

FU/BEST Program

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Course title: Green Business: German and European Sustainable Entrepreneurship

Course number: FU-BEST 33

Language of instruction: English

Contact hours: 45

ECTS-Credits: 5 **U.S. semester credits:** 3

Course description

This course provides an introduction to recent developments in Germany and the EU 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 socio-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 subject to more and more differentiation. Nowadays, positive environmental impacts, which might be achievable through sustainable entrepreneurship and sustainable core business activities, are increasingly acknowledged.

This course begins by exploring key concepts for a green and sustainable economy in the German and European policy 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? 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? We will also look at the strong connection between politics and business in the European context and the inclination of many sustainable entrepreneurs to engage in policy making in a manner that also turns them into "institutional" entrepreneurs, acting at a meso-level. 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

FU/BEST Program

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 and an external expert of a think tank. As Berlin has a special reputation for hosting a vibrant start-up scene, we will collaborate with some of them in several cases. The 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.

The goal of the course is to provide the students with a theoretical foundation in the development of 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 is also to equip the students with more practical tools and processes for developing their own business ideas for the green economy

Student profile

Second-semester sophomore or above; any experiences and knowledge in the field of economy or management recommended

Prerequisites

None

Course Requirements

- Midterm exam: 20 %
- Final exam: 20 %
- Term-Paper: 30 %
- Class Room Participation: 30 %
(1 presentation of a text, 1 individual part of a business-developing group project, presence and participation in the classroom)

Literature

Session 1

United Nations Environment Programme (UNEP) (2011). Towards a green economy: pathways to sustainable development and poverty eradication. Nairobi, Kenya: UNEP.

German Advisory Council on Global Change (WBGU) (2011). World in Transition. A Social contract for sustainability. Summary for policy makers. Berlin: WBGU.

FU/BEST Program

Pascual, O. & van Klink, A. & Grisales, J. (2011). Create Impact! Handbook for Sustainable Entrepreneurship. Wuppertal Institute/Centre on Sustainable Consumption and Production. Wuppertal.

Eco-Innovation Observatory (EIO) (2013). Europe in transition: Paving the way to a green economy through eco-innovation. Funded by the European Commission, DG Environment, Brussels. Brussels: Eco-Innovation Observatory.

Session 2

Horbach, J., Rammer, C. & Rennings, K. (2012). Determinants of eco-innovations by type of environmental impact – the role of regulatory push/pull, technology push and market pull. *Ecological Economics*, 78, 112–122.

Pinkse, J. & Groot, K. (2013). Sustainable Entrepreneurship and Corporate Political Activity: Overcoming Market Barriers in the Clean Energy Sector. *Entrepreneurship Theory and Practice*, Online Version, July 2013. DOI: 10.1111/etap.12055

European Commission (EC) (2011). Innovation for a sustainable Future – The Eco-Innovation Action Plan (Eco-AP). COM (2011) 899 final. Brussels: EC.

European Commission (EC) (2014). Green Action Plan for SMEs. COM (2014) 440 final. Brussels: EC.

Session 3

Gond, J.-P. & Moon, J. (2011): Corporate Social Responsibility in Retrospect and Prospect: Exploring the Life-Cycle of an Essentially Contested Concept. *Research Paper Series ICCSR*. Nottingham: Nottingham University, 1-21.

Gibbs, D. (2009). Sustainability Entrepreneurs, Ecopreneurs and the Development of a Sustainable Economy. *Greener Management International*, 55, 63-78.

Schaltegger, S. & Wagner, M. (2011). Sustainable Entrepreneurship and Sustainability Innovation: Categories and Interactions. *Business Strategy and the Environment* 20 (2011), 222-237.

Osburg, T. Sustainable Entrepreneurship. A Driver for Social Innovation. *Weidinger, C. & Fischler, F. & Schmidpeter, R. (2014). Sustainable Entrepreneurship. Business Success through Sustainability. Heidelberg: Springer, 103-116.*

Session 4

Bansal, P. & Roth, K. (2000). Why companies go green: a model of ecological responsiveness. *Academy of management journal*, 43(4), 717-736.

Kuckertz, A. & Wagner, M. (2010). The influence of sustainability orientation on entrepreneurial intentions – Investigating the role of business experience. *Journal of Business Venturing*, 25(5), 524-539.

Patzelt, H. & Shepherd, D. A. (2011). Recognizing Opportunities for Sustainable Development. *Entrepreneurship Theory and Practice*, 35(4), 631-652.

Session 5

Isaak, R. (2002). The Making of the Ecopreneur. *Greener Management International: The Journal of Corporate Environmental Strategy and Practice*, Issue 38, p. 81-92.

FU/BEST Program

- Dean, T. & McMullen, J. (2007). Toward a theory of sustainable entrepreneurship: Reducing environmental degradation through entrepreneurial action. *Journal of Business Venturing*, 22(1), 50-76.
- Hockerts, K. & Wüstenhagen, R. (2010). Greening Goliaths versus emerging Davids – Theorizing about the role of incumbents and new entrants in sustainable entrepreneurship. *Journal of Business Venturing*, 25(5), 481-492.

Session 7

- Fonseca, S. A. & Jabbour, C. J. C. (2012). Assessment of business incubators' green performance: A framework and its application to Brazilian cases. *Technovation*, 32(2), 122-132.
- 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.
- Fichter, K., Geier, J., Tiemann, I. (2016). Good practice collection – University support for sustainable entrepreneurship. Berlin, Helsinki, Linköping: SHIFT.

Session 8

- Bradley, G. & Escudero, M. Entrepreneurship: Introducing Shared Innovation into the Business Model. *Weidinger, C. & Fischler, F. & Schmidpeter, R. (2014). Sustainable Entrepreneurship. Business Success through Sustainability. Heidelberg: Springer, 117-126.*
- Ziegler et al. (Eds.) (2014). Social Entrepreneurship in the Water Sector: Getting Things Done Sustainably. Edward Elgar, Chapters 1, 7.

Session 9-11

- Belz, M. & Binder, J. Sustainable Entrepreneurship. A Convergent Process Model. Business Strategy and the Environment. *Wiley online library (2015)*
- Breuer, H., Fichter, K., Lüdeke-Freund, F., Tiemann, I. (2017). Sustainability-oriented Business Model Development: Principles, Criteria, and Tools. *International Journal of Entrepreneurial Venturing*.
- Tiemann, I. & Fichter, K. (2016): Developing business models with the Sustainable Business Canvas. Oldenburg and Berlin, Chapter Handout for participants.

Session 12

- Spash, C. (2012). Green Economy, Red Herring. *Environmental Values* 21 (2012), 95-99.
- Urmüßig, B., Sachs, W., Fatheuer, T. (2012). Critique of the Green Economy. Toward Social and Environmental Equity. Berlin: Heinrich Böll Foundation, Chapters 3, 4, 5.
- Healy, S. (2008): *Alternative Economies. Manuscript revision (132), for the International Encyclopedia of Human Geography.*

FU/BEST Program

Course schedule

Session 1	<p>Topic: Introduction: Central concepts in the International, European and German contexts – sustainable development, transformation, green economy & eco-innovation.</p> <p>Reading: UNEP (2011); WBGU (2011); EIO (2013); CSCP (2011)</p>
Session 2	<p>Topic: The role of government and policy: Moving from control and punishment towards the use of incentives in the regulation of business in Germany and the EU.</p> <p>Reading: Horbach et al. (2012); Pinkse & Groot (2013); EC (2014; 2011)</p>
Session 3	<p>Topic: The changing approaches of business with regard to environmental protection and sustainability: CSR and SE as contested concepts.</p> <p>Reading: Gond & Moon (2011), Gibbs (2009), Schaltegger & Wagner (2011), Osburg (2014)</p>
Session 4	<p>Topic: Motivating forces – why do businesses “go” or start up green? Exploring drivers like regulation, customers, market forces and entrepreneurs’ ethics.</p> <p>Reading: Bansal & Roth (2000); Kuckertz & Wagner (2010); Patzelt & Shepherd (2011)</p>
Session 5	<p>Topic: The different roles of start-ups and established companies: different approaches and possibilities – and ways of collaborating.</p> <p>Reading: Isaak (2002); Dean & McMullen (2007); Hockerts & Wüstenhagen (2010)</p>
Session 6	Midterm Exam
Session 7	<p>Topic: No business operates in a vacuum – the support of intermediaries and other actors such as awards/competitions, incubators/accelerators, universities, investors, public funding etc.</p> <p>Reading: Fonseca & Jabbour (2012); Bocken (2015); Fichter et al. (2016)</p>
Session 8	<p>Topic: Planting a Green Business I – Project development using the Sustainable Business Canvas with expert</p> <p>Reading and using: CSCP (2011); Breuer et al. (2017); Fichter & Tiemann (2016), Belz & Binder (2015)</p>
Session 9	<p>Topic: Planting a Green Business II</p> <p>Reading and using: Belz & Binder (2015); Business Innovation Kit</p>

FU/BEST Program

Session 10	Topic: Planting a Green Business III Reading and using: CSCP (2011); Breuer et al. (2017); Fichter & Tiemann (2016), Belz & Binder (2015); Business Innovation Kit
Session 11	Topic: Planting a Green Business IV Project discussions and presentations using the Sustainable Business Canvas
Session 12	Topic: Critical perspectives, wrap-up and conclusions Reading: Spash (2012); Unmüßig et al. (2012); Healy (2008)
Session 13	Final Exam