

**MBA 510 Managing Sustainable Enterprise  
Winter 2009  
Wednesdays, 17:20 to 21:20, SBA 240**

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**Course Overview**

For the purposes of this course, sustainability is defined as the 'continuous and holistic process of seeking to eliminate harm to ecological systems, enhance the vitality and health of social systems, and improve the long-term financial performance of a business and its operations'. To explore this conception of sustainability, this course exposes students to contemporaneous perspectives, frameworks, concepts and practices of sustainability in business.

This course will be taught in seminar format. This approach suggests that students will be active participants in the learning processes – leading discussions, invoking important questions, listening intently, incorporating new thinking and, so on. Further, the Portland Metro area is fortunate to be home to many leading practitioners of sustainability-based business. Thus, a number of guest speakers from our regional business community will come to share their thoughts and experiences. In order to ensure rich dialogue with the guest speakers, students are expected to have, at the minimum, explored the website of each speaker's company prior to her/his visit to our classroom.

**Course Objectives**

- Gain an understanding of the current drivers and challenges of sustainability-based business.
- Learn key concepts and practices – from strategic to operational to functional – being applied in the area of sustainability-based business
- Develop awareness of the complex interaction between key stakeholder groups inherent in the practice of sustainability-based business.

**Course Readings**

Reading Packet at Clean Copy

**Course Requirements**

1. **Attendance**. There is the possibility that a student may miss one class due to circumstances beyond their control - work- or family-related. I expect notification of an absence prior to class. If you miss more than one class, you will need to withdraw from this course and retake it next year. Unless I receive a phone call at least ½ hour prior to class, arriving late to class will be counted as an absence. Similarly, unless receiving prior notification, leaving during and returning later, or simply leaving class will also be counted as an absence.
2. **Participation** (10 points possible): Everyone (I emphasize "everyone") must participate in discussion. For each day in the **Class Schedule** (below), I have provided a list of **Questions for Class Discussion**. These questions are based on the readings assigned for that day. Some time during each

class we will address these questions and I will select students at random to respond. I will keep track of responses by individuals to ensure that every student is completing the assigned reading, thinking about it, and offering their thoughts and opinions.

3. **Discussion Facilitation** (30 points possible):
4. **Team Case Study** (30 points possible)
5. **Poster Board Session** (30 points possible)

## Class Schedule

### **1 SUSTAINABILITY, COMMERCE AND INDUSTRIAL SYSTEMS (JANUARY 7TH)**

#### **TOPICS**

- Principles of Markets
- Social and Ecological Externalities
- Closed Systems Perspectives
- Industrial Systems and Management
- Competition in Closed Systems Markets

#### **ASSIGNMENTS**

- “An Institutional Approach to Sustainability: Historical Interplay of Worldviews, Institutions and Technology”, *Journal of Economic Issues*, Matutinović, I, December 2007, Volume 41 Issue 4, p1109-1137.
- “Innovating our way to the next industrial revolution”, *MIT Sloan Management Review*, Senge, P., Corstedt, G., Porter, P., Winter 2001, Volume 42 Issue 2, p24-38.
- VIDEO: Ray Anderson, Chairman, Interface Corporation

### **2 SUSTAINABILITY AS CORPORATE STRATEGY (JANUARY 14TH)**

#### **TOPICS**

- Motivations: External and Internal
- Strategic Frameworks
- GIST – Sustainability and Corporate Strategy and Practice
  - Governance
  - Innovation
  - Stakeholders
  - Transparency

#### **READING ASSIGNMENTS**

- “Strategy and Society”, Harvard Business Review, Porter, M. E., Kramer, M. R. (2006).
- Wal-Mart’ Sustainability Strategy, pages 1 – 9 (read up to but not beyond “Operational Changes”)
- “Columbia Forest Products: Sustainability Amidst Uncertainty: Columbia Forest Products Pursuit of Sustainability in a Changing Market.”

**IN-CLASS VIDEO:** Columbia Forest Products - PureBond

#### **GUEST SPEAKER**

Elizabeth Whalen, Center for Global Leadership in Sustainability; former Sustainability Manager, Columbia Forest Products

### **3 SUSTAINABILITY IN PRODUCT DESIGN AND MANUFACTURING (JANUARY 21ST)**

### **TOPICS**

- Eco-Efficiency and Eco-Effectiveness
- Design for Disassembly/Reuse/Remanufacture
- Life Cycle Impact Analysis
- Principles of Lean Manufacturing
- Industry Focus: Electronics

### **READING ASSIGNMENTS**

- “Principles and Practices of Ecological Design”, *Environmental Review*, Shu-Yang, F., Freedman, B., and Cote, R. (2004).
- “The Environmental Benefits of the Purchase or Sale of EPEAT Registered Products in 2006”, Green Electronics Council, 2007.
- Wal-Mart’s Sustainability Strategy, pages 14-17.

### **GUEST SPEAKER**

Jeff Omelchuck, Director, EPEAT - **confirmed**

## **4 SUSTAINABILITY IN SUPPLY CHAIN MANAGEMENT (JANUARY 28TH)**

### **TOPICS**

- Supply Chain Complexities and Chains of Custody
- Environmental Practices
  - Product Take-Back/Product Stewardship
  - Reverse Logistics
- Social Practices
  - Codes of Conduct and Supplier Compliance Systems
  - Certification Systems and Auditing Practices

### **READING ASSIGNMENTS**

- “Sustainable Operations Management”, *Production and Operations Management*, Kleindorfer, P.R., Singhal, K., Van Wassenhove, L.N. Vol. 14, No. 4, Winter 2005, pp. 482–492.
- Wal-Mart’s Sustainability Strategy, pages 9 (starting with ‘Operational Changes’) – 14 (up to “Electronics”) and pages 18 (starting with “Textiles”) – 21 (up to “Measuring Sustainability”).

### **GUEST SPEAKER**

Chris Enlow, CSR, KEEN Footwear – not confirmed

## **5 SUSTAINABILITY IN MARKETING AND CONSUMPTION (FEBRUARY 4TH)**

→**TEAM CASE STUDY DUE AT BEGINNING OF CLASS**←

### **TOPICS**

- Consumer Decision Making – Financial, Social and Environmental Criteria
- Environmental and Social Brand and Product Strategies

- Chains of Custody, Certification and Eco-Labeling
- Environmental and Social Retail Strategies

**READING ASSIGNMENTS**

- “CSR and Trade: Informing consumer about social and environmental conditions in globalized production”, Trade Policy Working Paper No. 47 - PART I, Organization for Economic Cooperation and Development (OECD)
- Wal-Mart’s Sustainability Strategy, pages 21 (from “Measuring Sustainability”) to 25 (up to “Supplier Performance Measurement”).

**GUEST SPEAKER**

Kate Bailey French, VP Marketing, gDiapers – **confirmed**

**6. IMPLEMENTING SUSTAINABILITY WITHIN THE FIRM – THE ROLE OF HUMAN RESOURCE MANAGEMENT (FEBRUARY 11TH)**

**Topics**

- The Role of HRM in Implementing Sustainability
- The Employment Contract
- Staffing and Job Design for Sustainability
- Eco-Innovation, Creativity and Sustainability
- Performance Evaluation, Compensation for Attaining Sustainability

**READING ASSIGNMENTS**

- “The Stewardship of Natural and Human Resources”, *All Creation is Growing*, Osland, J., Drake, B. and Feldman H., Eds. Dempsey, C. and Butkus, R., MN: Liturgical Press (1999) p168-192.
- “Strategic Environmental human resource management and organizational performance: an exploratory study of the Canadian manufacturing sector”, *Research in Corporate Sustainability*, Chapter 8, Egri, C. and Hernal, R., Eds. Sharma, S. and Starik, M., MN: Edward Elgar Publishing (2003) p205-236.

**CASE:** Southwest Airlines--2002: An Industry Under Siege, Heskett, J. *Harvard Business School Publishing*, (2003)

**OPTIONAL:**

“Three Conceptions of Triple Bottom Line Business Sustainability and the Role for HRM”. *Human Resource Planning*, Colbert, B., Kurucz E., (2007) Volume 30 Issue 1, p21-29.

**Persistent link to this record:**

<http://stats.lib.pdx.edu/proxy.php?url=http://search.ebscohost.com/login.aspx?direct=true&db=buh&AN=24669027&site=ehost-live>

“Corporate Social Responsibility: HR’s Leadership Role”, *HR Magazine*, Lockwood, N., December 2004 Volume 49, Supplement.

**Persistent link to this record:**

<http://stats.lib.pdx.edu/proxy.php?url=http://search.ebscohost.com/login.aspx?direct=true&db=buh&AN=15267611&site=ehost-live>

**GUEST SPEAKER:** Derek Smith, Independent consultant, formerly with Norm Thompson and

## 7. THE SOCIAL BOTTOM LINE AND HRM: FEBRUARY 18<sup>TH</sup>

### TOPICS

- Talent/Labor Pool Identification: Outsourcing
- Impact of Labor Utilization on Local Communities
- Responsibility and Fairness: Compensation and Downsizing
- Role of International NGOs in Monitoring Fair Labor Practices
- The Impact of HR on Employees' Lives: The Boundaryless Career, Social Capital and Other Quandaries

### READINGS:

- "Expectations of organizational mobility, workplace social inclusion, and employee job performance", *Journal of Organizational Behavior*, Pearce, J. L., and Randel, A. E., February 2004, Volume 25. Issue 1, p81-98.
- "Outsourcing: Pros and cons", *Business Horizons*, Weidenbaum, M., (2005), Volume 48, p311-315.
  - **Persistent link to this record:**  
<http://stats.lib.pdx.edu/proxy.php?url=http://search.ebscohost.com/login.aspx?direct=true&db=buh&AN=17562177&site=ehost-live>
- "The "New Employment Contract" and the Virtual Work Force", *The Human Equation*, Chapter 6, Pfeffer, J., MN: Harvard Business School Press (1996) p 161-194.

**CASE:** The Cat is out of the Bag: KANA and The Layoff Gone Awry, Perlow, L. A. and Ager, D. L., *Harvard Business School Publishing* (2003).

**VIDEO:** Outsourcing to India

**READING:** "Strategies for responsible restructuring", *Academy of Management Executive*, Cascio, W., (2005), Volume 19, Issue 4.

**Persistent link to this record:** <http://stats.lib.pdx.edu/proxy.php?url=http://search.ebscohost.com/login.aspx?direct=true&db=buh&AN=19417906&site=ehost-live>

**GUEST SPEAKER:** Angela Frank (not confirmed)

## 8. LEADING AND CHANGING THE SUSTAINABLE ENTERPRISE: FEBRUARY 25<sup>TH</sup>

### TOPICS

- Sustainability Leadership Mindset
- Sustainability Leadership Competencies and Development
- Incentives for Sustainable Leaders
- Change Processes: Imbedding a Sustainability Mindset in the Firm

### READINGS:

- “The Transformational Path”, *Organizational Change for Corporate Sustainability*, Chapter 8, Dunphy, D., Griffiths, A. and Been, S., Routledge (2003), p234-262.
- “A New Program to Offer White-Collar Perks to Chain’s Workers”, *New York Times*, Barbaro, M, April 5, 2007.
  - **Persistent link to this record:**  
<http://stats.lib.pdx.edu/proxy.php?url=http://search.ebscohost.com/login.aspx?direct=true&db=aph&AN=28188256&site=ehost-live>
- “Companies Not Behaving Badly”, *New York Times*, Morgenson, G., October 9, 2005.
  - Can be found via LexisNexis *Academic*, through the PSU Library Databases; Run a Power search with the key words “Companies Not Behaving Badly” and in the publication section enter New York Times.
- “Just Say No to Wall Street”, *Journal of Applied Corporate Finance*, Fuller, J. and Jensen, M., (2002), Volume. 14, Issue4, Winter, p41-46.

**CASE:** Wal-Mart’s Sustainability Strategy, Denend, L. and Plambeck, E., *Harvard Business School Publishing*, (2007). **Pages 21 – 27 only.**

**VIDEO:** Interview with Scott, CEO of Wal-Mart (2005).