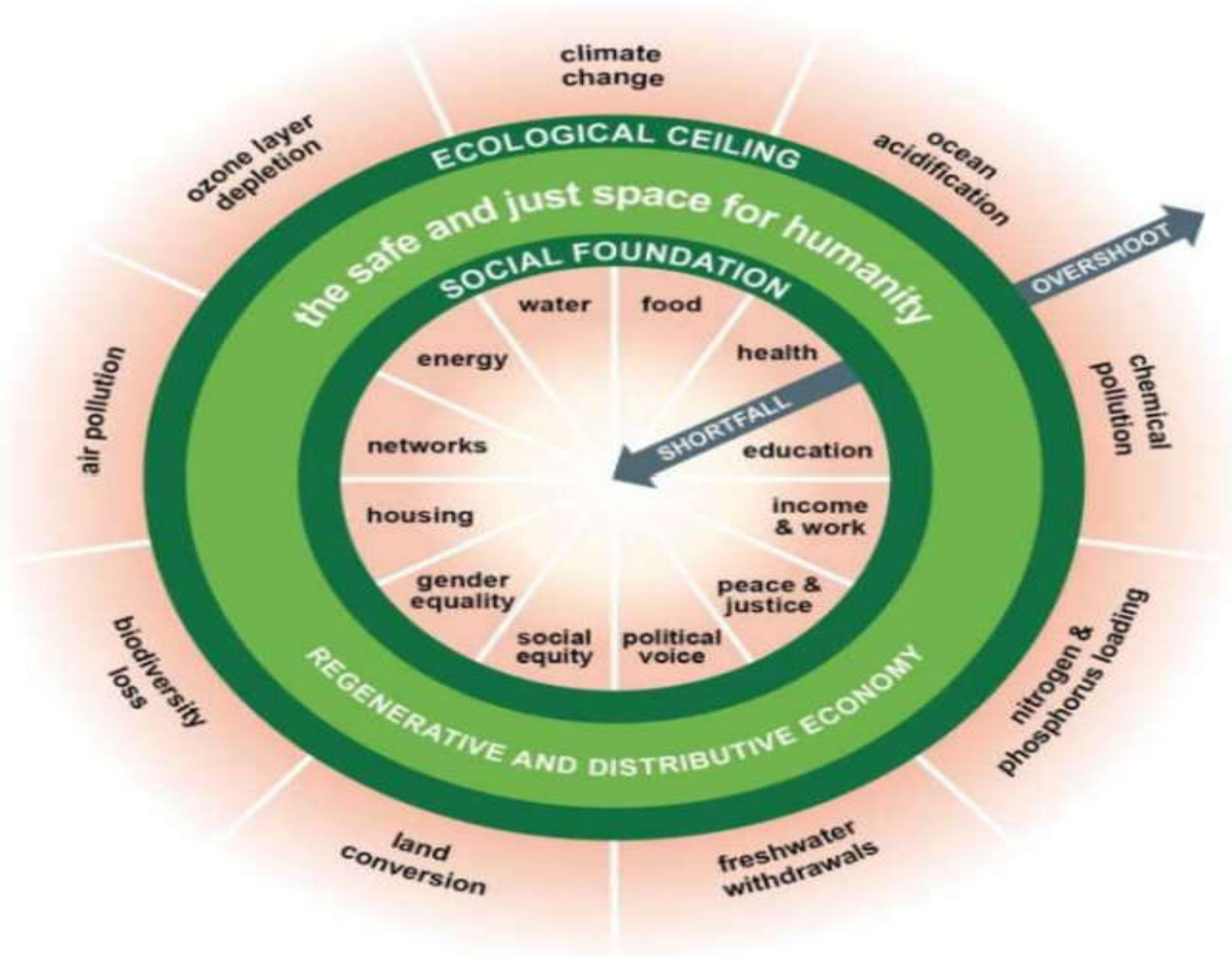
Kate Raworth is a renegade economist focused on exploring the economic mindset needed to address the 21st century's social and ecological challenges.

She is the creator of the [Doughnut](#) of social and planetary boundaries.

Why Growth Is Not Enough
(https://www.youtube.com/watch?v=2_AMEAnWyRk#action=share)

(<https://www.youtube.com/watch?v=Mkg2XMTWV4g&list=PL0GL611hRRm-F9mFBZ0Q8HKfHYGv7qrCk&index=2>)

Figure 2-Doughnut Economics framework (Raworth, 2017)



Case: Vale – Brumadinho (January 2019) and Mariana (November 2015)



Questions



“Social responsibility (at least in its pure form) means giving away the shareholders’ money. It weakens the firm’s competitive position, and it dilutes the effort of its managers, who are supposed to focus on economic productivity” (Davis quoted by Mintzberg, 1983, p.6)

1) Do you agree with this statement? Please, detail your argument.

Questions

Carroll's (1991) CSR Pyramid



2) Considering the Carroll's CSR Pyramid, what are the responsibilities that you identify from Vale's case? Detail the evidences.

Questions



3) Decoupling of means and ends is the disconnection between the actions and the goals of an organization. Decoupling can also refer to promises or policies that are not supported by corresponding actions. In the light of those definitions, analyze the Brumadinho tragedy. (see paper Lyon and Montgomery, 2015)

4) Likewise, according to the values of its shareholders, Samarco demonstrated a prevention behavior, seeking to avoid environmental and social damage. Analyze Mariana's tragedy.

MAIN CONCEPTS

Case against and for CSR



AGAINST

- 1) Businessman are not prepared to deal with social issues
 - 2) The corporations are not structured to do so
 - 3) Social responsibility: role of the state
- So, let them stick to their own business

FOR

- 1) Private economic goals and public social goals are connected.
- Ex. Dow Chemical and napalm

Greenwashing



“Disinformation disseminated by an organization so as to present an environmentally responsible public image; a public image of environmental responsibility promulgated by or for an organization etc. but perceived as being unfounded or intentionally misleading”(The Concise Oxford English Dictionary)

R1

“All notions of greenwash reflect concern with communication that misleads people into holding overly positive beliefs about an organization’s environmental performance, practices, or products” (Lyon and Montgomery, 2015)

Slide 15

R1

Roberta; 17/02/2020