

MIM 511 - Global Business, Society and Ecology

Winter 2008

Tuesdays, 5:30 to 10:00

OEMBA (Suite L101, 200 Market Street)

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Course Overview

This course will expose students to business applications of sustainability. In this course, the term 'sustainability' addresses: a systemic approach to developing and implementing government policies and corporate strategies that eliminate harm to ecological systems, enhance the health of social systems and create long term economic value. The systemic approach of this course entails consideration of the:

- Interdependencies of the world's economic, social and ecological systems.
- Challenges and opportunities that the interdependencies place upon policy-makers, NGO leaders and corporate managers.
- Strategic and operational approaches taken by global industries and corporations to overcome the challenges and capitalize on the opportunities presented by the interdependencies.

Course Objectives

By the end of this term, students enrolled in this course should have achieved the following three course objectives.

- 1) Gained an in-depth understanding of major global sustainability issues.
- 2) Learned how multiple stakeholders (business, national government and policy makers, trans-national quasi-governmental agencies and NGOs) interact and engage around key global sustainability issues.
- 3) Developed awareness and application of corporate strategies and operational tactics employed to address global sustainability issues.

Required Readings

Plan B 3.0: Mobilizing to Save Civilization, Lester R. Brown.

Available for purchase at the Earth Policy Institute for \$13.00 (soft cover) and \$30.00 (hard back). There are also group rates available if some of you work together to purchase the text. Go to <http://www.earth-policy.org/Books/PB3/index.htm>

Reading Packet, Clean Copy

The reading packet will consist of some of the required readings and case studies. These particular reading and case studies are not available through the library databases and required copyright clearance. This reading packet will be available the week prior to the start of the term.

Other Readings

The Course Schedule also shows required reading materials that are available for free through the PSU library databases or on the Internet.

Co-Teaching

Drs. Marshall, Allen and Halimi will be co-teaching this course for the first time. Collaborating on the course provides an opportunity to bring together our complementary backgrounds and experiences and provide the best possible learning opportunities for all of you. Since this is our first time co-teaching this course, there may be occasional miscommunications. Please let us know of any confusion as we proceed and we'll do our best to remedy it.

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. **Mid-Term Exam.** (40 points). The mid-term exam will cover the readings, lectures and guest speakers' presentations for the first three days of the course. The structure of the exam will be essay.

At the beginning of class, you will be given 5 questions, from which you must choose 2 questions to answer. Each answer must be no more than 2 pages long and will be worth 20 points. Paper will be provided by the instructor for writing the answers.

3. **Team-Based Case Study Analysis and Presentation (Random Selection)** (45 points: 30 points – Case Study Analysis; 15 points - Presentation). Students will create teams of 4-5 students. There will be approximately 14 teams in this course.

Each team will need to send an email to Scott Marshall (scottm@sba.pdx.edu) no later than February 3rd with the following information:

- list of team members
- the 1st **and** 2nd preference for a case study to work on. The list is provided below.

- A. Digital Data Divide, HBSP
 - Focal Areas: Social entrepreneurship, SE Asia
- B. MAS Holdings: Strategic Corporate Responsibility in the Apparel Industry, INSEAD
 - Focal Areas: Labor, Apparel Industry, Sri Lanka
- C. Endeavor, Stanford Graduate School of Business, 2008
 - Focal Areas: International non-governmental organizations, social entrepreneurship
- D. Sanyo's 'Think Gaia' Vision and Turnaround Efforts, ICFAI Center for Management Research, 2007
 - Focal Areas: Corporate Strategy, Japan, Electronics Industry
- E. Ikea's Environmental Practices: Making Good Sense, Institute of Chartered Financial Analysts of India Centre for Management Research, 2006
 - Focal Areas: Corporate Strategy, Environmental Stewardship, Wood Products/Home Furnishing Industry

Scott Marshall will reply to the entire group of students to tell them which team has been assigned which case study. This process ensures you get to work on a case you are interested in and all cases are utilized.

The assignment is to develop a comprehensive 10-page written case analysis and a 10 minute presentation (using MS PPT) summarizing the case analysis. All of these cases are available in the Course Reading Packet.

Case Study Analysis: Student teams will utilize the case study analysis format provided at the end of this syllabus (Sustainability Issue Brief, Competitive Situation Analysis, GIST Framework Assessment, Alternatives Identification, Solution Selection and Justification).

The case analysis should be no longer than 10 pages, excluding title page and bibliography (APA format). It must be written in 12 point Arial font, with 1.5 spacing and ¾ inch margins top, bottom, left and right. Do not use folders; use only one staple in upper left corner.

Presentation: All student teams must prepare a 10-minute presentation that summarizes the major points of their case analysis. A clear set of slides are required and all teams will submit their slides with their written case study analysis.

Nine (9) teams will be randomly selected to make their presentations on the last day of class. So, you must all be prepared to present!

4. **Evaluation of Team Case Study Analysis Presentation.** (15 points) Each student is required to complete an evaluation of one of the nine presentations. You will listen to and provide constructive criticism of a presentation. This means you will need to have read an additional case study prior to coming to the last day of the course.

You are required to use the **Presentation Evaluation Form** provided at the end of this syllabus. I will email this form to all of you separately as well.

How to conduct an evaluation that uses constructive criticism? This is not necessarily an easy task.

1. You need to understand the case study very well.
2. You need to arrive at some conclusions prior to the presentation. Otherwise, you can not judge the adequacy of the conclusion presented by the team of peers.
3. You should not simply identify problems but be able to provide recommendations on how to improve.

Class Schedule

1 SUSTAINABILITY – ORIGINS AND PARADIGM SHIFT (JANUARY 6TH)

TOPICS

- △ Sustainable Development and Sustainability
 - Definitions
 - Historical Context
 - Paradigm Shift

READING ASSIGNMENTS

- World Commission on Environment and Development. *Our Common Future (Brundtland Report)* Available on line at <http://www.un-documents.net/wced-ocf.htm>.
- Robert W. Kates, Thomas M.Parris, and Anthony A. Leiserowitz. *What is sustainable Development? Goals, Indicators, Values and Practice*. Available online at http://www.hks.harvard.edu/sustsci/ists/docs/whatisSD_env_kates_0504.pdf
- Agenda 21. Preamble; Section I and Section III Available on line at <http://www.un.org/esa/sustdev/documents/agenda21/english/agenda21toc.htm>

QUESTIONS FOR CLASS DISCUSSION:

- What are some of the ways to define sustainable development?
- What do you find most interesting about the Brundtland report? Are its findings still relevant?
- What is Agenda 21? What are some of the strategies set out in the Agenda 21?

2 SUSTAINABILITY – MULTI-LEVEL INTERACTIONS AND GOVERNANCE (JANUARY 13TH)

TOPICS

- △ Governance for Sustainable Development
- △ Millennium Development Goals
- △ Plan B3

READING ASSIGNMENTS

- Global Environmental Outlook 4. *Chapter 8. Governance for Sustainability*. Available online at <http://www.unep.org/geo/geo4/media/>
- *The UN Millennium Development Goals*. Available online at <http://www.un.org/millenniumgoals/> - on the right side of this webpage, highlighted in red. You need to reach each of the Goals and Targets; you are welcome to read any of the related articles also posted here.
- Lester R. Brown (2008) *Plan B3. Mobilizing to save civilization*. Chapters 2-6 (Civilization in Trouble) Available on line at <http://www.earth-policy.org/Books/PB3/pb3book.pdf>

QUESTIONS FOR CLASS DISCUSSION:

- What are the requirements of effective governance for sustainable development?
- Over the last 20 years, what changes have occurred in the landscape of environmental governance at different levels?
- What do you think are the most significant challenges to making progress on the MDGs?
- According to Brown, what are the most pressing issues of the 21st Century? What is the case for Plan B?

GUEST SPEAKER

Shpresa Halimi, Center for Sustainable Processes and Practices, Portland State University

3 SUSTAINABILITY, OPPORTUNITIES AND CHALLENGES FOR BUSINESS AND INDUSTRY (JANUARY 20TH)

TOPICS

- △ Ecosystem change and business implications
- △ Social and ecological externalities
- △ New business opportunities

READING ASSIGNMENTS

- Millennium Ecosystem Assessment. *Ecosystems and Human Well Being. Opportunities and Challenges for Business and Industry*. Available online at <http://www.millenniumassessment.org/documents/document.353.aspx.pdf>
- Lester R. Brown (2008) *Plan B3. Mobilizing to save civilization*. Chapters 7-12 (The Response – Plan B) Available on line at <http://www.earth-policy.org/Books/PB3/pb3book.pdf>

QUESTIONS FOR CLASS DISCUSSION:

- What are the business implications of ecosystem change?
- How do pressures on ecosystems and their services are giving rise to new business opportunities?
- According to Brown, what are the solutions to the problems we are facing? Is Plan B viable? What role can business and industry be expected to play in addressing today's problems?

GUEST SPEAKERS

Gordy Molitor, Executive Director, Green Empowerment
Justin Yuen, Founder and President, FMYI, Inc

4 SUSTAINABILITY AS CORPORATE STRATEGY (JANUARY 27TH)

Mid-Term Exam (First 1.5 hours of Class)

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). Available in PDF through PSU Library database: Business Source Premier.
- Wal-Mart’ Sustainability Strategy, pages 1 – 9 (read up to but not beyond “Operational Changes”)

QUESTIONS FOR CLASS DISCUSSION:

“Strategy and Society”

1. What are the key differences between “responsive CSR” and “strategic CSR” as described by Porter and Kramer?
 2. Do you believe it is ‘good business’ to engage in “strategic CSR”?
- Wal-Mart’s Sustainability Strategy, pages 1-9
3. What were the key issues that lead Scott to his major announcement in October 2005?
 4. Describe the process Wal-Mart engaged in to determine its environmental impact.
 5. To what degree do you believe Wal-Mart engaged in “responsive CSR” and/or “strategic CSR” as described by Porter and Kramer?

5 SUSTAINABILITY IN PRODUCT DESIGN AND MANUFACTURING (FEBRUARY 3RD)

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). Included the Course Reading Packet.
- “The Environmental Benefits of the Purchase or Sale of EPEAT Registered Products in 2006”, Green Electronics Council, 2007. Can be accessed on the Internet for free at:
<http://www.epeat.net/docs/EPEAT%20Env%20Benefits%20Report%202006.pdf>
- Wal-Mart’s Sustainability Strategy, pages 14-17.

QUESTIONS FOR CLASS DISCUSSION:

Principles and Practices of Ecological Design

1. What are THREE key ideas/concepts that you learned in this reading?
2. To what extent does ecological design, as described in this article, address economic and social aspects of product and service design? Can you identify the economic and social benefits (and costs) to ecological design?

EPEAT

3. How does EPEAT certification focus on the **design** of electronic products?
4. What did you find most interesting about the outcomes of the certification program as reported by the Green Electronics Council?

Wal-Mart’s Sustainability Strategy

5. Applying the GIST to electronics initiative
 - a. How was Wal-Mart’s electronics initiative ‘governed’ (the *governance* part of GIST)?
 - b. From Wal-Mart’s perspective, what role did *innovation* play in this initiative?
 - c. Were *stakeholders* engaged in this initiative?
 - d. And how *transparent* was Wal-Mart in this initiative?

GUEST SPEAKER

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

6 SUSTAINABILITY IN SUPPLY CHAIN MANAGEMENT (FEBRUARY 10TH)

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. Available in PDF through PSU Library database: Business Source Premier.
- 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”).

QUESTIONS FOR CLASS DISCUSSION:

Sustainable Operations Management

1. Describe the evolution of operations and supply chain management in terms of central emphases over the past 50 years.
2. How can changes in operations and supply chain management be related to the GIST framework?

Wal-Mart’s Sustainability Strategy

3. How well do Wal-Mart’s fisheries and textiles initiatives map onto the changes taking place in the practice and scholarship around operations and supply chain management?
4. How well do Wal-Mart’s fisheries and textiles initiatives address each aspect of the GIST framework?

GUEST SPEAKER

Chris Enlow, CSR, KEEN Footwear – not confirmed

7 SUSTAINABILITY IN MARKETING AND CONSUMPTION (FEBRUARY 17TH)

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). Can be accessed on the Internet for free at: [http://www.oilis.oecd.org/oilis/2006doc.nsf/LinkTo/NT00007686/\\$FILE/JT03220255.PDF](http://www.oilis.oecd.org/oilis/2006doc.nsf/LinkTo/NT00007686/$FILE/JT03220255.PDF)
- Wal-Mart’s Sustainability Strategy, pages 21 (from “Measuring Sustainability”) to 25 (up to “Supplier Performance Measurement”).

QUESTIONS FOR CLASS DISCUSSION

CSR and Trade

1. What are the pros and cons of the four ‘information schemes’ described in this report?
2. What are the similarities and differences between the types of ‘information schemes’ used in the four industries profiled in the report? WHY do you think these similarities and differences exist?

Wal-Mart’s Sustainability Strategy

3. What ‘information schemes’ is Wal-Mart utilizing in its engagement with consumers and the public-at-large? Do they differ based on product category?
4. Are there alternate forms of consumer and public engagement that Wal-Mart may utilize to effect positive consumer and public responses?

GUEST SPEAKER

Marie Franklin, National Sales Manager, Portland Roasting Company – **confirmed**

8 CASE STUDY ANALYSIS PRESENTATIONS (FEBRUARY 24TH)

9 presentations, 10 minutes apiece, 5 minute breaks in between presentations. Plus ½ hour break for dinner. Somewhere in the range of 2 ¾ hours total. Remember, all teams must be prepared to present.

Case Study Analysis Framework

I. Sustainability Issue Brief: approximately 2 pages

- A. Describe the key sustainability-related issue or issues (social, environmental, economic) on which this organization is focused.
- B. Describe the internal (i.e., inside the organization) and external (i.e., outside the organization) challenges this organization faces in effectively dealing with/solving the key sustainability-related issue or issues.

II. Competitive Situation Analysis: approximately 3 pages

- A. Utilize 'Five Forces Framework' to analyze competitive situation of your focal organization. And, yes, this can apply to non-governmental organizations.
- B. Determine the Assets, Resources and Capabilities of your focal organization
- C. Describe the strategic competitive advantage(s) of this organization.

III. GIST Framework Assessment: approximately 3 pages

- A. Governance: Identify and describe the relationships between the organization's managers, 'owners' or 'investors', and the clients/customers.
- B. Innovation: Identify and describe how this organization pursues innovation in its products, services, processes, programs and operations model.
- C. Stakeholders: Identify and describe how this organization engages with its key stakeholder groups.
- D. Transparency: Identify and describe the extent to which this organization measures and reports its social, environmental and economic impacts.

IV. Alternatives Identification: approximately 1 page

Identify and describe at least 3 alternative courses of action that this organization can pursue in an attempt to enhance its competitive position and/or successfully deliver its products, services, programs, etc.

V. Solution Selection and Justification: approximately 1 page

Select the course(s) of action that you believe should be taken the organization. Justify your recommended course(s) of action with clear and comprehensive explanations.

Presentation Evaluation Form

Evaluator's Name: (enter your name here)

Case Study Evaluated : (enter the name of the case study here)

Quality of Analysis: Place an "X" in the appropriate box for each evaluative question.

How well did the team...	Excellent	Good	Fair	Poor
...describe the Sustainability Issue?				
...analyze the Competitive Situation?				
...apply the GIST Framework?				
...provide clear alternative solutions?				
...identify and justify the solution?				

Recommendations for Improvement of Analysis: Provide at least two concrete recommendations do you have for the team to improve the quality of its analysis?

Clarity of Presentation: Place an "X" in the appropriate box for each evaluative question.

How well did the team...	Excellent	Good	Fair	Poor
...maintain eye contact with the audience?				
...speak clearly and confidently?				
...provide useful visual support?				
...manage the time available for the presentation?				

Recommendations for Improvement of Presentation: Provide at least two concrete recommendations do you have for the team to improve the quality of its analysis?

Recommended Grade: Place an "X" in the appropriate box for a grade.

What grade do you recommend for this presentation?	A	B	C	D

Why do you recommend this grade? Provide clear reasons why you recommend this grade.

Save the file as: *lastname_firstname_MIM511evaluation.doc.*
Then email as an attachment to Scott Marshall (scottm@sba.pdx.edu).