Molly: everyone should have responses back through social. Also with social case there was a dialog of is this social responsibility? There are benefits that are purely social. It is important to value social good. You do not have to tie it to the environment for it to be good.

Bob: Think of the three legs of SD as colors that are mixed together. You want all the colors to be mixed equally instead of havin too much of a certain color.
March 20, 2006- "Economics" class notes

- If someone says we are doing environmental sustainability – what are they leaving out.
- When you look at universities – the worst polluter is the graphic arts department. They use glues, and inks, etc.
- The spring break begins on Sunday so we are posting a case and you can finish it up now so you have a week off. On April 3rd we will discuss the case.
- We will have a midterm exercise which is a take-home exam. You have a week to finish the exam from the time it is posted on the Monday to the next Monday. For the graduate students this should help you write your paper. The exam will cover up to tonight’s class.

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- You want the management to be a resource and let the employees work on the projects. At universities the staff work on the projects while the students are at university temporaraly.
- The book report is due on March 24th. There is a guide to the book report on the first week.
- The percentage of the grade given to the book report is under course requirements.
- The hows will come after the midterm and the whats are up to tonight. Part of the hows will be social marketing.
- Composing is a great environmental task, however it is in the back garden where people can not see it. So people started getting plaques that say “I compost”. Then other see the plaques and say “How can I get one of those?”
- The triple bottom line does not exist. It is much more of an intergration.
- Lets talk about economics.
- One of the things that I’ve found is that the thing they know the least about is economics.
- A lot of managers laugh when a environmental consultant says that they saved the company money. If you can’t make a business case, then it’s not sustainable.
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- I would recommend the book “The Ten Day MBA”
- There is a section on women run businesses.
- www.sba.gov is the URL
- You need to know something about ecounting. You do not need to know how to do it, but you need to know the basics.
- Organizational development is very important.
- Operational management is essentially process mapping.
- Need to be transparent, economical, and ethical.
- In Europe they pay much more attention to the social side.
- What is economic responsibility?
- One example the Weston Hotel Chain in Chicago. The chef got into recycling cans. He also had a lot of functions – many times 2 or 3 a day. Many people leave glasses of water half full. The chef would keep all the things that went into the garbage. Many thought he was doing this for the environment. He knew nothing about the environment. He did this for the economics. Every time the garbage was picked up, it was $700. He had not had a single weekend pickup in 17 weeks. Although he was doing this for economics, he was doing an environmental good and a social good.

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- Student: “I wish we knew the real cost of products”
- If we were paying for our own trash, maybe more people would compost.
- CRP wants to go sustainable to stay in business.
- What will the postal service do with all the electronic mail. You can order stamps on AOL.
- Student: “When we think of the three legs of SD. For social and environmental, we are trying to minimize harm, but not so with economics.”
- GRI is about doing less bad. What you need to measure is doing more good.
- What you need are sustainable indicators that measure all three legs of SD.
- How can we get more of the good thing in the future?
- Student: “It is to have a result”
- Student: “SD is different to different people”
- Student: “Developing countries are more sustainable than developed countries”
- Molly: What you are defining as sustainability is actually efficiency
- You need to understand the process before you can be sustainable.
- You can not just create a green building and say it is sustainable. You need to know what is going on in that building. As soon as it is occupied, it is no longer green.
- The fan in your bathroom may not go anywhere. It vents moisture up into the attic and will eventually rot out the attic.
- You can build a very tight building, but the indoor air will be horrible.
- Everything comes back to money.
- How do the neighbors feel about us and what does that cost us? What you do is create an option.
- If they lay down on the street what does that cost us? Therefor if they do not lay down in the street, what does that save us?

- End hour one
March 20, 2006- “Economics” class notes

- Begin hour 2
- The book “The Art of The Long View” these are scenarios of; if these trends happen then it likely that this will happen.
- Where are trends happening and you present these scenarios to management.
- Real options – you can make a bunch of money on options then lose it all in 10 seconds.
- The environmental manager can hold focus groups, but the financial person can not be excluded.
- “What really matters is what is going to happen further down the road”
- Student: “Do companies have a risk management for economics.
- Student: “It would be great if you could do risk management from the bottom up”
- The employees know where the risk is
- SD is a major thing for innovation. How can I make this product without harming the environment.
- NY state pays the most for a human life.
- If a truck hits a loading dock – will the company get sued? Will it harm the loading dock or the building?
- Student: “When most companies do risk management, they do not consider SD.”
- The CEO has to sign off on documents so that it will hold up in court. The documents are good for 20 years.
- With Enron, how many people will go to jail?
- The buck has to stop somewhere and that is at the CEO and it should.
- How do I stay within the good.
- SD will play a big role in this.
- Employees know everything

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- “What is our economic responsibility?”
- On the airline they say you have just completed the most dangerous part of your journey. Be careful in your vehicle.
- Some of the people who work in Cambridge live no where near the city. Many people commute 30 miles or more.
- There was a bill to make parking spaces larger for Hummers.
- Student: “How many drove to class tonight.”
- American cities are built for cars.
- Many people need cars to pick their kids from child care or go shopping.
- Some people shop for a month.
- In Europe the market is within the same village so that people live in so they can walk to do the shopping.
- How can you in green buildings use color, texture and light to give the feeling of warmth?
- Student: “There is nothing about how people feel or texture in the certification of a green building. It is all functionality and measurable components”
- How people feel is measurable through poles. President Clinton never made a decision without taking a pole. President Bush never takes a pole.
- Social research is not as reliable. What Dr Buckley says you should do id interviews. Interviews are the hardest to measure. If the person or interviewer are having a bad day, the interview will be skewed.
- Student: “The social component is about what you value. It is different from place to place.”
- In Washington DC people have read 4 newspapers before 10 AM. In the country the life is slower.
- Student: “A Bank in England uses a survey and quantifies it.”
- In a survey you do not know why a person gave a certain answer. When constructing a survey, you need to think about these things. You may need to ask the same question multiple times in different ways.
- The same person may say different things in different ways.
- In the exam there will be 5 questions, undergrads answer any four and grads answer all five. Make sure you can back up opinions.