Can Corporate Social Responsibility be Taught?

Yue Cai-Hillon
University of Central Missouri
Warrensburg, MO., USA
cai-hillon@ucmo.edu

Mary McCord
University of Central Missouri
Warrensburg, MO., USA
mccord@ucmo.edu

Abstract

If students are given a curriculum to help them create tools and methods to tackle important social problems, are they more likely to become socially responsible corporate citizens? An Integrative Business Experience (IBE) service-learning program offered at the University of Central Missouri provides students the opportunity to contribute to and learn from community service. A revised 9-item Student Service-Learning Course Survey, measuring 3 constructs: Personal Competence, Social Justice Responsibility, and Interpersonal Relationships, was used to evaluate the impact of service-learning on students’ social responsibility development and retention. Sixty-eight senior business students (29 completed IBE and 39 did not) enrolled in the capstone Strategy and Policy class over two semesters completed the survey. Findings suggest that service-learning pedagogical atmosphere encourages student social responsibility development and IBE service-learning curriculum significantly increased students’ volunteerism.

Corporate Social Responsibility (CSR)

Definition of CSR

Scholars attribute the origination of corporate social responsibility (CSR) theory to Howard Bowen. In his book Social Responsibilities of the Businessman, Bowen wrote

“It refers to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society” (Bowen, 1953).

Later, Carroll (1979) defined CSR as

“The social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time” (Carroll, 1979).

There is currently no consensus on the meaning of CSR or activities that constitute CSR, but generally it is understood that socially responsible corporations would self-monitor and ensure their adherence to law, ethical standards, and international norms. Acceptance by businesses and instruction of CSR is not only hampered by a lack of clear definition or theory base, but also by differing practices, ethical standards and laws within and without the corporation’s country of origin.
As a further illustration, during the 2009 workshop of International Seminar on Managerial Innovation and Organization Transformation Methods, Patterns, Processes held in Lyon, France, the students were asked to give the meaning of CSR, responses ranged widely, including; employee responsibility, commitment, environmental consciousness, communication, marketing, and responsive attitude.

With such diversity in the interpretation of CSR behavior at the individual, organizational, and international levels, it is difficult to develop and use one measurement tool or standard of best CSR practices. Yet, concern for social injustice or attitude could be measured at the individual level, and it is assumed, will impact organizational CSR engagement.

**Purpose of CSR**
The purpose of CSR is hotly debated and its practice varies from firm to firm. Use of CSR falls into 3 broad categories: 1) business decisions that look beyond issues of short-term profit 2) window dressing or public relations, and 3) avoidance of government regulations through self-regulation. Critics of CSR argue that a business’ fundamental role is economic in nature, and social considerations distract from focusing on the bottom line. Regarding CSR in business decisions, Adam Smith wrote in *The Wealth of Nations*, “It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest.” In other words, if the goods or service marketed to the public is not what is desired, then there is no possibility of sustainable performance. Non-business reasons for CSR involve window dressing or public relations. As consumers become more socially conscious, companies like Ford, Nike, and Wal-Mart recognize the need to draw on CSR rhetoric to appeal to the public. For some organizations, CSR is a dynamic reflection of the firm’s mission, while for others; it is simply a public relations tool masking socially and economically harmful practices while claiming to serve the interest of all stakeholders. Finally, the role of CSR may be to pre-empt the government and avoid regulation. For example, recent efforts by the online advertising industry to add self-regulation tools have resulted in an icon (Icon Aims to Avoid Government Regulation of Online Advertising (Hall, 2010)). When clicked, it explains how web surfing history, demographics, psychographics and behavioral targeting were used to deliver the ad to a particular consumer. This socially responsible effort is aimed at addressing privacy concerns about how data marketers target their advertising. They hope to bypass government regulation, although there is no requirement that online advertisers adopt the icon.

Dialogue between and among corporations and scholars regarding CSR, Corporate Financial Performance, corporate social performance (CSP), and their strategic outcomes have amplified in the last 20 years (Hart, 1997; Porter and Kramer, 2002, 2006; Orlitzky et al, 2003; Vogel, 2005; Lee, M., 2008). Porter and Kramer (2006) proposed that CSR should be linked to core business objectives to increase economic and social values. To make sense of the actual CSR activities carried out by corporations, it is crucial to understand the three CSR character dimensions. These are cognitive (what firms think), linguistic (what firms say), and conation (how firms tend to behave) (Basu & Pallazo, 2008).

When a corporation is consistently socially responsible among its cognitive, linguistic and conation dimensions, it will capture the maximum benefits of CSR. For example, a corporation that is linguistically pro-CSR with ‘green’ oriented PR, but has a short-term profit conation that results in polluting the environment, will be accused of using CSR for only window dressing. We use the word ‘integrity’ to refer to a consistency of values, speech, and actions. For this paper, the authors consider a socially responsible corporation being one that consistently employs CSR cognition,
linguistics and conation practices. Similarly, we expect students showing integrity across measures of social responsibility to make better employees for socially responsible corporations, and better able to improve corporations that lack social responsibility.

Equally significant, recent dialogue suggests that CSR enhances individual job satisfaction (Valentine & Fleischman, 2008). Since job performance and job satisfaction are positively associated when intrinsic job values support job activities (Nathanson & Becker, 1973), perceived positive CSR should positively influence individual job performance. The end result is increased organizational performance.

**Service-Learning Pedagogy**

**Definition of Service-Learning**

According to the definition by the American Association of Community Colleges, service-learning pedagogy combines community service with academic instruction focusing on the integration of four key dimensions: critical thinking, reflective thinking, personal responsibility, and civic responsibility (Sawyer, 2004, p.6; & Prentice, 2002). As a pedagogical method, service-learning is also believed to improve aspects such as retention, citizenship, and development (Axsom, 1999, Eyler, Giles, Stenson & Gray, 1997 & 2001, and Astin & Sax, 1998). The benefit of service-learning curriculum is to encourage students’ individual and team consciousness regarding social responsibility. Therefore, service-learning is touted as having great benefits for participating students including increased intellectual, moral and social development.

**Problem: Business pedagogy reduces or ignores Student’s Social Responsibility**

Adler, in the *Handbook of Research on Global Corporate Citizenship*, raised a significant question to all scholars and educators, especially business professors, when he asked “Do we believe we have a critical role in shaping society’s future and do we believe what we do matters?” (2008, p. 391). Jeffrey Pfeffer’s study at Stanford revealed management and economics students are the only ones at the university who do not become more compassionate to others during their time at the university. These students became more narrow and self-centered as they progressed in their program (Pfeffer, 2003, and Ferraro, Pfeffer & Suton, 2005). It seems that the traditional dogma of profit maximization and competitive intelligence does not encourage social consciousness. Since the quality of our world’s next generation of leadership depends on the leaders’ social consciousness and responsibility, then as educators, what type of learning environment should we create that will promote the development of such awareness?

**Need for Service-learning Pedagogy**

There has been limited research in response to this question. Nevertheless, due to a growing need to encourage innovative managerial practices that better integrate social and environmental development actions, universities have begun searching for methods to train and assess business students’ cognition across both social and managerial dimensions. Service-learning pedagogy combines experiential methods with corporate social responsibility (CSR) tools and societal success measures. Students with proficiency in traditional business measures of success such as profit, revenues, and rate of return must also master social measures such as impact on society, social change, environmental sustainability, and justice. Some of the CSR business curriculum applies teaching tools such as guest speakers, case studies, internships, e-learning, debate/discussion, international student exchanges, audiovisual aids, and simulations (Matton & Moon, 2004). However, to bring about lasting change in attitudes and behaviour the educational culture itself must
change from traditional lecture-based methods to participative, action-based, and transformative experiential methods.

In a 2007 workshop facilitated by Bjorn Stigson, the President of the World Business Council for Sustainable Development, participants agreed that the broader community was ready for change to come from the ground up, and that we need to “empower the community through education and dialogue” (Roux, 2007). One way of hastening future workforce social awareness and community involvement is by using service-learning pedagogy to create business education graduates with experience in community action and service. In turn, a socially aware workforce will increase the three CRS character dimensions: cognitive, linguistic, and conation.

**Method**

Most studies of service-learning are qualitative in nature. Few empirical studies exist, perhaps due to the lack of instruments designed to measure service-learning outcomes. This study administered, and then revised, the ‘Student Service-Learning Course Survey (SSLCS) (Wang, Ye, Jackson & Rodgers, 2005) in a pretest-posttest methodology to test student development across dimensions of personal competence, charitable responsibility, social justice responsibility, and interpersonal relationships.

This study first tested the validity of the SSLCS instrument, resulting in revised items and dimensions. It then used the revised instrument to measure the impact of service-learning on social responsibility by comparing students that had been in an intense, immersive service learning program with those that had not.

In the course being surveyed, called the Integrative Business Experience (IBE), students enroll in 12 hours of integrated business core classes – Management, Marketing, Computer Information Systems and Entrepreneurial Practicum. The University of Central Missouri’s Harmon College of Business Administration provides students with the opportunity to contribute to and learn from community service in two ways. IBE students simultaneously create and manage two significant enterprises: an actual start-up company whose profits are contributed to community service organizations (passive service) and a hands-on sustainable service project on behalf of a non-profit community organization (active service). Thus, IBE uses community service work as a laboratory that provides students with the opportunity to: 1) develop interpersonal and group-interaction skills in a work-like setting, and 2) learn from their experience of trying to apply key business concepts and analytical tools to solve a wide range of unstructured, but very real business and social problems.

To test the validity of the survey itself, it was administered as a pretest and posttest to 153 IBE students over two semesters. A confirmatory analysis revealed that Charitable Responsibility not only strongly correlated with the other three independent constructs, but also showed strong correlation within the construct itself. Therefore, a revised instrument eliminated this construct. The new instrument included three independent constructs to model two dependent constructs: students’ employment responsibility (employ) and volunteer responsibility attitudes (nsvw). The remaining three independent constructs were Personal Competence, Social Justice Responsibility, and Interpersonal Relationship. Each construct contained three items:
Personal Competence \((pc)\)
1. Pc1= I know how to lead in a new situation
2. Pc2= I know how to lead in a cross-culture situation
3. Pc4= I know how to communicate ideas in a situation that is new to me

Social Justice Responsibility \((sj)\)
1. Sj2= We should create programs and policies to address social justice issues
2. Sj4= I have a responsibility to help efforts directed at social justice changes in society
3. Sj7= The society needs to increase social and economic equality

Interpersonal Relationship \((ir)\)
1. Ir1= I avoid groups where I would be of the minority race \((R)\)
2. Ir2= I sometimes use phrases and words such as “blacks have rhythm”, or “people on welfare are only looking for a free ride” \((R)\)
3. Ir3= I would prefer not to room with someone who is from a different culture \((R)\)

On a scale from 1 to 7 with 1 being Strongly Disagree and 7 being Strongly Agree, students were asked to rate their attitudes towards the nine items above. Control factors included respondent’s demographics, work history, volunteer history, and enrollment motivation.

**Hypotheses**

In IBE, students use their business curriculum to organize and make a profit that is then given to a charity. Students gain real world business experience, with a service-learning goal (profit to be given away, service hours given, involvement of non-students in goal) as a measure of that business experience. Working with and for a not-for-profit seems to naturally increase students’ sensitivity to ethical issues and helps them develop an individual social responsibility. This occurs because they are experiencing real situations of social injustice as opposed to simply talking and/or reading about them. In addition, IBE students not only make choices but also experience the consequences of their decisions.

As the students work throughout the semester with a not-for-profit, they often follow Delve, Mintz, & Stewart’s model of service-learning (1990). The Service Learning Model consists of five phases that comprise a student’s service learning experience: exploration, clarification, realization, activation, and internalization. It is when students reach internalization that they have transformed into a more socially responsible person.

As proof, IBE companies often change their service project plans midstream as they learn the true needs of the charity. For example, an IBE company that initially limited their service to visiting residents in the Veterans Home chose to add a more sustainable service, by building benches and facilitating a new recreation room. Usually, IBE students volunteer the most near the end of semester as they develop and mature in their values and social responsibility, and as they come to better understand the needs of their service recipients. One indication that they have internalized the service-learning lessons and increased their social responsibility is that many of the IBE students continue to work with and for their non-profit groups after the semester is over. Therefore, we propose:

**H1:** Business capstone students who took IBE will develop a greater level of personal competence, social justice responsibility and interpersonal relationships compared to students who did not take IBE.
Service-learning enhances students’ academic skills, personal development, intellectual growth, and social commitment (Ngai, 2006) through a continuous process of critical and reflective thinking. In a study by Singer, King, Green & Barr, (2002) students’ reflective narratives indicated that students enrolled in programs that incorporate service-learning are more likely to connect their personal growth to a concern with social contribution than those enrolled in programs without a service-learning focus. IBE students often state in their self-reflection that they intend to continue their involvement and volunteer work with the charity from that semester. Therefore, we propose:

**H2:** Business capstone students who took IBE will show an increase in volunteer responsibilities compared with students who did not take IBE

The revised survey was administered during a senior-level business capstone course. A total of 68 senior business students enrolled in the Business Strategy and Policy course were surveyed throughout the course of two semesters. These students were enrolled in various majors: Management, Marketing, Accounting, Finance, Economics, and Computer Information Systems. Among them, 29 students had completed the service-learning based IBE curriculum, while 39 students had not. Among those in the IBE curriculum, 14 were female and 15 were male. Among those not in the IBE curriculum, 26 were female and 13 were male.

**H3:** Among the students who took IBE, female students will show a higher level of volunteer responsibility compared with the male students.

This hypothesis derived from Karen E. Shultz’s 2007 thesis. It was found that female students responded with higher agreement than male students among three statements: 1. We should reach out in charitable ways to specific people in need; 2. I will act in a charitable way to help people in need; and 3. I will act to work for equal rights, benefits, and opportunities for individuals in society. Therefore, we believe that female students are more likely to engage in volunteer activities than male students.

**Discussion**

Regression and tests for significance revealed that hypotheses 1 and 2 were supported.

**H1:** Supported -Business capstone students who took IBE will develop a greater level of personal competence, social justice responsibility and interpersonal relationships compared to students who did not take IBE.

Table one, below, shows that IBE students volunteered more hours weekly than non-IBE students. IBE students also averaged fewer working hours per week, allowing more time for volunteer hours. Service-learning pedagogy seems to have impacted IBE students more than non-IBE students. IBE students with the intense service-learning experience scored higher on every construct of the revised SSLCS instrument; personal competence, social justice responsibility and interpersonal relationships. Highest scores were on personal competence with x=5.32, followed by interpersonal relationships (x=5.28) and social justice responsibility (5.12). Even the lowest average of social responsibility constructs for IBE alums (social justice a 5.12) is higher than the highest score of traditionally taught students (personal competence, x=4.76). The biggest difference between
the two groups is in *interpersonal relationships*, with a 0.85 gap in students’ average scores (see Table 1).

**Table 1**: Averages of Service-learning Constructs for IBE and non-IBE students

<table>
<thead>
<tr>
<th></th>
<th>Means</th>
<th>Scale 1–7 (1=lo 7=hi)</th>
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<tbody>
<tr>
<td></td>
<td>Hours Employed/week</td>
<td>Hours volunteered/week</td>
</tr>
<tr>
<td>IBE &amp; Non-IBE</td>
<td>18.38</td>
<td>0.48</td>
</tr>
<tr>
<td>IBE</td>
<td>17.68</td>
<td>0.54</td>
</tr>
<tr>
<td>Non-IBE</td>
<td>18.89</td>
<td>0.45</td>
</tr>
<tr>
<td>Gap: IBE vs non-IBE</td>
<td>0.56</td>
<td>0.37</td>
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</tbody>
</table>

**H2: Supported** - Business capstone students who took IBE will show an increase in volunteer responsibilities compared with students who did not take IBE.

Table one showed a higher level of hours volunteered by past IBE students than from traditional students. Further, a simple regression and analysis of variance were performed to assess students’ employed and volunteered hours to the entire scale of constructs (*personal competence, social justice responsibility, and interpersonal relationships*). It was found that students who took the IBE service-learning curriculum showed a higher level of fit between their hourly employment responsibility and the entire scale ($R^2 = .315$) compared to the students who did not take the IBE curriculum ($R^2 = .138$). A higher level of fit between students’ hourly volunteer responsibility and the entire scale ($R^2 = .790$) compared to the students who did not take the IBE curriculum ($R^2 = .285$) was also found (see Table 2). Although the fit is higher across all measures for IBE alumni, only volunteer hours per week shows a significant fit of volunteers hours per week at $p=.001$.

**Table 2**: IBE vs. Non-IBE ANOVA ($\alpha=0.05$)

<table>
<thead>
<tr>
<th></th>
<th>R Square Employ/week</th>
<th>R Square Nsvw/week</th>
<th>ANOVA Employ/week</th>
<th>ANOVA Nsvw/week</th>
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<tr>
<td></td>
<td></td>
<td></td>
<td>F-Value</td>
<td>Sig</td>
</tr>
<tr>
<td>IBE &amp; Non-IBE</td>
<td>.057</td>
<td>.189</td>
<td>.374</td>
<td>.943</td>
</tr>
<tr>
<td>IBE</td>
<td>.315</td>
<td>.790</td>
<td>.918</td>
<td>.532</td>
</tr>
<tr>
<td>Non-IBE</td>
<td>.138</td>
<td>.285</td>
<td>.497</td>
<td>.864</td>
</tr>
</tbody>
</table>

**H3: Supported with Limitations** – Among the students who took IBE, female students will show a higher level of volunteer responsibility compared with the male students.

This research also found that both male and female students that took IBE curriculum showed a higher level of volunteer responsibility (nsvw/week) ($R^2 = .862$ and $R^2 = .960$) compared to the students who did not take the IBE curriculum ($R^2 = .367$ and $R^2 = .422$) (see Table 3). Although female students showed a slightly higher level of volunteer responsibility, the difference ($R^2$ difference of .098) was not significant enough to fully support the hypotheses. Further longitudinal research with a large sample size is required to draw definite conclusions. It was also interesting to find that the male students who did not take IBE curriculum had a higher level of employment responsibility (employ/week) ($R^2 = .929$) compared to the all female students ($R^2 = .386$ and $R^2 = .229$).
### Table 3: Male vs. Female ANOVA (α = 0.05)

<table>
<thead>
<tr>
<th></th>
<th>R Square</th>
<th>ANOVA</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>Employ/week</td>
<td>Nsvw/week</td>
<td>Employ/week</td>
<td>Nsvw/week</td>
<td>F-Value</td>
<td>Sig</td>
<td>F-Value</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(α= 0.05)</td>
<td></td>
<td>F-Value</td>
<td>Sig</td>
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</tr>
<tr>
<td>Male</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IBE &amp; Non-IBE</td>
<td>.339</td>
<td>.539</td>
<td>.968</td>
<td>.498</td>
<td>2.208</td>
<td>.076</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IBE</td>
<td>.543</td>
<td>.862</td>
<td>.528</td>
<td>.804</td>
<td>2.770</td>
<td>.170</td>
<td></td>
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</tr>
<tr>
<td>Non-IBE</td>
<td>.929</td>
<td>.367</td>
<td>4.389</td>
<td>.125</td>
<td>.193</td>
<td>.976</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IBE &amp; Non-IBE</td>
<td>.066</td>
<td>.203</td>
<td>.229</td>
<td>.987</td>
<td>.763</td>
<td>.651</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IBE</td>
<td>.386</td>
<td>.960</td>
<td>.279</td>
<td>.948</td>
<td>5.365</td>
<td>.167</td>
<td></td>
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</tr>
<tr>
<td>Non-IBE</td>
<td>.229</td>
<td>.422</td>
<td>.494</td>
<td>.856</td>
<td>1.219</td>
<td>.353</td>
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### Findings

The findings of this study indicated that service-learning (when it combines experiential methods with corporate social responsibility) creates an educational atmosphere that increases students’ social consciousness and development of responsible attitudes, thereby helping them to become socially responsible corporate citizens. Service-learning pedagogy has a positive impact on both female and male students’ attitudes towards volunteering and social responsibility. Service-learning can also positively impact students’ personal development by focusing on the integration of four key dimensions: critical thinking, reflective thinking, personal responsibility, and civic responsibility (Prentice, 2002). To better assist students’ learning through service-learning, it is necessary to clearly identify learning outcomes, apply knowledge, and understand the characteristics of personal and interpersonal development, reflection, critical thinking, and citizenship (Eyler & Giles, 1999). As scholars and educators, it is our responsibility to continuously develop and transform traditional pedagogy into outcome driven and integrated reflective service-learning pedagogy (Shultz, 2007) to help our students to become socially aware and responsible global citizens, and acquire the necessary skills and capabilities to succeed in life.

### Limitations

It is possible that students that already have high levels of social responsibility self-select into a service-learning program like IBE, while others opt out. A future study will control by comparing those students in non-IBE course sections with students in IBE courses at the beginning of the semester, before the service-learning pedagogy treatment. It is also possible that certain majors, such as Management, are more concerned with issues of social responsibility and opt-in to IBE, over majors that are more quantitative in nature. Future studies will control for the student’s major, as well.

Finally, many courses in the Harmon College of Business, other than IBE, use service-learning pedagogy. This is especially true in the Management department, so it is possible that there is some difference in the level of service-learning some students receive over others. Further efforts at statistical control will ask students to list the courses in which they engaged in service learning.
References


**Biographies**

**Yue Cai-Hillon** is Assistant Professor of Management at the University of Central Missouri primarily teaching strategic management and management consulting. A short career as a software developer prior to academia allowed Yue to personally experience some of the disjointed relationships of the grand narratives and antenarratives between the individuals and the organizations. Since then, she has been inspired to learn more about critical management and storytelling organizations. Yue’s research interests are in strategy change, particularly strategy storytelling beyond text; socio-economic management consulting; global industrialization and responsibilities; and action-based learning.
Mary McCord is Professor of Management at the University of Central Missouri. After an entrepreneurial career in oil and gas production, she received her Ph.D. in Business Administration from the University of Oklahoma. Her research areas include entrepreneurship and social enterprise, service learning, and team-based learning (resulting in publications in JITTA, Journal of Informatics Education Research, MBAR Journal and Team-Based Learning). She is currently teaching Entrepreneurship and Social Enterprise courses through pedagogies that combine team-based learning methods and service-learning with real world business experience.