

The Wharton School
University of Pennsylvania

Syllabus for OPIM-762 - Environmental Sustainability and Value Creation

Spring 2008-Q1 (January-March 08)

Class

Mondays and Wednesdays
3:00 to 4:20 pm
Huntsman Hall, Room: F60

Instructor:



Erwann MICHEL-KERJAN

The Wharton School, OPIM Dept., Huntsman Hall, 5th Floor, Room 556
3730 Walnut Street, Philadelphia, PA 19104

Email: ErwannMK@wharton.upenn.edu – Website: <http://opim.wharton.upenn.edu/risk/faculty/EMK.html>

Office Hours:

M, W – 4:30-5:30 (after class) or by appointment

Format: Lectures, case studies, videos, class discussion, web-based games, outside speakers with experience relevant to the course.
This course is one of the mini-electives satisfying the core requirement.

Final exam: No final exam. Grades will be determined by class participation, writing assignments and a course project.

Course Description

With the growing globalization of social and economic activities worldwide, environmentalism has become a fundamental component of the new business playing field (think not just “greening,” but climate, energy, water, toxins, food, health, land use, supply chains, new manufacturing, service and financial products). A large range of companies, big and small, now out-compete their competitors by implementing a robust environmental stewardship, engaging stakeholders (government bodies, NGOs, trade associations, citizens’ groups, universities) and by making these efforts both measurable and visible.

This course is intended to familiarize students who are not environmental specialists with relevant facts and analyzes on this recent environmentalism evolution. What are the key concepts? What is at stake? Who are the key interested parties? Who is leading the way in reshaping business strategies as well as public policies? What are the lessons learned from successes and failures to integrate the environmental component, here and abroad? Also, why those who want to do good have to develop a robust business model to achieve that goal, and how to do it?

This course will allow students to:

- (1) expand their awareness about the environment as an increasing part of the core business model and day-to-day operations of many organizations;
- (2) develop a necessary environmental blueprint they may carry into other functions in their future career;
- (3) think strategically and act entrepreneurially to create value;
- (4) interact with practitioners who have a great deal of experience on these issues.

A course project will enable students to work individually or in small groups on a concrete case of their choice to create value on their own.

I have invited four value creators to come to the class as guest speakers.

Bios and topic descriptions for “*Monday’s Meet the Value Creator*” guest speakers are listed at the end of this document.

Course Grading

Short write-ups and case study assignment: 30%

Participation and attendance: 20%

Personal project: 50%

Short write-up assignments (30%)

Opinion papers (15%) – There will be four short write-up assignments based on the series of questions I will share with you in advance of the course as part of the reading/listening/watching homework. In order to stimulate students' interest, each of you will compose a 2-page **opinion paper** on a problem related to the course topics. These short papers are meant to challenge you on some fundamental aspects of environmentalism. In these papers, you should be able to defend a strong point of view (in favor or against). As for any opinion paper, you have to bring facts to your arguments, not only an ideal view of the world. Ask yourself: "Why might others have a different view? How can I convince them of my point of view? If I were employed in an organization, how would I convince my colleagues and/or higher levels of the organization?" If you propose a new concept, ask yourself: "What are the main limitations to its implementation?" Note that the focus of these papers can be the U.S. or any other country. Think of it as something that you might submit to the *Financial Times*, *New York Times*, *International Herald Tribune*, *Washington Post* or to be posted on a popular *blog* (some of them might end up being published).

Work on Case Studies (15%) – Two sessions will be devoted to discussion on a specific **case study**. In order to prepare the class to a better discussion and role play, there are two write-up assignments based on each of the case studies (5 pages).

Note: Unless otherwise specified, assignments are due at the beginning of class on the day they are assigned. An *x-page write-up* means a 1.5-spaced *x-page* document (excluding tables, graphs and pictures).

Participation and attendance (20%)

"Participation" means participating in class discussions and small group exercises, making presentations in class, sharing relevant news items, and your contribution to team projects. An important part of contributing to any endeavor is showing up prepared. Be ready to discuss assigned readings and cases. "Attendance" means being in the classroom when the instructor starts the class. Each session of this class comprises about 8% of the content of the course, so every session is critical.

Your Team Project (50%)

A team project is a research paper (10-12 pages), along with its presentation to the class.

Teams of three or four students will be responsible for a joint project. Each team will have a choice between two contributions:

1) Analyze a company's sustainability efforts and recommending how it can be improved.

The team will select a company of its choice and assess its environmental performance using the tools and concepts learned in the course. (Only companies that publish annual environmental reports will be considered). You are free to contact the company directly to access more information, conduct interviews of decision makers there; other sources of information should be available on the web, through publicly available case studies, media analysis, academic publications, and financial sources (e.g. Security Exchange Commission in the U.S.), etc.

2) Identify a potential business opportunity (a new idea or a new version of an existing practice) to improve environmental sustainability.

Here you have to ask yourself: "Is our idea really new? Why? Has there been any patent registered on that concept or product? Who would be the market, in which countries? How do we propose to develop this product? At what cost? What would we need to make it real?"

Note: Other creative project concepts can be proposed, as long as they are closely related to environmental sustainability and create value.

Deliverables:

Initial proposal (maximum 2 pages) for the final project topic and abstract should be submitted in writing or by e-mail for professor approval by Wednesday, February 6, 2008. Team projects will be presented orally and discussed for 10 minutes each during that session.

Final project is expected to be submitted in writing (10-12 pages) by Monday March 3, 2008. Electronic submission is acceptable.

Files should be named: TeamProject_OPIM762.<#>_<lastname>_<firstname>.doc.

e.g. TeamProject_OPIM762_MichelKerjan_Erwann.doc, and contain on the first page the name of all members of the teams with email addresses. The first page should list all members of the team.

The results of the team's research will be presented in a formal, professional Power Point presentation to the rest of the class on the last session of the course.

Lecture schedule – Subject to change

Date (2008)	Topic	Reading/Listening/Watching	Due
1. Wed., Jan. 16	Introduction – Presentation of environmentalism as a fundamental component of the new business playing field & Course Overview	(1); (2); (3)	
2. Mon., Jan. 21	No class - Martin Luther King Day		
3. Wed., Jan. 23	Planning team project: Meet with your group to discuss your project and distribution of responsibilities	(4)	
4. Mon., Jan. 28	The new business playing field: Understanding who are the key drivers, and their (conflicting) agenda	(5)	(A) Opinion paper 1
5. Wed., Jan. 30	The new business playing field: Developing an adequate strategy within the organization	(6)	(B) Opinion paper 2
6. Mon., Feb. 4	<i>Monday's Meet the Value Creator</i> Focus: NetJets and IKEA	See below	
7. Wed., Feb. 6	Discussion of the group projects Video: <i>Exporting Harm – Case study 1. Wal-Mart's Sustainability Strategy (2007)/Role Playing Exercise</i>	(7)	(C) Initial value creation proposal (D) Case study 1
8. Mon., Feb. 11	<i>Monday's Meet the Value Creator</i> Focus: Energy industry	See below	
9. Wed., Feb. 13	Climate Change I: The ultimate challenge for sustainable environment; the coordination and incentive issue; Video segment <i>An Inconvenient Truth</i>	(8), (10), (11) Optional: (9)	(E) Opinion paper 3
10. Mon., Feb. 18	<i>Monday's Meet the Value Creator</i> Focus: Green individual behaviors, or the need for financial transfer instruments	See below	(F)
11. Wed., Feb. 20	Climate Change II: value creation. Impact on Insurance Business and the development of new financial instruments	(12), (13), (14)	(G) Opinion paper 4.
12. Mon., Feb. 25	<i>Monday's Meet the Value Creator</i> Focus: Social marketing - Building a business case for sustainable healthy environment	See below	
13. Wed., Feb. 27	<i>Case study 2. Innovative partnership Model: Migros Palm Oil Case (2006) and Role Playing Exercise</i>	(15)	(H) Case study 2
14. Mon., March 3	Last session: Presentation of team projects to the class and Course summary/take-away by the instructor		Final team project due

Reading/Listening/Watching list

Textbook for this class: Andrew Hoffman, *Competitive Environmental Strategy -A Guide for the Changing Business Landscape*, Island Press.
Available at the Penn bookstore – All listed readings are required.

- (1) Kenneth Arrow (1973), “Social Responsibility and Economic Efficiency,” *Public Policy*, 21, pp. 303-17.
- (2) Paul Hawken, Amory Lovins and Hunter Lovins (1999) “The Next Industrial Revolution,” Chapter 1 in *Natural Capitalism. Creating the Next Industrial Revolution*,” Snowmass, CO: Rocky Mountain Institute.
- (3) Chapter 1 in Hoffman: “From Environmental Management to Environmental Strategy”
- (4) Chapters 2 and 3 in Hoffman: “Regulatory Drivers” and “International Drivers”
- (5) Chapters 4, 5 and 6 in Hoffman: “Resource Drivers,” “Market Drivers” and “Social Drivers”
- (6) Chapter 8 in Hoffman: “Strategy Originates within the Organization”
- (7) Erica Plambeck and Lyn Denend (2007), “Wal-Mart’s Sustainability Strategy,” *Stanford Graduate School of Business*.
- (8) Sir Nicolas Stern, (2007), “Stern Review: The Economics of Climate Change: Executive Summary”
- (9) Michael Witzman (2007), “A Review of the Stern Review on the Economics of Climate Change,” *Journal of Economic Literature*, Vol. 45, No. 3, September 2007. (*more technical*)
- (10) Howard Kunreuther and Erwann Michel-Kerjan (2008), “Assessing, Managing and Benefiting from Global Interdependent Risks,” Prepared for the Annual Meeting of the American Economic Association, New Orleans, January 4-6, 2008. (*more technical*)
- (11) Lewis Branscomb and Erwann Michel-Kerjan (2006), "Building Trust: Public-Private Collaboration on a National and International Scale," Chapter 22, pp. 493-503, in Auerswald, Branscomb, LaPorte and Michel-Kerjan (eds.), *Seeds of Disaster, Roots of Response: How Private Action Can Reduce Public Vulnerability*, Cambridge University Press.
- (12) Myles Allen and Richard Lord (2004), “The Blame Game: Who will pay for the damaging consequences of climate change,” *Nature*, Vol. 432, December 2004.
- (13) Howard Kunreuther and Erwann Michel-Kerjan (2007), "Climate Change, Insurability of Large-Scale Disasters and the Emerging Liability Challenge," *Penn Law Review*, Vol. 155: 6, pp. 1795-1842; NBER 12821, *National Bureau of Economic Research*, Cambridge, MA.
- (14) Erwann Michel-Kerjan and Frederic Morlaye (2008), "Extreme Events, Global Warming, and Insurance-Linked Securities: How to Trigger the ‘Tipping Point.’” *The Geneva Papers on Risk and Insurance*, vol 32: 1, Spring 2008. (*more technical*)
- (15) Jens Hamprecht and Daniel Corsten (2006), “Supply Chain Strategy and Sustainability: The Migros Palm Oil Case.” (*Oikos Sustainability Case Writing Competition*).

Additional reading is required in preparation of each *Monday’s Meet the Value Creator* session.

Homework

- (A) Opinion paper 1. Hoffman; Page 83-84. *Can the Market System Protect the Commons?*
- (B) Opinion paper 2. Hoffman; page 177-179. *Do the Obstacles to Environmental Strategy Lie on the Organization or Individual Level?*
- (C) Initial proposal for the team project due; prepare 2 slides to be presented in the class.
- (D) Wal-Mart Case study due.
- (E) Opinion paper 3. “*Why should companies be expected to reduce carbon emission proportionally more than individuals?*”
- (F) Go to <http://www.mycarbonfootprint.eu/> and learn how you can reduce your own carbon footprint. You can also go to <http://www.climatecrisis.net/takeaction/carboncalculator/>
- (G) Opinion paper 4. “Meeting in Davos.”
- (H) Milgros Case study due.

Course Materials:

The readings for the course other than Hoffman’s book are available on WebCafé.

WebCafé Site:

<https://webcafe.wharton.upenn.edu/eRoom/opim/762-sp08-1>

Case studies

- The next four pages present a brief description of the two case studies that will be analyzed in class. The full cases are in the bulk packet of readings.
- Assignments for these two cases will be distributed in class 10 days before the due date.

Case Study 1

Wal-Mart's Sustainability Strategy (2007)

Authors of the case: Erica L. Plambeck and Lyn Denend

Company Snapshot: Fortune 500 rank: 1; 2006 Revenues: \$351 billion; Number of employees worldwide: 1.9 million

Context:

In October 2005, in an auditorium filled to capacity in Bentonville, Arkansas, Lee Scott, Wal-Mart's president and CEO, made the first speech in the history of Wal-Mart to be broadcast to the company's 1.6 million associates (employees) in all of its 6,000+ stores worldwide and shared with its 60,000+ suppliers. Scott announced that Wal-Mart was launching a sweeping business sustainability strategy to dramatically reduce the company's impact on the global environment and thus become "the most competitive and innovative company in the world." He argued that, "Being a good steward of the environment and being profitable are not mutually exclusive. They are one and the same." He also committed Wal-Mart to three aspirational goals: "To be supplied 100 percent by renewable energy; to create zero waste; and to sell products that sustain our resources and the environment."

Against this backdrop, the case introduces Andrew Ruben, vice president of corporate strategy and business sustainability, and Tyler Elm, senior director of the same group. Ruben and Elm, who were chosen by Scott to lead the sustainability strategy, recognized that they needed to keep environmental improvement tightly coupled with business value and profitability for the strategy to succeed.

The case describes Wal-Mart's efforts to accomplish this, focusing on three of the company's primary focus areas (seafood, electronics, and textiles) and their effect on the company's operations, supplier relationships, and results. It also explores how Wal-Mart is measuring and communicating its ideas about sustainability to its suppliers, associates, customers, and the public.

Learning Objective:

To familiarize students with how Wal-Mart is opening up to external stakeholders (e.g., environmental nonprofits), measuring its environmental impacts, and giving its employees responsibility (as part of their daily work) for reducing those impacts in such a way that the company derives profit. To compare and contrast three of Wal-Mart's focus areas (called *sustainable value networks*) and understand the conditions required for this strategy to be effective (where, why, and how it is working best). To highlight the fact that 90% of the potential for environmental improvement exists within Wal-Mart's supply chain and understand how the company is working with suppliers to address these opportunities. To assess how the company is measuring environmental performance and using the results to communicate with and motivate associates, suppliers, customers, policy makers and the public.

A framework to read and analyze this case

1. What do you know about the company?
2. Does it have a history (successful or not) of efforts to address the new environmentalism? Does one of its competitors have such a history? If so, what is the likely impact on Wal-Mart?
3. What do you know about the environmental sustainability program?
 - When has it be launched? By whom? Why?
 - What is the common goal? Growth path? Reputation? Risk management?
 - What is the timeline? Expected return on investment?
 - Who are the key drivers? Internal, external, markets, institutional, etc.? How do they cooperate? Role of captains and sustainable value networks.
4. How would you describe the strategy adopted by Wal-Mart? Top-down; Bottom-Up? Other?
5. How can we measure the success (or lack of) of this program?
 - What have been the successful networks? Why?
 - What have been the less successful networks? Why?
6. What do you think about Wal-Mart's choice not to publicize its sustainability strategy?
7. What lessons can we draw from Wal-Mart's example for another large corporation? For a small one that would not have such a complex operation, nor necessarily the resources to undertake such an effort?

Case Study 2

Supply Chain Strategy and Sustainability: The Migros Palm Oil Case (2006)

(Second Prize at the Oikos Sustainability Case Writing Competition 2006)

Authors of the case: Jens Hamprecht and Daniel Corsten

Company Snapshot: Name: Migros; 2003 Revenues: \$15 billion; Number of employees worldwide: 81,600

Context:

In the headquarters of Switzerland's largest retailer, Migros, a meeting room was booked on a long Friday night in April 2001. Fausta Borsani, the head of environmental and ethical projects at Migros, and Dr. Robert Keller, a senior R&D manager, were pondering over the further pursuit of the project they had initiated almost two years ago: purchasing sustainable palm oil for Migros' products.

Previously, Migros had already succeeded in many project phases. It had ensured the support of a major NGO. Jointly, they had established draft criteria for sustainable palm oil. First talks with suppliers had already taken place, too. Now, the NGO recommended to have a second NGO join the project.

Was this an advice Migros should follow? Wouldn't it render the entire project too complicated? Moreover, how should Migros communicate its palm oil project to the public? How to ensure that not only the environment but also Migros benefited from the project? The Migros board had already invested significant sums. By Monday morning, it demanded to be informed on the further project steps.

Learning objectives

The objectives of this case study are the following:

1. Explore the difficulties of judging scientific data in the management of corporate sustainability. Investigate how opinion makers use numbers and ratios to let the management of the natural environment appear as either dramatically important or completely irrelevant.
2. Explore that launching a strategy in the field of corporate sustainability is not only an issue of doing what the market demands; it involves forming and transforming the rules, norms, and standard models of customers as well as institutions. Whether a business is successful in fuelling or manipulating institutionalized demands is dependent on its resources and capabilities. The case supports the students in identifying such business-internal assets that can be used for the successful transformation of institutions.
3. Discover that the value of a business' resources and capabilities is very context-specific.
4. Identify how a business can respond to attempts of a competitor to transform institutions.

A (similar) framework to read and analyze this second case

1. What do you know about the company?
2. Does it have a history (successful or not) of efforts to address the new environmentalism? Does one of its competitors have such a history? What is the likely impact on Migros?
3. What do you know about the environmental sustainability program?
 - When was it launched? By whom? Why?
 - What is the common goal? Growth path? Reputation? Risk management?
 - What is the timeline? Expected return on investment?
 - Who are the key drivers? Internal, external, markets, institutional, etc.? How do they cooperate? Role of the WWF?
4. How would you describe the strategy adopted by Migros? Top-down; Bottom-Up? Other?
5. How can we measure the success (or lack of) of this program?
 - What has been the most successful output? Why?
 - What has been the less successful output? Why?
6. How does Migros' choice to publicize this program differ from Wal-Mart's choice not to do so?
7. What lessons can we draw from Migros' example for another large corporation? For a small one that would not have such a complex operation, nor necessarily the resources to undertake such an effort?

Mondays' Meet the Value Creator

- The next four pages present the guest speakers and the topics they will be discussing with the class.
- The order of the speakers is subject to change.

Monday, February 4, 2008 – 3pm to 4:20pm

Mondays' Meet the Value Creator

Focus: Market drivers.



Guest speaker:
George Favaloro, Managing Director, Esty Environmental Partners

George will present and interact with the class on two great examples of value creation he has been developing with large companies dealing with environmental issues: **IKEA** and **NetJets**.

IKEA has developed a global environmental strategy that includes a strong focus on the reduction of materials and waste. In an effort to reduce the 90 million plastic shopping bags it dispensed annually, in 2007 the company announced a program to charge five cents per bag in its U.S. stores, so customers were encouraged to bring their own bags or use no bags. Similar programs had achieved success in the U.K. and Europe, but it was not clear how U.S. customers would respond. Esty Environmental Partners worked with **IKEA** as they prepared to announce and implement the program. **Value Creation:** *The company achieved 80-90% reduction in disposable plastic bag use and a rise in the purchase of their branded reusable bags, along with generally favorable customer response.*

NetJets offers fractional ownership of private jets and operates. It operates the world's second largest fleet of planes and provides on-call service to a demanding client base. Because it generates more carbon dioxide per passenger mile than commercial carriers, **NetJets** is a particularly easy target for the criticism that its emissions contribute to climate change, and it faces possible regulatory and market censure. EEP is currently working with the company to develop both near-term programs that enable the offset of 100% of its own corporate emissions and which provides clients the option of offsetting emissions associated with their private jet usage, and a long-term program to foster the development and use of low emissions jet fuels. **Value Creation:** *George will discuss how these voluntary efforts are allowing NetJets to move from being seen as a potential climate outlaw to being a responsible leader, doing its part to find solutions to GHG emissions in the aviation industry.*

George Favaloro has more than 20 years of strategic consulting and management experience. George has advised environmental leaders in the personal care, clothing, furniture manufacturing and retailing, energy, water, and aviation industries. He assists clients in formulating and executing environmental strategies and corresponding communications programs.

Prior to joining **Esty Environmental Partners**, George led the Boston office of **Keystone Strategy**, where he helped develop innovation strategies for Fortune 500 firms. His past clients include **Microsoft**, **Motorola**, and **AT&T**.

George's background also includes managing strategy development and implementation projects with **McKinsey & Company's** Boston Office as well as founding, launching, and growing **Compaq's** Internet Solutions Division. George held senior executive roles at three venture backed start-ups: **Allaire**, **Avaki**, and **Cognio**. He is a founder and board member of **Terrapass**, a retail carbon offset company.

George holds an MBA from Amos Tuck School at Dartmouth College and a BA from Princeton University.

Readings:

Go to http://www.ikea.com/ms/en_US/about_ikea/social_environmental/pr esidents_message.html and read information about **IKEA's** action on social and environmental responsibility

Read **Ikea's** brochure at http://www.ikea.com/ms/en_AU/about_ikea/PDF/Miljgb.pdf

Read **NetJets Climate Initiative:**
http://www.netjets.com/About_NetJets/NetJets_Climate_Initiative.asp

Monday February 11, 2008 – 3pm to 4:20pm

Mondays' Meet the Value Creator

Focus: External drivers. How consulting firms can help energy companies create value and sustain the environment



Guest speaker:

Albert Cho, Manager, McKinsey & Company

Albert will discuss his work at McKinsey in the energy sector.

Albert Cho is currently Engagement Manager and Strategy Fellow in **McKinsey's** climate change special initiative where he leads the firm's research and client service on carbon markets (financial sector, energy & materials, and public sector on carbon trading and environmental finance). He previously worked with Prof. Jeff Sachs, Undersecretary General for **United Nations** Millennium Development Goals (MDGs) with whom he developed estimates of environment, health and education investments required to achieve MDGs. He also worked with senior management of Nobel Prize-winning Kenyan environmental organization, **Green Belt Movement**, on revenue generation and access to carbon markets.

His published articles include "Will International Investment Rules Shrink Policy Space for Sustainable Development?" (2005, with N. Dubash); "Politics, Values and Social Entrepreneurship: A Critical Appraisal" (2006); and "From Assessment to Action - Policy Responses to the Millennium Ecosystem Assessment" (2008, with G. Schmidt-Traub).

Al holds a BA from Harvard, and a MBA and M.Sc in Development Economics, both from Oxford University.

-
-
-
-

Readings:

- Milton Friedman (1970), "The Social Responsibility of Business is to Increase its Profits," *The New York Times Magazine*, September 13.
- Simone Pulver (2007), "Making Sense of Corporate Environmentalism: An Environmental Contestation Approach to Analyzing the Causes and Consequences of the Climate Change Policy Split in the Oil Industry," *Organization & Environment*, Vol. 20, No. 1, 44-83.

Monday February 18, 2008 – 3pm to 4:20pm

Mondays' Meet the Value Creator

Focus: Individuals. Good intentions to good actions. The need for financial transfer instruments



Guest speaker:

Adam Stein, Vice President of Marketing at TerraPass

Adam will discuss the creation of TerraPass along with the company's plans for developing new business opportunities based upon a low-carbon world. **TerraPass** is the brainchild of colleague and Wharton professor and OPIM chair, Karl Ulrich. Along with 41 of his students, Karl launched TerraPass in October, 2004 as a way to help everyday people reduce the climate impact of their driving, flying, and home energy use.

In the U.S., driving creates about 20% of carbon dioxide emissions, the principal cause of global warming. Through your driving habits and choice of vehicle, you have a lot of control over your personal contribution to climate change. In addition to conservation, you can choose to balance your carbon emissions by funding clean energy and carbon reduction projects that result in the reduction of an equivalent amount of carbon emissions elsewhere. According to TerraPass, you can balance the CO₂ emissions of your driving for as little as \$29.95/year.

Within its first year, TerraPass registered over 2,400 members, reduced 102 million pounds of CO₂, and earned countless national press and blog articles. Recent partnerships include **Expedia**, the world's online travel agency, and **Enterprise Rent-A-Car**, the world's largest car rental agency.

Adam Stein is Vice President of Marketing at **TerraPass**. Adam is a 2005 MBA graduate of the Wharton School, where, in addition to cofounding TerraPass, he served as a Vice President of the school's Net Impact chapter. Prior to Wharton, Adam served in a variety of positions at technology start-ups. At **Tellme Networks**, Adam was as a senior product manager and founded the company's professional services group. At **Trilogy Software**, Adam was a senior consultant responsible for some of the company's largest client accounts.

Adam enjoys the outdoors. Favorite expeditions include camping in Patagonia; a 10-day trek in the Gates of the Arctic national park, accessible only by bush plane; and the summiting of several decently-sized mountains in Ecuador. Adam also once rode a bicycle across the better part of Asia, a trip he wouldn't mind doing again some day.

Adam holds a BS in biology from Stanford University and an MBA from the Wharton School.

Readings:

Go to <http://www.mycarbonfootprint.eu/> and learn how you can reduce your own carbon footprint.

Also go to <http://www.climatecrisis.net/takeaction/carboncalculator/>

Monday February 25, 2008 – 3pm to 4:20pm

Mondays' Meet the Value Creator

Focus: Non-profit drivers. Building a business case for sustainable healthy environment – How to work with corporations, media and celebrities to leverage your goal.



Guest speaker:

Kate Roberts, Founder of YouthAIDS and Five & Alive and Vice-president, Population Services International

Kate will discuss the role of the corporate sector, media and star ambassadors in raising attention of the general public and decision-makers to deal with sustainability issues. While her work mainly focuses on health issues for young children, there are lessons to be learned for any organizations that want to do good: creating value requires a well-defined business plan and measurable outputs. Kate will discuss two recent initiatives she has led, and the challenges she faced.

She has enlisted the support of top celebrities and donors such as YouthAIDS Global Ambassador Ashley Judd, YouthAIDS ambassadors Wynonna Judd, Salma Hayek, Cindy Crawford, Bono, and Ludacris among many others. In 2002 YouthAIDS organized a "Staying Alive" concert in conjunction with MTV to raise money and awareness. The concert, a \$3 million production, was broadcast in 170 countries worldwide and was featured on CNN and all major news channels.

In 2005, she launched a very successful cause marketing campaign with ALDO Shoes called "Hear No Evil, See No Evil, Speak No Evil" which has raised millions of dollars and reached 1.5 billion people in 25 countries. The campaign featured artists such as Christina Aguilera, Penelope Cruz, Charlise Theron, LL Cool J, Avril Lavigne and many other contemporary artists relevant to all genres.

Kate Roberts is the Founder of **YouthAIDS**, a global education and prevention initiative of **Population Services International (PSI)**, that use media, pop culture, music, theatre and sport to stop the spread of HIV/AIDS and reach 600 million young people in more than 60 countries with life-saving messages, products, services and care. Most recently she has embarked on Five & Alive, a new project for PSI in hopes of raising funds and awareness for PSI's child survival programs. Five & Alive will strive to protect the lives of children five and under from preventable diseases in a sustainable way.

Prior to her role at PSI, Kate worked with **Bates, Saatchi & Saatchi Advertising** from 1995 to 1999. As Managing Director, Roberts established the promotion agency "141" in Russia, the Ukraine, and Romania, which provided integrated marketing communications for twenty-two clients and she oversaw operations for other Eastern European markets. Roberts worked for Independent Media in Moscow for a year as Marketing and Distribution Manager, launching Russian **Cosmopolitan Magazine** as well as acting as a Public Relations and Events Consultant for **The Moscow Times**.

In July 2006, she was given the distinct honor of speaking at the Aspen Ideas Festival in Colorado along side panelists such as Queen Noor, Colin Powell and President Clinton and leading health officials. Kate has recently been awarded the honor of "Young Global Leader of the World 2007" by The World Economic Forum (Davos) that recognizes 250 global young leaders for their professional accomplishments, their commitment to society and their potential to contribute to the shaping of the future world. Most recently she was featured on CNN International's "Heroes" series.

She is originally from the United Kingdom where she graduated from Southport University of Art and Technology in England. She speaks five languages.

Readings:

- Population Services International (2003), "What Is Social Marketing?"
- Steven Chapman, Hibist Astatke, Kimberly Ashburn (2005), "The performance of social marketing interventions in developing countries: A systematic review"
- Michael Rothschild (1999), "Carrots, Sticks, and Promises: A Conceptual Framework for the Management of Public Health and Social Issue Behaviors," *Journal of Marketing*, Vol. 63 (October 1999), 24-37.

Access to WebCafé

The **WebCafé** site for the course is available at: <https://webcafe.wharton.upenn.edu/eRoom/opim/762-sp08-1>

The readings for the course (except the course book from Hoffman, available at Penn bookstore) will be available on **WebCafé**. Electronic versions of any presentation materials used in class will be posted on **WebCafé** after class.

A COMPUTING ACCOUNT IS NECESSARY TO ACCESS **WebCafé**.

WHEN NEW OR NON-WHARTON STUDENTS TAKE YOUR COURSE:

In some cases Wharton courses may be taken by students who are from other schools at Penn or who are new to the University. Consequently, not all students will initially have the Wharton computing account necessary to use **webCafé**. Starting December 20, 2007, students who are already enrolled in the class but who do not yet have a Wharton computing account will be able to apply online at this site: <http://accounts.wharton.upenn.edu>

In cases, a non-Wharton student will also not be formally enrolling or may tell you that they are have difficulty with the account application form, please let the instructor know. To resolve this issue, please let me know. That information about first name, last name and University email address of the non-enrolling student needs to come from you as the instructor -- unfortunately, the **webCafé** team can't accept course room access requests directly from students.

Early in a term during the add/drop periods, features like the room member list, nightly notification e-mails, and the "alert" (paper airplane) button will not include the students who don't yet have Wharton computing accounts.