
Syllabus

Class Meets:

Monday and Wednesday

1:00 pm – 2:30 pm

Dates: August 30-October 11

Room: R2240

12 sessions

Professor Andrew Hoffman

Room R4390, Ross School

Email: ajhoff@umich.edu

Phone: 734-763-9455

Office hours: Thursdays from 8:30-9:30am or by appointment

GSI: Colton Babladelis

Email: coltonba@umich.edu

Office hours: Office hours: Wednesdays from 3:00-4:00pm or by appointment

Course Overview

Over the past 50 years, the notion of corporate environmentalism (later corporate sustainability) was born, grew, and evolved. Though the history of concerns about the state of the natural environment can be traced back more than 300 years, the decade of the 1960s marks the dawn of the “modern” environmental movement. Initially focused on visible forms of air, water, solid and even thermal and aesthetic pollution, attention grew over the next 50 years to include toxic substances, stratospheric ozone, climate change, water scarcity, ecosystem destruction, and species extinction. An even more recent evolution, triggered by the publication of the Brundtland Commission 1987 report on sustainable development, has witnessed a growing concern for income inequality, living wages, fair representation, secure retirement, transparency, and safe working conditions to round out the “triple bottom line” of the sustainability agenda: environment, equity, and economy.

Today, this expanded notion of sustainability has become commonly accepted within both the academy and the corporate sector. Within the academy, what began as a modest offshoot of management science in the early 1990s has grown into a maturing area of study, one that encompasses a wide range of related disciplines. Within business practice, sustainability has entered most domains of corporate activity. Corporations print annual “Sustainability Reports,” insert the term into press releases and CEO speeches, create new positions such as the Chief Sustainability Officer, and gather for conferences on the “sustainability challenge.” A survey by Price Waterhouse Coopers found that 87% of Fortune 1000 CEOs believe sustainability is important to a company’s profits.

To be defined as a profit concern, the sustainability problem has been framed as a continuing shift in stakeholder demands. Pressures from a wide range of institutional constituents (governments, consumers, investors, insurance companies, and others) translate sustainability into frameworks that are familiar and for which ready repertoires are available. For example, as insurance companies apply pressures on the firm, response becomes an issue of risk management. As competitors apply pressure, sustainability becomes an issue of strategic direction and market growth. With investors, it becomes an issue of capital acquisition, and so on.

Over time, sustainability has become less and less an isolated business concern. The firm's business channels have been altered to bring environmental and social issues to managerial attention through avenues related to marketing, accounting, finance, product development, etc. For each case, firms have pre-existing models and language that enable them to understand the issue and formulate a response. As these responses have become routinized, ongoing sustainability issues are treated as ordinary strategic concerns, no longer dictated by external social interests or ecosystem constraints, but rather by internal strategic norms. This half of a two part course will examine sustainability as a mainstream business issue, one that fits within existing business parameters. Part two will explore the ways in which some of those parameters must shift if we are to fully address the sustainability challenges before us.

Class Format

The course will meet twelve times during the fall term. These sessions are divided into two sections. The first deals with the key drivers of corporate environmental management: regulation, international standards and policy, investors, consumers, industry trade groups and natural resource scarcity. The second section considers how these drivers alter the basic "rules of the business environment." The final session will be a wrap-up that considers what we have covered and where the issue may be heading in the future.

Assignments

Readings (including futures readings) and case preparation *are to be completed before* the class meets. Each session's reading assignments will present a variety of viewpoints. While reading these materials you should continually ask yourself: Do I understand the issue being discussed? Can I frame the issue in the perspective of both the environmental critic and the environmental proponent? How might this affect my decision-making as a manager?

Position Papers (Individual). Throughout the course, one-page single spaced position papers are assigned to each class related to the evening's readings. The questions are listed at the bottom of each week's assignment. Each student will be assigned two papers to complete over the course of the semester and be prepared to discuss in class (if time permits). Additionally, everyone will do position papers for sessions 2 and 12 (they are the same question) for a total of four position papers throughout the course. Overall, these papers are meant to challenge you on some fundamental aspects of corporate sustainability. Treat them as such. They need not be pro- or anti- anything. They must simply present a sound argument taking a stand on the issue. Think of it as something that you might submit to the *Wall Street Journal* or *New York Times* op/ed page.

Class Citizenship (Individual). A portion of your grade is based on class citizenship, which includes active participation and careful attention to mutual respect, fairness and professionalism in the classroom and in any virtual spaces we may use. It is critical not only for your personal learning, but also for the learning of your fellow classmates. Much of the value of the class comes from prepared, thoughtful, and informed dialogue between you and your classmates. This includes preparing for each class session, being an active participant in small-group and full-class discussions, completing class assignments, demonstrating respect for all course participants, and communicating with the professor and teaching assistant in a timely manner regarding any issues that arise that may inhibit your ability to fully participate.

Every session. Involves discussion, so you should be prepared to share your ideas and your questions and carefully listen for opportunities to learn and contribute to the learning of others. In a class like this, it is not always possible to call on every person who would like to speak. If you

have a question you would like to discuss further, you can always reach out to the professor or teaching assistant. When you are called upon, your contribution to class discussion will be evaluated more by the quality of your comments than their quantity. Quality comments often possess one or more of the following:

- Offer a relevant perspective with clear reasoning and careful analysis
- Apply the theory and concepts offered in the readings and lectures correctly.
- Advance discussion forward by building on previous contributions with original insights and/or powerful, provocative questions – do not merely restate points already made by others.
- Helps other students contribute their ideas
- Shares your own personal experiences in a way that adds to our understanding of the topic being discussed
- Talk with appropriate frequency (i.e., neither dominating the conversation nor being too passive).

Futures Scenario (Group). The business environment is changing. Sustainable development is emerging as a concern within policy and economic circles. But what does it mean? And what will it mean? What will the environment look like with regards to climate change, water availability, food scarcity, etc? What will the market look like in regards to energy, consumers, buildings, etc? What might the political or economic conditions look like?

Your task in this group assignment is to play the role of a business futurist. You will write a **10-15 page** report (appendices, tables and references can be counted above this total) on what you think global businesses will be expected to do in the next 10 years, and the next 50 years, with regards to the environment. Try to think of this as a consulting project with yourself as the client; what is your future business environment going to become?

You should approach this project by focusing first on a specific sector (e.g. plant-based meat). Then select a specific organization (e.g. Beyond Meat) to show how a business might navigate the different scenarios in the chosen sector. Teams will design two matrices. The first matrix will address the 10-year outlook and the second matrix will address the 50-year outlook. This means your paper should have a total of 8 unique scenarios. The axes can be the same across the matrices, or they can be different depending on how your group is thinking about the forces that will create change in your chosen sector over the 10 and 50 year timelines. Name each scenario (each quadrant of the matrix), so that it is easier to reference in your paper. The best names should thoughtfully reflect the combination of forces experienced in that scenario.

Reference "[Plotting Your Scenarios](#)" to map your write-up, brainstorm a list of key factors, and distinguish the predetermined elements from those that are based on uncertainty (on pages 4 and 5). Pay attention to the ten tips for successful scenarios. Overall, look at the deeper questions and rethink their assumptions about the future.

Your argument should include specific supporting facts where possible and should be properly cited in footnotes at the end of the text. (Please use the style guide at the end of this syllabus.) Your paper should not be more than **15 pages** (not including footnotes and up to two attachments), double spaced, 12 point, times roman font with one-inch margins. You should submit your topic and company before **session #4** and be prepared to discuss your analysis in

session #12. Be creative and thoughtful about this, but please try to avoid unrealistic prognostications.

Reflective Journals (Individual). To aid you in the reflection process inherent in a class such as this, you will keep a journal of your thoughts as we progress through the semester. This journal will help you sort out issues that the course raises. You will not be asked to actually hand in your journals but the contents will inform your final assignment. You will be required to submit a **3 page** summary at the end of class. It will consist of the following: (1) one page that offers bullet points of your key takeaways from the class sessions, (2) a visualization or drawing that integrates concepts and ideas from your bulleted list into a cohesive visual model that explains how class concepts will impact your career, and (3) a one-page written summary describing your visual model. This assignment must be grounded in some sense by the distant signals that we can already see in the market. This cannot be simply your value projection of how things “ought” to be. To help, it should address to some degree the first and last position paper: Can business management be completely compatible with environmental protection?

Final grade is composed of:

- | | | |
|-----------------------|-----|--|
| • Position papers (4) | 20% | Due ON CANVAS before class on the assigned day. |
| • Class citizenship | 20% | |
| • Reflective Journal | 20% | Due ON CANVAS by 6pm on October 6. |
| • Futures Scenario | 40% | Due ON CANVAS by 1pm on October 11. |

Course Material

There is a course packet of cases that you must purchase. All other readings are presented as hyperlinks in this syllabus. I recommend you be careful in how many times you click on a link as some outlets (i.e. *Harvard Business Review*) allow you a certain number of free views per month. These readings should be supplemented by steady reading of contemporary environmental issues as published in *The New York Times*, *Wall Street Journal*, *Business Week* etc.

There is also an optional book that some students have reported they liked as a way to return to course material in the future. You do not have to acquire it, and you can always acquire it later. It is completely optional:

- Hoffman, A. (2021) *Management as a Calling: Leading Business, Serving Society*, (Palo Alto, CA: Stanford University Press).

Academic Integrity and Community Values

Personal integrity and professionalism are fundamental values of the Ross School community. You have a duty to be familiar with and understand the Ross School’s Statement of Community Values, the Ross School Academic Honor Code, and the Ross School Code of Student Conduct including all campus public health policies. **In light of COVID our community has enhanced the Code of Student Conduct to include our commitment to each other and adherence to campus and School public health policies.** Each of these, including a Statement of Student Rights and Responsibilities, may be found in the Ross School Impact on [Ross Community Values](#). In addition every student at the University of Michigan accepts the rights and responsibilities of membership in the University’s academic and social community. These rights and responsibilities are clearly laid out in [The Statement](#). By enrolling in this course you confirm that you have read and understood these statements and policies, and further that you agree to abide by them. The Ross Community Values site contains valuable information and links on writing and how to check to

make sure you have not plagiarized the work of others. Claimed ignorance of these codes and policies will be viewed as invalid should a violation take place. In all cases if you have questions please address them with the professor as far **in advance** as possible.

Any violation of the Ross School Academic Honor Code such as plagiarism, otherwise passing off anyone else's work as your own, unauthorized collaboration, use of materials generated for use during past offerings of this course, or any form of cheating will be referred to the Community Values Committee. Possible penalties include course failure with a permanent notation of an honor policy violation on your transcript and even expulsion. As a community we are all still adapting and learning how this applies to hybrid and remote learning environments, but the same principles of academic integrity apply.

Virtual Office Hours

Office hours will be held remote via Zoom. To book an appointment slot, go to "Virtual Office Hours" or "Assistant Office Hours" on Canvas. There, you will be directed to a calendar appointment page. Click only an open appointment slot with the course name on it to sign up. If no slots are available, please try a different time range. To cancel an appointment slot you've already booked, leave this sign-up page and delete the event from your own calendar." If those times do not work for you, please contact the Professor or Graduate Student Instructor (GSI) directly for a time to meet.

Accommodations

The University of Michigan is committed to providing equal opportunity for participation in all programs, services and activities. Students wishing to receive testing accommodations must register with the University of Michigan [Services for Students with Disabilities \(SSD\)](#) office as soon as possible. Students must then submit their Verified Individualized Services and Accommodations (VISA) form online as early as possible, **but no later than two weeks prior to the first test or quiz for which accommodations are requested**. Accommodations arrangements are not guaranteed for students who submit their VISA form with less than two weeks' notice.

Requests must be sent using the [Ross Accommodations Request Form](#) and must include a scanned or photographed copy of the VISA form. This form only needs to be submitted once during your academic career with Ross unless your accommodations eligibility expires.

In rare cases, the need for an accommodation arises after the two week deadline has passed (example: a broken wrist). In these cases, students should still contact SSD and the Ross Accommodations Coordinator. However, due to logistical constraints, we cannot guarantee that an accommodation can be made after the two week deadline has passed.

Questions can be directed to the Ross Accommodations Coordinator at RossAccommodationsCoordinator@umich.edu.

Class Materials and Policy Related to their Use

To enhance health and safety, improve sustainability, and ensure equal learning access, all materials for Ross courses will be made available in electronic format only. Printed copies of course paks ("TextPaks") are available in addition to the electronic version. Please see our course Canvas site and/or contact the [Kresge Library](#) for further information.

All materials generated for the course including slides, handouts, review materials and assignments, or any other materials prepared by you or the professor for this course are intended for use by current students in this class only, unless you have the permission of your instructor. You are not permitted to use materials related to the class that were generated by the professor or students in previous versions of this course. A violation of this policy may be a violation of the Ross Community Values Code and may result in disciplinary action.

STRATEGY 564/EAS 512: Class Schedule

Session #1	<i>Introduction</i>	Monday, August 30
READINGS:	<ul style="list-style-type: none"> • <i>Business Sustainability as a Market Shift</i>, 2019, WDI/Erb Institute conceptual note #2-501-315. • Hoffman, A. (2018) "Management as a calling," <i>Stanford Social Innovation Review</i>, Summer. • The MBA Oath • Tufano, P. (2020) "A bold vision for business schools," <i>Harvard Business Review</i>, March 11. 	
Session #2	<i>Entering the Green Market</i>	Wednesday, September 1
READINGS:	<ul style="list-style-type: none"> • Edwards, C. (2018) "What's the Triple Bottom Line?" Business.com 	
FUTURES:	<ul style="list-style-type: none"> • <i>The Future of the Economy</i>: PWC, The World in 2050. 	
CASE:	<ul style="list-style-type: none"> • <i>Sherwin Williams: Splashing into the Low VOC Paint Market, 2010</i>, WDI/Erb Institute case #1-428-993 	
QUESTIONS:	<ul style="list-style-type: none"> • Can businesses add to their bottom lines by pursuing green markets? Is the market for low-VOC and no-VOC paints driven more by evolving consumer preferences, government regulation, or other forces? Are large firms within the paint industry, such as Sherwin-Williams, in a position to capitalize on green markets, even if they have suffered from a poor environmental track record in the past? How should Sherwin-Williams approach VOC and indoor air quality legislation? Should it push for much more stringent levels in order to shut out competitors who are further behind on the low-VOC development curve? How should Sherwin-Williams market these products? Should it target mothers, shaming them into using low-VOC paints to protect their children's health? 	
POSITION PAPER:	<ul style="list-style-type: none"> • Can business management be completely compatible with environmental protection? On the one hand, many see the environment and the economy locked in a win-lose trade off – protecting the environment must cost jobs and growth. On the other hand, many see the market as the direct cause of our environmental problems. If both of these are true, then we have a serious problem to contend with. Can we reconcile environmental protection with the capitalist system to yield both a stable economy and a stable environment? 	
No class	<i>Labor Day</i>	Monday, September 6
Session #3	<i>Market Drivers</i>	Wednesday, September 8
READINGS:	<ul style="list-style-type: none"> • Cortese, A. (2003) "Business; They care about the world (and they shop, too)," <i>New York Times</i>, July 20. • _____ (2017) "What to know about marketing to LOHAS food and beverage consumers," <i>Ethos</i>, July 3. • Manchester, K. (2015) "12 "natural" brands, owned by giant corporations: Here's the breakdown," <i>Groundswell</i> 	
FUTURES:	<ul style="list-style-type: none"> • <i>The Future of the Consumer</i>: Deloitte, Consumer 2020, 	
CASE:	<ul style="list-style-type: none"> • <i>The Clorox Company Goes Green, 2010</i>, WDI/Erb Institute case study #1-428-989. 	

- QUESTIONS:**
- The Clorox Company launched green household cleaning products line GreenWorks in 2008 and immediately commanded 40% of the market. Following stagnant sales in the early 2000s due to fierce competition with Procter and Gamble, Unilever and others, the company made a bold move into the green consumer market with the launch of GreenWorks, acquisition of Burt's Bees natural personal care products, and a strategic partnership with the Sierra Club. Where should Clorox go from here? Can Clorox leverage the success of GreenWorks in other areas? If so, how? Should Clorox switch strategies from fast follower to first mover? If so, how will this affect potential new "green" products?
- POSITION PAPER:**
- **Is "green" marketing really just greenwashing?** Think about it, is green marketing really just using the environment as a way to get you to buy more stuff? Or is it getting you to buy better stuff? How can we know when your purchase of a green product is replacing a purchase of a non-green product or getting you to buy more products? Isn't the answer to just consume less? How would you reconcile this dilemma if you worked for Procter and Gamble or any other consumer goods company...or any company at all?

Session #4	International Drivers	Monday, September 13
------------	-----------------------	----------------------

- | | | |
|------------------------|--|--|
| READINGS: | <ul style="list-style-type: none"> • Hardin, G. (1968) "The tragedy of the commons," <i>Science</i>, 162(3859): 1243-1248. • Wilson, D. (2016) "The tragedy of the commons: How Elinor Ostrom solved one of life's greatest dilemmas," <i>Economics</i>, October 29. • Mildenburger, M. (2019) "The tragedy of the tragedy of the commons," <i>Scientific American</i>, April 23 • Nijhuis, M. (2021) "The miracle of the commons," <i>Aeon</i>, May 4. | |
| FUTURES: | <ul style="list-style-type: none"> • <i>The Future of Energy</i>: International Energy Agency: World Energy Outlook 2019. | |
| CASE: | <ul style="list-style-type: none"> • <i>H&M's Global Supply Chain Management Sustainability: Factories and Fast Fashion</i>, 2014, WDI/Erb Institute case study #1-429-373. | |
| QUESTIONS: | <ul style="list-style-type: none"> • Corporations have poured billions of dollars into creating CSR teams and conducting social audits since the 1990s, when the sweatshops supplying Nike and Kathie Lee Gifford came to the world's attention. So why are people still dying on their watch? Companies like Walmart state that they do not know whether their products were made in a Rana Plaza factory because they contracted out production to their suppliers, who could have further subcontracted out portions of the job. Is this a valid excuse or should Walmart be held responsible for actions that occur throughout its entire supply chain? Does a disaster like this change consumers' future purchasing habits? | |
| POSITION PAPER: | <ul style="list-style-type: none"> • How far should free trade go with respect to the environment? If comparative advantage exploits the advantages a country possesses in providing cheaper goods and services, should we extend this notion to the disposal of pollution? Should a country with the resources to dispose of toxic pollution exploit this comparative advantage in the world market-place? This question presents a critical challenge to those who support both free trade and a clean environment. Can both sets of objectives be satisfied? | |

- GUEST:** • [Tom Catania](#)
Former VP of Government Relations at Whirlpool
- READINGS:**
- Walt, V. (2018) "[Volkswagen races to put 'dieselgate' in the rear view](#)," *Fortune*, July 23.
 - Soble, J. (2016) "[Mitsubishi admits cheating on fuel-economy tests](#)," *New York Times*, April 20.
 - Mouawad, J. (2015) "[Beyond VW scandal: Home appliance industry no stranger to tricks](#)," *New York Times*, October 9.
 - Apuzzo, M., S. Gebrekidan and D. Kirkpatrick (2020) "[How the world missed Covid-19's silent spread](#)," *New York Times*, June 27.
 - Gelles, D. (2015) "[Social responsibility that rubs right off](#)," *New York Times*, October 17.
 - Ewing, J. (2018) "[Ex-Volkswagen C.E.O. charged with fraud over diesel emissions](#)," *New York Times*, May 3.
- FUTURES:** • *The Future of the Corporation and the Job Market*: Jerry Davis, [Capital Markets and Job Creation in the 21st Century](#), Brookings Institution, 2015.
- CASE:** • *Volkswagen's Clean Diesel Dilemma*, 2016, WDI/Erb Institute case study #1-430-484.
- QUESTIONS:** • Was there anything about the culture at VW that could have contributed to the implementation of a defeat device? Are cultural characteristics leading to poor decisions unique to the corporate environment, or can they also be found in other large institutions such as governmental bureaucracies or large NGOs? Was there an effective CSR program in place to catch this violation? How did VW approach market competition considering the methods of other diesel manufacturers? How did VW's business model fit its stated sustainability strategy? What role did environmental and social responsibility play in VW's decision-making? What is the relationship between business and government with respect to environmental issues? What have companies besides VW done in order to incorporate environmental and social outcomes in their business strategies? If health concerns and deaths could be linked to nitrous oxide (NOx) emissions, should criminal charges be brought against the company? How far up in the organizational hierarchy should prosecution go? Were VW's sustainability initiatives an example of green-washing? How could the VW emissions scandal affect the market for clean fuel technologies? What does VW have to do to regain its reputation? What should the incoming CEO do internally to ensure something like this never happens again?
- POSITION PAPER:** • **Can technology solve our environmental problems?** [Bill McKibben](#) believes that "the environmental optimists are wrong: there is no market-oriented technological fix. Simply and radically, people have to change their lives...the dream that we will grow rich enough to turn green is simply that — a dream, and one that will turn into a nightmare if we try to follow it. ...[our choices demand] nothing less than heresy: an all-out drive for deep thrift, for self restraint, for smaller families. Brute objectivity requires new ideas about what constitutes sufficiency: smaller homes, more food grown locally, repair instead of replacement." [Jonathan Franzen](#) writes that "The climate apocalypse is coming. To

prepare for it, we need to admit that we can't prevent it." Are we really in such trouble? Can we use technology to improve upon ecological systems? Do we have no choice but to try, given the growth of society and the legacy of environmental damage left by history? Can new technologies even reverse the ecological damage caused by the old ones? Or, are we on a technological track, an innovation avenue, that will lead to unavoidable environmental destruction?

Session #6 **Social Drivers** **Monday, September 20**

- READINGS:**
- Knight, J. (2013) "[The everyday leadership of tempered radicals,](#)" Instructional Coaching Group.
 - Meyerson, D. (2004) "[The Tempered Radicals: How employees push their companies– little by little – to be more socially responsible,](#)" *Stanford Social Innovation Review*, Fall.
- FUTURES:**
- *The Future of Water:* World Resources Institute [Water Aqueduct Project](#)
- CASE:**
- *Coke in the Cross Hairs: Water, India and the University of Michigan,* 2010, WDI/Erb Institute case study #1-429-098.
- QUESTIONS:**
- Why should Coke even pay attention to the issues raised at the University of Michigan? How do you, as a corporate executive, know when to attend to some social issues and not others? Does this one have merit? On what grounds? Did Amy Landau really fail in her efforts to address water issues in India? How do the four characters in the case fit together? Are their goals in opposition? Are their tactics in opposition? Is the outcome a good one? More personally, where do you stand on the green continuum? There is no longer such thing a single green movement. There are shades of green, and the lines of the movement blur into the corporate sector. Are you a "bright green" – believe that corporations are the solution -- or "dark green" – believe that corporations are the problem? Where will you most fit, given your interest in promoting sustainability? Is one right and one wrong?
- POSITION PAPER:**
- **Can you be a "tempered radical"?** Think about the opening article and the concept of the "tempered radical." How hard do you think it is to play that role? Would you find it easier to be a tempered radical and create change in a company that "gets it" like Patagonia, or a company that doesn't, like a large resource extraction company? In the first case, you will be surrounded by people who understand the issues so your impact may be small. In the second case, you may be surrounded by people who don't appreciate the issues, but your impact could be large. Maybe the answer to this question comes down to your personality – where do you think you would most thrive?

**Past, Present & Future of
Environmental, Social & Governance
(ESG) Disclosure**

Session #7 **Wednesday, September 22**

- GUEST:**
- [Tim Mohin](#)
Executive VP and Chief Sustainability Officer at Persefoni
- READINGS:**
- [Global Reporting Initiative](#)
 - Pucker, K. (2021) "[Overselling sustainability reporting,](#)" *Harvard Business Review*, May/June.

- T. Mohin (2012) *Changing Business from the Inside Out: A Treehugger's Guide to Working in Corporations*, Berrett-Koehler Publishers
 - Chapter 9, "The corporate responsibility report and beyond."
 - Chapter 13, "Recognition, awards, and rankings."
 - European Reporting Lab (2021) [Proposals for a Relevant and Dynamic EU Sustainability Reporting Standard-Setting](#).
 - World Economic Forum (2020) [Statement of Intent to Work Together Towards Comprehensive Corporate Reporting](#).
 - US Securities and Exchange Commission (2021) [The Division of Examinations' Review of ESG Investing](#).
- FUTURES:**
- *The Future of Corporate Reporting*, EY, [Is Everything that Counts Being Counted?](#)
- QUESTIONS:**
- What are the pros and cons of including ESG information into financial disclosures? How can sustainability concerns, which are often difficult to monetize, be factored into investment decisions? What actions should governments take to ensure reliable ESG information is available?
- POSITION PAPER:**
- **Is the challenge of sustainability merely one of adequate information?** Can we provide enough information for investors (and consumers) to adequately shift the market toward sustainability? Much like insurance in the prior session, can the investment community drive the change we need by moving money away from polluting industries and into non-polluting ones? Is this the power of the market at its best, shifting our behavior to address our needs? Or, will we always fall short because we will never be able to monetize all risk through available information?

Session #8	Opening New Markets	Monday, September 27
READINGS:	<ul style="list-style-type: none"> • Rodriguez, J. (2019) "Understanding the LEED certification basics," <i>The Balance Small Business</i>. • University of Michigan Approach to Energy Conservation and Sustainability for Design and Construction 	
FUTURES:	<ul style="list-style-type: none"> • <i>The Future of Buildings</i>: McKinsey, Reimagining the real estate industry for the next normal 	
CASE:	<ul style="list-style-type: none"> • <i>Living Homes</i>, 2008, WDI/Erb Institute case study #1-428-714. 	
QUESTIONS:	<ul style="list-style-type: none"> • Would you invest in Steve Glenn's company? Would you buy one of his products (assuming you had the capital)? Is there a proper fit between his target market and the product he has to offer? Glenn says he has a six-month window to perfect his business plan. What do you think are his critical challenges in the three legs of his business model? What are the immediate threats and opportunities to his business model? Where should he position the company for long term growth? Is the Living Home model a credible solution to the problems created by the built environment? 	
POSITION PAPER:	<ul style="list-style-type: none"> • How do we change the institutions of society so that people will desire smaller, greener living environments? People love their big houses. It's a sign of success in our culture. The average size of the single family home in the United States has been growing steadily while the average number of occupants has been shrinking. That means that we use increasing amounts of resources per person for housing. On the other hand, there is a movement towards the "tiny home." Is this going to always be counter- 	

cultural? Or, do you think that people will begin to like smaller homes? If so, why? Can they become the status symbol that “McMansions” are now?

Session #9 **Public Resistance to Science** **Wednesday, September 29**

- READINGS:**
- Hoffman, A. (2012) "[Climate science as culture war](#)," *Stanford Social Innovation Review*, Fall.
 - Beck, C. (2019) "[How to talk to a climate skeptic: Responses to the most common skeptical arguments on global warming](#)," *Grist*
- FUTURES:**
- *The Future of the Climate: US Global Change Research Program*, [Global Climate Change Impacts in the United States](#),
- POSITION PAPER:**
- **How do you convince a climate skeptic that climate change is real?** Have you ever done it? This is a topic that really inflames passions – in the 2016 election, it was as big a wedge issue as abortion. What if that person is a member of your family? What if the topic comes up at the holiday dinner? Do you avoid the topic to keep the peace? Or do you engage the topic in order to stand up for what you think is right? If the former, are accepting the status quo? If the latter, are you only making things worse by causing a conflict? How do you thread the needle and have a conversation without causing friction? Can that be done?

Session #10 **Insurance and Science** **Monday, October 4**

- READINGS:**
- National Climate Assessment (2018) [Summary Findings](#)
 - Hoffman, A. (2018) "[Rising insurance costs may convince Americans that climate change risks are real](#)," *The Conversation*, October 22 (2018).
 - Flavelle C. (2020) "[Climate change poses ‘systemic threat’ to the economy, Big investors warn](#)," *New York Times*, July 21.
- FUTURES:**
- *The Future of Insurance*, Society of Actuaries, [13th Annual Survey of Emerging Risks](#).
- CASE:**
- *Travelers Insurance: Focusing on Climate Change and Natural Catastrophe Risk*, 2013, WDI/Erb Institute case study #1-429-347.
- QUESTIONS:**
- Is there a business case to be made to take action on climate change? What strategies should Evan recommend based on the particular business case? Should Travelers revise its catastrophe models to account for more extreme weather events? Could these adjustments make the company into a better underwriter, or will they cause the company to price itself out of the certain markets? Should the company change its policies to reflect the increasing likelihood of these events? Should it withdraw from specific regions, choose not to renew existing policies, or raise premiums for existing customers with high-risk exposure? Should it purchase more weather derivatives from reinsurance companies as a hedge against climate risk? Should it find a way to turn the massive volume of climate data available through agencies like the National Climatic Data Center into practical actuarial and business data? Or, would it be wiser to wait for third-party contractors to develop this data into useable business models?
- POSITION PAPER:**
- **Can insurance “internalize the externality” of climate change?** Certainly, one of the challenges of climate change is to make it personally salient for people and companies. Is insurance the way to do that? If your

premiums go up or your coverage goes down, is that the best way to get people to pay attention to this issue – effectively putting a price tag on it? Or, is something lost in the process? Is this an issue of right and wrong? Is making the “business case” to protect the global climate akin to making the “business case” not to commit suicide? Or is the business case the only way we can get people to actually act on this issue, even if something is lost in the process?

Session #11 *The Future of Mobility* **Wednesday, October 6**

- READINGS:**
- Hoffman, A. (2016) “[How driverless vehicles will redefine mobility and change car culture](#),” *The Conversation*, February 24
 - Boudette, N. (2019) “[Despite high hopes, Self-driving cars are ‘way in the future’](#),” *New York Times*, July 17.
 - Wayland, M. (2021) “[From electric vehicles to air mobility: GM looks to grow beyond traditional auto industry](#),” *CNBC*, May 6.
- FUTURES:**
- *The Future of the Automobile: “Special issue: The future of cars,” The Economist*, (1) [Gloom and Boom](#) (2) [Clean, Safe and it Drives Itself](#)
- CASE:**
- *Blueprint for Ford’s Future: From Personal Automobiles to Mobility*, 2013, WDI/Erb Institute case study #1-429-303.
- QUESTIONS:**
- Is Ford headed in the right direction? Can Ford make the transition from being a car manufacturer to a provider of mobility services? If so, should the company make this transition? What are the key drivers behind this shift? How should the company be positioned for long-term growth? What is Ford’s value proposition within the context of the new mobility market? What are the toughest challenges and greatest uncertainties/risks Ford is facing? How well has Ford protected itself from these risks? What are the critical challenges in the Ford business model as outlined in the “Blueprint for Mobility”? What are the immediate threats and opportunities to this business model? What is the role of partnerships and nontraditional stakeholders in Ford’s vision of the future? Does this exemplify a new model of business management? What are the pros and cons of the Zipcar partnership to each company? If you were a developing country or a burgeoning megacity, would you look to partner with Ford? What are the unique benefits/drawbacks Ford brings to the partnership (compared to other automotive companies/firms in other industries)? Can you envision any forms of resistance that the advocates for these partnerships might encounter in Ford? How can Ford be a leader in resource-efficient, sustainable transportation and still be the company that sells SUVs like the Explorer? How should Ford market these products? How can Ford convince customers and potential partners about its seriousness in entering the mobility market? Looking to the future, if you were David Berdish or Bill Ford, what would you do?
- POSITION PAPER:**
- **How radical is the culture change from the personal automobile to mobility?** Do you want to own a car? Do your parents? How do you view the car versus your parents? Dissect the elements of those views. What exactly does someone who loves cars see as compared to someone who may have trouble using the word “love” for such an object? How might these differences motivate some to resist the shift to mobility, and

motivate others to embrace it? How might you use that knowledge to convince someone to give up their love affair with the automobile?

- DUE (6:00pm):**
- Individual Assignment: Reflective Journal Summary

Session #12

Conclusion

Monday, October 11

- POSITION PAPER:**
- **Can business management be completely compatible with environmental protection?** (The same question from session 2).
- QUESTIONS:**
- Be prepared to discuss your individual assignment regarding the present and future expectations on business regarding the environment.
- DUE (1:00pm):**
- Individual Assignment: Future's Scenario Analysis

Style Guide for References

Please use endnotes for all references in your papers. The form of entries should fit the following format.

Book entries follow this form: Authors' or Editors' Last Names, Initials. Year. *Title of book*. (Italic, lowercase except for the first letter of the first word and the first word after a long dash or colon). City Where Published, with abbreviation for state or province (North America) or full name of country, only if needed to identify a small city: Name of Publisher. Examples:

Granovetter, M.S. 1965. *Getting a job: A study of contracts and careers*. Chicago: University of Chicago Press.

Kahn, R. L., & Boulding, E. (Eds.). 1964. *Power and conflict in organizations*. Glencoe, IL: Free Press.

R. Harbridge (Ed.) *Employment contracts: New Zealand experiences*. Wellington, New Zealand: Victoria University Press.

National Center for Education Statistics. 1992. *Digest of education statistics*. Washington DC: National Center for Education Statistics.

Periodical entries follow this form: Authors' Last Names, Initials. Year. Title of article or paper (in lowercase letters except for the first letter of the first word and the first word after a long dash or colon). *Name of Periodical*, volume number (issue number, *if needed*—see below): page numbers. Examples:

Shrivastava, P. 1995. The role of corporations in achieving ecological sustainability. *Academy of Management Review*, 20: 936-960.

Nonaka, I. 1991. The knowledge-creating company. *Harvard Business Review*, 69(6): 96-104.

Include an issue number *only* if every issue of the referenced periodical begins with a page numbered 1. (Look at more than one issue to check.)

If an article has no author, the periodical or producing body is referenced:

BusinessWeek. 1998. The best B-schools. October 19: 86-94

Chapters in books (including annuals) follow this form: Authors' Last Names, Initials. Year. Title of chapter (in lowercase letters except for the first letter of the first word and first word after a colon). In Editors' Initials and Last Names (Eds.), *Title of book*: page numbers. City Where Published, State or Country (only if necessary to identify the city): Name of Publisher. Examples:

Dutton, J., Bartunek, J., & Gersick, C. 1996. Growing a personal, professional collaboration. In P. Frost & S. Taylor (Eds.), *Rhythms of academic life*: 239-248. Newbury Park, CA: Sage.

For *unpublished* papers, dissertations, and papers presented at meetings:

Duncan, R. G. 1971. *Multiple decision-making structures in adapting to environmental uncertainty*. Working paper no. 54-71, Northwestern University Graduate School of Management, Evanston, IL.

Smith, M. H. 1980. *A multidimensional approach to individual differences in empathy*. Unpublished doctoral dissertation, University of Texas, Austin.

For an *electronic document*, include the author's name, if known; the full title of the document; the full title of the work it is part of; the ftp, http, or other address; and the date the document was posted or accessed.