# Social Responsibility: How Organizations Go Green

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**SUBJECT(S):** Management

**GRADE LEVEL(S):** 9, 10, 11, 12

#### **≡ OVERVIEW:**

In this lesson, students will address how businesses embrace environmentally friendly strategies. First, students will engage in class discussions around environmentally friendly business actions, further classifying each action according to a typology of approaches. Then students will read the Knowledge@Wharton article, "Going Green: Why Germany Has the Inside Track to Lead a New Industrial Revolution." Student groups will then view the article from a number of different perspectives to get a deeper understanding of the topic.

## $\equiv$ NBEA STANDARD(S):

Management, V. Ethics And Social Responsibility

### **RELATED ARTICLES:**

- "Why Germany Is the Driving Force in the Eurozone"
- "Volkswagen's Smog-filled Scandal"
- "The Low-carbon Economy Is a High Global Priority"
- "The 'Green' Path from Corporate Social Responsibility to Brighter Earth Days"
- "Exploring the Balance Between Business and the Environment"
- "Educator Toolkit: Exploring Ethics"
- "Earth Avengers: 'If It Is to Be, It Is Up to Me'"

- "Carter Roberts of the World Wildlife Fund Journeys to the Woods, the Amazon and a Legendary Place for Tigers"
- "Career Insight: Thinking about Business Ethics in a Practical Way"
- "Career Insight: Elvis Zhang on Making Cities Better"
- "Can Renewable Energy Solve the Global Climate Change Challenge?"
- "Building an Ethical and Efficient Recycling Supply Chain in India"
- "A Young Photographer Sees His Lens as a 'Creative and Powerful Conservation Tool'"

#### **Objectives/Purposes:**

The purpose of this lesson is for students to understand elements of social responsibility, through adopting environmentally friendly policies, specifically in the context of business management.

**Knowledge@Wharton Article:** "Going Green: Why Germany Has the Inside Track to Lead a New Industrial Revolution"

Other Resources/Materials: For Teachers: Internet Access

#### **Activity:**

Introduction (10 mins): Class discussion opener:

The teacher should first ask students what they believe an organization needs to do to ensure that it is environmentally friendly. Students may need to brainstorm this in the framework of a particular company (i.e., Wal-Mart, Exxon Mobile, Chili's, etc). List the ideas generated on the board. Then choose one or two of these ideas and ask students how the company should go about becoming more environmentally friendly in this particular way. List these ways on the board.

Then explain to students that there are four approaches to "Going Green" as indicated in the Wharton Global Youth Program standards:

- 1. **Legal Approach**: Firms simply do what is legally required by obeying laws, rules and regulations willingly and without legal challenge.
- 2. **Market Approach**: Firms respond to the preferences of their customers for environmentally friendly products.
- 3. **Stakeholder Approach**: Firms work to meet the environmental demands of multiple stakeholders employees, supplies and the community.

4. **Activist Approach**: Firms look for ways to respect and preserve the environment and be actively socially responsible.

Ask students to then identify those actions, as generated in the "environmentally friendly" class list on the board, which fit into each type of approach (i.e., legal, market, stakeholder or activist). Write the approach next to the way companies should go about becoming more environmentally friendly.

**NOTE:** To accomplish this, the teacher may decide to create a table on the board that records and categorizes students' suggestions that the entire class may refer to as a teaching tool. See example below:

Environmentally Friendly Actions	Type of Approach	Justification?
Business decides not to dump toxins into water supply	Legal	Environmental Protection Agency Regulation
Business decides to sell "Organic" certified products	Market	Customers, through increased sales, demonstrate a preference for natural products
Oil Refinery adds new filters on smoke stacks after community request	Stakeholder	Local community, as stakeholder, influences company decision
Logging company decides to donate to Rainforest Fund	Activist	Logging business, making \$\$ by cutting down trees, proactively contributes to tree planting in rainforest

The teacher may work further with the class to brainstorm (exhaustively) a different environmentally friendly action for each and every approach.

Guided Reading (10 mins): The teacher should project the Knowledge@Wharton article on the screen for students to read.

Class Discussion (5 mins):

Let the class answer the following questions based on the article:

1. In what ways are the Germans adopting a green economy?

<u>Answer:</u> Renewable technologies provide some 170,000 jobs to the German economy. By 2020, some analysts estimate that clean technology, or "clean tech," will be an even bigger industry in Germany — and globally, an industry rivaling or exceeding IT in historical importance.

2. What are some of the reasons that motivate Germans to invest in a green economy?

Answer: The country's leadership in eco-friendly technologies stems from tough air and water pollution laws passed in the 1970s and the meltdown at Chernobyl, Ukraine, in 1986. The disaster reportedly had a profound effect on Germans' environmental consciousness. Living downwind from Chernobyl, Germany received some of the wide plume of radioactive fall-out that fanned out all over northern Europe.

3. What does the green economy look like in the future?

<u>Answer:</u> Jeremy Rifkin, a futurist and teacher in Wharton's executive education programs, contends that what is going on in Germany and other places in Europe right now is not just the creation of cleaner ways to generate electricity, but the foundation of a third industrial revolution.

Exploration Activity (15 mins):

Have students break into four groups. Each group will be assigned one of the four approaches discussed in the beginning of the lesson. Each group will analyze Germany's green economy (as related in the article) through the lens of a particular approach. Then student groups will come together to report their findings and engage in a class discussion about the approaches to going green.

#### Group Questions (see Worksheet I):

- 1. In what ways has Germany changed into a green economy using your assigned approach?
- 2. In what ways can your country adopt similar changes and turn into a green economy using your assigned approach? Be specific in these ideas. Include how the idea would be implemented and followed through.

**NOTE:** The teacher should be sure that the students' responses are defensible and justifiable, as indicated in the table above in the "Justification" column.

Have a class discussion based on the following questions:

- 1. Which approach do you believe is the most effective? Why?
- 2. How could you use these approaches to create a green culture in your home, school and community?
- 3. What value does going green give a business or organization?

#### Closing (5 minutes):

Use this time to answer questions and clarify points of confusion.

#### Tying It All Together:

Social responsibility is one of the elements of business ethics and social responsibility. This lesson plan can stand alone or the teacher may include other Wharton Global Youth Program lesson plans that highlight other ethics and social responsibility related topics. "Social responsibility" is subsumed within the greater umbrella of business management including but not limited to:

• Theories of Management

- Five Management Functions
- Business Organization
- Personal Management Skills
- Business Ethics and Social Responsibility
- Human Resource Management
- Technology and Information Management
- Financial Decision Making
- Operations Management

#### **Practice Outside of the Classroom:**

Students may wish to look for ways in which their communities can implement and encourage a green economy.

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