

# A SUSTAINABLE LEARNING JOURNEY

Taking our EMBA program to the next level

Introduction 20 min: What we do at SSE : Why & How?

Group discussions 20 min: What are you doing? Other great ways to integrate sustainability in the MBA.

Class discussion 20 min: Which are your reflections?

# WHY?

- Sustainable business and competitive advantage – A major strategic concern
- Sweden as a leading country for sustainability
- SSE has a strong focus on sustainability

# HOW?

- Strategic thinking: Stakeholder Perspective
- 2015 Curriculum:
  - Making sure MBA participants get an contextual understanding of general issues and stakeholder perspectives.
  - CSR & Sustainability Course run throughout the length of the program with extensive Live Case at the end. Course sessions in most program weeks.



Stockholm School of Economics

- Maturing Businesses: Integration of sustainability into core Business Areas-to potentially create both social and corporate value.
- 2021 Curriculum:
  - Changed content of CSR & Sustainability course with stronger focus on practical dilemmas and solutions.
  - Added integration of Sustainability into all core courses (and electives) with common half day workshops in each module (3-4 courses with common theme).





## Index over Sustainability integration in program courses

### Economics

Discusses sustainability consequences of economic growth, migration, and the dark side of factor mobility. Problematises inequality and the issues around measurement and brings in the effects of corruption and its impact on the poverty penalty, trade barriers and consequences to international investments. The interface between sustainability and economics further deals with externalities, costs that are not (fully) paid for by market actors.

### Business Law

Reflects on the interlink between law and business ethics. In addition, regulates organizations and companies. Through behavior and increase investor transparency.

### Finance

Introduces the area of sustainable finance. Different techniques for working with green bonds and how valuation is affected by the idea of efficient markets and, therefore, by (such as financial analysts and investors) then make more informed investment decisions.

#### Accounting

Accounting is the language of business and should reflect (and represent) an organization's/company's operations through the financial reports, the income statement, the balance sheet, and the cash flow statement. The accounting numbers are further used in various company analyses and as an essential input in making a company valuation. Lately, regulation has been presented that will require companies to report/disclose their sustainability impact and how climate change impacts the company's ability to generate revenue, how climate will impact costs, and the value of its assets. Hence, sustainability will (or should at least) be reflected in the financial reports. The management accounting and control practices are used to fulfill objectives and strategies, also here will sustainability play a more critical role.

#### Strategic Management

Strategy is about taking a company from A to B. Ideally (and traditionally); this has been monopolies" so that the company can make a profit (excess returns). With a focus on value, while an explicit stakeholder focus will, on the other hand, force a company to

#### Operations Strategy

Operations strategy is about designing effective and efficient processes. In these processes products are manufactured will decide a company's environmental footprint. The social within companies and their supply chains are treated, their working conditions, and will influence its supply chain through procurement and introducing control.

#### Managing the Organization

Managing an organization involves designing a structure, setting up systems and processes. Sustainability will impact all these three aspects of managing an organization. New requirements new type of organizational design (e.g., from a functional organizational type to a matrix) also impact the systems (closely connected to the management control systems), how

#### Change Management

For many companies, facing new requirements based on regulations and sustainability is about change management. The fundamental mechanisms are no different from other major change projects, and it is critical to understand the drivers and forces that hinder change in and outside organizations. In many cases, regulations make change easy, but since the time perspective can be rather long, the status quo tends to win still. Therefore, when and not to make the shift is a crucial decision.

#### Marketing

The value created is realized in the interface between a provider and a user. Marketing is about understanding the fundamental needs of a customer and what jobs the supplier/provider can help to solve. As regulation changes and externalities (external costs) are internalized to a larger extent, it will also be possible to "sell sustainability." Features of products and services will be considered green and sustainable, and some segments will be willing to pay for this.

#### Business Innovation

Business innovation is about developing and combining resources (physical and social) in new ways. Innovations can be incremental, with small changes built on existing knowledge. Innovation can also be radical, where new and explorative knowledge is needed to find new resource combinations (involving novel resources). Regarding sustainability requirements, some firms will face a more incremental change, while others are forced to a radical innovation journey. The risk of changing and innovating radically will, for natural reasons, be higher and the outcome more uncertain. Sustainable innovation often involves innovation on a systemic level beyond a single organization or company. This implies working in partnerships and ecosystems (industrial networks), where interests are only sometimes aligned, adding further to the complexity of innovation.

## HOW: COLLABORATIVE EFFORT

- Strong collaboration between Academic Director and Course Director/Director of Research Institute on Sustainable Markets.
- Mandate to integrate with other core courses in the MBA program, and with CD taking lead to do so.
- Other CDs and faculty invested in updating own content and common module workshops.



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