

LLSMS2281 SUSTAINABLE MANAGEMENT & SUPPLY CHAINS

WELCOME TO THE COURSE

CONTENT

This course will address environmental, social and ethical risks, and new business opportunities arising from managing the natural environment with a particular focus on the supply chain. This course will also look at responses at a strategic and operational level: sustainable innovation and green supply chain management, environmental management systems and certification (ISO 14001, EMAS, etc.), supplier code of conducts, sustainable supplier selection and supplier development, waste reduction, eco-efficiency, greenwashing, child labour and labour safety. The focus is not only on operations of the focal firm, but particularly also on sustainability challenges that unfold along globally dispersed supply chains.

LEARNING OBJECTIVES

With respect to the learning objectives of the learning framework students will make progress specifically in the areas:

- corporate citizenship (1.1, 1.2, 1.3)
- knowledge and reasoning (2.2)
- work effectively in an international and multicultural environment (3.1, 3.2, 3.3)

Upon completion of the course, the student is able to:

- (1) Describe the relevant sustainability and ethical issues and challenges in the Global Value Chain,
- (2) Explain and summarize specific issues that Multinational Companies are confronted with when developing their global value chain,
- (3) Have knowledge about the variety of solutions companies develop in order to handle the issues they are confronted with,
- (4) Identify the right management tools for sustainable management at the firm's and value chain's levels (ISO, EMAS and GRI tools, life-cycle analysis, ecological footprint, KPI in environmental and social performance...),
- (5) Synthesize, apply and communicate sustainability knowledge to solve environmental or social problems.

SEMESTER Fall 2017 (Q2 P2)

LECTURES 30 h

LANGUAGE English

INSTRUCTOR

Prof. Constantin BLOME, University of Sussex,
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DATE AND PLACE

The course takes place in an intense format from Dec 8th until Dec 20th. Rooms vary.

TARGET AUDIENCE

Open to all students in the specialization Philippe de Woot, but other students are also welcome.

TEACHING METHODS

The course will be based on real life sustainable supply chain cases to enable a practical and strategic understanding of sustainability. The course is based on several case studies, simulations, videos, lectures, in class mini cases and course work that will challenge you.

ASSESSMENT

The performance assessment will be based on individual and group performance:

- Group Performance (50%)
- Individual Performance (50%)

The assessment consists of three components.

1. Group Presentation (20%)
2. Group Case Report (30%)
3. Individual Exam (50%)
4. Final Exam

Students who won't be present for the final exam as they are exchange students will have an alternate assessment.

Also, in case students failed the course, they will have the chance to resit their marks for the individual report and final exam in the second examination period in a 3 hour exam.

Group Presentation:

The group case presentation will be done on a case of GSK Vaccines (details regarding the content and questions will be announced during the course). You will work on a real-life case of GSK in the timing of an assessment center. Grades will be given based on these criteria:

Analysis	30%
Suggested Solution	30%
Originality and critical thinking	20%
Professionalism and rigor of presentation	20%

Unfortunately, we don't have the time for the presentation in class due to the class size. So students have to hand in a Powerpoint presentation for their

assessment. Important: As a Powerpoint should be not overloaded with text, students are required to illustrate their presentation in the notes section of the slides in case the slides are not self-explanatory.

The case will be conducted like in an assessment center style, so that students will face significant time pressure in answering the case well and are required to analyse the case well. Exemplary cases will be selected for presenting their work in class.

Groups can comprise max. five members, but note that each Powerpoint should be marked with the names of those, and only those, who collaborated towards its completion. Attention: Names cannot be added to already submitted reports. You are free to choose your group members.

Group Case Report

Students will be asked to develop a group research paper that analyzes main CSR issues of SCs in a particular industry (e.g. meat, coffee, mobile phones, sneakers, laptops, energy, waste). Depending on the particular industry, the structure and governance of the SCs will differ and so will major CSR problems. We ask students to analyze the most apparent CSR problems of an industry by using relevant literature.

- Aerospace
- Agriculture
- Automotive
- Food & Beverages
- Mining & Extractives
- Electronics
- Construction
- Defense
- Manufacturing
- Pharma
- Services
- Retail
- Tobacco
- Transportation

- Utilities
- Etc.

You probably also have to select a certain product or category in these industries to make a coherent analysis. Focus is more valuable than breadth in this exercise.

Report questions will be discussed in class.

This research project is a challenging own research project taking a considerable amount of time for data gathering, analysis and write-up. Unfortunately, a presentation in class is due to the size of the course not possible.

Introduction: Different supply chains have very different CSR and sustainability challenges. Also, they face very different governance mechanisms. It is up to the team to provide: 1) An introduction to the industry/supply chain/ product, 2) A description of the governance of that supply chain and the reasons why this kind of governance exists, and 3) A description of the CSR and sustainability challenges in this supply chain. 4) A critical discussion of the governance practices of one particular MNC in that industry outlining also how these shortcomings should be overcome.

Groups can comprise max. five members.

The report should be e-mailed uploaded to Moodle at latest Dec 22nd April 23.59. The size of the report will probably be between 15-20 pages. The main body of text (from introduction to conclusion but excluding preface, table of content, reference list, appendix) should not be more than 8000 words.

Evaluation: The report will be graded between 0 – 20 points. Below 10 points means failed: then the report must be considerably complemented and the final points of the assignment can never reach more than 10 points.

The report will be evaluated based on:

- how well the given areas are discussed and described.
- how well you introduce practical and recent examples.
- how well motivated conclusions are.
- how well you involve academic frameworks and references in your analysis.
- and finally, formalia, layout and language.

Final Exam

The final exam is a written examination based on course literature and lectures. The exam content will be narrowed down at the end of the class.

The date of the final exam will be announced in class.

PREREQUISITES Managerial thinking and analytical skills. It is not required to have selected any other course before.

COURSE TEXT Grant, D. B., Wong, C. Y., & Trautrim, A. (2017). Sustainable logistics and supply chain management: principles and practices for sustainable operations and management. Kogan Page Publishers.

Sroufe, R. (2013). Developing Sustainable Supply Chains to Drive Value: Management Issues, Insights, Concepts, and Tools. Business Expert Press.

Relevant book chapters as well as additional texts will be provided online in Moodle.

FINAL EXAM The final exam is a written examination based on course literature and lectures. It is allowed to bring 2 pages of notes to the examination, however it is not allowed to access internet during the examination or to bring books etc.

The date of the final exam will be announced in class.

FAILED EXAMINATION In case you fail the course you will have the chance in May/June to pass a 3 hour written exam in September (closed book on course content).

PARTICIPATION Given the condensed format for the class and the role of case teaching, participation at all project presentations, guest lectures, and debriefings is mandatory. We will be discussing other cases and articles during the course. You should be prepared for class discussion.

HONOR CODE Any case of plagiarism is penalized with at least zero points for the assignment. In case of groupwork, all members of the group will get zero points. In case you don't know how to cite other text, illustrations or material, consult the instructor before the submission of the written work.

WEBSITE Notes, slides, questions to cases and articles are available from Moodle under the course heading.

Course Modules

ATTENTION: MANDATORY UPFRONT READINGS ARE HIGHLIGHTED IN RED!!!

INTRODUCTION TO SUSTAINABLE SCM

L1

LECTURES	Introduction to SCM and Sustainable SCM as a performance driver in different industrial contexts. Several case examples. Challenges of Sustainable SCM implementation. Course outline and group formation.
CASE	In class mini cases.
READING: PAPERS	Additional Readings: Book chapter on Moodle Carter, C. R., & Liane Easton, P. (2011). Sustainable supply chain management: evolution and future directions. <i>International journal of physical distribution & logistics management</i> , 41(1), 46-62. Seuring, S., & Müller, M. (2008). Core issues in sustainable supply chain management—a Delphi study. <i>Business strategy and the environment</i> , 17(8), 455-466. Pagell, M., & Wu, Z. (2009). Building a more complete theory of sustainable supply chain management using case studies of 10 exemplars. <i>Journal of supply chain management</i> , 45(2), 37-56. Paulraj, A., Chen, I. J., & Blome, C. (2017). Motives and performance outcomes of sustainable supply chain management practices: A multi-theoretical perspective. <i>Journal of Business Ethics</i> , 145(2), 239-258.

MULTI-TIER SUPPLY CHAINS & SUSTAINABILITY L 2

LECTURES	Multi-tier nature of SCs. Supply Chain Dynamics and further challenges. SC Simulation. Green Bullwhip Effect. Transparency. Contracting. Incentives. Governance.
CASE	Beer Game.
READING: PAPERS	Book chapters Lee, S. Y., Klassen, R. D., Furlan, A., & Vinelli, A. (2014). The green bullwhip effect: Transferring environmental requirements along a supply chain. <i>International Journal of Production Economics</i>, 156, 39-51. Wilhelm, M. M., Blome, C., Bhakoo, V., & Paulraj, A. (2016). Sustainability in multi-tier supply chains: Understanding the double agency role of the first-tier supplier. <i>Journal of Operations Management</i> , 41, 42-60. Egels-Zandén, N., Hulthén, K., & Wulff, G. (2015). Trade-offs in supply chain transparency: the case of Nudie Jeans Co. <i>Journal of Cleaner Production</i> , 107, 95-104.

THE SUPPLY CHAIN FOOTPRINT L 3

LECTURES	Carbon footprints. Water footprints. Resource consumption. Boundary of firms. Mandatory and voluntary SSCM. Greenwashing. Symbolic vs substantive practices.
CASE	FRITO LAY CASE

READING: PAPERS

Book chapters

Blome, C., Foerstl, K., & Schleper, M. C. (2017). Antecedents of green supplier championing and greenwashing: An empirical study on leadership and ethical incentives. *Journal of Cleaner Production*, 152, 339-350.

The 'Six Sins of Greenwashing'

Walker, K., & Wan, F. (2012). The harm of symbolic actions and green-washing: Corporate actions and communications on environmental performance and their financial implications. *Journal of business ethics*, 109(2), 227-242.

GLOBAL SOURCING & SUSTAINABILITY

L4

LECTURES

Global Sourcing and environmental standards. Global Sourcing and social standards. Institutional theory. Political CSR. Code of Conducts. Child labour.

CASE

IKEA Global Sourcing Challenge

READING: PAPERS

Book chapters

Stanczyk, A., Cataldo, Z., Blome, C., & Busse, C. (2017). The dark side of global sourcing: a systematic literature review and research agenda. *International Journal of Physical Distribution & Logistics Management*, 47(1), 41-67.

Reuter, C., Foerstl, K., Hartmann, E., & Blome, C. (2010). Sustainable global supplier management: the role of dynamic capabilities in achieving competitive advantage. *Journal of Supply Chain Management*, 46(2), 45-63.

DOWNSTREAM SC & SUSTAINABILITY

L5

LECTURES

Distribution. Packaging. Stakeholder Management. Decision Making for SSCM.

CASE

JAMES BURKE CASE

READING: PAPERS

Book chapters

Wu, Z., & Pagell, M. (2011). Balancing priorities: Decision-making in sustainable supply chain management. *Journal of Operations Management*, 29(6), 577-590.

Wolf, J. (2014). The relationship between sustainable supply chain management, stakeholder pressure and corporate sustainability performance. *Journal of business ethics*, 119(3), 317-328.

SUSTAINABILITY RISK MANAGEMENT

L6

LECTURES

Risk Management. Sustainable SC Risks. Crisis Management. In class Assignment. Conflict minerals.

CASE

GSK CASE

READING: PAPERS

Book chapters

Bode Risk Management report

Busse, C., Schleper, M. C., Weilenmann, J., & Wagner, S. M. (2017). Extending the supply chain visibility boundary: Utilizing stakeholders for identifying supply chain sustainability risks. *International Journal of Physical Distribution & Logistics Management*, 47(1), 18-40.

Foerstl, K., Reuter, C., Hartmann, E., & Blome, C. (2010). Managing supplier sustainability risks in a dynamically changing environment—Sustainable supplier management in the chemical industry. *Journal of Purchasing and Supply Management*, 16(2), 118-130.

Hofmann, H., Schleper, M. C., & Blome, C. (2015). Conflict minerals and supply chain due diligence: an exploratory study of multi-tier supply chains. *Journal of Business Ethics*, 1-27.

Gold, S., Trautrim, A., & Trodd, Z. (2015). Modern slavery challenges to supply chain management. *Supply Chain Management: An International Journal*, 20(5), 485-494.

SC COLLABORATION FOR SUSTAINABILITY

L7

LECTURES

Supplier Collaboration. Customer Collaboration. NGOs. Natural RBV. Relational View. Certification. Audit.

CASE

Intel case

READING: PAPERS

Book chapters

Wolf, J. (2011). Sustainable supply chain management integration: a qualitative analysis of the German manufacturing industry. *Journal of Business Ethics*, 102(2), 221-235.

Hollos, D., Blome, C., & Foerstl, K. (2012). Does sustainable supplier co-operation affect performance? Examining implications for the triple bottom line. *International Journal of Production Research*, 50(11), 2968-2986.

Blome, C., Paulraj, A., & Schuetz, K. (2014). Supply chain collaboration and sustainability: a profile deviation analysis. *International Journal of Operations & Production Management*, 34(5), 639-663.

Matos, S., & Hall, J. (2007). Integrating sustainable development in the supply chain: The case of life cycle assessment in oil and gas and agricultural biotechnology. *Journal of Operations Management*, 25(6), 1083-1102.

INTERNAL SC & SUSTAINABILITY

L8

LECTURES

ISO Standards. Environmental Management Systems. Internal integration. Recycling. Waste Reduction. Stewardship. Internal vs external ethics. Labels.

CASE

Food Donation case

READING: PAPERS

Book chapters

Curkovic, S., & Sroufe, R. (2011). Using ISO 14001 to promote a sustainable supply chain strategy. *Business Strategy and the Environment*, 20(2), 71-93.

De Jong, P., Paulraj, A., & Blome, C. (2014). The financial impact of ISO 14001 certification: top-line, bottom-line, or both?. *Journal of Business Ethics*, 119(1), 131-149.

SC INNOVATION & BOTTOM OF PYRAMID

L 9

LECTURES

Eco Innovation. Frugal Innovation. Humanitarian SCs. Leadership.

CASE

Patagonia Case

READING: PAPERS

Book chapters

De Brito, M. P., Carbone, V., & Blanquart, C. M. (2008). Towards a sustainable fashion retail supply chain in Europe: Organisation and performance. *International journal of production economics*, 114(2), 534-553.

Gold, S., Hahn, R., & Seuring, S. (2013). Sustainable supply chain management in “Base of the Pyramid” food projects—A path to triple bottom line approaches for multinationals?. *International Business Review*, 22(5), 784-799.

REPORTING OF SUSTAINABLE SCM

L 10

LECTURES

Sustainable Reporting. GRI. KPIs. Communication

CASE

FIJI Water

READING: PAPERS

Book chapters

De Brito, M. P., Carbone, V., & Blanquart, C. M. (2008). Towards a sustainable fashion retail supply chain in Europe: Organisation and performance. *International journal of production economics*, 114(2), 534-553.

Gold, S., Hahn, R., & Seuring, S. (2013). Sustainable supply chain management in “Base of the Pyramid” food projects—A path to triple bottom line approaches for multinationals?. *International Business Review*, 22(5), 784-799.