



# Green Business: German and European Sustainable Entrepreneurship

# Florian Schmitt

Email Address:	info@fubest.fu-berlin.de
Time Slot:	Wednesdays, 1:30 p.m.
Language of Instruction:	English
Contact Hours:	45
<b>ECTS Credits:</b>	6

### **Course Description**

This course provides an introduction to recent developments in Germany, EU and other European countries with regard to a green and sustainable economy. It offers theoretical as well as practical insights based on conceptual discussions, case studies, a field trip, and group work to develop a green business case.

The acute awareness of environmental challenges has permeated German and European society, politics and business for decades. The relationship between business and social-environmental issues has, however, changed drastically over the years and has continuously been impacted by the interaction between the German and European Union political levels. Historically, business' environmental impact has been viewed more negatively as "market failure". This view is increasingly becoming more differentiated. Nowadays, positive environmental impacts, which might be achievable through sustainable entrepreneurship, circular economy and sustainable core business activities using life cycle assessment principles, are increasingly being acknowledged.

This course begins by exploring key concepts for a green, circular and sustainable economy in the German, European and International contexts and then looks at the development that has taken place both at the political level and in the economy in recent time. We then focus on the micro-level, i.e. the businesses themselves: What are the motivating forces behind entrepreneurs' and businesses' decision to make a strategic commitment to social and environmental sustainability? How does the use of a risk-based approach and product life cycle assessment contribute to increasing its environmental sustainability? What are the roles and strategies of different types of companies? Why and how do incumbents and start-ups engage in environmental protection in different ways? And how do you evaluate and assess sustainability impacts? Finally, in this more theoretical part of the course, we will look at how sustainable entrepreneurs may encounter market and regulatory barriers related to environmental externalities, path dependencies and lobbying activities by incumbent companies. We will also look at (partial) solutions to such barriers provided by e.g. incubators, business competitions, universities, investors and public funding programs.

In the more practical part of the course, we will engage with good practice examples directly from the entrepreneurs themselves. As Berlin has a special reputation for hosting a vibrant start-up scene, we will learn about several cases. Students will also be encouraged to creatively develop their own business ideas and plan the initial steps using the Sustainable Business Canvas. Their business model will then be presented and discussed in the group providing tips for future improvement and possible realization of the ideas.

#### **Learning Objectives**

The course aims to provide students with a theoretical foundation in developing green and sustainable solutions within the economic context of Germany and Europe, and to develop an understanding of how sustainable entrepreneurship is unfolding creative potential and opportunities for environmental improvements using core business activities. It should also equip students with more practical tools and processes to develop their own business ideas for a green economy as an effective tool for dealing with crises (COVID-19 pandemic, wars, etc.).

#### **Student Profile**

Should be in their fourth semester of college/university education or beyond.





# **Assignments and Grading**

Presentation of one of the required texts: 100 Points

Group work (business idea): 150 Points

Active participation in the classroom: 150 Points

Independent Project Report: 200 Points

Midterm exam: 200 Points Final-Exam: 250 Points

FU Grade	Points of 1,000
1.0	980-1,000
1.3	950-979
1.7	900-949
2.0	850-899
2.3	800-849
2.7	750-799
3.0	700-749
3.3	650-699
3.7	600-649
4.0	500-599
5.0	< 500

# Literature

Readings posted on the online learning platform Blackboard.

# **Course Schedule**

Calendar	Topics, Readings, etc.
Session 1	<ul> <li>Topic: Sustainability perspectives on our world: The UN Sustainable Development Goals and the concepts of planetary and social boundaries.</li> <li>Readings <ul> <li>Steffen, W., Richardson, K., Rockström, J., et al. (2015). Planetary boundaries: Guiding human development on a changing planet. Science, 347(6223), pp. 736-746.</li> <li>Raworth, K. (2012). A safe and just space for humanity: Can we live within the doughnut? Oxfam Discussion Papers. Oxford: Oxfam.</li> </ul> </li> </ul>
Session 2	<ul> <li>Topic: Sustainability perspectives on our economies: The diversity of conceptions of social-ecological transformations, from Green Economy through to Degrowth.</li> <li>Readings <ul> <li>United Nations Environment Programme (UNEP) (2011). Towards a green economy: pathways to sustainable development and poverty eradication. Nairobi, Kenya: UNEP, pp. 13-27.</li> <li>Jackson, T. (2011). Societal transformations for a sustainable economy. Natural Resources Forum, 35 (2011), pp. 155-164.</li> <li>Demaria, F., Schneider, F., Sekulova, F., &amp; Martinez-Alier, J. (2013). What is Degrowth? From an Activist Slogan to a Social Movement. Environmental Values, 22 (2013), pp. 191-215.</li> </ul> </li> </ul>





	<ul> <li>Hedlund-de Witt, A., (2014). Rethinking Sustainable Development: Considering How Different Worldviews Envision "Development" and "Quality of Life", Sustainability 2014, 6, 8310-8328; doi:10.3390/su6118310</li> </ul>
Session 3	<ul> <li>Topic: Sustainability perspectives on our businesses: The changing approaches of business with regard to environmental and social responsibilities, from CSR through to SE.</li> <li>Readings <ul> <li>Dyllick, T., &amp; Muff, K. (2016). Clarifying the Meaning of Sustainable Business: Introducing a Typology From Business-as-Usual to True Business Sustainability. Organization &amp; Environment, Vol. 29(2), pp. 156-174.</li> <li>Gibbs, D. (2009). Sustainability Entrepreneurs, Ecopreneurs and the Development of a Sustainable Economy. Greener Management International, 55, pp. 63-78.</li> <li>Schaltegger, S., &amp; Wagner, M. (2011). Sustainable Entrepreneurship and Sustainability Innovation: Categories and Interactions. Business Strategy and the Environment, 20 (2011), pp. 222-237.</li> </ul> </li> </ul>
Session 4	<ul> <li>Topic: Measuring and comparing sustainability: Reporting, Ranking &amp; Comparing</li> <li>Readings         <ul> <li>Papoutsi, A., Sodhi, M. (2020): Does disclosure in sustainability reports indicate actual sustainability performance? Journal of Cleaner Production Volume 260, 1 July 2020, 121049.</li> <li>Filbeck A., Filbeck, G. and Zhao, X. (2019): Performance Assessment of Firms Following Sustainalytics ESG Principles, The Journal of Investing, JOI 2019, 28 (2) 7-20.</li> </ul> </li> </ul>
Session 5	<ul> <li>Topic: Business models and innovations for sustainability: how to create value to all stakeholders and the environment.</li> <li>Readings</li> <li>Peric, M., Durkin, J., &amp; Vitezic, V. (2017). The Constructs of a Business Model Redefined: A Half-Century Journey. SAGE Open, July-September 2017: pp. 1-13.</li> <li>Schaltegger, S., Hansen, E. G., &amp; Lüdeke-Freund, F. (2016). Business Models for Sustainability: Origins, Present Research, and Future Avenues. Organization &amp; Environment, Vol. 29(1), pp. 3-10.</li> <li>Boons, F., &amp; Lüdeke-Freund, F. (2013). Business models for sustainable innovation: state-of-the-art and steps towards a research agenda. Journal of Cleaner Production, 45 (2013), pp. 9-19.</li> <li>Upward, A. &amp; Jones, P. (2016). An Ontology for Strongly Sustainable Business Models: Defining an Enterprise Framework</li> <li>Compatible With Natural and Social Science. Organization &amp; Environment, Vol. 29(1), pp. 97-123.</li> <li>Geissdoerfer M et al., (2020), Circular business models: A review, Journal of Cleaner Production Volume 277, 20 December 2020, 123741.</li> </ul>
Session 6	MIDTERM EXAM
Session 7	<ul> <li>Topic: Planting a Green Business I – Introduction into the process and impact of sustainable entrepreneurship &amp; project development using the Sustainable Business Canvas</li> <li>Readings         <ul> <li>Pascual, O., van Klink, A., &amp; Grisales, J. (2011). Create Impact! Handbook for sustainable entrepreneurship. Enviu: Rotterdam.</li> </ul> </li> </ul>





	<ul> <li>Belz, F. M., &amp; Binder, J. K. (2015). Sustainable Entrepreneurship: A Convergent Process Model. Business Strategy and the Environment, 2015, DOI: 10.1002/bse.1887, pp. 1-17.</li> </ul>
Session 8	<ul> <li>Topic: Independent project: Prospects for the development of green business: private and corporate initiatives; Collaborative work: common discussion of independent project</li> <li>Readings <ul> <li>Breuer, H., Fichter, K., Lüdeke-Freund, F., Tiemann, I. (2017). Sustainability-oriented Business Model Development: Principles, Criteria, and Tools. International Journal of Entrepreneurial Venturing (forthcoming).</li> <li>Tiemann, I. &amp; Fichter, K. (2016): Developing business models with the Sustainable Business Canvas. Oldenburg and Berlin, Chapter Handout for participants.</li> <li>Gebauer, J. (2014). Musketeering for Drinking Water: Viva con Agua de St. Pauli. In: Ziegler et al. (eds.), Social Entrepreneurship in the Water Sector: Getting Things Done Sustainably. Edward Elgar, pp. 157-189.</li> <li>Schoneveld, G. (2020) Sustainable business models for inclusive growth: Towards a conceptual foundation of inclusive business, Journal of Cleaner Production Volume 277, 20 December 2020, 124062.</li> </ul> </li> </ul>
Session 9	<ul> <li>Topic: Planting a Green Business II – Dealing with barriers and challenges</li> <li>Readings</li> <li>Bocken, N.M.P. (2015), Sustainable venture capital - catalyst for sustainable start-up success? Journal of Cleaner Production, Vol. 108, Part A, pp. 647-658.</li> <li>Dobson, K., Boone, S., Andries, P., &amp; Daou, A. (2018). Successfully creating and scaling a sustainable social enterprise model under uncertainty: The case of ViaVia Travellers Cafés. Journal of Cleaner Production, 172 (2018), pp. 4555-4564.</li> <li>Schick, H., Marxen, S., &amp; Freimann, J. (2002). Sustainability Issues for Start-up Entrepreneurs. Greener Management International, 38, pp. 59-70.</li> </ul>
Session 10	Topic: Planting a Green Business III – Working & Learning from others  Collaborative Work
Session 11	Topic: Planting a Green Business IV – Collaborative competition: peer reviews and pitches  Project discussions and presentations using the Sustainable Business Canvas
Session 12	<ul> <li>Topic: Reflections and conclusions: Motivation for Sustainable Entrepreneurship &amp; Sustainability and development after global crises (COVID-19, wars, etc.)</li> <li>Readings <ul> <li>Patzelt, H. &amp; Shepherd, D. A. (2011). Recognizing Opportunities for Sustainable Development. Entrepreneurship Theory and Practice, 35(4), pp. 631-652.</li> <li>Smith, W. K., Besharov, M. L., Wessels, A. K., &amp; Chertok, M. (2012). A Paradoxical Leadership Model for Social Entrepreneurs: Challenges, Leadership Skills, and Pedagogical Tools for Managing Social and Commercial Demands. Academy of Management Learning &amp; Education, II(3), pp. 463-47.</li> <li>Barbier, E. &amp; Burgess, J. (2021). Sustainability and development after COVID-19, World Development Volume 135, November 2020, 105082.</li> </ul> </li> </ul>
Session 13	FINAL EXAM