

MOR 566

Environmental Sustainability and Competitive Advantage

Spring 2019

W 3:30-6:20pm

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Course overall goals

Few issues are more urgent for contemporary society than business's impact on the natural environment. In addition to longstanding concerns about the exhaustion of global resources, degradation of the environment, loss of biodiversity, and the effects on human biology, there is a wide consensus that climate change must be addressed in the near term to avoid the worst of the predicted, disastrous long-term impacts.

As environmental concerns intensify, we all—both as citizens and as future leaders in industry and society—must develop a better understanding of the related scientific, economic, social, political, and regulatory forces, and of how these forces are reshaping the context and conduct of business. Under the pressure of these forces, some firms are developing more sustainable business practices and products. Debate continues on whether these changes will suffice to meet our environmental-sustainability challenge. And this debate is difficult: different stakeholders have more or less divergent interests, and competing perspectives and values lead to conflicting analyses and different policy recommendations.

To prepare you to participate and lead in this domain, this course explores four broad sets of questions that the course will address in turn:

- (1) What is environmental sustainability? How environmentally sustainable is our current path? How urgent is the challenge?
- (2) What are the forces driving change in business conduct? How is business affected by depleting natural resources? By social movements? By government regulation? By financial markets?
- (3) Under the pressure of these forces, what new strategies and practices can firms adopt—in operations, technologies, product design, marketing, and non-market activities?
- (4) Will these changes in business conduct be sufficient? What will it take for us to meet the challenge of sustainability? What are the broader political-economy issues involved?

Course-specific objectives

The course has objectives in each of three domains: the intersection of environmental sustainability and business, strategic planning, and critical-thinking skills. I think of them as successively deeper layers. Critical-thinking is the foundational skill for strategic planning, and in this course, strategic

planning is the lens through which we will study business/sustainability. Upon successful completion of the course, students will have developed competencies in all three domains:

in the business/environmental sustainability domain:

- (1) explain the challenges of environmental sustainability facing business and society today;
- (2) describe the various forces driving change in business's environmental conduct;
- (3) develop alternative strategies for addressing both traditional economic considerations and environmental concerns;
- (4) explain the main competing points of view on the political-economy of environmental sustainability.

in the strategic planning domain:

- (5) analyze situations from the point view of multiple stakeholders;
- (6) analyze how these diverse stakeholders interact in shaping the conduct of business;
- (7) identify and assess alternative course of action in light of multiple criteria;
- (8) develop creative implementation approaches that respond to specific contextual challenges.

in the critical-thinking domain:

- (9) balance advocacy and inquiry in discussion;
- (10) climb down the ladder of inference to identify the origin of divergent views;
- (11) find common ground in ambiguous, complex, and controversial problems.

Required materials

- Course Reader at Bookstore (required)
- Other readings on Blackboard
 - If you have any questions or need assistance with the Blackboard Course Pages, please contact the Marshall HelpDesk at 213-740-3000 or HelpDesk@marshall.usc.edu

Class process

Each week addresses a different topic with a case and some readings. Note that in this course, unlike many others that use case studies, we do not use cases to illustrate how to apply the theory explained in the readings. Rather, the cases here portray situations that are complex and ambiguous—like the difficult situations we face in the real world, where the challenge is work out what the real problem is, and what kinds of approaches to resolving it should be considered. In this way, the course aims to help you build strategic planning and critical-thinking skills.

The readings will give you some perspective on the case and perhaps suggest some lines of analysis. But their main purpose is to help generalize some of the issues in the case.

Class sessions will usually begin with a short oral presentation by a student team, presenting their analysis of the case as if they were consultants and the rest of the class were the client in the case and representatives of other relevant stakeholder groups. We then open the discussion to the class as a whole. As a group, we will try to build a complete analysis of the situation and address the problems and issues it presents.

The class sessions that are focused on readings will take the form of a facilitated discussion rather than a lecture.

Preparing the case

The detailed Session Information section below gives more specific “study questions” for the case discussions. However, these study questions are only prompts to get you going: they are not an agenda for your analysis or for our class discussion. It is for you to identify the specific issues posed by the case and to decide how they can be best addressed. I will expect you to consider the case in the light

of all the assigned readings for the theme, and to come to each class prepared to present and defend your own analysis.

Team “Consulting Reports”

At the beginning of the semester, I will assign students to teams, and over the course of the semester each team will prepare Consulting Reports (CRs) on two of the cases in the syllabus.

You should think of these CRs as if your team were outside consultants reporting to your client in the case situation. Some cases give you flexibility in selecting your client: your team will need to consult with me in making this selection.

Most weeks we will have two teams preparing CRs. One of these teams will present orally to the class. The students in the class will role-play your client team (and occasionally some other stakeholders relevant to the situation). The other team will take the lead in responding the first team’s presentation on behalf of the client.

Detailed guidance on these CRs is in the Appendix on *Guidelines for Case Notes and Consulting Reports*. They will be graded using the criteria shown in the Appendix on *Grading Sheet for Case Notes and Consulting Reports*. I have also posted on Blackboard a Powerpoint template you can adapt for your presentation.

I have found that mastering these *Guidelines* is one of most valuable skills I can teach you. Your professional career depends crucially on the strategic planning and critical-thinking skills these reports rely on.

To ensure maximum value from the work you invest in preparing these reports, each time you do CR, I will meet for 60 minutes with your team as soon as possible after class (preferably right after class), to discuss the report’s strengths and weaknesses, and to brainstorm how the report could be strengthened. After the meeting, I will send the team and the class further feedback.

Note: As concerns the grading of the oral delivery, I will not penalize students for language difficulties when their first language is other than English.

Preparing the theme readings

I expect you to come to class prepared for discussion, by having read that day’s required readings. My goal in these sessions is not to lecture you on the materials: my assumption is that you have read them and will bring to class your observations (what was most interesting? new? most important to fix in memory?) and your questions.

Engagement

Active engagement is a key element in the learning process in this course. Engagement has three dimensions: (a) your pre-class preparation, (b) your in-class contributions to discussions, and (c) your after-class contribution of “take-aways.” Grading for these three components is described in more detail in the Appendix on *Grading Engagement*. To summarize the intent:

(a) Before class: As concerns the readings, you will need to have read and “digested” them, so you can come to class ready to discuss them. Pre-class preparation is even more important for the case discussion. You need to prepare a “Case Note”—a written summary of your analysis—of each case we discuss in the course (except the cases on which you are doing a team Consulting Report). These Case Notes should be posted to (not pasted into) the Assignment page on Blackboard before the beginning of the relevant class session. (Late submissions will not be counted toward the grade.) Point form is appropriate. Please post them as MS-Word documents, using the *Case Notes Template* in this Syllabus’s Appendix.

Note: You will need to prepare 13 cases over the semester (including the last class session's readings as a case). You will do team Consulting Reports (described above) on two of these cases: on these two, you don't need to submit a Case Note. Everyone needs to prepare the Case Note on the first case of the semester as a team (unless your team happens to be doing a team Consulting Report for that case), and everyone needs to prepare an individual Case Note on the last week's readings. Of the remaining cases, I will count towards the course grade the 7 Case Notes with the best grades.

(b) In class: As in many of your other classes, your active participation in the class discussion is a crucial part of the learning process: your contributions help both you and the rest of the class master the target concepts and skills. In class, I will often "cold call," so please avoid embarrassment by telling me before class if you are not prepared. And if you are uncomfortable with class participation, please let me know at the beginning of term and I will work with you to help you overcome this barrier.

(c) After class: In a discussion-based class such as this, much of the learning happens after class, as the dust settles and the key "take-away" lessons (TAs) become clearer in your mind. Once a week, starting in the second week of the semester, you will need to post a short note summarizing your TAs (in 10 lines or longer) to our Blackboard Discussion space. These TA postings might also include responses to other students' TAs already on the Discussion space. They may also discuss connections you see between the case and the associated readings, prior class sessions, or other real-world issues. I will count towards the course grade the 11 TAs with the best grades.

Teamwork

I encourage you to prepare for class with one or more class-mates. You will learn a lot more if you prepare the cases and readings in a group discussion. But I do request that once the discussion is over, you prepare your Case Notes individually: I consider this a matter of Academic Integrity.

Your CRs require considerable teamwork. Unlike your experience with some other team assignments in other courses, you will find that the work involved in preparing these presentations cannot be simply divided up among your team-members. Each part of the CR has to "fit" with the other parts, so your team will need to revise your draft CR a few times to create a strong argument.

Given the importance of teamwork, I ask students to give their team-members feedback after each of their CRs. The *Peer Feedback and Evaluation Form* (see Appendix) provides a template. After your first CR, you should complete the form, then send it to each of your team members and to me, and discuss it in a team meeting. The goal here is to ensure that your team surfaces and addresses any team process issues in time to improve the second time around.

After your second CR, please re-do the assessment and send it to me. The goal here is to allow me to assess if there is any reason to adjust up or down any individual grades for outstanding or sub-par contribution to the team's effort.

And I need students to complete a Peer evaluation for the Research Project team members.

Mid-term and Final exams

Both the mid-term and final exams will focus on your mastery of the assigned course readings (*not* the case studies). These will be in-class, closed-book exams.

Research Project

Students are required to do a Research Project. These can be team or individual projects. Teams will self-select, with no more than four students in a team. It is up to you to identify a topic that interests you (and that you and I agree fits the course objectives).

These reports can take either of two forms:

(1) Consulting report: This type of project might focus on a particular firm confronting a particular environmental issue, or it might consider the strategy of a government entity or an activist group. Projects of this type should be action-oriented and go from analysis to recommendations. The Guidelines we use in the CRs will serve as guidelines for this type of report too.

(2) Journalistic report: In this type of project, the group will assume the role of journalist, preparing a draft of an article about either a specific firm's actions or a wider sustainability issue suitable for submission to an industry magazine. You will need to provide me and the class a briefing.

In either of these forms, team projects must include some interaction—preferably face-to-face, but if not, then by phone—with relevant practitioners (managers at companies and/or NGOs, government officials, etc.), and your report must include clear attributions (citations) to these and all other sources.

More details are in the Appendix on the *Research Project Guidelines*.

Grading

Historically, the average grade for this course is between B+ and A- (about 3.5 out of 4.0). Course grades are calculated based on how you perform in the class both relative to the course goals and relative to other students. The first part of that calculation is based on the weighted average of your performance in each of several categories:

Component	Weight
1 st team Consulting Report	5%
2 nd team Consulting Report	10%
Class engagement: <ul style="list-style-type: none">➤ Case Notes (2 required, and best 7 of the others)➤ In-class participation➤ Take-away postings (best 11 of 13)	25% 10% 10%
Team project	15%
Mid-term exam	10%
Final exam	15%
Total	100%

Your final course grade will depend on achieving a passing grade in each individual course component.

Class attendance

Engagement is essential to your learning in this course, and you cannot engage during classes that you do not attend. If you must miss a case-discussion class, it is particularly important to prepare the relevant Case Note and submit it before the class.

Technology policies

For most of our class time, I will ask you to close your laptops. Your classmates and I will appreciate your undivided attention. You will not need to take many notes. (If you have a DSP certification relevant here, please speak with me.)

Videotaping faculty lectures is not permitted due to copyright infringement regulations. Audiotaping may be permitted if approved by the professor. Use of any recorded or distributed material is reserved exclusively for the USC students registered in this class.

Classroom etiquette

An atmosphere of mutual respect and professionalism is in order. So please...

- arrive at class on time: late arrivals are disruptive to your fellow classmates and to the conduct of the class;
- avoid leaving the classroom while the class is in progress: biology has its imperatives of course, but our class is a collective conversation of which you are an integral part;
- turn off your cell phones before you enter the classroom—no calls, no texting;
- do not engage in side conversations during class;
- do not pack up and leave towards the end of the class until it is clear the class is over.

Students with Disabilities

USC is committed to making reasonable accommodations to assist individuals with disabilities in reaching their academic potential. If you have a disability which may impact your performance, attendance, or grades in this course and require accommodations, you must first register with the Office of Disability Services and Programs (www.usc.edu/disability). DSP provides certification for students with disabilities and helps arrange the relevant accommodations. Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me as early in the semester as possible. DSP is located in GFS (Grace Ford Salvatori Hall) 120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. Email: ability@usc.edu

Support Systems

Student Counseling Services (SCS) - (213) 740-7711 – 24/7 on call

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.
<https://engemannshc.usc.edu/counseling/>

National Suicide Prevention Lifeline - 1-800-273-8255

Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week. <http://www.suicidepreventionlifeline.org>

Relationship & Sexual Violence Prevention Services (RSVP) - (213) 740-4900 - 24/7 on call

Free and confidential therapy services, workshops, and training for situations related to gender-based harm. <https://engemannshc.usc.edu/rsvp/>

Sexual Assault Resource Center

For more information about how to get help or help a survivor, rights, reporting options, and additional resources, visit the website: <http://sarc.usc.edu/>

Office of Equity and Diversity (OED)/Title IX compliance – (213) 740-5086

Works with faculty, staff, visitors, applicants, and students around issues of protected class.
<https://equity.usc.edu/>

Bias Assessment Response and Support

Incidents of bias, hate crimes and microaggressions need to be reported allowing for appropriate investigation and response. <https://studentaffairs.usc.edu/bias-assessment-response-support/>

Student Support & Advocacy – (213) 821-4710

Assists students and families in resolving complex issues adversely affecting their success as a student EX: personal, financial, and academic. <https://studentaffairs.usc.edu/ssa/>

Diversity at USC – <https://diversity.usc.edu/>

Tabs for Events, Programs and Training, Task Force (including representatives for each school), Chronology, Participate, Resources for Students

USC Department of Public Safety – UPC: (213) 740-4321 24-hour emergency or to report a crime.

Provides overall safety to USC community. dps.usc.edu

Academic Conduct

USC seeks to maintain an optimal learning environment. Students are expected to submit original work. They have an obligation both to protect their own work from misuse and to avoid using another's work as their own. All students are expected to understand and abide by the principles of academic honesty outlined in the University Student Conduct Code (see University Governance, Section 11.00) of SCampus (www.usc.edu/scampus or <http://scampus.usc.edu>). The recommended sanctions for academic integrity violations can be found in Appendix A of the Student Conduct Code.

Emergency preparedness/course continuity

If an officially declared emergency makes travel to campus infeasible, USC Emergency Information <http://emergency.usc.edu> will provide safety and other updates, including ways in which instruction will be continued by means of Blackboard, teleconferencing, and other technology.

Class Notes Policy

Notes or recordings made by students based on a university class or lecture may only be made for purposes of individual or group study, or for other non-commercial purposes that reasonably arise from the student's membership in the class or attendance at the university. This restriction also applies to any information distributed, disseminated or in any way displayed for use in relationship to the class, whether obtained in class, via email or otherwise on the Internet, or via any other medium. Actions in violation of this policy constitute a violation of the Student Conduct Code, and may subject an individual or entity to university discipline and/or legal proceedings. No student may record any lecture, class discussion or meeting with me without my prior express written permission. I reserve all rights, including copyright, to my course syllabi, lectures, Powerpoints, prior exams, answer keys, and all supplementary course materials available to the students enrolled in my class whether posted on Blackboard or otherwise. They may not be reproduced, distributed, copied, or disseminated in any media or in any form, including but not limited to all course note-sharing websites.

COURSE SCHEDULE

Date	Theme/Project	Case	Notes	Project due-dates
WHAT IS SUSTAINABILITY AND HOW ARE WE DOING				
Jan 9	What is sustainability? How are we doing?			
FORCES DRIVING CHANGE				
Jan 16	Finite resources	Clearwater Seafoods	Prepare today's Case Note with your CR team	
Jan 23	Social movements	Rainforest Action Network and Citigroup		
Jan 30	Government regulation	Fuel economy standards		Proposal
Feb 6	ESG ratings	ABB		
BUSINESS RESPONSES				
Feb 13	Strategy	InterfaceRAISE		
Feb 20	Technology	Herman Miller		Situation assessment
Feb 27	Marketing	Clorox	<i>Mid-term exam</i>	
Mar 6	Operations	Millipore		
Mar 20	Buildings	Genzyme		Report rough-cut
Mar 27	Non-market strategy	Sunrun		
PROSPECTS FOR SUSTAINABILITY				
April 3	Catalyzing change	Patagonia Provisions		
April 10	Government policy	Trade and the future of solar power		
April 17	Project presentations			Oral presentations to the class
April 24	The political-economy of sustainability		Your response to the Study questions needs to be posted on BB Assignments by start of class. Do TA too.	
May 3, 2-4pm			<i>Final exam</i>	Final written project report due at 2 pm

SOME OPTIONAL BACKGROUND READING

Understanding basic financial statements (UVA 6549, Oct 2012)

Note on capital budgeting (HBSP TCG 324)

Stakeholder mapping (BSR Nov 2011)

Harris and Codur: Macroeconomics and the environment. 2004

Roach, Harris and Codur: Microeconomics and the environment. 2015

SESSION INFORMATION

(* signifies material is in the course Reader)

PART 1: WHAT IS SUSTAINABILITY AND HOW ARE WE DOING?

Mon Jan 9: What is sustainability? How are we doing?

Before class, go to: [http://www footprintnetwork.org/en/index.php/GFN/page/personal footprint/](http://www footprintnetwork.org/en/index.php/GFN/page/personal_footprint/) and calculate your personal footprint. Bring your estimate to class.

And also go to: <http://www.nature.org/greenliving/carboncalculator/index.htm> to get more detail on what sources of your footprint are bigger versus smaller than the average.

Assigned reading:

Course Syllabus (please read the whole thing)

<http://en.wikipedia.org/wiki/Sustainability>

WWF: Living planet Report 2016 (skim)

B. McKibbin: "Global warming's terrifying new math," 2012

Study questions:

1. How urgent are our sustainability challenges?
2. Which two or three points in the WWF report struck you as particularly interesting?
3. What explains the emergence of sustainability as a priority today?

Optional further reading:

K. Anderson: "Climate change going beyond dangerous," 2011

US National Climate Assessment: Climate change impacts in the United States 2014 (see web)

Bloomberg et al.: Risky business: The economic risks of climate change in the United States. 2014

IPCC Fifth Assessment: Summary for policy makers

PART 2: FORCES DRIVING CHANGE IN BUSINESS CONDUCT

Jan 16: Finite resources

* Case: Clearwater Seafoods (HBS 9-716-023)

Assigned reading:

G. Hardin: "The tragedy of the commons" (1968).

E. Ostrom et al.: "Revisiting the Commons: Local Lessons, Global Challenges" (1999)

Study questions:

1. Why did the North Atlantic cod fisheries collapse?
2. Are the fisheries in which Clearwater active (scallop, lobster, clam, shrimp) likely to collapse too?
3. Where and how does Clearwater make most of its profits? How do you expect this to change over time?
4. Does the firm have the right degree of vertical integration and the right level of horizontal (product) and geographic scope?
5. Clearwater attempts to compete in a different way from most of its competitors. Has it been successful? Why or why not?
6. Do Clearwater's sustainability initiatives make sense from a shareholder value standpoint?
7. What advice would you give to Ian Smith?

Optional further reading:

- R. N. Stavins, "The problem of the commons: still unsettled after 100 years," AER 2011
 D. Pauly: "Aquacalypse now," New Republic (2009)

Jan 23: Social movements

* Case: Anatomy of a corporate campaign: Rainforest Action Network and Citigroup (A, B) (Stanford P-42A, P-42B)

Assigned reading:

- * D. Spar, L. T. La Mure, "The power of activism: Assessing the impact of NGOs on global business," *California Management Review*, Spring 2003
 J. Hari, "The wrong kind of green," *The Nation*, March 2010

Study questions:

1. Was it strategically wise for RAN to launch a campaign on project finance? Can RAN realistically expect to affect project finance, which is provided by banks around the world?
2. Was Citigroup a good or bad target for RAN? Why not focus on project contractors themselves?
3. At the end of the B case, what should Citigroup do?
4. If Citibank agrees to negotiate an agreement with RAN, what should RAN agree to? What should it not agree to?
5. What should we make of RAN's tactics? Is this "democracy in the marketplace"?

Optional further reading:

Greenpeace: "Roadmap to Recovery: The world's last intact forest landscapes" 2006

Jan 30: Government regulation

* Case: Corporate Average Fuel Economy standards 2017-2025 (HKS 727)

Assigned reading:

- * M. Porter and C. van der Linde: "Green and Competitive: Ending the Stalemate," *HBR*, September-October 1995

Wikipedia: Jevons paradox

Study questions:

1. What are the main costs and benefits of the proposed rule? Which are "private" (borne by the parties making the decision) and which are "external" (borne by other parties)?

2. What factors do you think explain the fact that the current fuel efficiency of vehicles is substantially less than NHTSA's estimates of the costs and benefits indicate would be in the private interests of vehicle buyers and manufacturers?
3. What policy alternatives are there to CAFE standards? What are their pros and cons?

Optional further reading:

Public policy and the manager: Conceptual framework (HBS 9-794-028)

Fullerton and Stavins, "How economists see the environment," *Nature* 1998

Ambec et al., "The Porter hypothesis at 20: Can environmental regulation enhance innovation and competitiveness?" 2011

Feb 6: ESG ratings

* Case: Sustainable development and socially responsible investing: ABB in 2000 (HBS 701-082)

Assigned reading:

* "ESG metrics: reshaping capitalism?" (HBS 9-116-037)

* "Note on Socially Responsible Investing" (HBS 609-060, rev'd Aug 2012)

Study questions:

1. The introduction to the case identifies three issues that Stromblad is struggling with. What are the competing views in contention in each of these three debates?
2. What position would you recommend to Stromblad on these three issues?
Note: It is unclear in the case what proportion of ABB's parent company's investors should be classified as SRI types. So we will assume that ABB is much like other publicly traded companies in this regard.
3. What assessment do you make of the influence SRI funds were exerting here on business conduct?

PART 3: BUSINESS RESPONSES

Feb 13: Strategy

* Case: InterfaceRAISE (9611069, rev Mar 2012))

Assigned reading:

W. Mitchell: "Strategic analysis primer" 2014

* R. Orsato: "Competitive environmental strategies" CMR 2006

Study questions:

1. What is InterfaceRAISE's value proposition?
2. InterfaceRAISE had three objectives. Which appear to be driving its strategy? Can all three be achieved simultaneously?
3. What would you recommend to CEO Dan Hendrix with regard to strategy, service offering, pricing, and structure/staffing? What would you request from Interface Inc. in terms of time and/or investment?
4. What should InterfaceRAISE's goals be in the next five years? What metrics should they use to assess progress? What targets should they set?

Feb 20: Technology

* Case: Cradle-to-Cradle Design at Herman Miller: Moving Toward Environmental Sustainability (HBS 607-003, rev'd Dec 2009)

Assigned reading:

- * F. Reinhardt: "Environmental product differentiation: Implications for corporate strategy," *California Management Review*, 40(4) 1998: 43-73.
- * Sustainability and innovation: frameworks, concepts, and tools for product and strategy redesign (Darden UVA-ENT-0138)

Study questions:

1. Should Herman Miller use PVC or TPU in the Mirra Chair arm pad?
2. What is your assessment of how Herman Miller implemented the C2C protocol?
3. Why did Herman Miller undertake this strategic environmental initiative?

Notes: (a) Cost of arm-pad is about 10% of total cost of a chair, but total cost is not easy to estimate: you can assume it is about \$350. (b) Neo-con is a big deal: it is where new products are released, and if you miss that 'launch' window, it is a serious disruption to projected sales. (c) What is TPU?

See: https://en.wikipedia.org/wiki/Thermoplastic_polyurethane

Optional further reading:

W. McDonough and M. Braungart, "A world of abundance," *Interfaces*, 30, 3, 2000: 55-65

Feb 27:

6:30-7:45pm: Mid-term exam

8:00-9:30pm: Marketing

* Case: The Clorox Company: Leveraging Green for Growth (HBS 9-512-009, rev April 2012)

Assigned reading:

Terrachoice Environmental Marketing Inc.: "The six sins of greenwashing," 2007

Ottman, Stafford, and Hartman, "Avoiding Green Marketing Myopia" *Environment*, 48, 5, June 2006, pages 22—36.

Study questions:

1. Why did Clorox move into greener products?
2. How successful has this been for Clorox? For the environment?
3. What would you recommend to Springer? How can Clorox more effectively build on the successes of Brita, Burt's Bees, and Green Works?

March 6: Operations

* Case: Sustainability at Millipore (HBS 9-610-012, rev'd Jan 2014)

Assigned reading:

* Corporate Greenhouse Gas Accounting: Carbon Footprint Analysis (Darden UV2027)

E. Rochon and P. Dickinson, "Are Corporate Carbon Intensity Targets Greenwash?" *Ethical Corporation*, March 2009.

Study questions:

1. How should Millipore focus its Sustainability Initiative? How should David Newman measure success?

2. Going forward, how should Millipore prioritize projects for the Sustainability Initiative?
3. What factors should Millipore consider in setting its next greenhouse gas reduction target? Recall that key parameters include choosing between absolute and relative reduction, a percentage reduction level, its duration, and the scope of emissions covered.
4. Considering the pros and cons, should Millipore purchase carbon offsets as part of its strategy to meet its greenhouse gas reduction objectives?
5. What changes, if any, would you recommend to Chairman, CEO, and President Martin Madaus to improve the effectiveness and/or efficiency of Millipore's Sustainability Initiative?

March 20: Buildings

* Case: Genzyme Center (A) (HBS 9-610-008, rev Sept 2010)

Assigned reading:

McKinsey: "Reducing US Greenhouse gas emissions: How much at what cost? *Executive Summary*" 2007

Study questions:

1. What do you think of Genzyme's motives for investing in green building practices?
2. Would you recommend that Genzyme make the additional investments required to get to LEED Platinum?
3. If they were to go for LEED Platinum, which features should they implement? What criteria should they use in deciding that? This analysis requires you to estimate the cost of each of the 5 options for additional green building features, the associated LEED credits, and the associated environmental benefits. Determining the LEED credits is not easy, but do not be deterred: with some careful digging in the Appendix you can come up with a good estimate. Information on the costs and environmental benefits are in the case. Then you'll need to work out what sub-set of these 5 features you recommend. Please do come to class prepared to defend your point of view.
4. Looking forward to other building projects, what green building policy should Genzyme adopt? Should the policy be different for offices, laboratories, and manufacturing sites? Should it be different across US, Europe, and Asia regions?

Optional further reading:

* "Rating Environmental Performance in the Building Industry: Leadership in Energy and Environmental Design (LEED)" (UV 2005, rev. 2010)

March 27: Non-market strategy

* Case: Sunrun in 2017: Net metering in Nevada (A) (P93(a))

Assigned reading:

* J. Bower and C. Christensen: "Disruptive technologies," HBR 1995

Study questions:

1. Who are the stakeholders on either side of this net-metering debate?
2. Where does the political power lie in making net metering decisions?
3. What should Fenster and Jurich do?

Optional background reading:

DOE: Electricity Regulation in the US: A (Brief) Guide

PART 4: PROSPECTS FOR SUSTAINABILITY

April 3: Catalyzing industry change

* Case: Reversing climate change through sustainable food: Patagonia Provisions (B5888)

Assigned reading:

Watch the video at <https://www.patagoniaprovisions.com/pages/unbroken-ground>

Study questions:

1. What is the rationale for Patagonia to extend into specialty foods? How is this similar and different from apparel?
2. How does Patagonia's status as a privately held company help or hurt this new effort? How does it relate to Patagonia's efforts to influence the practices of other food companies?
3. What are the pressures on suppliers favoring or impeding suppliers' transition to regenerative organic agriculture? How can Patagonia ease that transition?
4. What should Patagonia do to influence federal and state policies and thus encourage adoption of regenerative organic practices?

Optional background reading:

Foley: "Can we feed the world and sustain the planet?" *Scientific American*, Nov 2011

April 10: Government policy

* Case: Shaping the future of solar power: Climate change, industrial policy, and free trade (HKSG 1992.0)

Assigned reading:

Mazzucato: "Mission-Oriented Innovation Policy: Challenges and Opportunities" 2017

Study questions:

1. Why did the US government promote Solyndra?
2. Should governments undertake industrial policy? And more specifically: should they take the lead in developing technologies that can respond to the challenge of climate change?
3. What should the US government do about trade with China?

Optional background reading:

Note: "'New' theories of international trade," (HBS 9-390-001)

April 17: Project presentations

April 24: Competing perspectives on the political-economy of sustainability

This week is rather different: we have no case, just a set of readings. To ensure we have a high-quality discussion, I'd like everyone in the class to draft a summary of your responses to the Study questions listed below and post it to BB as a Case Note. Please also post a TA after class.

Assigned readings:

L. Lane: "The green movement and the challenge of climate change," *American Enterprise Institute* 2009

* A. B. Lovins, L. H. Lovins, P. Hawken, "A road map for natural capitalism," *Harvard Business Review* 2007

F. Magdoff, J. B. Foster, "What every environmentalist needs to know about capitalism," *Monthly Review*, 2010

W. Nordhaus: "The Pope and the market," *New York Review of Books*, 2015

B. McKibben: "A world at war," *New Republic*, 2016

Study questions:

1. There are 6 perspectives (counting both the Pope and Norhdaus) expressed in these articles on people, the economy, and society. From the point of view of each perspective, taking them in turn, what is the root challenge that makes it difficult for our country to assure environmental sustainability? And what is the best way forward?
2. Where do they agree and disagree with each of the other perspectives?
3. Which perspective comes closest to your personal views? Why?

May 1:

7pm: Final Project report due posted on BB

7-9pm: Final exam.

Guidelines for Case Notes and Consulting Reports

NOTE: These Guidelines are for both your weekly Case Notes and the team Consulting Reports. I have presented them in the context of the Consulting Reports, but the content of the analytic work you need to do is identical in nature. In practice, I don't expect as thorough or detailed an analysis for the Case Notes as for the Consulting Reports (for example, I am not expecting a Sensitivity analysis); but this kind of analysis is a skill that advances with practice, and the more rigorous your weekly Case Notes, the more your skill will improve.

These Guidelines reflect the accumulated insights of many colleagues with whom I have taught with over the years. They are consistent with, and offer elaboration on, Marshall's "USC-CT" framework for Critical Thinking:

- U: Uncover the various potential problems, challenges & opportunities vis-à-vis organizational goals.
- S: Select the most critical problem(s), challenge(s) and/or opportunity(ies). Prioritize.
- C: Create a multitude of potential solutions.
- C: Choose the solution(s) that has the potential to be the most effective.
- T: Translate your solution(s) into an effective implementation plan.

They are designed to help you structure arguments about "strategic" issues. Such issues are typically deeply ambiguous: our main task in these situations is to resolve this ambiguity. These issues are therefore rather different from those you encounter in many other courses, where the essential task is not to resolve **ambiguity** but to resolve **uncertainty** and **complexity**. Where issues are uncertain and complex but not ambiguous, we can often resolve them through calculation of some kind, even if the calculations are themselves very complex. By contrast, where issues are ambiguous, the meaning of our goals and the significance of the facts at hand are in dispute, and calculations therefore do not convince. To find the way forward here we cannot rely on calculation, but must make a reasoned appeal to intuition, in order to resolve these different meanings and developing a shared understanding.

* * *

Think of your case analysis as a consulting engagement. Imagine that you have been given a chance to study the focal organization and to come up with a diagnosis and a set of recommendations. (Note that these same guidelines apply if you are preparing a proposal to bring to your supervisor or to your peers about an issue in the organization you work in.)

A few issues are immediately posed:

- * You will need to explicitly identify a specific client, since your action recommendations will need to be ones that this client can implement.
- * In this course, you have some latitude in choosing your client: even if the case is written from the point of view of a given firm or person, you might choose to take as your client one of the other stakeholders. However, in choosing your client, make sure the case and associated readings provide you with enough material. Please consult with me beforehand so we agree on your choice of client.
- * The issues to be resolved may not be obvious; but this is also true of many real-world situations. The Study Questions in the session descriptions are offered only to get your thinking going—they are not an agenda for your analysis.

* In this situation, you are not a “subject matter expert” but rather a “facilitator”: your client will know more about the issues and context than you, so your job is not to “sell” them on your recommendation but to lay out as a clear chain of reasoning so that they can use your input to clarify their own thinking.

You will make this presentation to the class, but you should think of the class as if we were the client and his/her leadership team. (Do keep in mind, however, that in some class sessions, some students will be assigned to play the role of representatives of other stakeholder groups.) Given this context, and given the time constraints on your presentation, you should not waste time repeating the case facts that would be known to this audience. (In real engagements, you might review these case facts to establish common ground and to buttress your credibility; but in class, that will be a waste of precious time.)

* * *

Your presentations should include the following elements:

First, it is always a good idea to begin with a single **summary** slide that states your key “take-away message.” The best way to do this is to state succinctly (a) the key issue facing the client organization, (b) the root challenge that makes it difficult to resolve this issue, and (c) your main recommendation for overcoming this root challenge.

Second, you should lay out an overview of your presentation—the **agenda**. This slide should tell us what topics you will address in what order. It will be much more impactful if simultaneously you can summarize in a short phrase the key conclusion of each of these parts of the presentation. If you do this slide well, it can lay out in skeleton form the substantive logic of your argument leading to your key recommendation.

Third: the body of the report. Here you may want to reiterate the key **Issue** facing the client if your summary slide’s characterization of that issue needs more explanation. The key issue is the problem to be resolved, so it is important that you state it in a way that your client will immediately recognize as an accurate statement of their problem. Your statement of the issue creates a “shared context” with your audience. It is sometimes pretty obvious, and you may have addressed it sufficiently in your summary slide; but sometimes it is less obvious and warrants a slide and discussion to itself. This is the USC-CT step: “*U: Uncover the various potential problems, challenges & opportunities vis-à-vis organizational goals.*”

You need to be as clear as possible about the time-horizon of this Issue. The time horizon you set will condition your analysis, recommendation and implementation plan. These will be different if the Issue you address is something that needs to be resolved over the next six months versus, say, the coming three years. If you choose a longer-term issue, then it goes without saying that you will deal with the shorter-term issues that its implementation poses in your Implementation plan. Less obviously: if you focus on a shorter-term issue but you think there is a longer-term issue lurking behind it, you should address the latter in your Implementation plan too, as something the client should start considering.

Having identified the key Issue, your next task is to “peel the onion” another few layers to identify the **Root challenge** facing the client. This is the USC-CT step: “*S: Select the most critical problem(s), challenge(s) and/or opportunity(ies). Prioritize.*” Think of this step as performing Toyota’s “Five Whys.”¹ The Root challenge is the factor that makes it difficult for the organization to resolve its

¹ As explained on Wikipedia: The problem (or what I am calling the challenge) is that my car won’t start.

Ask:

1. *Why?* - The battery is dead. (first why)

key Issue successfully. Think of your task here as akin to a physician's: the patient (client) comes in with a whole set of "presenting symptoms" (i.e. Issues) —it's your job to identify the most pressing of these symptoms and then the underlying disease (i.e. Root challenge). For a consultant as with a doctor, a good root-challenge analysis yields insight that is actionable: actionability is crucial, since the rest of your presentation is going to focus on resolving this root challenge.

Note that organizations usually face multiple issues, and for any one of these, there may be more than one root challenge. But you simply don't have time to address more than one issue and one root challenge in a short presentation. The burden is on you to "add value"—as much value as possible—for your client by identifying the most critical issue and the highest-leverage root challenge.

Identifying a Root challenge is often difficult—but it is immensely valuable for your client. In real life, your contribution will often be more appreciated by your colleagues and clients if you can help identify the right question than if you propose an answer, even if it turns out to be the right answer. Your diagnosis of this root challenge should be argued, not just asserted, using the relevant facts of the case and whatever analytic tools seem necessary. Some of the supporting analysis may need to go into an Appendix.

Note too that sometimes the client has a strong opinion as to the nature of their real problem, and this opinion may be expressed in the case, but you may think their analysis is not accurate. In this situation, you have to convince them that your diagnosis is more accurate than theirs. And sometimes the case describes a situation without explicitly identifying any specific issues at all, perhaps because the client organization is doing very well: here your task will be to identify the deep source of their success and a key source of vulnerability in the future, and what they could do address that vulnerability.

In cases such as the ones we study in this course, there are typically multiple internal and external **Stakeholders** relevant to your client's decision-making, and these stakeholders have different interests, rights, and concerns. Stakeholders are any groups affected by the issue or decision the client is facing, or in a position to affect the client's decisions. Your analysis will be more useful if you focus on these actors' stakes in the decision issue at hand, rather than zooming further out to the whole field of action. Some stakeholders may not be obvious at first sight—they may be "downstream" or "upstream." You need to ask yourself: Who are the parties affected here? What rights or interests or concerns of theirs are involved? What is the nature of the client organization's economic and political relations to these stakeholders? Somewhere in the course of your presentation, you will need to consider these stakeholders. You should fold that discussion into your presentation wherever it adds most value for your argument. This may turn out to be in your characterization of the key Issue; it may be in defending your characterization of the Root challenge; it may be in identifying and assessing your Options; or it may be in planning your Implementation plan. But it should contribute something to your analysis somewhere.

After defining the Key Issue and Root challenge, and perhaps after you have presented your Stakeholder analysis and the explained the insights that flow from that, you need next to identify the strategic **Options** – a small number (usually three or four) plausible candidates for addressing the Root challenge facing the client organization and thereby helping it resolve its key Issue. This is the USC-CT step: "*C: Create a multitude of potential solutions.*" These options represent alternative *compass*

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2. *Why?* - The alternator is not functioning. (second why)
 3. *Why?* - The alternator belt has broken. (third why)
 4. *Why?* - The alternator belt was well beyond its useful service life and has never been replaced. (fourth why)
 5. *Why?* - I have not been maintaining my car according to the recommended service schedule. (fifth why, a root cause)

headings—overall directions the client could follow to overcome the Root challenge. As such, they are stated in rather abstract terms, in contrast to the implementation plan which should be stated in more concrete terms so as to specify a detailed *itinerary* (see below). Your strategic Options should therefore not be a laundry list of things worth doing: Options should define the critical choice that the client must make among alternative possible directions. To be maximally useful to the client, these options should be (a) plausible but (b) fundamentally different, indeed mutually exclusive – just as one cannot simultaneously pursue two different compass headings. In practice, you should make sure that your list of options includes the ones likely to be under discussion within the client organization: by explicitly addressing these options, you will be helping your client reach a reasoned consensus.

Having articulated these Options, your next task is to justify your recommendation of one of the over the others with reasoning that could convince a skeptical client. This is the USC-CT step: “C: *Choose the solution(s) that has the potential to be the most effective.*” The key to convincing the client is to recognize that there are lots of points of view in the client organization (and in the class) on how to overcome their Root challenge and thereby resolve their Key issue: your job is to convince us that the strategy option you recommend is the most likely one to achieve success. The best way to do this is as follows:

- * First you need to identify a common set of **Criteria** against which to evaluate the options. A broad range of strategic and operational considerations are potentially relevant, but it is up to you to come up with a small set of key criteria. Use as few as possible to avoid getting lost in the weeds. And make sure they are as independent as possible, otherwise you are implicitly double-counting. You need to justify your choice of criteria: you can often do that by referring to the priorities implied by the organization’s basic mission and business strategy. In identifying the criteria, it often helps to consider what it is about each Option that makes it attractive to its proponents. On the other hand, however, if your argument is going to be convincing, your criteria should be ones that proponents of all the options will agree to. So, for example, if you were trying to choose a restaurant for dinner with your friends, and the options were China Wok, Sushi Dan, or Hamburger Hamlet, a criterion of “great Chinese food” would be less useful than “great tasting food.”

- * Then you should take each criterion one at a time, and show how your options compare on that criterion. Start by qualitatively each option’s **pros and cons** on this criterion. The evidence you need to make this assessment is probably scattered in the case study—it’s not “pre-digested” for you like it would be in a textbook. Then you should be able to **score** the options relative to each other for this criterion. Usually a scale of 1-4 suffices if you have three Options. (If you use a wider scale, such as 1-10 or 1-100, you risk (a) giving a false impression of the precision of your analysis, (b) encouraging unproductive debate over minor differences, and (c) implicitly giving one criterion more effective weight than others because it has a great variance of scores.) Keep in mind that you are not trying to conduct a real quantitative analysis: you are just using numbers to make your qualitative arguments more explicit. **Note:** if your options are all genuinely plausible, then you should not end up with scores for one option being inferior to those of any of the other options on *all* your criteria: that would imply that the first option is, in reality, not a serious option at all.

- * To add up these scores in a convincing way, you need a set of **weights** for these criteria that reflect their relative importance to the organization. You need to explain why these weights are the most appropriate. To preserve the qualitative nature of the reasoning in that analysis, use simple weights: 1-4 should suffice if you have three Options, and 1-5 should suffice for four Options. Again, you are trying to maintain the qualitative nature of the reasoning and avoid having to justify small differences that you can’t defend (e.g. between a weight of 25% and 30%).

- * Multiplying scores by weights, you can create a **weighted score** for each option and use these to rank-order the options from best to worst. **Note:** putting numbers to these weights and scores is a great way

to clarify your thinking; but the numbers will not convince your client: you need to explain in more intuitive, qualitative language the rationale for your conclusion, and the numbers are here only to help make more explicit your reasoning.

* Finally, you should **test the sensitivity** of the resulting option-ranking to plausible alternative estimates of the weights. (I recommend you focus on alternative *weights* rather than alternative *scores*, because in principle it should be easier to get consensus on the scores, and the real disagreements in the client team are more likely to over the relative weights of different criteria.) Here is where the benefits of a formal, quantitative decision-analysis reveal themselves: it can show whether reasonable people using reasonable but different weights would reach different conclusions. If your solution is not “robust” against such disagreements, close scrutiny of the analysis will help you differentiate between the “real issues”—where disagreement would change the final conclusion—and the “non-issues”—where disagreement doesn’t matter to the final ranking. The best way to do this is to ask: what weights would proponents of the other options (the ones you are *not* recommending) propose if they were making their best case? Then you can discuss the relative plausibility of these weights compared to your preferred weights. This analysis should be summarized on a slide—but I recommend you find a way of presenting your results qualitatively, i.e. without recourse to quantified data: here too, numbers rarely convince anyone, so you should use them only (a) to clarify your own thinking and (b) to buttress the credibility of your qualitative reasoning: leave the quantitative analysis itself in an Appendix slide.

Now, having described and justified the main “compass heading” you are recommending, you can move to implementation planning, where you provide your client with a detailed “itinerary” that will enable them to implement your recommended strategy. This is the USC-CT step: “*T: Translate your solution(s) into an effective implementation plan.*” Depending on the case, you may not have enough data to develop this part of your presentation in much detail, but here is what this section would ideally address:

* First, you should identify the likely **hurdles**—the factors within the control of the organization—that would face your client in pursuing your proposed strategy, and suggest some **counter-measures** your client could use overcome these hurdles.

* Second, you should also identify the **risks**—the factors outside the client’s control—confronting your strategy, then show the **counter-measures** that could mitigate these risks, and if they can’t be mitigated, how the client should proceed if these risks do materialize.

* Synthesizing this analysis of hurdles and risks and their respective counter-measures, you should propose a **sequenced and timed implementation plan**, answering the questions: what are the key steps to be done today, next week, next month, next quarter, and next year, and who should be responsible for these activities. This plan will be far more useful if you support it with some reasoning—i.e. explain why you recommend this sequencing and timing rather than another.

* Note that your Recommendation will be relative to a certain time-frame. Your implementation plan will focus naturally on what the client needs to do within that time-frame. But the Implementation section is also a section of your report where you might want to address longer-term issues, beyond that time-frame, that you believe the client will need to address.

* Finally, to convince the client that your recommendation is practical, you should consider the overall “bottom-line”—the **costs** as well as the **benefits** of your plan of action. Reports often forget this elementary consideration! It’s a nice way to wrap up the presentation.

Note: you may not have enough information to ground all the details of your implementation plan in the case data. In that eventuality, it is often helpful to work with some plausible assumptions and show us what the plan would look like. At a minimum, you will have provided the client with a template (“straw-man”) that they can build on.

Note too: your implementation plan probably has many facets, but it is often useful if you devote a slide to one particularly high-leverage component. The goal here would be to pinpoint the main challenge facing implementation of your recommended Option, and then to propose a way of addressing it. Obviously you won't have time to argue in any detail for this analysis, let alone to discuss alternative ways of addresses it; but even without that, this slide can considerably augment your presentation's value. If the plan of action involves, for example, a new reporting structure for the organization, you might include a detailed organization chart for the new structure. Or perhaps effective implementation involves training: in that case, you might show us a course outline for the training module. Or perhaps it involves a leader explaining to this organization the rationale for a new strategy: you might include a video that you create with your team, where one of you acts the CEO articulating this message. In this way, you can make more concrete the implications of your plan, and show that you have anticipated some of the detailed action planning that it will require.

Your goal is to deliver to your client as much "value" as possible—that is, deep insights that they will not have had themselves. So this project is about "peeling the onion"—going deeper into the underlying causes and thereby identifying action recommendations that are more likely to have more substantially positive effects.

To achieve this goal, your team's work will need to proceed in a highly iterative way. You will typically find that you need to revisit and revise your characterizations of the key issue and the root challenge when you get into the strategic options and implementation. Plan on working through several iterations of your presentation, since each time you work through it, chances are good you will uncover more issues.

As a result of the need for this iterative process, you will not be able to neatly divide up the work of preparing your report among your team members. Whereas in other classes you can often delegate specific parts of a project to specific team members, here team members will need to work collaboratively, in face-to-face discussion. You will be able to divide up the work of laying out the Powerpoint slides, but the content will need to be developed collaboratively. Organize yourselves and plan your work schedules accordingly.

As concerns the **oral presentation** itself, here are some guidelines:

* I will hold your presentations to a **15 minute time-limit**. This may sound draconian, but it is not unlike many real-life situations where the time accorded you to make your case is typically very short. More importantly, this time limit forces you in your preparation to get to and keep the focus on the most critical issues.

* In analyzing the case, please rely **only** on data included in **the syllabus materials** (case, readings). This will put your team and the rest of the class on an equal footing. You may, however, use whatever conceptual or analytic tools you choose, wherever they come from. (Note however that if you want to introduce these other tools, you will need to explain and justify them to your client.)

* It is often interesting to see what actually happened after the case time-frame (e.g. what the company did and how it worked out): you will have up to **5 extra minutes** for your presentation if you want to summarize the results of research you have done on that. But remember: the body of your presentation (the first 15 minutes) needs to be convincing to your client (the class) knowing only what we know in the case time-frame. What actually happened is unknown to them at that time.

- * You should work to ensure that your presentation develops its arguments in a logical sequence. You will need to make each slide “count”—making a clear point that contributes to the line of argument leading to your recommendations.
- * Your presentation materials (slides) should be clear—neither too wordy nor too sparse. Consult the standard references on how to lay out visually intelligible and pleasing presentation slides. Ideally, your slide titles should consist of assertions (not just specify the topic of the slide).
- * Please also include **Notes** (using the Notes page option in Powerpoint): these should not be your voice-over script, but should explain in bullet point form whatever is necessary beyond the slide itself to make the meaning of the slide clear to a reader who was not at your presentation (or who was at the presentation but, reviewing the handout later, finds they have forgotten the point you were trying to make).
- * You will probably find it useful to prepare some **Appendix** slides. These might explain some of the details of your analysis, or show your analysis of some issues that are interesting but not quite important enough to include in your 15-minute presentation itself. It is good to have these ready in case they are useful in responding to questions.
- * At the start of class, you need to provide me with a **printout of your Slides, Notes pages, and any Appendices**. B&W printing is fine—no need for color.
- * Please **number your slides**: this will greatly facilitate our discussion.
- * These Guidelines are particularly effective for ‘facilitation’ consulting rather than “subject-matter expert” consulting. Your team should engage with the class in that role—as process facilitators, attempting to bring the client team (the class) to a consensus about how to move ahead. Your goal is to lay out a chain of reasoning that you think the client can buy into—not to “sell” them on your recommendation. In the Q&A session, you should try to surface the key issues that remain to be resolved rather than defending your recommendation.

Grading Sheet for Case Notes and Consulting Reports

Each component is worth up to 4 points.

Case:

Team:

Stakeholder analysis

- * Have you identified the relevant stakeholders?*
- * Have you identified their main concerns relative to the client's critical issue?*
- * Have you identified their ability to influence the client's decision?*
- * Have you drawn a usable conclusion from this analysis and used it to inform the rest of your analysis and/or recommendations?*

Score:

Root challenge analysis

- * Have you clearly identified a critical issue facing the client?*
- * Have you identified an actionable root challenge that underlies that issue?*
- * Have you made a compelling case that this is indeed the root challenge?*

Score:

Strategic response

- * Have you specified the time horizon you are focusing on?*
- * Have you identified a good set of alternative solutions ("compass headings") for the root challenge? Are they plausible, mutually exclusive, and collectively exhaustive? Have you made each of them clear enough to permit their evaluation?*
- * Have you made explicit and justified the evaluation criteria you propose to use in evaluating these alternatives and the relative importance (weights) you assign to each?*
- * Have you analyzed these alternatives' pros and cons using these criteria, and justified the evaluation (scores) of each alternative on each of the evaluation criteria?*
- * Have you done a sensitivity test on this analysis to see if reasonable people would reach different results using plausibly different weights? Have you used this analysis to pinpoint where the key underlying disagreements might lie?*

Score:

Implementation plan

- * Have you identified the key risks in pursuing your strategy?*
- * Have you proposed specific counter-measures to mitigate these risks?*
- * Have you identified the internal and external hurdles facing your strategy?*
- * Have you proposed specific counter-measures to overcome these hurdles?*
- * Have you laid out a timed sequence of actions that integrates these counter-measures and maximizes the likelihood of success and have you explained why you recommend this sequence and timing?*
- * Have you identified a particularly important implementation issue/solution and offered some insight into that aspect of your plan?*

- * If there are important issues that need to be addressed either in the shorter-term or the longer-term, have you identified them and proposed resolutions?*
- * Have you assessed the overall costs of implementing the plan and compared them to its benefits?*

Score:

Presentation

For oral presentations of Consulting Reports:

- * Does the argument flow in logical way?*
- * Is the oral presentation engaging?*
- * Are audio-visual materials used to good effect?*
- * Are the Slides accompanied by Notes that adequately and succinctly explain any meaning that is not apparent on the Slide itself?*
- * Were you prepared for questions with Appendices that you could use in follow-up comments?*

For written Case Notes:

- * Is the writing clear?*
- * Is there a clear line of argument?*

Score:

OVERALL score:

Grading engagement

Class engagement has three components: pre-class preparation, in-class contribution to discussion, and post-class postings on Blackboard. They are weighted per the Grading scheme shown earlier. Here is how I will grade each component:

Pre-class preparation: Case Notes

These Case Notes must be posted to Blackboard's Assignments page before the beginning of the class session. Each Note earns you up to 2 points, based on my assessment of quality and thoroughness. Late submissions will not be graded.

In-Class Contribution

Each class session earns you up to 2 points under this heading. I will use the following "anchors" as a way of evaluating your contribution to our discussions. I will also give you an opportunity to evaluate yourself using the same criteria both mid-way and at the end of the semester:

Excellent (2 points): Contributions reflected exceptional preparation and an enthusiastic commitment to our learning experience. Had always read the assigned material and had thought about it carefully. Embraced the opportunity to learn in our time together, brought out the best in others, and was open to subsequent conversations. Brought up questions that need to be further explored. Added considerably to the quality of the course experience for others.

Good (1.5 points): Contributions reflected an adequate preparation for class and commitment to our learning experience. Comments helped the discussion move forward, but did not open new topics or pose difficult issues. Had read the material before class and given it some thought. Took advantage of the learning opportunities presented here. Added something to the quality of the course experience.

Barely satisfactory (1 point): Attended class and attempted to contribute occasionally, but contributions often reflected either weak preparation or an apathetic orientation to the learning opportunities presented here. Comments did not build on or relate to flow of class discussion. Had read the material, but without much effort to engage it. On balance, added nothing to the experience of the class.

After-class postings to Blackboard: "Take-Aways"

Each week, you should take some time to distill the key take-away lessons (TAs) from the week's work. Starting with the second week of class, students should post a short TA note (10 lines or longer) on our Blackboard Discussion space, at the latest by the end of Saturday that week. These might also include responses to other postings already on the Discussion space.

Each TA earns you up to 2 points, based on my assessment of quality and thoroughness. Late submissions will not be graded. My grading criteria are:

Coverage: The best TAs synthesize the key ideas that emerged during the discussion and from the readings. Weaker TAs focus on just a subset of those ideas.

Insight: Weak TAs list the topics we addressed. Good TAs pinpoint the lessons learned about those topics. The best TAs also suggest new questions that are raised by these lessons.

Connections: The best TAs link the lessons of this discussion to others earlier in the course. Weaker TAs don't make such connections.

Point of View: The best TAs reveal how the discussion has enriched your own thinking. Weaker TAs lack that personal engagement, or simply reiterate a pre-formed personal opinion.

Case Notes Template

Please fill in this template with your (succinct!) responses and *post* it (do not *paste* it) as a *Word* document on the Assignments page of BB before the start of class.

My name:
The case:
1. Who is your client?
2. Of the various issues facing the client, which is the critical issue you will address?
3. Relative to this key issue, who are the main stakeholders your client must consider? What concerns do they have relative to the critical issue? How much influence can they exert in shaping to the client's decision?
4. What overall conclusion do you draw from this stakeholder analysis and how does this conclusion contribute to your argument?
5. What is the root challenge the client must overcome in order to resolve this critical issue? Justify this diagnosis, succinctly.
6. What plausible, mutually exclusive, strategic options should the client consider for overcoming this root challenge? Describe them succinctly.
7. Which of these options do you recommend, and why is it superior to each of the others?
8. What implementation issues should your client anticipate? How should they address them?

Peer Feedback and Evaluation Form

This form is to be completed three times—after both of your oral Consulting Reports, and when you submit your Research Project report. Both times, they should be emailed to your team-mates and submitted via BB Assignments to me. These will help me decide if there is any need to adjust individual grades up or down from the team grade.

Please use the following scale to grade your team-members *and yourself*:

F: Seriously deficient

C: Weak

B. Good

A. Excellent

		Team-member #1 (self)	Team-member #2	Team-member #3	Team-member #4
	Name:				
Overall , I like the way you...	Comment:				
Overall , I wish you...	Comment:				
Preparation : had completed the necessary assignments on time, had read the related material, was ready to contribute to the team	Grade:				
	Comment:				
Input : provided valuable input of ideas towards the team's work.	Grade:				
	Comment:				
Diligence : took on the roles necessary to complete the team's work, was timely in completing and distributing work, and created high quality material.	Grade:				
	Comment:				
Facilitation : helped the team maintain a positive climate and work together effectively.	Grade:				
	Comment:				

Research Project Guidelines

Due dates

- Jan 30: Project proposal (email and brief presentation to class)
- Feb 20: Situation assessment (posted on BB)
- March 20: Rough-cut report (posted on BB):
- April 17: Presentation in class
- May 1 (7pm): Final written report (posted on BB)

Project topic

These reports can take either of two forms:

- (1) Consulting report: This type of project might focus on a particular firm confronting a particular environmental issue, or it might consider the strategy of a government entity or an activist group. Projects of this type should be action-oriented and go from analysis to recommendations. The Guidelines we use in the CRs will serve as guidelines for this type of report.
- (2) Journalist report: here you will assume the role of journalist, drafting an article suitable for publication in an industry magazine about either a specific firm's actions or a wider sustainability issue. You will also need to provide me and the class a briefing.

Project ethics

Some considerations to keep in mind:

- You need to show your report to your client at some point: so make sure that the content, style, and presentation will make you and USC proud.
- Sourcing: all your assertions should be sourced and backed up with the appropriate data, citations, and analysis.
- If work was partitioned within the team, please explicitly attribute sections to individuals.

"Live people" research component

All projects must include some interaction with people actually involved in the case/issue you are studying—managers at companies and/or NGOs, government officials, etc. Ideally, this would be face-to-face interviews; at a minimum, you should do phone interviews. Your report must include clear attributions (citations) to these and all other sources.

Project proposal

You will make a brief (5 mins) presentation about your proposed project to the class. I also need this in written form—bullet points is fine, so long as it's clear. You should post a copy of this written proposal to the Assignments folder on BB before class. This proposal should be a 1- or 2-page document, and should include (at least) the following items:

- The team members' names.
- Your client or topic and potential publication outlet, and the main question(s) your project will investigate.
- Why you chose to focus on this issue.
- Your research plan, including some the sources you expect to rely on, including how you will meet the "live people" research requirement described above.

Situation assessment

Email me an updated version of your proposal and a situation assessment that reviews what you have found so far and the research that remains to be done.

Rough-cut report

By now, you should have most of the data collected and analyses completed. This rough-cut of your final presentation slides will help you and me to pinpoint any areas where more data or analysis is needed.

Final presentation in class

You are free to present your report in whatever format you like. Even if your project took the form of a consulting project, you are under no obligation to use the structure proposed in my Guidelines. Note, however, that the class has no background on the case, so you will need to provide that—as succinctly as you can, while conveying as much information as we need to follow your argument.

Apart from the oral presentation, I will need a copy of your Powerpoint Slides (B&W is fine) with appropriate Powerpoint Notes, and with backup Appendices.

Final project written report

For journalism pieces: write this as a draft that you would submit to the editor of the journal you have in mind. You will need a cover letter explaining why this piece would be of interest to the publication. You will want to distinguish the body of the article from various Appendices that go into more depth of specific issues and that thereby assure the editor you have a strong foundation for the various points you make in the article. Consider too how your article will generate reader interest: what is the “hook”? What is the compelling question that will motivate the reader (and the editor)?

For consulting reports: your final report should take the form of a memo to the client that serves as an executive summary, plus a professional-looking Powerpoint deck. The deck should include: (a) Slides, (b) accompanying Notes with explanatory material in bullet point form, (c) Appendices that go into more depth on specific points where that seems useful. Black-and-white is fine.

In both forms, make sure your final report shows the sources for all your assertions.

Grading the team research project

The grade for the research project will be based 50% on the class presentation and 50% on the final written report. Grading will be based on the following Grading Rubric:

Research Project grading rubric:

	Grade	4	3	2	1
Topic selection		Identifies a creative, focused, and manageable topic that addresses potentially significant yet previously less-explored aspects of the topic.	Identifies a focused and manageable/ doable topic that appropriately addresses relevant aspects of the topic.	Identifies a topic that while manageable/ doable, is too narrowly focused and leaves out relevant aspects of the topic.	Identifies a topic that is far too general and wide-ranging as to be manageable and doable.
Coverage of existing Knowledge, Research, and/or Views		Synthesizes in-depth information from relevant sources representing various points of view/approaches.	Presents in-depth information from relevant sources representing various points of view/approaches.	Presents information from relevant sources representing limited points of view/approaches.	Presents information from irrelevant sources representing limited points of view/approaches.
Methods		All elements of methodology and theoretical framework are skillfully developed.	Critical elements of methodology or theoretical frameworks are appropriately developed; however, more subtle elements are ignored or unaccounted for.	Critical elements of methodology or theoretical frameworks are missing, incorrectly developed, or unfocused.	Inquiry design demonstrates a misunderstanding of methodology or theoretical frameworks.
Analysis		Organizes and synthesizes evidence to reveal non-obvious patterns, differences, or similarities related to focus.	Organizes evidence to reveal important patterns, differences, or similarities related to focus.	Organizes evidence, but the organization is not effective in revealing important patterns, differences, or similarities.	Lists evidence, but it is not organized and/or is unrelated to focus.
Conclusions		States a conclusion that is a logical extrapolation from the inquiry findings.	States a conclusion focused solely on the inquiry findings. The conclusion arises specifically from and responds specifically to the inquiry findings.	States a general conclusion that, not informative, because it too general and lacks specificity.	States an ambiguous, illogical, or unsupportable conclusion from inquiry findings.
Presentation professionalism		Exemplary professionalism: ready for submission to the client.	No errors.	A few slips. Not much care given to the presentation.	Errors in spelling. Careless in layout. Missing sources.

Case Notes Template

Please fill in this template with your (succinct!) responses and *post* it (not *paste* it) as a *Word* document on the Assignments page of BB before the start of class.

My name:
The case:
9. Who is your client?
10. Of the various issues facing the client, which is the critical issue you will address?
11. Relative to this key issue, who are the main stakeholders your client must consider? What concerns do they have relative to the critical issue? How much influence can they exert in shaping to the client's decision?
12. What overall conclusion do you draw from this stakeholder analysis and how does this conclusion contribute to your argument?
13. What is the root challenge the client must overcome in order to resolve this critical issue? (Explain your reasoning, succinctly.)
14. What plausible, mutually exclusive, strategic options should the client consider for overcoming this root challenge?
15. Which of these options do you recommend, and why is it superior to the others?
16. What implementation issues should your client anticipate? How should they address them?

Peer Feedback and Evaluation Form

This form is to be completed three times—after both of your oral Consulting Reports, and along with submission of your final Research Project report. Each time, they should be emailed to your team-mates and submitted via BB Assignments to me.

The first CR peer evaluation will alert your team-mates and me of any possible issues. The second CR peer evaluation and the Project peer evaluation will help me decide if there is any need to adjust individual grades up or down from the team grade for each of those assignments.

Please use the following scale to grade your team-members ***and yourself***:

F: Seriously deficient

C: Weak

B. Good

A. Excellent

		Team-member #1 (self)	Team-member #2	Team-member #3	Team-member #4
	Name:				
Overall , I like the way you...	Comment:				
Overall , I wish you...	Comment:				
Preparation: had completed the necessary assignments on time, had read the related material, was ready to contribute to the team	Grade:				
	Comment:				
Input: provided valuable input of ideas towards the team's work.	Grade:				
	Comment:				
Diligence: took on the roles necessary to complete the team's work, was timely in completing and distributing work, and created high quality material.	Grade:				
	Comment:				
Facilitation: helped the team maintain a positive climate and work together effectively.	Grade:				
	Comment:				