



Alejandro Gómez, - Dirección de posicionamiento, Universidad de los Andes.

## COURSE SYLLABUS PROPOSAL

# CORPORATE SUSTAINABILITY AND CLIMATE CHANGE – CHALLENGES AND OPPORTUNITIES FOR BUSINESS

**Gyula Zilahy**

Budapest University of Technology and Economics (Hungary)

**July 2 - July 12**

(6:00 pm - 9:00 pm)

**July 6**

(9:00 am - 12:00 m)



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### DESCRIPTION

Ever since the dawn of the environmental movements in the 1960's it has been evident that the corporate sector has a major role to play in the solution of emerging environmental and social problems. Although firms have covered a long way since then and achieved significant improvements in their environmental and social performance, industrial emissions are still very high. Fortune 500 companies emit more than 10% of global carbon-dioxide emissions (Moorhead and Nixon, 2014) and greenhouse gas emissions resulting from energy production directly related to industrial production make up 21% of total emissions. Moreover, tendencies are not favorable either: industrial greenhouse gas emissions have increased by about 50% between 1990 and 2010.

According to Dyllick and Hockerts (2002) “today most managers have accepted corporate sustainability as a precondition for doing business”. Furthermore, accomplished corporate performance can also lead to a competitive advantage on established markets and even to the creation of new markets.



For these reasons, managers should be aware of the many facets of the sustainability-business domain. They should understand the factors behind the choice of a successful sustainability strategy and the environmental management tools available to them, as well as the evaluation methods in order to track performance improvements.

As being one of the most important global issues, climate change is one of the fields where stronger actions are required. As the Stern Report has stated it as early as in 2007, “if we don’t act, the overall costs and risks of climate change will be equivalent to losing at least 5% of global GDP each year [...] In contrast, the costs of action – reducing greenhouse gas emissions to avoid the worst impacts of climate change – can be limited to around 1% of global GDP each year” (Stern, 2007).

The struggle against climate change thus demands serious action from the representatives of all social groups, including the business sphere. Company executives should be aware of the interrelationships between their activities and the impact of these activities on the climate and other natural systems. They should make decisions fully informed about their potential consequences and they should use all necessary tools to reduce their impact throughout the whole life cycle of their products and services.

Taking these necessities into account, the proposed course will introduce students to the field of corporate sustainability management and the relationship between business and climate.

## OBJECTIVES

The course intends to provide an introduction to the business-sustainability domain by introducing relevant management theories and corresponding practical experiences. Course sessions will achieve two goals simultaneously: first, they will provide a detailed examination of the relationship between businesses and the different aspects of sustainable development and second, they will also introduce the underlying mechanisms of international climate change negotiations and their implications for business practice.

The course will take a systematic approach to corporate sustainability by first introducing relevant theories and then demonstrating those using concrete examples. An array of corporate management tools will be introduced during the course (e.g. sustainability indicators, carbon accounting and disclosure, environmental management systems etc.), which can be useful for course participants during their professional carrier.

Finally, the course intends to improve negotiation skills through a role play simulating international climate change negotiations. This exercise achieves its objectives by more active involvement of the participants and thus provides a deeper understanding of the most important features of the interaction between business and climate. Additionally, participants will learn about themselves and how they behave in situations under pressure, when decisions about complex issues have to be made quickly and in harmony with other team members.



Since many issues related to sustainable development and climate change (e.g. poverty alleviation, migration and other global problems) can only be addressed in an international context, the course will have a very strong international perspective. Examples from all around the world will be introduced and the roles of businesses in developed and developing countries will be highlighted.

*With the successful completion of the summer course, participants will be able:*

- to identify the most important sustainability challenges (both environmental and social in nature) faced by society and to understand the role business has to play in their solution through fostering incremental and radical change
- to critically assess the sustainability strategy of business organizations
- to work with various tools of corporate environmental management, such as environmental indicators, environmental management systems and environmental communication
- to understand the complex mechanisms behind international climate change efforts and the role of the business sector within.

## METHODOLOGY

Classes will be organized as a combination of lectures and discussions of cases and other types of practical exercises. The major concepts of business sustainability and climate change will be introduced using relevant theories and related real life examples.

The last sessions of the course will engage students in a role play simulating international climate negotiations. After learning about the major issues, participants and their stakes, student teams representing countries and sectors (e.g. the business sphere) will try to reach an international climate agreement. Through this very intensive learning process participants will be able to understand the complex mechanisms behind international climate policy and its implications for businesses.

During the preparation phase for the role play, students will receive tasks individually and in teams to foster understanding. All students will be expected to read the assigned readings prior to each class and to participate in the discussions.

## EVALUATION

Student performance will be assessed based on the results of an individual exam paper, a team assignment and participation in the role play. The examination will be based on class presentations/discussions and the reading materials for the course. Students will have to prepare a short (approx. 2-3 page) reflection paper regarding their experiences during the role play and hand it in within 3 days after the end of the course.

	Type of assignment	Duration/length	Weight in final grade
1	Exam during session 7 to assess students' understanding of the basic concepts of business sustainability and their preparedness for the role play.	45-60 minutes	40%
2	Team exercise aiming at the preparation of a position paper regarding the team's assigned role during the negotiation process. The detailed assignment will be handed out during the first week of the course. Teams will have to hand in their papers by the start of Session 8.	10-15 pages	40%
3	Active participation in the role play in both plenary and working group sessions and the preparation of a short reflection paper regarding lessons learnt during the role play.	2-3 pages	20%

The grading scale used will range from 1.0 to 5.0 (being 5.0 outstanding). Students with a grade under 3.0 will fail the course.

## PRE-REQUISITES

There are no specific prerequisites for this course; however, students willing to enroll in the course should demonstrate an interest in the challenges businesses will face in the short and medium term, as well as the implications of international climate change negotiation processes on business organizations.