#### **VR208**

# Business and Natural Environment

## Counts as an elective to Entrepreneurship Minor

• See for more information:

http://umji.sjtu.edu.cn/entrepreneurship/views/minor.html

Instructor:

Name: Dr. Sam Ro

Email: soong-chul.ro@sjtu.edu.cn

Room: Room 409C (new JI building)

Office Hours: Wednesdays and Thursdays 13.00-15.00

(other times by appointment only)

Teaching Assistant:

Name: Mr. Willy Huang

Email: <u>jinhray@sjtu.edu.cn</u>

Office Hours: TBA

Class Time and Location:

Monday 16:00-17:40 E2-201

Wednesday 16:00-17:40 E2-201

Friday 16:00-17:40 E2-201 \*odd weeks only

#### What is this course about?

**Business** 

and

Natural Environment

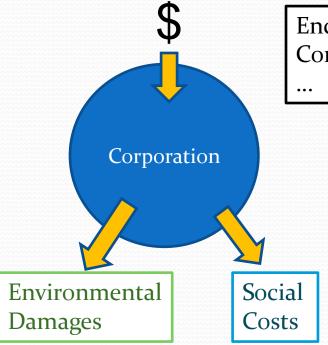
## Business - es

#### What do business firms do?

- Creating value . . .
  - ... making money!
- by producing goods and services
  - for consumers and other business firms
- Most commonly they are corporations which are becoming larger and larger
  - dominant institution of the current capitalism

## but what about other things?

→ Externalities: A cost or benefit from some activity, which affects those other than the agent who makes decisions relevant to that activity.



Encouraging consumerism Corrupting political system

Exploitation of the underprivileged

Disregard to international justice

Health risks for the consumers and workers

Over-use of resources

Contamination

Destruction of habitats

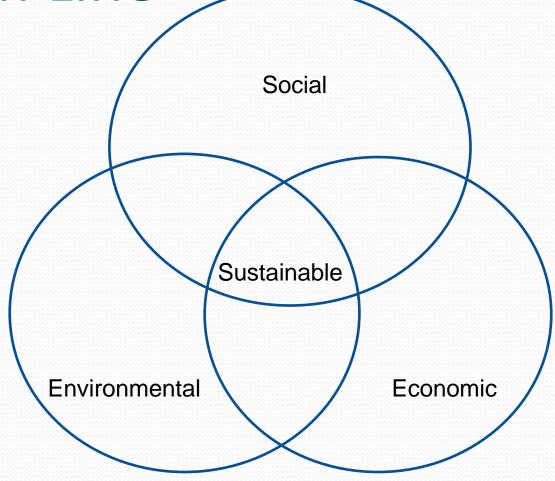
## Natural Environment

#### Natural Environment

- Abundant Jargons . . . Green, Renewable, C2C, Eco-Friendly, Organic, . . .
- Sustainability
  - Sustainable development . . .
    - "is the development that meets **the needs of the present** without compromising **the ability of future generations to meet their own needs**" (World Commission on Environment and Development 'Brundtland Report', 1987)
  - Something to note: 'the needs of the present'; 'future generations' → people
    - more than preserving nature

**Triple Bottom Line** 

- Triple Bottom Line (TBL)
  - Profit . . . economy
  - People ... society
  - Planet . . . Environment



They are all important!

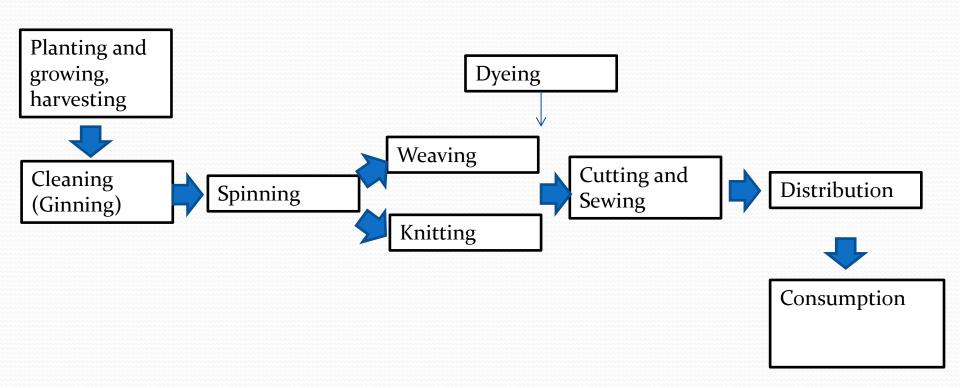
(Dreo 2006; found in Young and Dhanda 2013, 18)

# All these in Global (Production) Network

#### **Global Production Network**

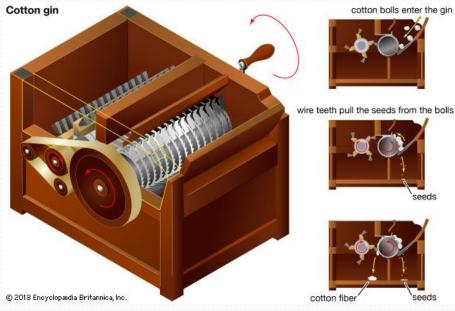
- Businesses work through connections
  - Understanding different ways in which various actors are connected in the process of production and consumption of industrial products
    - → Global Production Network (GPN)

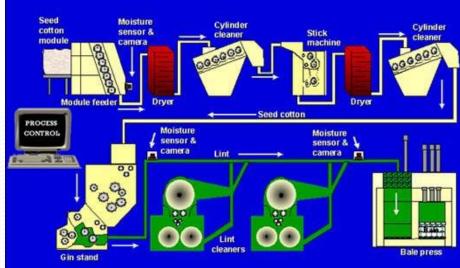
## For Example. . . Cotton Clothes Production Chain



Different places have different technological needs and environmental risks

## Ginning





## Spinning





## Weaving



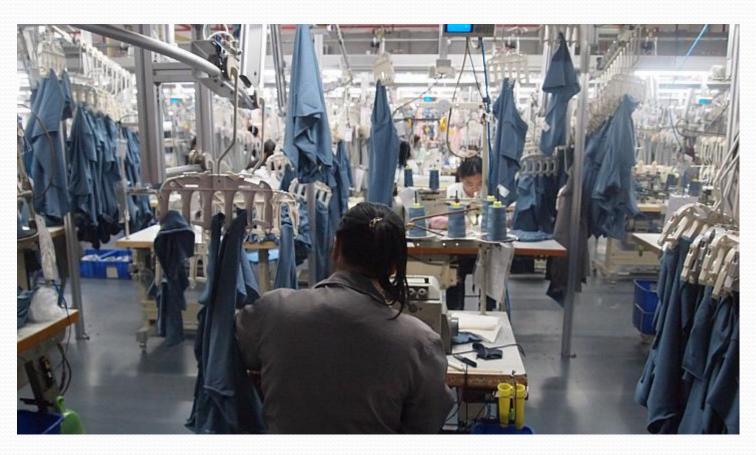
## Knitting



## Dyeing



## **Cutting and Sewing**

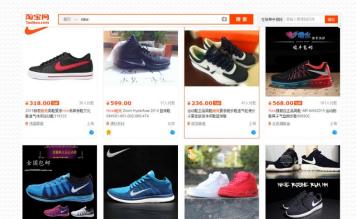


### Distribution

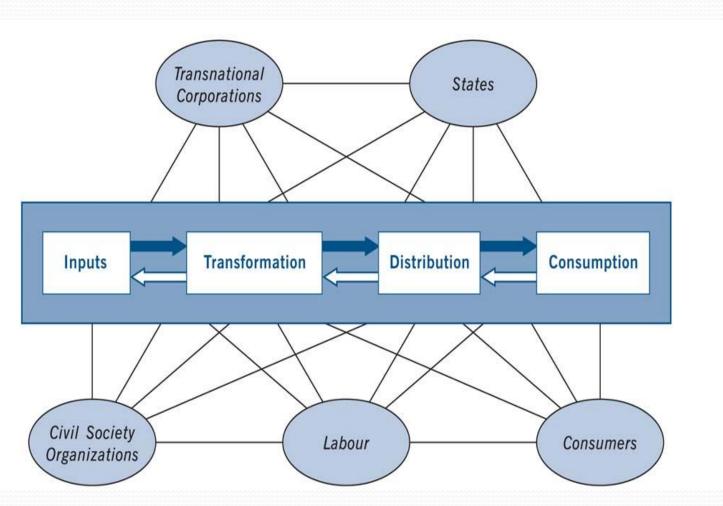






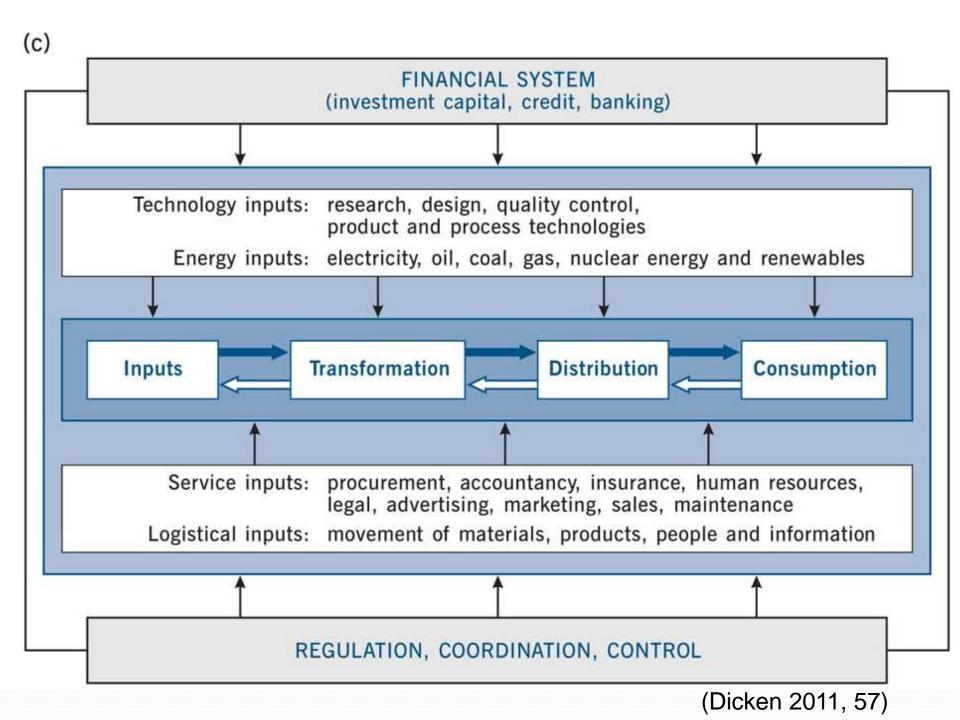


## And this does not happen in a vacuum. . .



A model of GPN

(Dicken 2011, 60)



## ... In different industrial sectors

- Apparel,
- Agriculture (food),
- Extractive(energy),
- Automobile,
- Semiconductor and Consumer electronics. . .

#### In sum . . . this course is

- a study of the organisation of business firms in different industries . . .
  - Current features of global production networks
  - Example industries:
    - Agro-food, extractive/energy, textile/apparel, automobile, semiconductor, Logistics and Distribution, . . .
- . . . and the environmental risks at different stages of GPNs.
  - in the way products are produced, distributed and consumed.
- . . . to evaluate current technological (and non-technological) innovations that address these challenges

### Okay, I got it

• • •

Business (and GPN)
Natural Environment (Sustainability)

• • •

But
What do we really do?

## **Course Outline**

#### What do we do? . . . lectures

- Week 1 Concept of Sustainability
- Week 2 understanding corporation
- Week 3 sustainable business strategies
- Week 4 measurements and reporting standards
- Week 5 GPN and sustainability
- Week 6 Industry Examples
- Week 7 Industry Examples
- Week 8 Industry Examples
- Week 9 Presentation

## What you do... assessments

<ul> <li>Quizzes and Assignments (throughout the course)</li> </ul>	15%
<ul> <li>Class Activities (participation)</li> </ul>	15%
• Final Exam (Week 10)	20%
• Group Project	50%

### **Group Project**

Evaluate the efforts by a **company** to make their products and activities more sustainable

Project Plan (by week 4)

- 10%
- 1-2 pages containing **the topic** and **the case(s)** chosen
- It should contain
  - a clear statement of the question
  - a list of references showing your group's preliminary research
- Group Paper (by week 8)

- 20%
- 1000-1500 words containing the result of individual part of the research
- Group Presentation (week 12-13)

20%

- 15-20 minutes
- Everyone must be present
- but you can decide who (and how many) will present

	Monday	Wednesday	Friday	
1	Introduction to the course	Concept of Sustainability	Concept of Sustainability	
2	Understanding	Film: Corporation as		
	Corporation	Psychopath		
3	Sustainability and Business	Corporate Social	Corporate Social	
		Responsibility	Responsibility	
4	Measurements			
		Reporting Standards		
	(Project Plan Due)			
5	GPN and Sustainability	GPN and Stakeholders	Film: Food INC.	
6	Industry Example: Agro-	Industry Example: Agro-		
	food industry	food industry		
7	Industry Example: Apparel	Industry Example: Apparel	Class Discussion On Group	
	Industry	Industry	Project	
8	Extractive Industry (Energy			
	and raw material)	Extractive Industry and		
	,	Sustainability		
	(Group Case Study Due)	-		
9	Group Presentation	Group Presentation	Group Presentation	
10	Final Exam			
			^^^^^	

## When you go home...

- Read the course profile carefully
- Read weekly reading list and think about the questions for discussion.

- Browse internet to see what case you would like to choose
  - Start from the websites listed in the course profile

#### Week1:

#### Questions for discussion:

- Read Lemonick's article "Top 10 myths..." below which do you hesitate to agree with? Why?
- What efforts were made by UN in generating global consensus regarding the concept of sustainability?
- What are the main issues that the concept of sustainability addresses in the discussions within UN's global framework?
- Read 2030 Agenda for Sustainable Development and make notes in the margin for each item: which areas of TBL and which actors are involved? Pay particular attention to the ways in which areas TBL overlap.
  - stage?

- Young and Dhanda, 2013, Ch1. Introduction.
- Lemonic, M. (2009) "Top 10 myths about sustainability". *Scientific American*. (<a href="http://www.scientificamerican.com/article/top-10-myths-about-sustainability/">http://www.scientificamerican.com/article/top-10-myths-about-sustainability/</a>)
- \*UNEP, "Four Decades of Environmental Leadership" (<u>http://web.unep.org/exhibit/</u>)
- SDC (UK), "History of Sustainable Development", (<a href="http://www.sd-commission.org.uk/pages/history\_sd.html">http://www.sd-commission.org.uk/pages/history\_sd.html</a>)
- \*\*UN 1987, Our Common Future (<u>http://www.un-documents.net/wced-ocf.htm</u>)
- \*\*UN 2015, 2030 Agenda for Sustainable Development
   (https://sustainabledevelopment.un.org/post2015/transformingourworld)

