



MGMT 724: Strategic Sustainability & Models

Professor: **Robert Sroufe**
Office/Hours: RH 820/Wednesdays
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"Every single social and global issue of our day is a business opportunity in disguise." ¹

Course Description

Strategic sustainability **advances students' managerial skills for identifying, researching, evaluating and communicating innovative opportunities** involving the efficient and effective integration of financial, environmental and social resources in management.

Building on our commitment to the United Nation's Principles for Responsible Management Education (PRME), and Global Compact, this course experience serves as **a foundation for strategic sustainability, models and tools across the curriculum.**

Students work individually, and in teams to frame problems, research and develop training seminars, and manage resources for assigned topics. The **focus is inspiring innovation, and creating competitive advantage** – both short and long term – for organizations. Deliverables include presentations of mini training seminars to peers, energy management system design competition, enterprise strategic sustainability assessment, along with participation in case analysis, and class discussions while applying critical thinking to identify productivity gains, cost savings, revenue increases, and profit growth when implementing sustainable business practices.

The course is **taught as a seminar where sharing learning, best practices and sustainability knowledge across teams and individuals** enables all to gain insight to emerging issues beyond the scope of a single entity. Students work within an integrated curriculum to analyze internal/external situations, drivers and risks; to identify problems and opportunities; to evaluate return on investment from alternative courses of action; and to value both short- and long-term prosperity. Students independently learn about, apply, and reflect on proven models and methodologies while honing their skills as a researcher, analyst, writer, and speaker.

¹ Peter F. Drucker, <http://thedx.druckerinstitute.com/2011/01/opportunity-in-disguise/>

Course Mission

To provide meaningful opportunities for MBA students to authenticate evidence-based management of best practices in sustainability while **developing critical thinking skills for managing people, processes and resources.**

Alignment with Graduate Program Goals

- This course offers a Socratic pedagogical experience for to help understand economic, ecological, and social sustainability.
- Team, and individual work provides an understanding of systems and models enabling value creation across functional disciplines.
- The course integrates case studies and simulations with other courses; it offers a proving ground for demonstrating that MBA students can provide innovative, feasible alternatives to “business as usual” for improving an organization’s Integrated Bottom Line.

Linkages Across Curriculum

While also learning from other fall courses in economics, finance, information systems, and supply chain management, you will develop, define and operationalize sustainability; conduct primary and secondary research; analyze data; and on a weekly basis prepare for engaging discussions and presentations while developing your MBA leadership skills.

Objectives of the course include enabling students to acquire: and in-depth knowledge of the strategic models and tools supporting sustainable business practices and innovation; to think critically about sustainability; integrate different streams of knowledge across disciplines; understand integrated management; develop qualitative/quantitative analysis skills; teamwork; and personal development.

Learning Objectives	Assessment
Identify frameworks, tools and decision models most involved with sustainability	Participation; Strategy Statement; Topics; Audit; Vision/Action Plans; EMS Design
Identify, analyze and critically think about sustainability dilemmas in terms of specific stakeholder perspectives, and potential barriers in decision making.	Participation; Topics; Ecological Footprint; Audit
Identify societal trends and drivers influencing organizational decision-making processes and business situations.	Participation; Strategy Statement; Functional Integration; Case Analysis
Develop, analyze, and evaluate Greenhouse Gas and product life cycle alternatives.	Case Analysis; LCA; EMS Design
Communicate reasoning when resolving dilemmas, listen to other individuals’ opinions and decision alternatives when resolving Integrated Bottom Line dilemmas and enable this listening to affect personal opinions, reasoning processes and decision alternatives.	Participation; Topics; Functional Integration; Audit, Vision/Action Plans; Case Analysis; EMS Design
Develop the business case for sustainable development, functional integration within any enterprise, and the co-alignment of business, the environment and society.	Participation; Topics; Case Analysis; Audit; EMS Design
Analyze sustainability dilemmas in terms of implementation methods as well as possible implementation obstacles.	Participation; Topics; Case Analysis; Functional Integration; EMS Design

Readings/Course Materials Bb

- Available via course Blackboard and EBSCO host® e-library resources
- Through Harvard Business Publishing web site (**Case Studies**) - [link to cases](#)
- **Integrated Management: How Sustainability Creates Value for Any Business**, (by Sroufe); Emerald Press
- @Risk Decision Tools 7.5 <http://www.palisade.com/academic/students.asp>

Performance/Evaluation Opportunities

Team Seminar Write-up/Presentation	20%	Individual Participation/Cases	30%
Team Company Assessment	10%	Individual Functional Integration	10%
EMS Design Competition	20%	Individual Vision and Action Plans	10%

Course Pedagogy

On a weekly basis we will be **prepared to discuss and challenge readings, case studies and assumptions while engaging in research and discovery** of models for innovation; work as individuals and collaboratively as teams; utilize Blackboard as a class resource site for exchange of information and assignments; **present training seminars to your peers**; acquire an **in-depth knowledge of emerging evidence** and empirical findings, while looking for **cross-functional intersection opportunities for sustainable business practices** and the value chains that connect them. Specific information on each **assignment is in green**, discussed below and due dates within the schedule.

For all deliverables, follow **Modern Language Association citation guidelines**, single spacing, size 12 font, one-inch margins, and include page numbers. Typos or grammatical mistakes in written documents and presentation slides indicate lack of attention to detail, are unprofessional, and grounds for a lower performance evaluation. Thus, check each other's work. See Blackboard for "Guidelines for Written Reports and Presentations" and "Quick Reference for MLA Style" and "Standards for Professional Presentations." Any written deliverables must have a title page containing the following statement and the authors' signature. *"In accordance with the Business School's Code of Ethical Behavior, I attest that I have not engaged in any acts of plagiarism in completing this assignment."*

Teams/Topics: For the topic preparation and presentations, the class will be divided into teams. Each team will be required to lead a thirty-minute class discussion/presentation in their assigned seminar topic, provide presentation slide handouts, and to submit a written report (maximum length 2 pages, excluding citations and appendices – the report should be single spaced, 12-point font 1-inch margins). Teams should research the topic to find and apply information from academic journal articles, the business press and web-based tools. Teams should present information that includes and goes beyond the assigned readings. Reports are to be uploaded to Blackboard before class the day of the presentation and have the following structure: (1) Key sustainability issues for management in the topic; (2) Evaluation of the alternatives that are available to management; (3) A leading company you should benchmark and why; (4) Suggest a plan for management including details on how to implement the plan. Any student lead sessions evaluation will be assessed on

presentation/report content and context, communication, and ability to go beyond the assigned readings and application of relevant models.

All other non-presenting teams should consider themselves as either upper-level management and executives who answer to the Board of Directors (which pursues the best interests of stockholders – long term profitability of the firm), or stakeholders including employees, residents, interest groups, government, and third parties. Upper level management or stakeholders are expected to voice approval/concern, when appropriate, during topic presentations.

Company Assessment: Teams will be assigned a company to research and analyze using a strategic sustainability assessment template. The assessment will be available in Blackboard and discussed in class with a guest speaker. Guidelines and evaluation criteria are within Blackboard.

EMS Design & Sustainability Plan Competition Presentation/Report: Each team will be required to present their ideas for an innovative and high-performance building system in addition to a written report (maximum length 5 pages, excluding title page and appendices). The goal: maximize ROI and propose projects and a dashboard for a high-performance work environment. Reports and presentations should follow the guidelines posted within Blackboard. Evaluators will include the audience, judges, and instructor.

Team Member Evaluation: At the end of the semester, you will evaluate each team member's contribution to team deliverables and to allocate a \$100,000 bonus among your team based on individual contribution to the success of the team.

Individual Participation/Case Analysis: Class participation and preparation are fundamental aspects of this course and reflect on your professionalism. Your classmates should be treated no differently than a valued client, coworker, or employee. You are required to have review the necessary materials (text chapters, case studies, and readings) prior to each class as well as developing and sharing practical examples of the topic under consideration from professional and personal experiences. Participation will be based on your ability to recognize and apply sustainability principles and models to a given situation. People learn best when they are active (not passive). Participation is more than just attending class and asking an occasional question – it helps you and your peers learn. Behaviors that stand out as helpful for learning include bringing in outside knowledge, experience, and examples (with enough contextual background); respectfully challenging assumptions; active listening (non-verbal signals of engagement, referencing previous points); asking insightful questions (with enough contextual background); and concise contributions. Poor Behaviors that impede learning include talking just to talk (e.g., repetitive or off-topic comments); complaining; active disengagement (e.g., use of cellphones, side conversations, leaving/coming in during class); and defensive reactions to differing views. An assessment will be made six times using the following scale: 5 (excellent), 4 (very good), 3 (good), 2 (satisfactory), 1 (poor), 0 (absent). The best five times will constitute your participation. This system is set up to encourage risk-taking needed for excellent contributions and discourage counterproductive behaviors, such as talking just to talk. At the end of the course, I sum the points and rank the class by these totals. I use these scores to evaluate individual participation, where to make

breaks between the extremes, and trends. Further details regarding participation evaluation are within the class Blackboard site. Summation of participation will be 15% in-class, and 15% case analysis.

Case Analysis Deliverables

Individual applied case analysis requires the submission of a case report (as a single Word file, maximum length 2 pages, excluding title page and appendices). Answer any case questions and follow case report guidelines with the following structure: Problem Statement, Situation Analysis, Alternatives with Advantages and Disadvantages, Recommendations for Implementation of Chosen Alternative, Suggestions to Monitor and Control. There are three graded case studies.

Functional Integration: The ability to communicate effectively across disciplines is important for any initiative to be successful. Each of you will choose one functional perspective (Accounting, Economics, Finance, IS/IT, Marketing, Operations, OB, Public Affairs, or Strategy) and summarize research identifying the drivers, enablers, and performance metrics professionals in these functional areas will need to be aware of as they engage in sustainability initiatives. Guidelines and evaluation criteria within Blackboard.

Vision and Action Plan: Each of you will be asked to prepare a personal vision and action plan describing how you plan to connect business and sustainable development in your own career. Specifically, you will write a paper enunciating: (1) your personal point of view on the role of business in the world for the new millennium; and (2) your personal action plan for using commerce as a tool to foster a more sustainable world. Personal vision statements should be no longer than 2 pages (single-spaced, 12 font, normal margins), exclusive of any exhibits or attachments you choose to include. Performance evaluations will be based on clarity of ideas, quality of writing, seriousness with which you approach the assignment, creativity, insights, and not about your use of buzzwords and jargon.

Student Responsibilities

- *Accept feedback willingly and apply it cheerfully in the spirit of continuous improvement and MBA skill development.*
- *Prepare for and actively participate in class sessions and invited speaker/team presentations; review all assigned materials.*
- *Incorporate learning from across MBA curriculum in your research, analysis and writing.*
- *Research and share information on sustainability and its impacts across disciplines and courses.*
- *Document all sources for quotes, paraphrased ideas, statistics, facts, and pictures. No plagiarism.*
- *Use technology in class only when permitted.*
- *Meet deadlines for your assignments and milestones; strive to exceed all stakeholder expectations.*
- *Make advance arrangements for special assistance or missed meetings/class sessions. Tardiness will count against you.*
- *Advise instructors of major team conflicts or non-performance by a member and resolve issues quickly.*

Schedule and Topics

Week	Topics	Readings/Preparation Before Class	Supplemental Info/In Class Exercises/Assignments
1 8/26	Integration and Vision Dynamic Performance Operationalizing Sustainability: <i>Opportunities = Value Creation</i>	SOBA Code of Ethical Behavior Integrated Management: Chpt 1 The Integration Opportunity (Eccles and Serafeim) The Performance Frontier	Semester Theme: <i>Integration Across Systems & Functions</i> (Lubin and Esty) The Sustainability Imperative (Hart) Beyond Greening (Nidumolu) Sustainability - Key Driver of Innovation MIT Sloan / BCG Sustainability Reports The Story of Stuff Multi-Business Integration Simulation Teams / Company context provided in class
2 9/2	No Class – Labor Day		
3 9/9	Dimensions - Enablers Systems Thinking Theory of the Firm Stakeholder and Agency Models	Integrated Management: Chpt 2 The Critical Dimensions of Sustainability (Bower and Paine) The Error at the Hart of Corporate Leadership (Porter and Kramer) Creating Shared Value	(Meadows) Places to Intervene in a System Integrated Reporting <IR> United Nations Global Compact UN Sustainable Development Goals Planetary Boundaries Systems Thinking
4 9/16	Sustainability Models Strategic Sustainable Development (SSD) Integrated Management Strategy Statement	Case: FIFCO In-class Discussion Integrated Management: Chpt 3 A Customized Approach Appendices 1-4	Origins of The Natural Step (SSD) Videos: The Funnel Metaphor ; and Backasting (Broman and Robért) Strategic Sustainable Development (SSD) Video: Sustainability Explained w Natural Science 5LF and ABCD Planning Application
5 9/23	Functional Integration	Integrated Management: Chpt 4 Integration Across Disciplines	Individual Functional Integration Deliverable (Weybrecht) Book from Orientation: The Sustainable MBA applicable chapters (McKinsey) The Business of Sustainability Social Cost of Carbon

<p>6 9/30</p>	<p>Strategic Value Creation</p> <p>Materiality</p>	<p>Case: Strategy Statement Application</p> <p>Integrated Management: Chpt 5 Value Creation for Stakeholders and Shareholders</p>	<p>Individual Strategy Statement Deliverable</p> <p>Deloitte Enterprise Value Map, and Linking Strategy to Value</p> <p>Choose products for comparison for Week 7</p>
<p>7 10/7</p>	<p>Life Cycle Assessment / New Product Development</p> <p>What's Your Net Zero Strategy</p>	<p>Integrated Management: Chpt 6 Design Thinking</p> <p>In-class Problem Based Learning Application</p> <p>B Resource Guide: Conducting an LCA</p>	<p>Video: Michael Braungart - Product Development</p> <p>LCA Guidelines: ISO 14040, 14044</p> <p>Waste = Food?</p> <p>Note on Life Cycle Analysis, EPA LCA website</p> <p>How to Undertake an LCA by Green Biz</p> <p>UNEP textbook; Social LCA</p> <p>Video: Ecological Footprint</p> <p>Ecological Footprint Exercise</p>
<p>8 10/14</p>	<p>Sustainable Operating Systems</p> <p>ISO 14001, 26000, 50000</p>	<p>Integrated Management: Chpt 7 Enterprise Systems</p>	<p>Older view - EH&S vs Newer view - EMS</p> <p>International Organization for Standardization (ISO)</p> <p>Embedding Sustainability in Corporate Culture</p> <p>Social Cost of Carbon</p> <p>My own research on EMS</p>
<p>9 10/21</p>	<p>Performance & Materiality</p> <p>The Circular Economy</p> <p>Environmental Product Declarations</p> <p>Living Products</p> <p>High Performance Buildings</p>	<p>Case: Frito Lay - The Making of a Net Zero Snack Chip; & Carbon Footprint Supplement</p> <p>Integrated Management: Chpt 8 The Changing Performance Frontier</p> <p>GHG Protocol: Chpts 1-3 skim, read Chpt 4</p>	<p>Individual Case: Frito Lay Deliverable</p> <p>Principles & Standards, Implementation Guide</p> <p>McKinsey Cost Curve for GHG reduction</p> <p>CDPs Global Supply Chain Report (Sroufe and Melnyk) Chpt 1 Developing Sustainable Supply Chains to Drive Value</p> <p>Wal-Mart's Supplier Survey</p> <p>Circular Economy</p>

<p>13 11/18</p>	<p>Value Proposition for High Performance Buildings</p> <p>Integration Speaker: Craig Stevenson, AUROS Group</p>	<p>Case: EMS Design Competition - Financial & Environmental Impact of Sustainable Retrofitting</p> <p>Integrated Management: Chpt 10 Propositions – Integration and Innovation</p>	<p>Individual Case: Retrofitting Deliverable High Performance Building Benefits/Costs (Sroufe and Ramos) the Un-balanced Sheet Social Cost of Carbon Passive House</p> <p>Modeling with uncertainty, @Risk, MCDA</p>
<p>14 11/25</p>	<p>No class</p>	<p>Thanksgiving Week</p>	
<p>15 12/2</p>	<p>Climate Change Opportunities</p> <p>Agents of Change</p> <p>Integration speaker: John Fillo - Trinity Consultants</p>	<p>Integrated Management: Chpt 11 The Strategic Integrated Enterprises We Have Been Waiting For</p> <p>PEW Center Carbon Strategies</p> <p>CERE’s Climate Strategy</p> <p>Businesses for Social Responsibility Climate Strategy</p>	<p>Team Company Assessment Deliverables US Climate Action Partnership Carbon Disclosure Project (CDP) (McKinsey) Energy Efficiency in the U.S. Economy Paul Hawken @ Sustainability EXPOsed Pope’s Encyclical (Lash and Wellington) Competitive Advantage on a Warming Planet NOAA-NCA</p> <p>Company Review- What’s Your Climate Risk?</p>
<p>16 12/9</p>	<p>Strategic Sustainability Debrief</p> <p>Strategies, Functions, Systems, Value Chains, and Cities</p> <p>Vision & Action</p>	<p>Integrated Management: Chpt 12 The Future – What Could Be (Beyond Sustainability) Many Choices One Future!</p> <p>EMS Review</p>	<p>Individual Vision and Action Plan Deliverable UN Sustainable Development Goals (SDGs) Inclusive Wealth Index & Happy Planet Index Millennium Project’s Futures Scenarios (Rondinelli and London) How Corporations and Environmental Groups Cooperate</p>
<p>TBD</p>	<p>Finals Week Location and Time TBD</p>	<p>Energy Management System (EMS) Design Competition</p>	