

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 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 and sustainable core business activities, are increasingly being 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 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

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hosting a vibrant start-up scene, we will learn about 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

Prerequisites

None, but experience in and/or knowledge of the fields of economics or business management might be helpful

Course Requirements

- Midterm exam: 25 %
- Final exam: 25 %
- Term-Paper: 25 %
- Class Room Participation: 25 %
(includes Independent Project Report, 1 presentation on required texts, 1 group work (business idea), plus presence and participation in the class room)

Required texts:

Course reader including the following texts (read in this order)

Session 1

United Nations (2015). Transforming our world: the 2030 Agenda for Sustainable Development. (A/RES/70/1), Resolution adopted by the General Assembly on 25 September 2015.

Steffen, W., Richardson, K., Rockström, J., et al. (2015). Planetary boundaries: Guiding human development on a changing planet. *Science*, 347(6223), 736–746.

Raworth, K. (2012). A safe and just space for humanity: Can we live within the doughnut? *Oxfam Discussion Papers*. Oxford: Oxfam.

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Session 2

- United Nations Environment Program (UNEP) (2011). Towards a green economy: pathways to sustainable development and poverty eradication. Nairobi, Kenya: UNEP, 14–26.
- Brand, U. (2016). Green Economy, Green Capitalism and the Imperial Mode of Living: Limits to a Prominent Strategy, Contours of a Possible New Capitalist Formation. *Fudan J. Hum. Soc. Sci.*, 9 (2016), 107–121.
- Jackson, T. (2011). Societal transformations for a sustainable economy. *Natural Resources Forum*, 35 (2011), 155–164.
- Demaria, F., Schneider, F., Sekulova, F., & Martinez-Alier, J. (2013). What is Degrowth? From an Activist Slogan to a Social Movement. *Environmental Values*, 22 (2013), 191–215.

Session 3

- Dyllick, T., & Muff, K. (2016). Clarifying the Meaning of Sustainable Business: Introducing a Typology From Business-as-Usual to True Business Sustainability. *Organization & Environment*, Vol. 29(2), 156–174.
- 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, 1–12.
- 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.

Session 4

- Peric, M., Durkin, J., & Vitezic, V. (2017). The Constructs of a Business Model Redefined: A Half-Century Journey. *SAGE Open*, July-September 2017: 1–13.
- Schaltegger, S., Hansen, E. G., & Lüdeke-Freund, F. (2016). Business Models for Sustainability: Origins, Present Research, and Future Avenues. *Organization & Environment*, Vol. 29(1), 3–10.
- Boons, F., & 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), 9–19.
- Upward, A. & Jones, P. (2016). An Ontology for Strongly Sustainable Business Models: Defining an Enterprise Framework Compatible With Natural and Social Science. *Organization & Environment*, Vol. 29(1) 97–123.

Session 5

- 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.

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- Schaltegger, S., Lüdeke-Freund, F., & Erik G. Hansen, E. G. (2016). Business Models for Sustainability: A Co-Evolutionary Analysis of Sustainable Entrepreneurship, Innovation, and Transformation. *Organization & Environment*, 29(3) 264–289.
- Stappmanns, F. V. (2015). Sustainable Business Model Innovation: The Cases of Patagonia and Bureo Skateboards. *Sustainable Design and Manufacturing*, 2015, 349–364.
- Wells, P. (2016). Economies of Scale Versus Small Is Beautiful: A Business Model Approach Based on Architecture, Principles and Components in the Beer Industry. *Organization & Environment*, Vol. 29(1) 36–52.

Session 7

- Pascual, O., van Klink, A., & Grisales, J. (2011). Create Impact! Handbook for sustainable entrepreneurship. Enviu: Rotterdam.
- Belz, F. M., & Binder, J. K. (2015). Sustainable Entrepreneurship: A Convergent Process Model. *Business Strategy and the Environment*, 2015, DOI: 10.1002/bse.1887, 1–17.

Session 8

- 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).
- Tiemann, I. & Fichter, K. (2016): Developing business models with the Sustainable Business Canvas. Oldenburg and Berlin, Chapter Handout for participants.
- 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, 157–189.

Session 9

- Bocken, N.M.P. (2015), Sustainable venture capital - catalyst for sustainable start-up success? *Journal of Cleaner Production*, Vol. 108, Part A, 647–658.
- Dobson, K., Boone, S., Andries, P., & 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), 4555–4564.
- Siegner, M., Pinske, J., & Panwar, R. (2018). Managing tensions in a social enterprise: The complex balancing act to deliver a multi-faceted but coherent social mission. *Journal of Cleaner Production*, 174 (2018), 1314–1324.
- Schick, H., Marxen, S., & Freimann, J. (2002). Sustainability Issues for Start-up Entrepreneurs. *Greener Management International*, 38, 59–70.

Session 12

- Patzelt, H. & Shepherd, D. A. (2011). Recognizing Opportunities for Sustainable Development. *Entrepreneurship Theory and Practice*, 35(4), 631–652.
- Smith, W. K., Besharov, M. L., Wessels, A. K., & Chertok, M. (2012). A Paradoxical Leadership Model for Social Entrepreneurs: Challenges, Leadership Skills, and

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Pedagogical Tools for Managing Social and Commercial Demands. *Academy of Management Learning & Education*, II(3), 463–47.

Fichter, K., Geier, J., Tiemann, I. (2016). Good practice collection – University support for sustainable entrepreneurship. Berlin, Helsinki, Linköping: SHIFT.

Course schedule

Sessions	Topics, Readings, etc.
Session 1	<p>Topic: Sustainability perspectives on our world: The UN Sustainable Development Goals and the concepts of planetary and social boundaries.</p> <p>Reading: UN (2015); Steffen et al. (2015); Raworth (2012)</p>
Session 2	<p>Topic: Sustainability perspectives on our economies: The diversity of conceptions of social-ecological transformations, from Green Economy through to Degrowth.</p> <p>Reading: UNEP (2011); Brand (2016); Jackson (2011); Demaria et al. (2013)</p>
Session 3	<p>Topic: Sustainability perspectives on our businesses: The changing approaches of business with regard to environmental and social responsibilities, from CSR through to SE.</p> <p>Reading: Dyllick & Muff (2016); Gond & Moon (2011), Gibbs (2009), Schaltegger & Wagner (2011)</p>
Session 4	<p>Topic: Business models and innovations for sustainability: how to create value to all stakeholders and the environment.</p> <p>Reading: Peric et al. (2017); Schaltegger et al. (2016); Boons & Lüdeke-Freund (2013); Upward & Jones (2016)</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: Hockerts & Wüstenhagen (2010); Schaltegger et al. (2016); Stappmanns (2015); Wells (2016)</p>
Session 6	Midterm Exam
Session 7	<p>Topic: Planting a Green Business I – Introduction into the process and impact of sustainable entrepreneurship</p> <p>Reading: Pascual et al. (2011); Belz & Binder (2015)</p>

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Session 8	<p>Topic: Planting a Green Business II – Project development using the Sustainable Business Canvas</p> <p>Reading and using: Breuer et al. (2017); Fichter & Tiemann (2016); Gebauer (2014)</p>
Session 9	<p>Topic: Planting a Green Business III – Dealing with barriers and challenges</p> <p>Reading and using: Bocken (2015); Dobson et al. (2018); Siegner et al. (2018); Schick et al. (2002)</p>
Session 10	<p>Topic: Planting a Green Business IV – Learning from others (field trip)</p> <p>Reading: tbd</p>
Session 11	<p>Topic: Planting a Green Business V – Collaborative competition: peer reviews and pitches (project discussions and presentations using the Sustainable Business Canvas)</p>
Session 12	<p>Topic: Reflections and conclusions: Motivation and Education for Sustainable Entrepreneurship</p> <p>Reading: Patzelt & Shepherd (2011); Smith et al. (2012); Fichter et al. (2016)</p>
Session 13	Final Exam