

Sustainability Management

PS4100 Section 001, Fall 2017

Time: Wednesdays 6:10-8:00 PM (With the exception of the last class)

Location: TBD

Professor Steven Cohen

Tel: 212-854-4445 **e-mail:** sc32@columbia.edu

Curriculum and Grading Assistants:

Hayley Martinez: Lead Curriculum Assistant | hmartinez@ei.columbia.edu | (Students last name A-G)

Pooja Chawda | psc2112@columbia.edu | (Students last name H-O)

Eileen Knowles | eileen.knowles@columbia.edu | (Students last name P-Z)

Office hours for Prof. Cohen and all CGAs by appointment.

Course Objectives:

Sustainability management matters because we only have one planet, and we must learn how to manage our organizations in a way that ensures that our planet is maintained. The course is designed to introduce you to the field of sustainability management. This is not an academic course that reviews the literature of the field and discusses how scholars think about the management of organizations that are environmentally sound. It is a practical, professional course organized around the core concepts of management and the core concepts of sustainability. This year I am introducing a specific emphasis on urban sustainability as the planet's urban population continues to expand.

Each week we will read one or two cases in management and/or sustainability, and some background material designed to help you answer the questions posed at the end of each case exercise. The cases always pose practical issues for decision makers to address—but issues that are best addressed with a firm grounding in the literature of management and sustainability.

The literature and case material we will study this semester are based on lessons learned in government, non-profits and the private sector. However, most of my own work focuses on government and non-profits so this course will emphasize management in public and nonprofit organizations and the role of public policy in sustainability.

In this course you will be assigned to one team that will present a briefing in class on an assigned position for a particular case, for which another team will present an opposing view. You will also write three two-page memos according to a specified format. The syllabus includes a schedule for each assignment. There is also a take home final exam that is due the last day of class, Monday, December 4, 2017.

Schedule

Week 1 (September 6): Introduction to Management, Public Management, and Sustainability Management

Week 2 (September 13): Internal Organizational Management: People, Work, Money and Information

Week 3 (September 20): External Organizational Management: Strategy and Communications

Week 4 (September 27): The Role of Government in Promoting Sustainability

Week 5 (October 4): Sustainable Urban Systems: Defined and Explained

Week 6 (October 11): The Sustainable Lifestyle: Defined and Explained

Week 7 (October 18): The Transition to Sustainably Managed Organizations

Week 8 (October 25): SPECIAL CLASS: PANEL EVENT

Week 9 (November 1): Sustainable Business and Finance

Week 10 (November 8): The Centrality of Energy: Moving from Fossil Fuels to Renewable Energy

Week 11 (November 15): Sustainability Metrics, Management Innovation and Quality Management

NO CLASS ON WEDNESDAY, NOVEMBER 22 (THANKSGIVING HOLIDAY)

Week 12 (November 29): Outsourcing, Network Management and Public-Private Partnerships

Week 13 (MONDAY, December 4, 8:10 – 10:00pm): A Sustainable Planet and Conclusions (*Optional session*)

Required Readings

1. Steven Cohen, William Eimicke and Tanya Heikkila, [The Effective Public Manager](#) (5th edition)
2. Steven Cohen, William Eimicke, Alison Miller, [Sustainability Policy: Hastening the Transition to a Cleaner Economy](#)
3. Steven Cohen, *The Sustainable City* (selected chapters)
4. New York State (2016). [“Reforming the Energy Vision” White Paper](#)
5. Black and Cherrier (2010). [“Anti-consumption as part of living a sustainable lifestyle: Daily practices, contextual motivations and subjective values.”](#) *Journal of Consumer Behavior*
6. O’Rourke, D. (2014). [“The Science of Sustainable Supply Chains.”](#) *Science*.
7. Lueneburger and Goleman (2010). [“The Change Leadership Sustainability Demands.”](#) *MIT Sloan Management Review*
8. Haigh and Hoffman (2012). [“Hybrid organizations: The next chapter of sustainable business.”](#) *Organizational Dynamics*
9. CFO Research Services and Jones Lang LaSalle (2010). [“The Role of Finance in Environmental Sustainability Efforts.”](#)
10. International Energy Agency (2016). [“World Energy Outlook 2016, Executive Summary.”](#)
11. Schwarz, J., B. Beloff and E. Beaver (2002). [“Use sustainability metrics to guide decision-making.”](#) *Chemical Engineering Progress*
12. Hodge and Greve (2017). [On Public-Private Performance: A Contemporary Review.](#) *Public Works Management & Policy*
13. Weber, Elke (2017). [“Breaking cognitive barriers to a sustainable future,”](#) *Nature Human Behavior*
14. Case Studies; available in the following locations:

Canvas

- “The Problem of Tom”
- “Colombia’s Bus Rapid Transit (BRT) Development and Expansion”
- “New York State Systems Benefit Charge”
- “Sustainability Planning in New York City”
- “Waste Management in New York City, Hong Kong & Beijing” (The Sustainable City, Chapter 6)
- “Sustainable Urban Living” (The Sustainable City, Chapter 10)
- “Nuclear Power and the Japanese Earthquake of 2011”
- “Building of the Smart Grid” (The Sustainable City, Chapter 8)
- “Bike Lanes in New York City”
- “Public Private Partnerships for Green Space in NYC”

Harvard Business School

You must purchase these online in our Coursepack at:

<http://cb.hbsp.harvard.edu/cbmp/access/65670956>

- “Sustainability at IKEA Group”: Product #: 515033
- “FIJI Water: Carbon Negative?”: Product #: 611049
- “Ford Motor Company: New Shades of Green Through Soy Foam”: Product #: W13467
- “Natura Cosméticos, S.A.”: Product #: 412052

Method of Evaluation

1. Individual Case memos – 60%
2. Final exam – 20%
3. Group Case presentation & memo – 10%
4. Class participation – 10%

Grading Policy

ALL ASSIGNMENTS MUST BE SUBMITTED ON TIME. ANY LATE SUBMISSIONS RECEIVE AN AUTOMATIC REDUCTION OF ONE-HALF LETTER GRADE. IF AN ASSIGNMENT IS AN HOUR LATE OR A MONTH LATE, THE PENALTY IS THE SAME.

Group Process

1. Groups will be assigned randomly in advance of the first class session, and one person will be assigned the role of group manager. Students that add the course late will be added to an existing group. Groups will consist of 3-4 members.
2. Group members are responsible for setting meetings and identifying roles and responsibilities.
3. Group manager will submit work plan to Hayley two weeks prior to presentation, outlining each person’s role and a timeline for completed activities.
4. Group manager will email power point presentation to Hayley the day before class. The power point should contain no more than 5-6 slides.
5. One person in the group submits the written memo via Canvas.
6. Both Groups A and B will give a 10 minute briefing (5 minute presentation and 5 minute Q&A), in-person at the start of class on the assigned date.

Summary of Due Dates

Cases will be due by 6:10PM on the due date via upload to the Assignments section on Canvas.

Week	Case Study	Due by 6:10pm (via Canvas)
1) Sep. 6	NONE	None
2) Sep. 13	The Problem of Tom	Group Case #1 DUE
3) Sep. 20	Colombia's Bus Rapid Transit (BRT) Development and Expansion	Group Case #2 DUE
4) Sep. 27	New York State Systems Benefit Charge Sustainability Planning in NYC	Group Case #3 DUE Individual Memo #1 DUE
5) Oct. 4	Waste Management in New York City, Hong Kong and Beijing (Chap 6 Sustainable City)	Group Case #4 DUE
6) Oct. 11	Sustainable Urban Living (Chap 10 Sustainable City)	Group Case #5 DUE
7) Oct. 18	Sustainability at IKEA Group FIJI Water: Carbon Negative?	Group Case #6 DUE Individual Memo #2 DUE
8) Oct. 25	NONE: PANEL EVENT	NONE
9) Nov. 1	Ford Motor Company: New Shades of Green through Soy Foam	Group Case #7 DUE
10) Nov. 8	The Building of the Smart Grid (Chap 9 Sustainable City) Nuclear Power and the Japanese Earthquake of 2011	Group Case #8 DUE Individual Memo #3 DUE
11) Nov. 15	Natura Cosméticos, S.A. Bike Lanes in New York City	Group Case #9 DUE Group Case #10 DUE
12) Nov. 29	Public Private Partnership for Green Space in NYC	Group Case #11 DUE
13) Dec. 4	NONE	FINAL DUE

Week 1: September 6, 2017: Introduction to Management, Public Management, and Sustainability Management

Reading Assignment:

- The Effective Public Manager: Chapters 1 and 2
- Sustainability Policy: Hastening the Transition to a Cleaner Economy: Chapter 1

Week 2: September 13, 2017: Internal Organizational Management: People, Work, Money and Information

Reading Assignment:

- The Effective Public Manager: Chapters 3, 4, 5 and 8.

Group Case #1: “The Problem of Tom” (Available on Canvas)

This case details the management issues posed by Tom McKenna— a staff person with great technical skills whose personality problems impair his performance in the organization. This case could happen in any organization and it creates the classic problem—what to do with the staff person with excellent technical skills but poor social and/or political skills.

In this case you are Ginny Oliver, a Branch Chief in Navy's Office of Electronic Communication. Your boss, Gill Garber, has asked you to brief him on the following issues:

1. **Groups A and B:** What are Tom McKenna's strengths and weaknesses as an employee?
2. **Groups A and B:** Could the problems he created have been avoided? If so, how?
3. **Group A:** Argue that Tom’s performance can be improved going forward, and offer suggestions for how management can facilitate those improvements.
Group B: Argue that Tom’s performance cannot be improved going forward, and suggest an appropriate course of action.

Week 3: September 20, 2017: External Organizational Management: Strategy and Communications

Reading Assignment:

- The Effective Public Manager: Chapters 10 and 11

Group Case #2: “Colombia’s Bus Rapid Transit (BRT) Development and Expansion” (Available on Canvas)

Many major cities in Colombia struggle with managing transportation issues arising from growing populations and vehicle use and the development of sustainable public transportation alternatives. Rapidly developing metropolises suffer from highly congested roadways, extreme air pollution, and high rates of road related accidents. In Colombia, these issues stem partly from the over-saturation of independent bus operators, underinvestment in infrastructure and inefficient operations. In 2002, Colombia championed the National Urban Transport Program (NUTP) that revolutionized the public transport system; implementing Strategic Public Transportation Systems (SPTS) and expanding Bus Rapid Transit (BRT) systems in major cities. In the process, Colombia had to overcome a variety of significant barriers. The first BRT system, TransMilenio, was built in Bogotá. Its initial success made it a model for the rest of the country. TransMilenio helped galvanize support for the national plan to expand BRT systems to 8 other cities in Colombia.

The National Urban Transport Program (NUTP) is considering expanding the BRT system to 5 other cities in Colombia, but smaller in size than where they previously operated (populations less than 600,000). However, NUTP wants to avoid some of the issues that have developed recently with Phase II of TransMilenio, which include questions about funding for future phases and increased public debates about the merits of a bus network over rail system. Public approval for TransMilenio is fairly low, and users complain about lack of maps at stations, overcrowding, lack of safety, and high prices for many users who live on less than minimum wage. In light of this controversy, the Transportation Commissioner has asked you, the Deputy Commissioner for Capital Projects, to convene an agency-wide working group to make a recommendation regarding BRT expansion.

1. **Group A:** Argue that NUTP should expand the BRT system to other cities despite recent controversies with TransMilenio. Identify the key factors for success and steps for achieving them. How can the program overcome low public approval?
Group B: Argue that NUTP should NOT expand the BRT system into other cities. Recommend an alternative transit solution for these cities and explain the process for strategically implementing this solution. How will you obtain public support?
2. **Groups A and B:** What are the political and managerial advantages/disadvantages of your strategy?
3. **Groups A and B:** Who are the major stakeholders and how will you involve them in your plan?

Week 4: September 27, 2017: The Role of Government in Promoting Sustainability

Reading Assignment:

- Sustainability Policy: Hastening the Transition to a Cleaner Economy: Chapters 2 and 3
- The Sustainable City: Chapters 1 and 5
- New York State, 2016, "[Reforming the Energy Vision](#)" White Paper

Group Case #3: New York State Systems Benefit Charge (Available on Canvas)

You work for the Public Service Commission, the group that approved the state's Clean Energy Fund (CEF) effective January 21, 2016. Your team is tasked with developing the CEF progress report and providing advice to other states that have public benefit funds, but might be considering the CEF model. The following questions need to be considered in your review:

1. **Groups A and B:** What is the role of the government in sustainability? How does this role differ at the local, state and national levels in the U.S.?
2. **Groups A and B:** What are the benefits of an energy fund plan that is more market-driven than the more conventional public benefit fund? What are some challenges that may arise?
3. **Group A:** Argue that state Public Utility Commissions should set specific targets for energy efficiency and renewable energy to achieve greater levels of scale for clean energy in the state, essentially using the public benefit fund structure that has proven effective.

Group B: Argue that state Public Utility Commissions should focus on the energy market transition and attracting private capital to make investments in clean energy worthwhile.

Individual Case #1: “Sustainability Planning in NYC” (Available on Canvas)

Mayor Bloomberg launched “PlaNYC 2030: A Greener, Greater New York” in 2007 and formed the Office of Long-Term Planning and Sustainability to implement the plan’s 100+ initiatives across the categories of Energy, Transportation, Water, Solid Waste, Green Buildings, and Climate Change, among others. Working with over 25 city agencies to implement, the plan is based on the idea that environment and economic development are linked, and sustainability must be embedded in a city for it to flourish long-term and attract and retain business and residents. Bloomberg’s successor, Mayor de Blasio, has rebranded and revamped PlaNYC to “One New York: The Plan for a Strong and Just City,” with a new focus on equity and reducing poverty, recognizing that the environment is highly connected to these issues.

You are an analyst for a sustainability consulting firm, and your team has been hired by another large American city that is interested in developing a sustainability plan for the first time. Your client wants you to consider the challenges that New York City faced in the transition from PlaNYC to OneNYC, the major differences between the two plans, and make a recommendation on how to approach the city’s first sustainability plan. You have been asked to address the following questions:

1. What are the major differences between the PlaNYC and OneNYC plans?
2. Do you recommend a PlaNYC approach that focuses solely on environmental initiatives, OR a OneNYC approach, that links environmental initiatives with other citywide goals related to poverty, equity and resiliency. What are the advantages and disadvantages of your recommendation? What are the potential challenges?
3. What is the role of metrics/measurement in your recommended plan?

Week 5: October 4, 2017: Sustainable Urban Systems: Defined and Explained

Reading Assignment:

- Sustainability Policy: Hastening the Transition to a Cleaner Economy: Chapter 5
- The Sustainable City: Chapter 2

Group Case #4: Waste Management in New York City, Hong Kong and Beijing (The Sustainable City Chap 6, Available on Canvas)

The city of Beijing is one of the many cities in China that face waste capacity issues, due to high population growth, increased economic activity, and limited landfills. Your team of consultants has been hired by the Beijing Municipal Administration Commission (BMAC) to provide recommendations on improving waste management in Beijing. The Commission has asked you to consider waste practices in other large cities, both within China and in the United States. Consider the practices of New York City and Hong Kong as you are developing your recommendation, and consider these questions:

1. **Groups A and B:** What are the major challenges to effective waste management in large, densely populated cities?
 2. **Group A:** Argue that BMAC should prioritize incineration and waste-to-energy plants as a way to reduce waste. What are the challenges to this plan?
Group B: Argue that BMAC should prioritize the development of a polluter-pays mechanism for the city's major industries as a way to reduce waste. What are the challenges to this plan?
 3. **Groups A and B:** Using an example from either New York City or Hong Kong, what recycling mechanism should Beijing incorporate as part of its overall waste management plan?
 4. **Groups A and B:** How will your plan address the presence of informal waste pickers?
-

Week 6: October 11, 2017: The Sustainable Lifestyle: Defined and Explained

Reading Assignment:

- The Sustainable City: Chapter 3
- Black and Cherrier (2010). "[Anti-consumption as part of living a sustainable lifestyle: Daily practices, contextual motivations and subjective values.](#)" *Journal of Consumer Behavior*

Group Case #5: Sustainable Urban Living (The Sustainable City Chap 10, Available on Canvas)

The sharing economy, fueled by the Internet and the growth of peer-to-peer networks, is a growing model that is becoming more common among various sectors of the economy—especially the transportation sector. Companies like Uber, Lyft and Zipcar are becoming more pervasive in people's day-to-day lives. Cities have many resources that can easily and effectively be redistributed and shared, but sharing economy services have also presented cities with unprecedented, complex questions.

Thus far, Uber has not worked closely with city governments when expanding to new areas, and has largely challenged any city governments that have opposed their operations or tried to enforce regulations. You are part of a team that works for Alexander Cooper, head of Asia expansion for Uber Technologies, Inc., and are helping him prepare for his meeting with Uber's CEO and head of Global Operations. Your team has been asked to recommend how closely and in what manner Uber should work with local governments, both in the U.S. and globally, moving forward. Consider the following in your recommendation.

1. **Group A:** Argue that Uber should work in close partnership with governments as it expands. Use an example from the case to support your argument.
Group B: Argue that Uber should work around governments as it expands. Use an example from the case to support your argument.
2. **Groups A and B:** What are the pros and cons of your approach? How do the challenges differ in the U.S. vs globally?
3. **Groups A and B:** What opportunities do ride-sharing services provide for sustainability and the environment?

Week 7: October 18, 2017: The Transition to Sustainably Managed Organizations

Reading Assignment:

- The Sustainable City: Chapter 4
- O'Rourke, D. (2014). "[The Science of Sustainable Supply Chains.](#)" *Science*.
- Lueneburger and Goleman (2010). "[The Change Leadership Sustainability Demands.](#)" *MIT Sloan Management Review*

Group Case #6: Sustainability at IKEA Group (Purchase via Harvard Business School)

You are part of the policy team working for Steve Howard, IKEA Groups' Chief Sustainability Officer (CSO). Both Howard and Peter Agnefall, IKEA Group's president and CEO, are confident that the company's growth strategy aligns with the company's sustainability targets. However, it is not always clear when a particular strategy is more preferable in terms of risk, profit and growth. Your team has been asked to recommend a strategy to enhance and ensure IKEA's sustainable wood supply chain. Consider the following in your recommendation:

1. **Groups A and B:** What is the People & Planet Positive strategy? What challenges does IKEA face in sourcing wood that meets its sustainability standards?
2. **Group A:** Argue that IKEA Group's strategy should focus on using more particleboard. What processes need to change in order to make this happen? Who are the key stakeholders?
Group B: Argue that IKEA Group's strategy should focus on using more recycled wood. How will the company create incentives for returning used wood?
3. **Groups A and B:** How might your proposed strategy conflict with IKEA Group's growth goals? What action can IKEA Group take in order to minimize or neutralize these challenges?

Individual Case #2: "FIJI Water: Carbon Negative?" (Purchase via Harvard Business School)

Seeking to go beyond global best practices in reducing environmental impacts, FIJI Water, a premium artesian bottled water company in the United States, launched a Carbon Negative campaign that would offset more greenhouse gas emissions than were released by the company's operations and products. The case examines the controversies surrounding this program as well as the program's impacts on the environment and FIJI Water's brand image. The company also had to decide how to best manage its relationship with the Fijian government, which recently dramatically increased imposed export taxes, which could limit FIJI Water's access to water, its primary raw material.

You are a leader of a team of sustainability consultants that have been commissioned by FIJI Water to analyze their Carbon Negative campaign and develop a plan for them to move forward. Analyze the risks for continuing the campaign as well as those associated with the export tax and develop a recommendation to present to the company's senior leadership.

1. What is FIJI's Carbon Negative campaign?

2. Is FIJI Water's carbon accounting plan misleading to customers? Defend your answer.
 3. Recommend two strategies that FIJI Water can employ to combat the criticism and negative press coverage of its Carbon Negative campaign.
 4. What can FIJI Water do to improve relations with both the government of Fiji and the local community?
-

Week 8: October 25, 2017: Panel Event

Class meets in the Low Library Rotunda for a special panel event: 6:00pm – 8:00pm

Week 9: November 1, 2017: Sustainable Business and Finance

Reading Assignment:

- Haigh and Hoffman (2012). "[Hybrid organizations: The next chapter of sustainable business.](#)" *Organizational Dynamics*
- CFO Research Services and Jones Lang LaSalle (2010). "[The Role of Finance in Environmental Sustainability Efforts.](#)"

Group Case #7: "Ford Motor Company: New Shades of Green through Soy Foam" (Purchase via Harvard Business School)

Ford Motor Co. developed and commercialized a green technology that replaces a traditional and scarce resource with an abundant bio-material. The use of this technology was successful, and, within the company, the idea of expanding the use of bio-material gained considerable momentum, but implementation and customer acceptance proved to be a challenge. Two members from the company's research and engineering division are tasked to work together to overcome these obstacles and move the company toward a vision of sustainability that involves more than just fuel economy and cost reduction.

You are the Director of Sustainable Initiatives at Ford Motor Co. and you have been asked to develop a strategy to build on the use of bio-based materials and the success of the soy foam technology. You have been asked to analyze why the soy foam innovation succeeded and develop ideas to continue this sustainability push at Ford. You should answer the question: "What's next?" and outline a plan to achieve it.

1. **Group A:** Argue that the best strategy for Ford moving forward is to expand the soy-foam initiative geographically – outside North America.
Group B: Argue that the best strategy for Ford moving forward is to research and innovate with new sustainable products.
2. **Groups A and B:** What are the advantages and disadvantages of your plan?
3. **Groups A and B:** How does your plan make sustainability a viable component of the company's long-term business plan?

4. **Groups A and B:** How can internal champions (i.e. employees and managers within Ford) overcome resistance to change and bring new ideas to fruition now and in the future?
-

Week 10: November 8, 2017: The Centrality of Energy: Moving from Fossil Fuels to Renewable Energy

Reading Assignment:

- Sustainability Policy: Hastening the Transition to a Cleaner Economy: Chapter 4
- International Energy Agency. (2016). "[World Energy Outlook 2016, Executive Summary.](#)"

Individual Case #3: "Nuclear Power and the Japanese Earthquake of 2011" (Available on Canvas)

This case study discusses the factors that led to the Fukushima Daiichi nuclear disaster in 2011, when a series of equipment failures and nuclear meltdowns released radioactive chemicals from the power plant, resulting in a level-7 nuclear crisis. The case study chronicles the chronology of the accident and the history of the plant; and it examines Japan's historical dependence on nuclear power, Japanese nuclear power regulation, and the politics of nuclear power in Japan.

You are the Japanese Minister of Energy, and the Japanese Prime Minister has asked you to form a team to come up with a ten-year energy plan for Japan. He is particularly concerned about the use of nuclear power – on the one hand, the country is heavily dependent on nuclear energy sources, but on the other hand, he does not want to see a second nuclear catastrophe. In addition, many Japanese citizens oppose restarting reactors that have been offline since the disaster.

1. Present the case *for* OR *against* maintaining nuclear power as a primary source of energy in Japan's energy plan over the next ten years.
2. How will your position/argument effect greenhouse gas emissions?
3. What are the economic challenges associated with your energy plan? How do you propose to overcome these challenges?
4. What governance and regulatory structures will your plan employ to ensure safety of Japanese citizens?

Group Case #8: "The Building of the Smart Grid" (The Sustainable City Chap 8, Available on Canvas)

Your consulting firm has been hired by the U.S. Department of Energy to work on developing a set of recommendations for strengthening the nation's energy policy. The DOE acknowledges that the centralized power grid is not perfect, and that it faces risk from natural disasters, as well as physical and cyber-attacks. Wide-ranging blackouts have the power to cripple our economy and disrupt livelihoods. The DOE has specifically asked you to look at the feasibility of microgrid development, and wants guidance on how microgrids can be implemented most effectively in the United States. Consider the following in your recommendation:

1. **Groups A and B:** What are the benefits of microgrids? What challenges must be overcome in the development of microgrid infrastructure? Use at least one example from the case to support your answer.
 2. **Group A:** Argue that the U.S. government should focus on brokering state and regional partnerships with public utility companies to support microgrid development and implementation. What are the benefits and potential obstacles to your plan?
Group B: Argue that the U.S. government should create incentives to encourage mayors and city leaders to develop community microgrids in their cities. What are the benefits and potential obstacles to your plan?
 3. **Groups A and B:** What is the role of renewable energy in your recommendation?
 4. **Groups A and B:** How will you garner stakeholder support for your plan?
-

Week 11: November 15, 2017: Sustainability Metrics, Management Innovation and Quality Management

Reading Assignment:

- The Effective Public Manager: Chapter 6
- Sustainability Policy: Hastening the Transition to a Cleaner Economy: Chapter 6
- Schwarz, J., B. Beloff and E. Beaver. (2002). "Use sustainability metrics to guide decision-making." *Chemical Engineering Progress*. (Canvas)

Group Case #9: "Natura Cosméticos, S.A." (Purchase via Harvard Business School)

A cosmetics company with a strong brand, robust growth in international and domestic markets, and premium price and margins, Natura was consistently rated as one of the preferred places to work in Brazil. Its focus on social and environmental responsibility was a source of innovation; strong employee motivation contributed to the company's superior productivity and market share gain in Brazil's cosmetics, fragrances, and toiletries (CF&T) industry. By 2009, Natura's direct sales business model generated income for over 1 million people in Brazil and Latin America. Natura was the first organization in Brazil to produce an integrated report. Senior leadership was convinced that Natura's success over the years had been aided by its corporate responsibility and strategy to continuously seek improvements in both financial and nonfinancial (environmental, social, and governance) performance.

You are an analyst reporting to Rodolfo Guttilla, Director of Corporate Affairs for Natura, and he's asked you to help him prepare for his meeting with key stakeholders to discuss the future of integrated reporting at Natura. Guttilla has emphasized the need for a more integrated report that will promote the actions needed to develop and implement innovative solutions to the company's sustainability challenges. Please address the following issues:

1. **Groups A and B:** What are the factors that contributed to Natura's success in its early years of integrated reporting?
2. **Group A:** Argue that the best strategy moving forward is to focus on bringing more stakeholders into the reporting process. Provide two strategies for how Natura will do this.

Group B: Argue that the best strategy moving forward is to focus on the use of Web-based technologies to promote the organization’s integrated reporting and sustainability objectives. Provide two strategies for how Natura will do this.

3. **Groups A and B:** What are the difficulties in linking financial and nonfinancial performance, and how will your strategy address this challenge?
4. **Groups A and B:** What information will you include in future integrated reports in order to provide a clearer representation of Natura’s strategy and its ability to innovate and sustain value over the long-term?

Group Case #10: “Bike Lanes in New York City” (Available on Canvas)

Under New York City’s Bike Master Plan, the city plans to add 1,800 miles of new bike paths and lanes to its infrastructure by 2030. This effort seeks to achieve multiple goals including reducing greenhouse gas emissions by encouraging alternate forms of transportation, and fighting the obesity epidemic while also making it safer for the existing cycling community. Former Mayor Bloomberg’s efforts in terms of promoting bicycle ridership in the city have incorporated innovative strategies including the Citi Bike bike-share system, an extensive public outreach campaign, and the Ninth Avenue Bicycle Path, which was the first urban on-street parking-and signal-protected bicycle facility in the U.S. As a result, New York City boasts the largest number of bike commuters as well as the largest supply of bike lanes and paths in the country. On the other hand, the city lags behind many other U.S. cities with the lowest proportion of bike share commuters, the highest cyclist fatality and injury rate and the lowest rate of women, children and senior cyclists.

Mayor de Blasio has decided to hold an open forum to discuss the Bike Master Plan’s progress to-date and the plan to move forward with the remainder of its goals. Your team has been asked to develop a recommendation that will be the basis for discussion at the forum. Consider the following in your recommendation:

1. **Groups A and B:** Briefly discuss how the city has facilitated the expansion of biking infrastructure in New York City. What were the primary challenges? How can these efforts be improved moving forward?
2. **Group A:** Argue for the continued expansion of bike lanes in the city. Discuss how the city could approach integration of its biking system with existing transportation infrastructure such as the bus and subway systems.
Group B: Argue against the continued expansion of bike lanes in the city. Discuss the issues that face biking infrastructure in a large, dense city like New York, and how resources could be redistributed elsewhere.
3. **Groups A and B:** How does your plan complement the city’s existing bike share program? How might it conflict?

DISTRIBUTE QUESTIONS FOR TAKE-HOME FINAL EXAM MEMO

Week 12: November 29, 2017: Outsourcing, Network Management and Public-Private Partnerships

Reading Assignment:

- The Effective Public Manager: Chapter 7
- The Sustainable City: Chapter 9
- Hodge and Greve. (2017). [On Public-Private Performance: A Contemporary Review](#). *Public Works Management & Policy*

Video Assignment (provides additional context to week's case):

- "Public Private Partnership for Green Space in NYC": <https://vimeo.com/94678014> (password globalempa)

Group Case #11: "Public Private Partnership for Green Space in NYC" (Available on Canvas)

New York has some of the most highly visited and iconic public parks in the world. But what few of the millions of visitors realize is that many of the most famous green areas, such as Central Park and the High Line, are privately run and largely financed by private donations. It is a model that has been seen by some as an example to be reproduced and by others as a dangerous precedent that creates a two-tier system of well-funded parks in high-income areas, and underfunded parks in poorer ones. The Parks Commissioner, Mitchell Silver, has asked you, his Deputy Commissioner for Capital Projects, to develop an analysis of public private partnerships (PPPs) with the city's parks, and to consider how this model might or might not work in lower-income areas.

1. **Group A:** Present the argument for expanding the city's use of PPPs in the park system to lower-income areas. What are some of the challenges you would face?
Group B: Present the argument against using PPPs in lower-income areas, and argue that it would be better to rely on public funding for these park systems. What are some of the challenges you would face?
2. **Groups A and B:** What are both the political and managerial costs and benefits of your recommendation?
3. **Groups A and B:** What would be an alternative model to the PPP? Who are the key stakeholders in this alternative model?

Week 13: Monday, December 4, 2017, 8:10 – 10:00pm: A Sustainable Planet and Conclusions

Reading Assignment:

- Sustainability Policy: Hastening the Transition to a Cleaner Economy: Chapter 8
- The Sustainable City: Chapter 11
- Weber, Elke (2017). "[Breaking cognitive barriers to a sustainable future](#)," *Nature Human Behavior*

SUBMIT AND DISCUSS FINAL
