

Exploring the Role of Corporate Social Responsibility in Leadership

TEACHER MODULE — THE ARTHUR W. PAGE CENTER — INTEGRITY IN COMMUNICATION

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Module Overview:

As a result of this module, students will be able to articulate an understanding of CSR based on the Page Principles and evaluate CSR's implementation in leadership.

Rationale:

Many years before the acronym "CSR" was developed, Arthur W. Page foreshadowed its tenets in his management style and principles. His principles create a roadmap for future leaders to understand corporate social responsibility (CSR) and its vital role in the life of a corporation.

Learning Objectives:

Learning Objective 1: To introduce students to the concept of CSR in leadership.

Learning Objective 2: To compare the CSR attributes of various leadership styles.

Learning Objective 3: To understand the implication of CSR in differing leadership styles

Module Format:

This teaching module examines the role of corporate social responsibility in leadership through a comparison of leadership styles and their alignment with the Page Principles. Specifically, this module creates a set of readings and assignments designed to help students understand and critically analyze the role of CSR in leadership. To do so, the module offers a one-week unit, consisting of three-hours of class material where students define, compare/contrast, and evaluate CSR in various leadership approaches.

The first lesson introduces students to the constructs of CSR and leadership. The second lesson uses the Page Principles to compare/contrast the role of CSR in various leadership approaches. The third lesson presents the implementation of CSR in a real-world scenario and considers the implications of CSR in different management approaches. As a result of this module, students will be able to articulate an understanding of CSR based on the Page Principles and evaluate its implementation in leadership.

Key Concepts

Transactional leadership approaches (classical, human resources, human relations):

Transactional leadership is often defined as a leader who utilizes self-interests to attain goals through an exchange of rewards and punishments (Kanungo, 2000). This leadership style is characterized by three behaviors. First, transactional leaders use contingent reward, where rewards are provided or withheld in return for work performance. Second, management-by-exception (active) is where the leader watches and corrects inappropriate work performance, and third, management-by-exception (passive), is where the leader waits for deviations to occur and then corrects inappropriate work performance (Doherty, 1997). Bass' (1985) comprehensive model also includes laissez-faire or nonleadership as a final behavioral characteristic. Laissez-faire, or nonleadership, is where the leader takes no initiative to meet or respond to followers' needs.

Transformational leadership (authenticity, integrity, transparency):

Transformational leadership is commonly defined as the ability of a leader to influence major attitudinal changes in organizational members that in turn builds strong organizational commitment (Bass, 1985; Yukl, 1989). Leaders that exhibit this style are often assumed to simultaneously possess charismatic qualities that inspire entire groups of people and also remain interpersonally connected with individual needs and capabilities. Bass (1985) identified five characteristics of a transformational leader: attributed charisma, idealized influence, inspiration, intellectual stimulation, and individualized consideration. Attributed charisma in a transformational leader engenders trust and confidence from organizational members, providing idealized influence, or the ability to actively promote his/her belief and vision. Further, this type of leader instills inspiration by conveying high expectations and confidence in his/her employees and encourages creative problem solving. Finally, the transformational leader seeks interpersonal relationships in order to encourage personal development for each employee.

Corporate Social Responsibility:

Broadly, CSR considers the relationship between an organization and the society in which it operates. It moves an organization beyond profit concerns to evaluate its role in society. CSR is both a means and an end, guiding business processes and supporting the legitimacy of its actions in society (Werther & Chandler, 2011). Such a perspective creates strategic CSR initiatives driven by the organization's mission and purpose. Specifically, CSR is the "voluntary actions that a corporation implements as it pursues its mission and fulfills its perceived obligations to stakeholders, including employees, communities, the environment and society as a whole (Coombs & Holladay, 2012, p. 8).

