

The Four Tenets of Conscious Capitalism

Course Syllabus

Introduction into Conscious Business Education

Our purpose is to educate the current and next generation of business leaders & entrepreneurs in Europe to conduct business consciously. With ‘consciously’ referring to conducting business in a way that is purpose-driven, ethical, human-centered, sustainable, and inclusive, and where all Business Stakeholders (not only shareholders and managers) benefit. For the last 10 – 15 years researchers demonstrated that consciously led companies not only ensure all stakeholders benefit as a result of economic progress, but conscious businesses also are economically more successful. However, the practices of conscious business – and what might be different from a traditional view on business – is not yet an explicit part of business education in Europe.

The current economic system is under pressure because of unsustainable exploitation of resources and increasing pollution of our planet. Climate change and severe biodiversity losses are accelerating at an unprecedented scale while societies are facing rising inequalities in wealth and access to opportunities. These problems are not separate crises, but they can all be rooted in fundamental flaws of the current economic system and imply a fundamental change towards an economy that is sustainable, circular, prosperous, and inclusive.

Many of the challenges Europe faces require businesses or support from businesses to create innovative solutions. Business not only are drivers for innovation, jobs and economic wealth, conscious businesses can also create solutions for real problems, but without the collateral damage to some of their stakeholders – be it towards nature, employees, health, equality, or local communities. Currently, too many businesses are still operating extractively, making them (major) contributors to some of our biggest problems such as climate change, inequality, public health and loss of biodiversity.

We believe businesses can be drivers of good, if they design, organize, and create their business consciously. Therefore, it is of paramount importance to educate current and future business leaders regarding how to manage more consciously so that potential damage is eliminated or minimized, and to increase benefits to society and the planet. We aim to address this challenge by creating and teaching an innovative business syllabus which includes Conscious Business Practices for bachelor-, graduate- & executive-level education. Based upon the Syllabus, Conscious Business Education trains current business teachers on how to incorporate the Syllabus into their business education courses and/ or programs.

Goals for the complete syllabus on Conscious Business (21 courses):

1. Describe and teach innovative methodologies how business students can become more conscious leaders
2. Understand tools and methodologies for conscious business
3. Apply tools and methodologies to manage businesses better
4. Embedding ethics and ethical dilemmas in every course
5. Stimulate reflection and development of leaders to become more system-oriented, ethical, inclusive and conscious.
6. Superiority of purpose-driven companies

Visualization (Infographic)

TBD

Overview

Course Code	Grad_GM_The 4 Tenets of Conscious Capitalism
Course Title	The Four Tenets of Conscious Capitalism (Conscious Business Education)
Degree	Graduate
Course Length	20 academic hrs extendable with guest lectures
Number of ECTS Credits	2 ECTS
Total workload	20 hours on-site lectures and instruction (without guest lectures) 40 hours of private study <u>60 hours total</u>
Prerequisites	None
Teaching and Learning Methods	<ul style="list-style-type: none"> • Interactive presentation • Journaling exercises • Case studies • Neuro exercises • Inspirational videos • Course readings
Assessments	Poster presentation (100%)
Course creators from Conscious Business Education	Creator: Prof. Dr. Christian Schmidkonz, Munich Business School, christian.schmidkonz@munich-business-school.de Academic peer: Dr. Susanne Veldung, Universität Würzburg
Course Material Language	English

Introduction to the Course

This course will change your assumptions about successful businesses and management practices. In view of the planetary boundaries, sustainable economic growth for companies without taking into account the ecological and social costs is an illusion. Under the given conditions, however, there are numerous entrepreneurs, managers and companies that are not only economically successful but also improve living and working conditions on planet earth.

As part of the course, we use the framework of the 4 tenets of conscious business to understand how companies can be active in a future-proof manner. The course requires students to be open to unconventional, innovative business practices and new ideas for doing business in an “unusual” way. In addition, each individual student will embark on an inner journey in which to discover their own personal values and views and how they can relate to conscious businesses.

Learning Outcomes / Objectives

- Understanding for alternative business practices compared to traditional profit orientation as the core goal
- Get an insight into companies that incorporate a higher purpose in their business practices and strategies

- Being able to critically examine the evidence on the impact of practicing conscious capitalism on the tangible and intangible well-being of all stakeholders
- Understand in detail the importance of the four tenets of conscious capitalism and possibilities to integrate them into daily business
- Evaluate the measures taken by a company in relation to the intended impact
- Distinguish between positively effective initiatives and pure marketing initiatives (#purpose washing)
- Become acquainted with best practices in the field of conscious business
- Create a visualization of conscious elements of companies

Course Content (incl. Module Description)

Part 1: Doing Business under a new paradigm // Introduction to Systems Thinking

In the first part, the reference spectrum for one's own actions is introduced: from the view of planet earth and the changes caused by human actions to the origin of individual human actions. A distinction is made between ego-system thinking and the eco-system thinking. Concepts such as the Earth Overshoot Day and Planetary Boundaries are introduced. Terms such as sustainability, regenerative business and biomimicry are defined.

Required Reading

- Polman, P., & Winston, A. (2021). *Net positive: how courageous companies thrive by giving more than they take*. Boston: Harvard Business Review Press. Chapter 1, 2

Part 2: Introduction to the Conscious Capitalism Framework // Discovery of Personal Values

The Conscious Business Framework is introduced and differentiated from Corporate Social Responsibility (CSR) and other concepts. The first examples of a conscious business are introduced. Through a journaling exercise, personal individual values are identified. Students are assigned the company for which they are to develop a poster presentation.

Required Reading

- Mackey, J., & Sisodia, R. (2013). *Conscious Capitalism - Liberating the heroic spirit of business*. Boston: Harvard Business School Publishing. Chapter 1, Appendix A, B
- Sisodia, R., Henry, T., & Eckschmidt, T. (2018). *Conscious Capitalism Field Guide*. Boston: Harvard Business School Publishing Corporation. Introduction Chapter

Part 3: Four Tenets of Conscious Capitalism – Higher Purpose as well as Stakeholder Integration

The two tenets "Higher Purpose" and "Stakeholder Integration" are introduced. For this purpose, these are defined and discussed using various inspiring and proven best case examples. The topics are treated critically and examples of "purpose washing" are discussed.

Required Reading

- Mackey, J., & Sisodia, R. (2013). *Conscious Capitalism - Liberating the heroic spirit of business*. Boston: Harvard Business School Publishing. Chapter 2.1, 2.2
- Sisodia, R., Henry, T., & Eckschmidt, T. (2018). *Conscious Capitalism Field Guide*. Boston: Harvard Business School Publishing Corporation. Chapter 1,2

Part 4: Four Tenets of Conscious Capitalism – Conscious Leadership as well as Conscious Culture and Management

The two tenets "Conscious Leadership" and "Conscious Culture and Management" are introduced. Elements of Associated Acronyms "S.E.L.F.L.E.S.S." and "T.A.C.T.I.L.E." are discussed. Various examples and best practices are given.

Required Reading

- Mackey, J., & Sisodia, R. (2013). *Conscious Capitalism - Liberating the heroic spirit of business*. Boston: Harvard Business School Publishing. Chapter 2.3, 2.4
- Sisodia, R., Henry, T., & Eckschmidt, T. (2018). *Conscious Capitalism Field Guide*. Boston: Harvard Business School Publishing Corporation. Chapter 3, 4

Part 5: Assignment – Poster Presentation

The students present their posters comparing a "Conscious Business" and a "Classical Business" at a poster fair. Guests can also be invited to this.

Part 6: Theory U – Introduction and Journaling Exercise

In the final part, the students receive an introduction to "Theory U". They then go through Theory U by means of a detailed journaling exercise. The students work out a concrete first step in order to achieve their identified goal.

Required Reading

- Scharmer, O. (2016). *Theory U: Leading from the Future as It Emerges*. Oakland: Berrett-Koehler Publishers. Chapter 8-14

Expectation toward the students

The students are expected to be particularly open to new study experiences and able to reflect on themselves. The content of the course is much more holistic than you may be used to from classic business administration courses. It is in the nature of holistic approaches that they often cannot be grasped completely rationally, but contain a certain emotional component. The course includes various components that help students to get to know themselves better and to experience resonance with purposeful business practices.

The course requires a high degree of curiosity about how to do business in a responsible way. Since many "unusual" but at the same time very successful business approaches are introduced, a particularly large openness is necessary for breaking with existing business concepts.

Students are expected to attend class regularly in the classroom. It is not possible to completely experience and study the course from literature sources only.

Active discussion in class is encouraged.

Doing your homework is essential for complete learning success.

Personal experiences shared by participants in the course room remain in the course room and are not shared with the outside world.

Tablets with a pen can be used for notes. Other electronic devices are not permitted as they inevitably distract and do not allow for an inner journey.

Teaching and Learning Methods used

- Interactive presentation
- Journaling exercises
- Case studies
- Neuro exercises
- Inspirational videos
- Course readings

Prerequisites

none

Special Features of this Course

- In class neuro exercises
- Poster presentation (analogue)
- Completion of an inner journey for all students
- Creation of an emotional connection with the topic
- Strong impact on future business practices by students/graduates

Course Length

20 hours on-site lectures and instruction (without guest lectures)

Number of ECTS Credits

This is a 2 ECTS course.

Total Workload

Attending sessions	6*3 hrs + 1*2 hrs	20 hrs.
Private study	Recommended literature	30 hrs.
Assignments	Poster presentation	10 hrs.
TOTAL		60 hrs.

Assessments

Poster presentation

At the very beginning of the course teams of two students are created. One student becomes the “god-mother/godfather” of a (relatively) “conscious company” and the other student of a (relatively) “classic company” from the same or a very similar industry (e.g. Chobani Yogurt and Danone, Southwest Airlines and Lufthansa, Ben & Jerry’s and Kraft Heinz) for the whole time of the course. The students are supposed to always reflect what is taught in class with their dedicated company.

The teams of two are asked to create a poster out of any materials (max. 2x DIN A0) by hand and present the poster to all students in a poster presentation session where students get up and walk from poster to poster. During the creation of the poster the two students discuss the application of the four tenets at their respective company.

Extension 1: students give (subjective) points to the four tenets for each company.

Extension 2: Additionally to the poster presentation students fill in a “Conscious Business Score Card”. All cards are then collected and shared with all students so that all students have a collection of inspirations about how to run a business in a more conscious way to take home.

Suggested Literature

- Anderson, R. (2009). Confession Of A Radical Industrialist - Profits, People, Purpose - Doing Business By Respecting The Earth. New York: St. Martin's Press.
- Antonio, J., Schmidkonz, C., & Kraft, P. (2022). Promises Have a Price: An Analysis of Higher Purpose, Purpose Washing, and Financial Performance Using the Example of Germany's DAX 30. Munich Business School Working Paper(2022-05). Munich. From https://www.munich-business-school.de/fileadmin/user_upload/forschung/working_papers/MBS-WP-2022-05_Antonio_Schmidkonz_Kraft_Purpose_Washing.pdf
- Benyus, J. (2002). Biomimicry: innovation inspired by nature. New York: HarperCollins.
- Berg, J., Dutton, J., & Wrzesniewski, A. (2013). Job Crafting and Meaningful Work. In B. Dik, Z. Byrne, & M. Steger, Purpose and Meaning in the Workplace (S. 81-104). Washington, D.C.: American Psychological Association.
- Braungart, M., & McDonough, W. (2002). Cradle to Cradle: Remaking the Way We Make Things. New York: North Point Press.
- Chapman, B., & Sisodia, R. (2015). Everybody Matters - The Extraordinary Power of Caring for Your People Like Family. New York: Portfolio / Penguin.
- Chouinard, Y. (2016). Let My People Go Surfing: The Education of a Reluctant Businessman. New York: Penguin Books.
- Conant, D. (16. 02 2011). Secrets of Positive Feedback. From Harvard Business Review: <https://hbr.org/2011/02/secrets-of-positive-feedback>
- Craig, N., & Snook, S. (05 2014). From Purpose to Impact. Von Harvard Business Review: <https://hbr.org/2014/05/from-purpose-to-impact>
- Farnsworth, M. (2021). Biomimicry and Business - How Companies Are Using Nature's Strategies to Succeed. New York: Routledge.
- Felber, C. (2012). Change Everything: Creating an Economy for the Common Good. London: Zed Books Ltd.
- Gatti, L., Seele, P., & Rademacher, L. (2019). Grey zone in – greenwash out. A review of greenwashing research and implications for the voluntary-mandatory transition of CSR. International Journal of Corporate Social Responsibility, 1-15. doi:<https://doi.org/10.1186/s40991-019-0044-9>
- Hawken, P. (2010). The Ecology of Commerce - A Declaration of Sustainability. New York: Harper Business.
- Honeyman, R., & Jana, T. (2019). The B Corp Handbook: How You Can Use Business as a Force for Good. Oakland: Berrett-Koehler Publishers, Inc.
- Hougaard, R., Carter, J., & Hobson, N. (4. 12 2020). Compassionate Leadership Is Necessary - but Not Sufficient. From Harvard Business Review: <https://hbr.org/2020/12/compassionate-leadership-is-necessary-but-not-sufficient>
- Hurst, A. (2014). The Purpose Economy - How your Desire for Impact, Personal Growth and Community Is Changing the World. Boise, Idaho: Elevate.
- Kofman, F. (2006). Conscious Business - How to Build Value Through Values. Boulder: Sounds True.
- Kofman, F. (2018). The Meaning Revolution: Leading with the Power of Purpose. New York: Penguin Random House.
- Lacy, S. (22. 07 2009). Amazon Buys Zappos; The Price is \$928m., not \$847m. From Techcrunch: <https://techcrunch.com/2009/07/22/amazon-buys-zappos/>
- Mackey, J., & Sisodia, R. (2013). Conscious Capitalism - Liberating the heroic spirit of business. Boston: Harvard Business School Publishing.
- Mackey, J., McIntosh, S., & Phipps, C. (2020). Conscious Leadership - Elevating humanity through business. New York: Penguin Random House.

- McDonough, W., & Braungart, M. (2002). *Cradle to cradle: remaking the way we make things*. New York: Noth Point Press.
- Polman, P., & Winston, A. (2021). *Net positive: how courageous companies thrive by giving more than they take*. Boston: Harvard Business Review Press.
- Poon Tip, B. (2013). *Looptail - How one company changed the world by reinventing business*. New York: Hachette Book Group.
- Rennollet, I., Schmidkonz, C., & Kraft, P. (2020). The role of purpose in consumer choice: a comparison between baby boomers and millennials in Germany with a focus on sustainability and consciousness. *World Review of Entrepreneurship, Management and Sustainable Development*, 16(3), S. 241-261.
- Scharmer, O. (2016). *Theory U: Leading from the Future as It Emerges*. Oakland: Berrett-Koehler Publishers.
- Sinek, S. (2009). *Start with why: How great leaders inspire everyone to take action*. London: Penguin Books Ltd.
- Sisodia, R., & Gelb, M. (2019). *The Healing Organization - Awakening the Conscience of Business to Help Save the World*. New York: HarperCollins.
- Sisodia, R., Henry, T., & Eckschmidt, T. (2018). *Conscious Capitalism Field Guide*. Boston: Harvard Business School Publishing Corporation.
- Sisodia, R., Wolfe, D., & Sheth, J. (2014). *Firms of Endearment - How World-Class Companies Profit from Passion and Purpose*. Upper Saddle River: Pearson Education.
- Stahlhofer, N., Schmidkonz, C., & Kraft, P. (2018). *Conscious Business in Germany - Assessing the Current Situation and Creating an Outlook for a New Paradigm*. Cham: Springer.
- Stroop, J. (1935). Studies of Interference in Serial Verbal Reactions. *Journal of Experimental Psychology*, 643-662.
- Tan, C.-M. (2012). *Search Inside Yourself - The Unexpected Path to Achieve Success, Happiness (and World Peace)*. New York: Harper-Collings Publishers.
- Wahl, D. (2016). *Designing Regenerative Cultures*. Axminster: Triarchy Press.
- Wrzesniewski, A., & Dutton, J. (2001). Crafting a Job: Revisioning Employees as Active Crafters of Their Work. *Academy of Management Review*, 26(2), S. 179-201.
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Communication

The lecturer of the course should fill in her/his individual, preferred way of communication.

Classroom rules

The lecturer of the course should fill in her/his individual, preferred set of classroom rules.

Course creators from *Conscious Business Education*

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