

# IB147-15 Management of Global Risks

**23/24**

**Department**

Warwick Business School

**Level**

Undergraduate Level 1

**Module leader**

Camilla MacLean

**Credit value**

15

**Module duration**

10 weeks

**Assessment**

Multiple

**Study location**

University of Warwick main campus, Coventry

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## Description

### Introductory description

A quick read of most of our daily news highlights how we are facing a number of significant global risks. Sustainability, diversity loss, climate change, global warming, data privacy, trade wars, and rising inequality are key current global risks. How should or can today's manager respond to these risks?

In this module we analyse the most significant social issues encountered by the contemporary managers. Some of the 'social' or non-market issues we explore include:

surveillance and data privacy ,  
business and human rights ,  
labour rights in supply chains , and  
sustainability and climate change .

However, we go beyond a simple one dimensional business perspective to explore these issues as risks to the environment and risks to communities, as well as risks to business; in doing so, we adopt a multi-risk perspective.

[Module web page](#)

### Module aims

To enable students to understand the wider social and political environment of business activity.

To examine the different forms of governance to which firms are subject, and to which they in turn contribute through the lens of key non-market issues.

To examine how companies use corporate political activity, corporate social responsibility, and corporate governance to navigate contemporary opportunities and challenges arising from a multinational company's social, natural, political, and regulatory environment.

To present empirical puzzles through case studies and other examples, and to present concepts, theories and wider evidence to enable these puzzles to be understood.

## **Outline syllabus**

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

Module Introduction and ESG Risk Management  
Sustainability and Private Environmental Governance  
Governance: Corporate Responsibility vs Corporate Accountability  
Transnational Labour Governance  
Corporate Responses to Ethical Consumers  
'Trust Me': Non-financial Reporting  
Social Risks: Big Data or Big Brother?  
Business and Human Rights: Conflict Minerals  
Led by Inferiors? Business and Politics  
Academic Writing, Assessment, and Assignment

## **Learning outcomes**

By the end of the module, students should be able to:

- Understand and recognise the different risks in a firm's natural, social, and political environments.
- Understand and recognise the different forms of socio-economic governance that surrounds business activity, particularly MNC activity, and the constraints and opportunities that they present to firms.
- Understand and recognise different range of possible managerial responses in addressing global risks in a firm's natural, social, and political environments.
- Demonstrate the use of critical analysis skills at the appropriate level for 1st year undergraduate learning.
- Demonstrate the ability to evaluate the quality of evidence.
- Demonstrate the ability to link themes and multi-disciplinary approaches together.

## **Indicative reading list**

There is no single core text that covers this set of issues and concerns. The module will draw on assigned readings from a range of texts, eg:

Bebbington, J., Larrinaga, C. and Moneva, J.M., 2008. Corporate social reporting and reputation risk management. *Accounting, Auditing & Accountability Journal*, 21(3), pp.337-361.

Bekefi, T. and Epstein, M.J., 2008. Measuring and managing social and political risk. *Strategic*

Finance, 89(8), p.33.

Brennan, N.M. and Solomon, J. (2008). 'Corporate governance, accountability and mechanisms of accountability: An overview', *Accounting, Auditing and Accountability Journal*, 21(7): 885-906.

Contractor, F.J., 2016. Tax avoidance by multinational companies: Methods, policies, and ethics. *AIB Insights*, 16(2), p.10.

Danna, A. and Gandy, O.H., 2002. All that glitters is not gold: Digging beneath the surface of data mining. *Journal of Business Ethics*, 40(4), pp.373-386.

De Jongh, D., 2004. A stakeholder perspective on managing social risk in South Africa: responsibility or accountability?. *Journal of corporate citizenship*, (15), pp.27-31.

Levy, D.L. and Kolk, A., 2002. Strategic responses to global climate change: Conflicting pressures on multinationals in the oil industry. *Business and Politics*, 4(3), pp.275-300

Epstein, M.J., 2018. Making sustainability work: Best practices in managing and measuring corporate social, environmental and economic impacts. Routledge.

Hofmann, H., Schleper, M.C. and Blome, C., 2018. Conflict minerals and supply chain due diligence: an exploratory study of multi-tier supply chains. *Journal of Business Ethics*, 147(1), pp.115-141.

Kock, C. J., Santaló, J. and Diestre, L. (2012), Corporate Governance and the Environment: What Type of Governance Creates Greener Companies?. *Journal of Management Studies*, 49: 492–514.

Locke, R., Fei, Q. and A. Brause (2007). Does monitoring improve labor standards? Lessons from Nike. *Industrial & Labor Relations Review*, Vol 61 (Issue 1): pp.3-31.

McKellar, R., 2017. A short guide to political risk. Routledge.

Reinecke, J. and Donaghey, J. (2015). After Rana Plaza: Building coalitional power for Labour rights between unions and (consumption based) social movement organisations. *Organisation*, Vol 22(5), pp. 720-740.

Scherer, A. G., Palazzo, G. and Seidl, D. (2013), Managing Legitimacy in Complex and Heterogeneous Environments: Sustainable Development in a Globalized World. *Journal of Management Studies*, 50: 259–284.

Smith, N.G. (2008). Consumers as Drivers of Corporate Social Responsibility, in: A, Crane et al (eds) *The Oxford Handbook of Corporate Social Responsibility*. Oxford. Oxford University Press, pp 384-411 (look for Chapter 12 of the e-book).

Spar, D.L. and L.T. La Mure (2003): The Power of Activism: Assessing the Impact of NGOs on Global Business, *California Management Review*, 45(3): 78-101.

## **Subject specific skills**

Demonstrate analytical skills at the appropriate level for 1st year undergraduate learning.

## **Transferable skills**

Demonstrate:

- a) an ability to learn from and make use of written reference material;
  - b) demonstrate development of research skills; and
  - c) demonstrate an ability to apply abstract concepts to practical cases.
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# Study

## Study time

Type	Required
Lectures	10 sessions of 1 hour (7%)
Seminars	9 sessions of 1 hour (6%)
Online learning (independent)	10 sessions of 1 hour (7%)
Private study	46 hours (31%)
Assessment	75 hours (50%)
Total	150 hours

## Private study description

Private Study.

## Costs

No further costs have been identified for this module.

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## Assessment

You do not need to pass all assessment components to pass the module.

### Assessment group A4

	Weighting	Study time
Individual Assignment	70%	51 hours
Essay Assignment		
Group Presentation	20%	15 hours
Seminar presentation.		
Participation	10%	9 hours
Participation in activities on a weekly basis via my.wbs		

### Assessment group R4

	Weighting	Study time
Individual Assignment	30%	

	<b>Weighting</b>	<b>Study time</b>
Individual Assignment (to replace Participation & Group Presentation)		
Individual Assignment	70%	
Essay Assignment		

### **Feedback on assessment**

Students will be provided feedback in class and via my.wbs.

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### **Availability**

There is currently no information about the courses for which this module is core or optional.