AGSM MBA Programs 2015

MANAGING
FOR ORGANISATIONAL SUSTAINABILITY

Semester 2, 2015

Course Overview

Draft

AGSM @ UNSW Business School
Important Notice

The material contained in this study guide is in the nature of general comment only and is not advice on any particular matter. No one should act on the basis of anything contained in this guide without taking appropriate professional advice upon the particular circumstances. The Publisher, the Editors, and the Authors do not accept responsibility for the consequences of any action taken or omitted to be taken by any person, whether a subscriber to this guide or not, as a consequence of anything contained in or omitted from this guide.
Course schedule

Semester 2, 2015

Managing for Organisational Sustainability

<table>
<thead>
<tr>
<th>Week no</th>
<th>Week begins</th>
<th>Unit</th>
<th>Assessment due (% weighting)</th>
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<tr>
<td>1</td>
<td>27 July</td>
<td>1</td>
<td>Participation is assessed throughout the semester (15%)</td>
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<td>2</td>
<td>3 August</td>
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<td>5</td>
<td>24 August</td>
<td>5</td>
<td>Assignment 1 due on 24 August by 9.30am Sydney time – personal learning review (15%)</td>
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<td>6</td>
<td>31 August</td>
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<td>10</td>
<td>6 October*</td>
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<td>11</td>
<td>12 October</td>
<td>11</td>
<td>Assignment 2 due on 12 October by 9.30am Sydney time – report (35%)</td>
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<td>12</td>
<td>19 October</td>
<td>12</td>
<td>Unsupervised, take-home exam, made available via Moodle by 9.30am Sydney time on Friday 23 October</td>
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<tr>
<td>13</td>
<td>26 October</td>
<td>13</td>
<td>Independent reflective learning and review</td>
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* Submission of take-home exam via Moodle by 9.30am Sydney time on Friday 30 October (35%)

Mid-term recess: Saturday 26 September – Monday 5 October *

* Monday 5 October is a public holiday in NSW
Course information

Course-level aims and learning goals

Good management must comprise more than the creation of efficient, effective commercial enterprises, more than the identification and emulation of best practices.

At its core, the management conversation should be about the efficacy, sustainability and fundamental fairness of human interaction that underpins not just commercial enterprise, but culture, social policy and emerging global realities.

(Magura 2002)²

Over the past two decades, sustainability has become an increasingly important part of the ‘management conversation’. Managers now face increasing pressure to broaden their field of view and balance short- and long-term needs for economic, social and environmental sustainability. A profound shifting of values has occurred as we come to appreciate the impact that each of our day-to-day decisions has on larger social, economic and ecological systems. Understanding sustainability involves a broadening and re-orientating of the patterns of thinking and understanding that we once accepted unquestioningly.

Organisational sustainability is built on a foundation of sustainable development, social responsibility, stakeholder thinking and accountability. This course is interdisciplinary in its approach to sustainability. This means that we draw from a range of disciplines and knowledge bases to understand sustainability and manage accordingly. You will find arguments in the various Units that draw from knowledge and research in the fields of organisational behaviour, sociology, business ethics and philosophy, political economics, ecology, systems theory and organisational studies.

Hawken, Lovins and Lovins² use the metaphor of a tapestry to describe the ideas and arguments behind sustainability. As you work through the Units you will see how, like a tapestry, the threads of the concepts, arguments and disciplines weave in and out of each other to build a big picture. Some of these ideas and arguments may challenge your conceptions of management and organisations ³

³ For those of you who are used to the discourse of physical science or engineering, these arguments may at face value look more like opinions than facts. This is because, unlike the physical sciences, in the complex world of social relationships, ethics and values, facts are contestable and value-laden – even those gleaned ‘scientifically’. Think about the once well-respected science of phrenology in the 19th century. We no longer accept that a people’s intelligence or behaviour can be understood in terms of the bumps on their heads! In more recent times, behavioural psychology (based on controlled animal experiments) was the source of scientific facts and explanations for human behaviour. Both of these sets of facts were laden with assumptions and values.

Nonetheless, you can differentiate between strong and weak arguments, and between sound and faulty reasoning. We can and should consider what we see in organisations from alternative perspectives, even if this takes us outside our comfort zones.
Effective management is not about acquiring the answers in a step-by-step way. It is about understanding your actions and the actions of others so that the unintended consequences and multiple perspectives can be anticipated. It is about valuing and harnessing the full potential of those working in and for our organisations, communities and societies. It is about creating a learning environment where people can work collaboratively and innovatively. In this course, we aim to help you to develop the analytical and thinking skills that will allow you to gain insight into your own organisational practices and contexts. These insights will help you to manage more effectively and more sustainably, and contribute to the sustainable strategic success of your organisation.

In *Managing for Organisational Sustainability*, you are encouraged to anchor your understanding of the concepts we introduce to your own organisational experience. For example, we may ask you to reflect on your organisation’s environment, or systems; or to critically evaluate your own actions, or the actions of others. The assessment items and exercises throughout the course are designed to encourage you to do this.

This course examines the management of organisations to promote organisational sustainability. It is best taken after you have developed some basic people-management knowledge and skills either via experience, or by completing other courses in the program, such as *Fundamentals of People Management* and *Introduction to Management*.

Many other courses look at managing specific aspects of the organisation, e.g. *Fundamentals of Corporate Finance* examines the financial management of organisations and *Information Systems Management* looks at managing the information technology in organisations.

This course, however, looks more broadly at the organisation, and how best to manage for long-term survival and sustainable growth. It is a companion course to *Business Management for a Sustainable Environment*, which addresses the environmental aspects of sustainability.

The UNSW Business School is a signatory to the United Nations’ *Principles for Responsible Management Education* (www.unprme.org). These principles inform the design and delivery of *Managing for Organisational Sustainability*. 
Course learning outcomes

When you have completed this course, you should be able to:

1. explain why sustainability imperatives have emerged in response to the current global business environment
2. consider the interconnections between the economic, social, political and ecological spheres of human activity, and apply systems thinking to your analysis of organisational issues and practices
3. outline the concepts and philosophies underpinning organisational sustainability, including corporate social responsibility, stakeholder management and financial, social and ethical accountability
4. describe the various perspectives on sustainability and its links to management capabilities and management practice
5. outline the approaches to people management, work organisation, leadership and change that enable organisational sustainability
6. reflect on the internal and external factors that enable or constrain organisational sustainability
7. critically reflect on your own approaches to and practices of management for sustainability.

Structure

This course examines how organisations and their management can support sustainable organisational strategies. We see how holistic and integrated approaches to stakeholder relations and people management can increase an organisation’s capability for continuous renewal and long-term viability.

The focus in this course is on the human and organisational systems and processes that contribute to organisational sustainability. In this course, organisations are defined broadly, and encompass small and family-owned enterprises, public sector and third-sector (or not-for-profit) organisations as well as conventional corporations.

The course is structured into 12 Units, as shown in the diagram below. Each of the Units deals with a different element of organisational and social sustainability.

We do not explicitly develop the environmental side of sustainability: this is comprehensively covered in the course *Business Management for a Sustainable Environment.*
Unit 1, *The contextual backdrop for sustainability*. Unit 1 introduces you to new ways of thinking about organisations and the global business environment. The complexity that managers face in this environment is outlined, and the limitations of conventional management thinking are presented, along with the need for new ways of thinking. You will learn about the sense-making practices we use in our workplaces and how these can impact on what we ‘see’ in organisations. We canvass the importance of systems thinking, and of adopting multiple perspectives on organisations and managing.

Unit 2, *Understanding organisational sustainability*, deals with the nature of organisations and the need for a more pluralistic and outward-looking perspective. We consider a model for organisational sustainability that underpins the course. We trace out the trajectory of the way organisational sustainability has been conceptualised, and examine the antecedents of sustainability concepts.
Unit 3, *Foundations of sustainability*. In Unit 3, the theoretical base of sustainable people and stakeholder management is considered. The interconnection between organisational sustainability and people-related capabilities is explored. You will also learn about the relationship between an organisation’s strategic actions, its reputation and ultimately, its legitimacy. The role that people play in sustainability is outlined, along with arguments for ‘human capital advantages’ with an introduction to the implications of this thinking for management. We introduce you to some of the management systems and practices that can enhance sustainability.

Unit 4, *Corporate social responsibility and stakeholder management*. In this Unit, we consider the concept of corporate social responsibility, applied to all forms of organisation, and its interconnection with stakeholder management. An understanding of organisational stakeholders and the importance of stakeholder management is a key factor in organisational sustainability. We consider narrow and broad views of corporate social responsibility encompassed in ‘shareholder vs stakeholder’ debates. You will also consider how we can use these concepts in practical stakeholder management.

Unit 5, *Managing people for sustainability*. Unit 5 looks more closely at how people-related capabilities can be developed and nurtured. We consider the human-resource management systems and practices that can enhance organisational competencies, and the cultural and informational enablers of organisational sustainability. From this, we explore organisational commitment and the people-management practices that promote this.

Unit 6, *Organising for sustainability*. This Unit builds on the ideas introduced in the previous Units, and links social architecture and work organisation with sustainability. The role of work design, collaborative networks and empowerment in contributing to innovation and renewal is covered. In addition, we consider organisational processes and architectures outside organisational boundaries, including sustainable and socially responsible supply-chain management.

Unit 7, *Leadership for sustainability*. In this Unit, we consider one of the central management capabilities needed for sustainability – leadership. Leadership is not just the responsibility of senior executives; it is a process, not a position, and needs to be seen as distributed throughout an organisation. We examine current thinking on the age-old, multifaceted question of leadership effectiveness, and reflect on the ways in which leaders face adaptive challenges like sustainability. The Unit also considers the ethical responsibilities of leaders and how they are linked to contemporary ideas about professional management practice and ethical leadership.

Unit 8, *Sustaining organisational change and culture*. Managing for Organisational Sustainability entails ongoing changes to systems, practices and frames of thinking in organisations. In this Unit, learning and change-management issues are developed. We also introduce you to the idea of culture as complex, shared and socially constructed, rather than something an organisation ‘has’. The role of managers in influencing and legitimating particular value sets is covered and we explore models for enabling cultural change.
Unit 9, *Overcoming the barriers to organisational sustainability*. In this Unit, we move to some of the internal and external barriers to sustainability. These barriers can be real and exist in and around organisations, or they can result from the sense-making practices we use. We explore some of the familiar examples of why ‘sustainability won’t work here’, and provide some tools for analysing the problems you might encounter. We then turn to a scrutiny of some human resource and people-management practices, and move to influencing strategies and processes of legitimation. Practical responses such as issue-selling and business cases can incorporate evidence of business improvements and increased customer preferences for products from socially responsible firms. We also consider a decision-making framework that helps overcome some of the taken-for-granted barriers we encounter.

Unit 10, *Managing and measuring performance*. The ways in which we define and manage performance in organisations can either constrain or enable the journey towards sustainability. Different lenses on performance management are considered, and alternative models of performance management are outlined.

Unit 11, *Governance and sustainability*. In this Unit, we consider how governance processes and practices are central planks of organisational sustainability. We also examine the role of boards and the importance of accountability systems.

Unit 12, *Course review: looking back and looking forward*. In this final Unit, you are encouraged to reflect on organisational sustainability and also your own learning experience. We consider the notion of ‘21st century enlightenment’, and how the various elements of the course come together to provide a holistic and value-centred approach to managing for organisational sustainability. You will be guided through some review questions that will help you to integrate the concepts into your own sustainability model and develop a Personal Action Plan for your own sustainability practices.
Program quality assurance

A number of international standards are embedded in the program to ensure the courses you study are high quality. At present this includes specific design to meet AACSB accreditation standards (through measurement of students’ program-level learning outcomes), and the United Nations Principles for Responsible Management Education (UNPRME). EQUIS accreditation is also held by UNSW Business School.

Program-level learning goals and outcomes assessed for AACSB accreditation

The Course Learning Outcomes are what you should be able to do by the end of this course if you participate fully in learning activities and successfully complete the assessment items.

The Course Learning Outcomes will also help you to achieve at least some of the overall Program Learning Goals that are set for all postgraduate coursework students in AGSM programs.

However, course-level learning outcomes are not sufficient to fully describe a student’s skills as they complete the qualification, and so we add an additional set of Program Learning Goals. These specify what we want you to have achieved by the time you successfully complete your degree. As an example, for the Teamwork learning goal we specify: ‘Our graduates will be effective team participants’.

You demonstrate that you have met these Program Learning Goals by achieving specific Program Learning Outcomes that are directly related to each goal. These indicate what you are able to do by the end of your degree. In the case of the Teamwork goal, the related outcome includes: ‘participate collaboratively and responsibly in teams’. Note that the ability to meet these program-level learning goals and outcomes will be measured in each capstone course for your degree program.

The Program Learning Goals (and related outcomes) used at the AGSM for the MBAX and MBT programs are as follows.

1. Knowledge:  
   Our graduates will have current disciplinary or interdisciplinary knowledge applicable in local and global contexts.
   Learning outcome: Students should be able to identify and apply current knowledge disciplinary or interdisciplinary theory and professional practice to business in local and global environments.

2. Critical thinking and problem-solving:  
   Our graduates will have critical thinking and problem-solving skills applicable to business and management practice or issues.
   Learning outcome: Students should be able to identify, research and analyse complex issues and problems in business and/or management, and propose appropriate and well-justified solutions.
3. Communication:
   Our graduates will be effective communicators in professional contexts.
   Learning outcome for 3a – Written Communication: Students should be able to produce written documents that communicate complex disciplinary ideas and information effectively for the intended audience and purpose.
   Learning outcome for 3b – Oral Communication: Students should be able to produce oral presentations that communicate complex disciplinary ideas and information effectively for the intended audience and purpose.

4. Teamwork:
   Our graduates will be effective team participants.
   Learning outcome: Students should be able to participate collaboratively and responsibly in teams, and to reflect on their own teamwork, and on the team’s processes and ability to achieve outcomes.

5. Ethical, social and environmental responsibility:
   Our graduates will be aware of ethical, social, cultural and environmental implications of business issues and practice.
   Learning outcome for 5a – Ethical, social and environmental responsibility: Students should be able to identify and assess ethical, environmental and/or sustainability considerations in business decision-making and practice.
   Learning outcome for 5b – Social and cultural awareness: Students should be able to consider social and cultural implications of business.

6. Leadership:
   Our graduates will have an understanding of effective leadership.
   Learning outcome: Students should be able to reflect upon their own personal leadership style and on the leadership needs of business and of team.

**Associated governing bodies**

AACSB: [http://www.aacsb.edu](http://www.aacsb.edu)
EQUIS: [https://www.efmd.org/accreditation-main/equis](https://www.efmd.org/accreditation-main/equis)
UNPRME: [http://www.unprme.org](http://www.unprme.org)
Resources

Learning resources

You have four major resources to help you learn:

1. The course materials, comprising the weekly study units with readings, references, insights and commentary. You will do much of your learning outside the classroom by working through the course materials, and by completing the exercises as they arise.

2. Your online or face-to-face classes with your facilitator. The facilitator's job is to guide your learning by conducting class discussion, answering questions that might arise after you have done the week's work, providing insights from his or her practical experience and understanding of theory, providing you with feedback on your assignments, and directing discussions and debates that will occur between you and your co-participants in the classroom.

3. Your co-participants. Your colleagues in the classroom are an invaluable potential source of learning for you. Their work and life, and their willingness to question and argue with the course materials, the facilitator and your views, represent a great learning opportunity. They bring much valuable insight to the learning experience.

4. In addition to course-based resources, please also refer to the AGSM Learning Guide (available in Moodle) for tutorials and guides that will help you learn more about effective study practices and techniques.

Course materials

The course materials comprise this Course Overview, the Assessment Details and 12 Units. Each Unit has a number of associated readings.

Readings

Specific readings are prescribed throughout the Units and are available via active hyperlinks or URLs. Please note that you may be required to enter your UNSW zID and zPass in order to access these hyperlinked articles.

If you experience any problems in accessing the readings, please try the following:

- Search directly for the article on the UNSW Library home page (https://library.unsw.edu.au/) by placing the name of the article in the Search box.
- Search directly for the book excerpt on the UNSW Library home page (https://library.unsw.edu.au/) by placing your course code into the Search box. When you do this all the course readings that are excerpts from books will appear.
eLearning

To access Moodle, go to: https://www.business.unsw.edu.au/agsm/students/mbt-students/online-classes and select Login to Moodle.
Login with your student zID (username) and zPass (password).

Moodle eLearning support

Should you have any difficulties accessing your course online, please contact the eLearning support below:

For login issues:

**UNSW IT Service Centre**

Hours: Monday to Friday: 8am – 8pm
Saturday and Sunday: 11am – 2pm

Email: ITServiceCentre@unsw.edu.au
Phone: Internal: x51333
External: 02 9385 1333
International: +61 2 9385 1333

For help with technical issues and problems:

**External TELT Support**

Hours: Monday to Friday: 7.30am – 9.30pm
Saturdays and Sundays: 8.30am – 4.30pm

Email: externalteiltsupport@unsw.edu.au
Phone: Internal: x53331
External: 02 9385 3331
International: +61 2 9385 3331
Administrative and eLearning support

Student Experience

If you have administrative queries, they should be addressed to Student Experience.

Student Experience
AGSM MBA Programs
UNSW Business School
SYDNEY NSW 2052
Phone: +61 2 9931 9400
Email: studentexperience@agsm.edu.au

Additional student resources and support

The University and the UNSW Business School provide a wide range of support services for students, including:

- **Business School Education Development Unit (EDU)**
  https://www.business.unsw.edu.au/students/resources/learning-support
  The EDU provides academic writing, study skills and maths support specifically for Business students. Services include workshops, online resources, and individual consultations.
  EDU Office: Level 1, Room 1033, Quadrangle Building.
  Phone: +61 2 9385 5584; Email: edu@unsw.edu.au

- **UNSW Learning Centre**
  www.lc.unsw.edu.au
  Provides academic skills support services, including workshops and resources, for all UNSW students. See website for details.

- **Library training and search support services**
  http://info.library.unsw.edu.au/web/services/services.html

- **UNSW Counselling and Psychological Services**
  https://student.unsw.edu.au/wellbeing
  Provides support and services if you need help with your personal life, getting your academic life back on track or just want to know how to stay safe, including free, confidential counselling.
  Office: Level 2, East Wing, Quadrangle Building;
  Phone: +61 2 9385 5418.

- **Student Equity & Disabilities Unit**
  http://www.studentequity.unsw.edu.au
  Provides advice regarding equity and diversity issues, and support for students who have a disability or disadvantage that interferes with their learning.
  Office: Ground Floor, John Goodsell Building;
  Phone: +61 2 9385 4734; Email: seadu@unsw.edu.au
Continual course improvement

Our courses are revised each time they run, with updated course overviews and assessment tasks. All courses are reviewed and revised regularly and significant course updates are carried out in line with industry developments.

The AGSM surveys students via the UNSW CATEI system each time a course is offered. The data collected provides anonymous feedback from students on the quality of course content and materials, class facilitation, student support services and the program in general. This student feedback is taken into account in all course revisions.

Student evaluations from the last presentation of the course

In Managing for Organisational Sustainability we evaluate and use your course-level feedback, both quantitative and qualitative, to guide our continued review and redesigning of the course. Your feedback and comments regarding the parts of the course you found valuable, and those you think might be improved, are vital in this regard. For this reason, we encourage you to complete your online course evaluations at the end of the semester.

When this course was last offered, student feedback was overwhelmingly positive. In online discussions, students have observed that they have experienced significant changes in their own thinking and management practices as a result of taking this course.

Coordinator’s response

The course you are doing is the result of a major review and revision exercise carried out recently. Significant changes were made to the course content, readings, class exercises and assessment. Since the course was first written in 2004, we have seen major contextual changes – not the least of which has been the global financial crisis, sovereign debt and its flow-on effects – accompanied by a questioning of taken-for-granted principles and values. Sustainability is no longer a fringe issue; it has become a mainstream concern for businesses, managers and society as a whole.

The changes made to the course reflect new thinking and debates on organisational sustainability. In revising the course, we have also taken into account feedback from students and the teaching team on the issues and topics, on what has worked well and not so well. Comments on workload in weekly online classes have been taken on board in the design of classroom exercises, and the first assignment instructions have been completely rewritten following recent student feedback. The relative weighting of the assignments has been altered following feedback last semester. We have also included a link to the UNSW Learning Centre’s Guidelines on Reflective Writing in the instructions for Assignment 1.
Course staff

Course coordinator

Each course has a Course Coordinator who is responsible for the academic leadership and overall academic integrity of the course. The Course Coordinator selects content and sets assessment tasks, and takes responsibility for specific academic and administrative issues related to the course when it is being offered. Course Coordinators oversee Class Facilitators and ensure that the ongoing standard of facilitation in the course is consistent with the quality requirements of the program.

The Course Coordinator is:

Dr Tracy Wilcox
BAppSc MCom PhD
Email: t.wilcox@unsw.edu.au

Tracy is a lecturer in HRM and organisation studies at the School of Management in the UNSW Business School. She has taught in the MBT Program at the AGSM since 1996, and has also taught in the AGSM Executive MBA program and the Graduate Certificate in Social Impact. Tracy's current research interests include organisational change agency, legitimisation strategies and business ethics and sustainability education. She has contributed publications on organisational change, performance management and skills for the federal Departments of Workplace Relations, and Equal Opportunity in the Workplace, and the UNSW Industrial Relations Research Centre, and has published internationally on sustainability, ethics and corporate social responsibility.

Tracy has consulted to manufacturing and service organisations in the areas of strategic human-resource management, management development and TQM. She has a Master’s degree in organisational change leadership and a PhD in HR management-legitimation strategies, both from UNSW.

Tracy is a member of the Academy of Management, the International Association of Business and Society, the Australian Human Resources Institute, the Australasian Association of Professional and Applied Ethics, the Australasian Business Ethics Network and the European Group for Organization Studies.
Class facilitator

The role of your Class Facilitator is to support the learning process by encouraging interaction amongst participants, providing direction in understanding the course content, assessing participant progress through the course and providing feedback on work submitted. Class Facilitators comprise academics and industry practitioners with relevant backgrounds. You will be notified of your Class Facilitator's name and contact details in your class confirmation email sent by AGSM Student Experience. Details will also be available in the gallery section of your online class for both face-to-face and distance classes.

Course authors

The Course Coordinator, Tracy Wilcox, is the main author of this course. Janis Wardrop contributed Unit 11 Governance and sustainability.

Acknowledgement

Loretta O’Donnell and Craig Tapper both contributed to earlier versions of this course.