Teaching sustainability to business students: shifting mindsets

Wendy Stubbs
School of Geography and Environmental Science, Monash University, Clayton, Australia, and

Chris Cocklin
Faculty of Science, Engineering and IT, James Cook University, Townsville, Australia

Abstract

Purpose – This paper seeks to describe a framework used to help MBA students understand and reconcile the different sustainability perspectives.

Design/methodology/approach – A review of the corporate sustainability literature is undertaken to develop the sustainability framework.

Findings – The sustainability framework relates basic concepts and assumptions within the ecocentric, ecological modernization and neoclassical paradigms to organizational practice and behavior. For the most part, the MBA students have only been exposed to neoclassical economic thinking within the other MBA subjects. The aim of the sustainability framework is to shift the students’ thinking by engaging with sustainability from different perspectives, rather than presenting one version of sustainability to them. The framework has proven to be useful in developing critical and reflective thinking and discussion.

Originality/value – The paper provides a summary of sustainability concepts as applied to business practices and describes how this is used in teaching sustainability to business students.

Keywords Education, Teaching, Ecology, Economics

Paper type Case study

Introduction

Sustainability is a key issue for organizations in the twenty-first century as they increasingly acknowledge that their policies and practices have social and/or environmental consequences. Accordingly, many companies are implementing elements of sustainability into their business practices. In step with this trend is the increasing recognition that sustainability-related subjects need to be included in the curricula of business courses, particularly MBA programs. Recent research into sustainability education in the top 50 global MBA programs shows that over seventy percent of them offer one or more units on sustainability related topics (Christensen et al., 2007). One current debate is whether sustainability should be integrated into core course offerings for MBA students or whether sustainability should be taught as

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standalone elective subjects (Christensen et al., 2007, Tilbury et al., 2004). One potential danger of teaching standalone sustainability units is the educational disconnect that may arise between the free-market focus of MBA curricula and the social and environmental externalities associated with the operations of free-markets as they are currently constructed. Carrithers and Peterson (2006, p. 373) found in their research into the “pedagogical gulf” that exists within the teaching of markets and capitalism by different faculties, that:

...the gap is so wide and the ideas that are promoted are so disconnected that students are trapped into choosing one or the other position (or neither) and are left unable to link the two sides of the discussion. Such an educational process is not one that produces free and reasoned discernment.

In light of this, it is imperative that new methodologies and frameworks to facilitate the understanding of sustainability concepts in the business environment are developed (Cervantes, 2007). It is important for students to understand the worldviews that underlie different interpretations of sustainability in the context of business, to avoid this educational disconnect. Goekler (2003) argues that for students to effectively learn about sustainability, they need to develop the ability to think in new ways – to engage with different worldviews.

This article outlines a framework used in teaching sustainability to MBA students at Monash University in Australia that challenges the students’ worldviews and encourages them to explicitly analyze their assumptions about business, the environment and society. In using this framework the authors try to shift the students’ mindsets to view sustainability from different perspectives, to reconcile the “us and them” thinking (Carrithers and Peterson, 2006) between different sides of the sustainability debate.

This article first provides some background information on the Monash University MBA program and the sustainability unit. There is a continuum of sustainability perspectives and the paper outlines three major worldviews located on this sustainability continuum: ecocentrism, ecological modernization and the neoclassical economic worldview. The paper then discusses the characteristics of organizations within each of the three worldviews. The article concludes by discussing the implications of the framework for teaching sustainability to business students.

Monash University MBA and sustainability
Monash University’s MBA was ranked 49th in the world’s top 100 business schools in The Economist Intelligence Unit’s 2006 MBA rankings (the business information arm of the Economist magazine). The sustainability unit, “Corporate sustainability: the business case”, has been taught as a standalone subject for the past ten years. It was developed by the School of Geography and Environmental Science (SGES) and is taught by SGES lecturers. The unit is currently offered as a summer intensive elective, over four Saturdays and three Wednesday afternoons. It consists of a series of lectures, videos and audio outlining the three dimensions of sustainability (economic, environmental and social), followed by industry case studies and guest speakers to explore and reinforce the key concepts. The framework is introduced on the first day and subsequently used to help guide discussion on how different industries and organizations are approaching sustainability. For most of the students, it is their first
introduction to sustainability. Sustainability is currently not integrated into the MBA core units, although a few MBA lecturers discuss sustainability concepts in their units.

Monash University also offers a Master of Corporate and Environmental Sustainability Management (MCESM) and a MBA/MCESM double-degree. A Master of Business with a Specialization in Sustainability will be available from 2008.

Sustainability framework
While the many and varied perspectives on sustainability can be placed along a continuum, they can be summarized into three broad “camps” (Gladwin et al., 1995): ecocentrism, ecological modernization and the neoclassical economic paradigm. This tripartite framework allows students to examine sustainability within a “business-as-usual” model and to explore different approaches for change without confusing the students with too many “shades” of sustainability. Each of these paradigms, or worldviews, is based on sets of shared fundamental assumptions about sustainability but they are not closed or static: “many schools of thought and subtle variations flourish” within each worldview (Gladwin et al., 1995, p. 881). Individuals and organizations may draw assumptions from the different worldviews in a variety of ways (Hopwood et al., 2005) and organizations’ behaviors and practices may reflect aspects of more than one worldview.

The neoclassical economic worldview is the dominant paradigm today (Cotgrove, 1982; Egri and Pinfield, 1996). Underpinning this paradigm is neoclassical economic theory, which focuses on unlimited economic growth via the operation of free markets and increasing consumption of products and services. Proponents of this view believe that the limits to growth are very distant or non-existent (Beckerman, 1974, 1995; Simon, 1984; Simon and Kahn, 1981). Technology can, and will, solve any issues of environmental degradation through the substitution of natural capital with human-made capital and the development of new technology and processes to deal with pollution and waste.

The antithesis to the neoclassical perspective is ecocentrism. Proponents of the ecocentric worldview believe that it is impossible to have infinite growth in a finite environment (Schumacher, 1973). Ecocentrism promotes the inherent worth of nature rather than its instrumental value – ecosystems are viewed as having inherent worth independent from human value judgments (Purser et al., 1995). The ecocentric perspective draws on concepts of: egalitarianism; decentralized social, economic and political systems; bioregionalism (regions governed by nature not legislature); communalism; collectivism; and cooperation (Egri and Pinfield, 1996).

In the 1980s and 1990s ecological modernizers began to challenge the ecocentric view that there was a zero-sum trade-off between economic prosperity and environmental concern (Dobson, 2003; Hajej, 1995; Jacobs, 1991; Janicke, 1990; Weale, 1992). While not promoting an end to growth, supporters of ecological modernization (EM) do not believe that growth can go on forever in a finite world. EM focuses on improving human welfare and environmental stewardship (maintaining the integrity and variety of nonhuman nature) in addition to economic prosperity – a prosperous economy depends on a healthy ecology and vice versa (Gladwin et al., 1995). Jacobs (1997, p. 9) recommends economic restructuring to “shift onto a new path of economic development in which technological advances and social changes combine to reduce, by an order of magnitude, the environmental impacts of economic activity”.

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The following three sections describe the characteristics of organizations within each worldview, which frames subsequent discussions with the students on how organizations can be sustainable.

**The neoclassical business**

Neoclassical organizations have a denatured view of the environment – they are “above” nature. They have a production/consumption bias that ignores environmental degradation (Shrivastava, 1995). Neoclassical organizations rarely question the logic of continually producing new products for unlimited consumption nor do they question whether environmental degradation is linked to industrial production and unsustainable consumption patterns. Exploitation of natural resources is legitimate (resources are “free” and plentiful). Concerns about natural resource depletion are not strategic organizational issues unless they impact profitability (such as fears of price inflation and foreseeable resource shortages). Organizations focus on short-term (quarterly) financial performance and their planning cycles are typically one to four years (Costanza et al., 1991). The short-term focus of the neoclassical organization means that straight-line discounting and high discount rates (Gladwin et al., 1995) are used, which favors harvesting of resources over preservation for future generations.

Profitability and financial performance are of primary importance to the neoclassical organization. The purpose and main objectives of the firm are usually couched in economic terms. Shareholders are the dominant stakeholders and their claims (financial) are prioritized above other stakeholders’ expectations. Maximizing profits and shareholder value is achieved by increasing the efficiency of a neoclassical organization’s operations through technological innovation, focusing on cost reduction and expanding market share. Organizations must be highly competitive to gain the best resources (human and natural) and increase their profitability.

The pursuit of sustainability is associated with increases in the cost of operations (such as implementing technology to reduce waste and emissions) unless a cost-benefit analysis shows a positive return on investment (e.g. as a result of resource efficiency). Typically, neoclassical organizations pursue environmental reforms if it is in their self-interest (Purser et al., 1995), to gain or retain organizational legitimacy (Bansal and Roth, 2000), to enhance competitive advantage and increase profitability (enhance brand and reputation), if legislation dictates (compliance), responding to public concern (Banerjee, 2001), or due to pressure from stakeholders. The motivation for sustainability is couched in terms of a business case or it is perceived as a duty and obligation (van Marrewijk, 2004).

The level of integration of sustainability issues into the strategic planning process is relatively low, reflecting managers’ perceptions of the importance of these issues. Integration occurs at the business strategy level (allocating resources to achieve competitive advantage) and/or the functional strategy level (“compliance” focus on operating procedures at a functional level, such as marketing or production) (Banerjee, 2001). Environmental strategies focus on pollution prevention or reduction, as opposed to pollution control and clean-up. Regulatory pressures are a major factor influencing environmental strategy (Banerjee, 2002). Social strategies focus on philanthropy (Porter and Kramer, 2002) and corporate community involvement (Suggett, 2003, Zappala and Cronin, 2002).
Organizations reduce waste and improve resource productivity if it results in reduced costs and therefore positively contributes to the financial bottom line. Otherwise, pollution and waste are treated as externalities (Shrivastava, 1995). These costs are not internalized and therefore are not reflected in the price of products – neoclassical organizations externalize the social and environmental costs of their activities and internalize the economic benefits (Sharma and Starik, 2004), unless legislation dictates otherwise.

Neoclassical organizations do not take responsibility for the product once it is sold. Typically, products are designed for a target life-span so that they must be discarded and replaced. The disposal of a product at the end of its life is not the responsibility of the organization that manufactured it and organizations do not typically recycle their own products. Downcycling (end-of-life products are used to produce lower quality products) is used if it can be shown to be cost effective. The production cycle reflects a linear take-make-waste approach rather than a circular borrow-use-return approach (McDonough and Braungart, 2002), which is typically energy and resource intensive.

Neoclassical organizations tend to have a hierarchical structure in which authorities, responsibilities, information and communication are compartmentalized in different units (Doppelt, 2003). The most common structures are functional, divisional and matrix where power and authority are concentrated at the top. Power struggles often emerge due to competition between the units. Employees are often seen as costs and resources which can be “cut” to reduce expenses and improve profitability. Social welfare is seen as the responsibility of the government, not the organization. However, organizations will invest in employees (for example, training, bonuses, benefits, flexible employment conditions) if they believe it will lead to higher revenues and corporate success (Steurer et al., 2005). Social and environmental concerns are typically not integrated into employee performance measures, although a “balanced scorecard” approach (taking into account customers, people, processes and financial dimensions) is often used. Its anchor point remains the financial position of the organization (van Marrewijk, 2004).

The performance of a neoclassical organization is typically measured in terms of financial factors, such as revenue, profits and shareholder return, and legislative compliance. Environmental and social impacts are noted in annual reports where required by law.

The ecocentric business
Ecocentric organizations implement closed-loop, cradle-to-cradle production systems. They use each other’s waste and by-products and share and minimize their use of natural resources and energy. Firms not only reduce their use of natural resources but seek to renew them.

Shrivastava (1995) describes ecocentric organizations as part of a network of organizations that seek to emulate the idea of natural ecosystems (biomimicry). They treat nature as the primary stakeholder and seek to minimize environmental degradation by cooperating with each other. Within this “industrial ecosystem” (Frosch and Gallopoulos, 1989; Graedel and Allenby, 2003; Tibbs, 1993), the organizations share infrastructure to support recycling and renewable energy.

Ecocentric organizations produce eco-friendly products by reducing packaging and material use. They use low energy processes, smaller amounts of resources, recycled
content and they minimize waste and pollution (eventually eliminating the concept of 

waste). The cost of any pollution or waste is internalized in the cost of the product. By 

aiming for zero waste, an ecocentric organization focuses on a preventative approach 

rather than a controlling approach after pollution and waste is created (Shrivastava, 

1995) – it aims to “do no harm” (Hawken, 1993) and to be ecologically benign 

(McDonough and Braungart, 2002) rather than make amends if harm is done (such as 

offsetting greenhouse gases by purchasing carbon credits).

An ecocentric organization sells services rather than products (Hart, 1997; Hawken, 

1993; Lovins et al., 1999) and takes responsibility for the complete life-cycle of its 

solutions. For example, a firm will lease a floor-covering service rather than sell carpet, 

or lease dissolving services rather than sell solvents so that it can reuse the same 

solvent many times (Lovins et al., 1999). End-of-life products are recycled to produce 

new products of the same quality or used as inputs for other organizations in an 

industrial ecosystem. An ecocentric organization minimizes the use of virgin materials 

and non-renewable forms of energy, recognizing that earth’s resources are finite 

(Shrivastava, 1995).

The high discount rates used under the neoclassical model results in short-term 

corporation of natural resources and eventually exhaustion (Gladwin et al., 1995). 

Under the ecocentric business model, firms do not use discounting methods or they 

implement “hyperbolic discounting” (Gowdy and Erickson, 2005, p. 215), where the 

near future is discounted at a higher rate than the distant future: “A hyperbolic 

discount rate would have a dramatic effect on cost-benefit calculations of the future 

benefits of global climate stability or biodiversity”.

Ecocentric firms pursue sustainability because of ethical motives (Bansal and Roth, 

2000) – it is the “right thing to do”. They integrate sustainability issues into their 

enterprise strategy (which examines the role of business in society and the mission of 

the firm) (van Marrewijk, 2004). They express their purpose in terms of restoring the 

environment – leaving the world better than you found it (Hawken, 1993) – and 
pursuing equity (inter-generational, intra-generational and inter-species equity). 
Banerjee (2001) notes that few businesses have integrated sustainability concerns at 

this level.

Gladwin et al. (1995, p. 886) describe the structure of an ecocentric organization as 
heterarchical, “established by an egalitarian interplay of interconnected parts”.

Ecocentric organizations are people-driven, focusing on improving workplace culture 

and practices (van Marrewijk, 2004). They employ non-hierarchical structures where 

internal relations and process take primacy over parts (Gladwin et al., 1995). Firms 

emphasize participative decision-making, decentralized authority and low earning 
differentials (the difference between the highest and lowest salary) (Shrivastava, 1995). 
Ecocentric firms employ consensus oriented decision-making processes and have flat 
organizational structures. Shareholder value is balanced against the interest of other 

legitimate stakeholders (van Marrewijk, 2004).

The values of an ecocentric organization are more aligned to post-patriarchal 
feminist values and its goals are aligned with stakeholder welfare (rather than 

shareholder wealth) (Shrivastava, 1995). An ecocentric organization aims to improve 

the quality of life of all its stakeholders (with nature as a dominant stakeholder) and it 
takes a long-term perspective. The human being “behind” the employee and the
customer is recognized and internal and external stakeholders are included in business decisions.

Ecocentric organizations do not focus on short-term financial results but rather on the restoration of the natural environment and stakeholder welfare and equity, while recognizing the need to make profits to support their goals.

The ecological modernization business

An ecological modernization (EM) organization pursues “win-win” options, seeking self-interest without doing harm to stakeholders and nature (van Marrewijk, 2004). It focuses on being profitable, improving the welfare of its stakeholders and on minimizing its environmental impacts (reducing its ecological footprints). Gladwin et al. (1995) refer to this as moving from “greening”, where an organization focuses on instrumental or process objectives (such as pollution reduction), to “sustaining” – a focus on outcomes such as assuring ecosystem and socio-system health and integrity. EM organizations focus on not just “reducing the bads” but on “realizing the goods” – not just tackling the symptoms of the problem (such as pollution) but on tackling the core cause of the problem (what causes pollution). An EM organization’s aim is to “do no harm” to the environment and its stakeholders but its strategy is to make amends if it does harm them (Hawken, 1993), such as offsetting harmful emissions by purchasing carbon credits or planting trees.

Firms pursue sustainability for ethical and economic reasons – it is the “right thing to do and the smart thing to do”. For example, redesigning manufacturing processes not only reduces pollution and waste, it also reduces costs. EM firms integrate sustainability issues into their corporate strategy (determines the kinds of businesses and markets a firm should enter (Banerjee, 2001)) to meet its enterprise goal of balancing social, environmental and economic outcomes.

A driving factor for neoclassical organizations is quarterly financial reporting while “stewardship” and intergenerational equity drives EM firms (Gladwin et al., 1995). This implies planning horizons more akin to decades than quarters. An EM firm employs low, or close to zero, discount rates to slow the depletion of natural resources (Gladwin et al., 1995), ensuring a more equitable distribution of resources across generations. It takes a stakeholder view of the firm rather than a shareholder-dominant view and acknowledges that nature and future generations are stakeholders.

An EM organization invests significantly in technology and new processes to design low-impact products that reduce its ecological footprint (minimize pollution, waste, resource usage and energy) but it is skeptical that technology can solve all problems. In addition to investment in new technology, organizations and societies will also need to reduce consumption of resources (Hart, 1995; Starik and Rands, 1995). Recycling is central to an EM firm’s operations as it works towards implementing technology and processes to close the loop of output and input processes.

An EM organization offers services such as leasing, if financially viable, so that it can keep control of the total life-cycle of a product. It competes in the marketplace to sell its products and services and hence to improve its revenues and profits but it also cooperates with its suppliers, customers, competitors and other stakeholders to reduce its environmental impacts. This form of “coopetition” (Brandenburger and Nalebuff, 1996) is demonstrated by joint research and development initiatives for new
technology and processes and investment in shared infrastructure to support sustainability, such as recycling facilities.

EM organizations recognize the whole and the parts, or “holons” (Gladwin et al., 1995). They use flatter structures than the traditional hierarchical model, arranged more by process rather than by function (Doppelt, 2003). They often employ a network structure (Doppelt, 2003, van Marrewijk, 2004) where semi-independent groups form to accomplish specific tasks (such as cross-functional teams). Because the groups tend to be temporary, power and authority are usually based on resources and expertise rather than on a person’s position in a hierarchy (Doppelt, 2003). The groups also may include external stakeholders, such as customers and suppliers – stakeholders are part of the organization’s network. EM firms recognize that interdependency and cooperation (Korhonen, 2002) are key elements of sustainability. Joint planning of company policies and management systems occurs between the organizations and their stakeholders.

In an EM organization, there is an alignment between collective and individual needs and motives. Career development and performance appraisal systems are structured to facilitate this: “Managers support their employees, often professionals, in order to bring them into the flow, accomplishing both their own as well as their organization’s objectives and creating a feeling of self-actualization” (van Marrewijk, 2004, p. 155).

EM organizations use a triple bottom line approach to reporting their performance, either developing their own measurement and reporting system around economic, environmental and social outcomes, or adopting global sustainability reporting guidelines such as the Global Reporting Initiative (GRI).

Table I outlines the characteristics of a typical business under each sustainability worldview. Due to its reductive nature, the table does not adequately capture the complexities of each business model, but it serves to summarize the key organizational assumptions underlying each paradigm. Each worldview has its critics. The neoclassical paradigm is criticized for leading to global ecological crisis, the marginalization of people and communities and social inequities (Gladwin et al., 1995; Korten, 2001). The ecocentric position is criticized for being too rigid or impractical to implement – it is based on an “all too convenient idealization of nature” (Eckersley, 1992, p. 55). Ecological modernization is criticized for “selling out”, traveling the easy road of political compromise and legitimizing and sustaining the very structures and systems that have been responsible for environmental destruction (Christoff, 1996; Gladwin et al., 1995; Gouldson and Murphy, 1997).

Using the sustainability framework in teaching
A number of researchers draw on opposing perspectives on sustainability to stimulate, and broaden, business students’ interest in sustainability (Cordano et al., 2003; Kearins and Springett, 2003; Rusinko, 2005; Springett, 2005). Kearins and Springett (2003) and Springett (2005) present two perspectives – weak sustainability (neoclassical perspective) and the more radical strong sustainability (deep ecology perspective) – and use critical theory to inform their teaching. Kearins and Springett (2003) use three critical skill-sets to bridge the two paradigms: reflexivity, critique and social action/engagement. This approach encourages students to reflect on, and critique, the assumptions underlying different approaches to sustainability at both an organizational level and a personal level. “Involving students in meaningful learning
<table>
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<tr>
<th>Table I. Characteristics of business within alternative worldviews</th>
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<tbody>
<tr>
<td><strong>Purpose of business (business objectives)</strong></td>
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<tr>
<td>Ecocentric</td>
</tr>
<tr>
<td>Increase quality of life and enhance social equity (human and non-human species)</td>
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<td><strong>Strategic approach</strong></td>
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<td>Organizational commitment to nature (ecological integrity): minimize the use of virgin materials and non-renewable energy; eliminate emissions and effluent; minimize the life-cycle costs of products and services; and renew natural resources. “Leave the world better than you found it” (Hawken, 1993, p. 139)</td>
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<tr>
<td><strong>Structure</strong></td>
</tr>
<tr>
<td>Non-hierarchical</td>
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<tr>
<td>Decentralized authority</td>
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<tr>
<td>Industrial ecosystems – each organization is part of a whole system</td>
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<tr>
<td><strong>Approach to nature and the environment</strong></td>
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<tr>
<td>Harmony with nature. Resources are finite</td>
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<tr>
<td><strong>Attitude to technical progress (to solve resource constraints and pollution)</strong></td>
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<td><strong>Timeframe focus</strong></td>
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<th></th>
<th>Ecocentric</th>
<th>Ecological modernization</th>
<th>Neoclassical</th>
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<tbody>
<tr>
<td>The stakeholders</td>
<td>Nature is the dominant stakeholder. Place nature at the centre of organizational concerns</td>
<td>Address needs of all (human) stakeholders. Acknowledges interconnections between humans and rest of nature – nature is a stakeholder.</td>
<td>Shareholder is dominant. Place shareholder concerns at the centre of organizational concerns</td>
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<td>Treatment of externalities</td>
<td>Fully internalized – pollution and waste are eliminated</td>
<td>Supports internalizing costs. Focus on reducing pollution and waste through technology and redesigned processes</td>
<td>Pollution, waste and costs of social degradation are externalized (unless legislated)</td>
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<td>Product life-cycle</td>
<td>Focus on selling services. Responsible for complete life of product/service: cradle-to-cradle.</td>
<td>Sell low-impact products and services. Responsible for disposal/reuse of products at end of life</td>
<td>Not responsible for product end-of-life (disposal/reuse) nor concerned with designing low-impact products unless it increases profit/revenue</td>
</tr>
<tr>
<td>Production systems approach</td>
<td>Circular (closed loop) production systems such as biomimicry and industrial ecosystems</td>
<td>Employs recycling. Moving towards closed loop systems</td>
<td>Linear production systems. Energy- and resource-intensive. Limited downcycling</td>
</tr>
<tr>
<td>Cooperation or competition?</td>
<td>Cooperation</td>
<td>Coopetition</td>
<td>Competition</td>
</tr>
<tr>
<td>Performance measures</td>
<td>Triple bottom line (TBL). Emphasis on environmental and social impacts such as waste and pollution, use of resources and energy, biodiversity, and wellbeing and welfare of stakeholders and local communities</td>
<td>TBL – more equal weighting of economic, environmental and social performance</td>
<td>Financial and market measures such as revenue, profit, shareholder value, market share, return on equity, return on assets and return on investment</td>
</tr>
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Table I.
at a personal level is key to retaining their interest” (Kearins and Springett, 2003, p. 195). The authors follow this approach (primarily using reflexivity and critique) to broaden the students’ perspectives on sustainability, while also engaging them at the personal level.

After debating the three perspectives with the class, the authors then use the framework throughout the course to analyze how different organizations address environmental and social issues. This is achieved by working through two case studies (banking industry and automotive industry), using guest speakers from a variety of industries that reflect different sustainability perspectives (such as automotive, manufacturing, banking, steel and energy), and consolidating the students’ learning with a group assignment. The personal learning aspect is achieved through a session with an “inspirational life coach” and a final essay on how the students will – or will not – “personalize” sustainability in their careers and/or lives.

The two case studies were chosen to contrast the sustainability issues of a product manufacturing industry and a service industry. In groups, the students work through a process to analyze: how an organization from each industry typically makes its money; the major sustainability issues and risks (environmental, social and economic); the implications of these issues and risks – how they impact the business (attaching a likelihood and consequence rating to each issue/risk); and responses (solutions) to these sustainability issues and risks – how the business should resolve the issues. The solutions proposed by the students range from “radical” transformative change drawing from the deep ecology paradigm – such as redesigning products and processes (closed-loop production) – to neoclassical incremental changes such as recycling initiatives and purchasing offsets (offset carbon emissions by purchasing carbon credits or planting trees). The students are asked to consider the following when they recommend solutions: shape the industry or adapt to industry changes (leader or follower?); focus or diversify?; timeframe (now, medium-term, long-term); and, implications for structures, systems, style (culture), staff, skills and “super goals” (vision, mission and goals). The learning from these sessions is reinforced in the group assignment. The students choose an organisation (the authors suggest it is one of the organizations that the students work for so they have some inside knowledge) and prepare a 5,000-word report using the same process used in class to analyze the two case studies. The students present an interim report to the class (10-15 minute presentation) one week before the assignment is due. The class is expected to participate in question time to provide feedback on the proposed solution, and on the underlying perspective(s) taken by the group.

The aim of the industry guest speakers is to reinforce how different organizations interpret and implement sustainability. Drawing on the three sustainability perspectives, the students critique the organizations’ approaches. Organizations are chosen that represent the different sustainability perspectives. For example, the Interface speaker draws on concepts from deep ecology and ecological modernization, such as closed loop systems and biomimicry (Stubbs and Cocklin, 2006a). A steel company reflects a neoclassical approach to sustainability (offsetting environmental impacts through planting trees). One leading “neoclassical” bank draws on some aspects of ecological modernization and Bendigo Bank reflects a deep ecology communitarian approach with its community banking model (Stubbs and Cocklin, 2006b).
Postulating that organizational change is predicated on personal change, the life coach guest speaker challenges the students to examine their “taken for granted” assumptions. Through a series of exercises the students reflect on their own values and aspirations. The final essay asks the students to reflect on and appraise their career aspirations and how sustainability will influence (or not) this. In the essay the authors ask the students to discuss their intended career path for the next five years; how sustainability will influence, or be integrated into, the role(s) they envisage; and what they need to do to realize this plan.

The in-class case studies combined with the guest speakers and the group assignment allow the students to critically engage with the sustainability framework at a practical level which broadens their perspective on sustainability. The life coach and personal essay results in high levels of engagement with the sustainability perspectives at a personal level, providing an opportunity for students to turn the lens on themselves.

One issue that emerged in teaching the sustainability unit as a summer intensive is the limited time the students have to reflect on the different approaches to sustainability. An extra week has now been added into the unit to provide a break to allow a little more time for reflection.

Conclusion
This paper described a referential framework (Steurer et al., 2005) for firm-level sustainability that is used to help MBA students understand sustainability and reconcile the different sustainability perspectives. The framework relates basic tenets of sustainability within the ecocentric, ecological modernization and neoclassical paradigms to organizational practice and behavior. It provides a frame of reference to help make sense of how organizations implement sustainability and the assumptions that underlie their behavior.

The main aim of this framework is to help students appreciate the wide-ranging perspectives on sustainability; to get them thinking about what the different “flavors” of sustainability mean for organizations – the structural and cultural implications; to critique how different organizations approach sustainability (including NGOs, publicly listed companies, government agencies etc); to debate the different solutions and business cases for organizations pursuing sustainability; and to consider the wider macroeconomic implications of corporate sustainability.

The authors have found that this framework generates a good deal of class discussion because it counterposes different sustainability perspectives with the neoclassical “business-as-usual” thinking that underpins the MBA program. At the beginning of the unit, the students largely accept the assumptions of the neoclassical paradigm – until this unit they have not questioned them. By examining and contrasting the assumptions underlying each worldview, the authors believe it helps the students develop critical and reflective thinking. The aim is not to convert them to any particular viewpoint but rather to help them understand and articulate all the sides of the sustainability debate. It is continually reinforced that the framework is not static, with three fixed “camps”. It is a continuum of positions and, in reality, people and organizations draw from across the perspectives. The guest speakers and case studies are selected from different industries and organizations that demonstrate viewpoints and business practices from across the perspectives. In taking this approach, the
authors aim to overcome the “flaw in teaching” that Carrithers and Peterson (2006) identified and close the educational disconnect between the free-market approach and sustainability perspectives.

While the framework is a useful starting point for challenging and broadening MBA students’ perspectives on sustainability, integrating these concepts into core MBA subjects would address Carrithers and Peterson’s (2006) “disconnect” issue at the source. A standalone sustainability unit allows students to explore basic concepts, principles and worldviews, but sustainability needs to be integrated into the core MBA units. Otherwise sustainability may be seen as a separate issue, disconnected from business strategy, the legal environment, economics, accounting, corporate finance, marketing and international business, all of which are commonly core MBA units. This is an area for future research and course development – how best to integrate sustainability into existing business units. This may be prove to be an “elusive” challenge, as suggested by Christensen et al.’ (2007) research into sustainability education in the top 50 global MBA programs.

References


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Further reading

About the authors
Wendy Stubbs is a lecturer at Monash University, Australia. Her research interests are in corporate environmental and social sustainability, corporate social responsibility and sustainability-centric business models. She teaches corporate sustainability and environmental policy and management at undergraduate and postgraduate level. She has published journal articles on corporate sustainability and sustainable business models. She is the corresponding author and can be contacted at: wendy.stubbs@arts.monash.edu.au

Chris Cocklin is the Pro-Vice-Chancellor of the Faculty of Science, Engineering and IT at James Cook University, Australia. His research and teaching interests are in corporate environmental management and sustainability, global environmental change and environmental policy. He has contributed to more than 200 publications in these fields. Professor Cocklin was formerly at Monash University, where he contributed to the establishment of post-graduate teaching programmes in corporate sustainability and oversaw the establishment of triple-bottom-line reporting for the university.

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