STUDENT INSIGHTS ON SUSTAINABILITY IN BUSINESS

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STUDENT INSIGHTS ON SUSTAINABILITY IN BUSINESS

A Project

by

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I certify that this student has met the requirements for format contained in the University format manual, and that this project is suitable for shelving in the Library and credit is to be awarded for the Project.

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College of Business Administration
Abstract

of

STUDENT INSIGHTS ON SUSTAINABILITY IN BUSINESS

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S. Joshua Rogers, Esq.

Statement of Problem

Due to the dearth of curriculum about sustainability, and also due to the emerging information on the topic, understanding of sustainability varies greatly from person to person. This study is intended to assist in establishing a baseline of undergraduate students’ views and understanding of sustainability as it relates to American businesses.

Sources of Data

In the fall of 2008, undergraduate students enrolled in a marketing class at California State University, Sacramento were asked to reply to a prompt regarding sustainability and marketing of American businesses. The results of this research may be used to assist in defining a common baseline for students’ prior sustainability knowledge so that curriculum can be created to fit the current level of understanding of sustainability.
Conclusions Reached

The study yielded very broad results with a few concrete principles that may be included in any plans for curriculum. The three aspect definition of sustainability includes environmental, social, and economic as equal parts, but these students see sustainability as primarily an environmental issue, with social and economic concerns only arising as a result of environmental impact.

A clear baseline may be drawn fairly lowly, as students (and likely society in general) do not all use the same terms in discussing this matter. A common vocabulary and standardized knowledge will be needed if this issue is going to be discussed fairly, openly, and intelligently. It is the researcher's opinion that remedial levels of curricula would be appropriate because of the lack of formalized knowledge available to teachers or students in this realm. Indeed, this is a cutting edge field that may not get more stable for many years, but can be framed by establishing standards.

_______________________, Committee Chair
Claudia Bridges

_______________________
Date
ACKNOWLEDGMENTS

I thank Professor Claudia Bridges for the opportunity to study such a burgeoning area of the intersection of academia and business. The public relations machines that have shed light on the issue of sustainability are fueled by organizations trying to market themselves as the greenest company making what they make, and therefore a marketing focus has been essential to this study. Go SunDevils.

I also thank my children for being a source of happiness and sanity during years of graduate school. I hope that my scholarly goals and accomplishments are dwarfed by theirs in a few short years. They are an inspiration to me on a daily basis.

Finally, I give the utmost credit and thanks to my wife, Stacie, for all of the hours of sacrifice and work that she has offered to make it possible for me to study and work.
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Concerns over man-made climate change and pollution have become common topics of political and social talk shows, advertising, and casual conversations between friends. TV networks, manufacturers, and other businesses have dedicated substantial marketing resources to sustainability awareness.

Although the term “sustainability” has been defined by the United Nations to involve ecological, social, and economic concerns, the term has seemed to morph into an almost exclusively ecological issue.

Sustainability has not only evolved in definition alone. The matter of whether something or someone is "green" or not can now influence public opinion of that product, person or organization outside of just the sustainability issue alone. Judgments are now made about character, good will, and market concerns based upon the level of green-ness of a product, person, or organization. In this sense, sustainability is becoming a real factor in the viability of companies in the marketplace, and a possible tool in taking market share from competitors.

This new important issue to businesses will surely impact marketing. We have seen the beginnings of it already. The NBC network hosts an entire week called "Green Week" during which there are many public service announcements about conservation, and some shows add in topics of an ecological nature. There are brand segments of household cleaners which are marketed specifically as greener options
than the rest of the market. As marketing students become marketing professionals, there will be a need for knowledge of sustainability. However, without an accurate gauge of what students already know, curricula might be written either too advanced or too remedial for the pupils' level of learning.

This study aims to shed further light on the knowledge and attitudes of students in regards to sustainability in American business.
Chapter 2

LITERATURE REVIEW

The article reviewed is entitled “Dissonance in Students’ Perceptions of Sustainable Development and Sustainability: Implications for Curriculum Change,” by Fumiyo Kagawa. The article was published by the Centre for Sustainable Futures, University of Plymouth, Plymouth, UK. The article was written as a research paper, which outlined a survey administered to students at the University of Plymouth in the fall of 2005.

There were two types of questions involved in the survey. Closed-category questions were analyzed by frequency and percentage together with Chi square. Open ended questions were coded and compared to find emerging themes. The themes that were common to most responses were that sustainability is a good thing, even when the students’ familiarity with sustainability was limited. Kagawa at 320.. Students also correlated sustainability most with ecological effects, and not as much with economic or social aspects. Id. Slight lifestyle variances, as opposed to total reformation of practices, were favored in responses. Last, there was a wide range, from optimistic to extremely pessimistic, regarding the future of society in the face of sustainability–oriented challenges.

The term, sustainable development has been widely accepted and used since our
common future, commonly known as the Brundtland Commission Report (WCED, 1987). The report defines sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their needs.” WCED at 43.

Kagawa's research teased out an issue that appeared with the students involved in this study as well – students believe that sustainability is important, even if they know very little about what sustainability really means. Kagawa at 320. The public seems to be even more dense on the subject. In a public survey, Kagawa found that "almost no one among the 20% of respondents who claimed to be aware of sustainable development could actually explain the term." Id.

As this article summarized an on campus undergraduate survey, it seemed to be most on point with the study at hand. The coding terms used by Kagawa were used in the analysis of this study to attempt a comparison of the two groups.
Chapter 3

METHODOLOGY

This research involves a virtual classroom prompt, and the coding of the pupils' responses determine the level of knowledge that students have of sustainability in marketing. The prompt is quoted in its entirety below.

The concept of “Environmental Sustainability” has become synonymous with ecological, social, and financial sustainability. This means that the goal of all businesses should be to consider and minimize any negative effects they have on our planet’s environment and society as a whole while still making a reasonable profit. Do you think that “Environmental Sustainability” is a viable concept for American businesses?

This is your first discussion assignment. Here is the topic: The concept of Sustainability has become a part of the marketing strategies of a number of large companies. Sustainability, in this case, means that the business can continue to “maximize shareholder wealth” while caring about its impact on the physical environment and society as a whole.

From what we have discussed already, do you think that this is a realistic approach for all businesses? Do you think that this is overly ambitious and unrealistic or do you think that it is very important and cannot be ignored? I want you to look at your reasoning for your beliefs, too.

This prompt was intended to elicit responses in a discussion format. 185 Students used a virtual classroom software application (SacCT) to provide their responses. The
researcher randomly selected 41 students from the class by numbering each student and using http://www.random.org to select participants numerically. In the three instances where a duplicate number was selected, the duplicates were cast out and a new number was generated in its place. Appendix A is a raw extraction of the selected students’ responses, separated by student and de-identified for privacy.

The responses to this prompt averaged 441 words per respondent. The researcher coded the responses to the open ended prompt to measure for themes and attitudes. Table 1, shown below, comes from Fumiyo Kagawa's study at Plymouth, as cited above, and was selected in an effort to show comparisons between the two studies' results.

### Table 1
#### Coding Terms

<table>
<thead>
<tr>
<th>Categories</th>
<th>Examples</th>
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<tbody>
<tr>
<td><strong>Aspects</strong></td>
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<tr>
<td>1. Environmental</td>
<td>Alternative/clean energy; biodiversity; conservation; environment(al); eco-friendly; earth; green; organic food; recycle</td>
</tr>
<tr>
<td>2. Social</td>
<td>Diversity, equality, equity, public transportation, social justice, quality of life</td>
</tr>
<tr>
<td>3. Economic</td>
<td>Economy; fair trade; poverty; production</td>
</tr>
<tr>
<td><strong>Temporal (time projection and rhythm)</strong></td>
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<tr>
<td>4. The future</td>
<td>Future; future generations; future needs;</td>
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<tr>
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</tr>
<tr>
<td>14. Local</td>
<td>Community; local</td>
</tr>
<tr>
<td>15. Global/international</td>
<td>Global; worldwide</td>
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**Perceptions of sustainability**

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<tbody>
<tr>
<td>16. Perceptions/feelings</td>
<td>Beneficial; challenging; controversial; essential; good; needed; necessary; positive</td>
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The responses were analyzed for the presence of words or word roots.
The appearance of a word in the text of a response was tallied, but each response would only be counted once, regardless of how many times more than once the term was used. The tallies were then added by word and by category, and percentages were calculated. In the case of categories, participants who had used more than one word in a given category were counted only once, so as to calculate a true percentage of participants using at least one word from that category in his or her response. Responses were further separated by gender for words and groups. In each word calculation, the number of participants using the word was divided by the population of 41. When calculating for the percentage for females, the number of female respondents using the term was divided by the number of females in the study (26). The same calculation was used for the male responses, with the total number of males (15) used as the divisor in the quotient.

To guide analysis, percentage differences were calculated between genders in the category totals. The female and male responses were also compared for certain terms.
Chapter 4

SURVEY RESULTS AND FINDINGS

The results indicated that the students equate sustainability only primarily with the ecological aspect of the definition, much like Kagawa's study. This is not to say that there was no mention made of social or economic concerns; however, the social and economic concerns stemmed out of the environmental issue. Whereas the definition of sustainability includes environmental, social, and economic concerns as three equal aspects, students seemed to place primary importance only on environment, with social and economic impacts only coming as a result of the environmental policy chosen.

Social

Social morays are being attached to environmental sustainability. Some students saw companies who are not ecologically responsible as socially irresponsible because of their ecological stance. Some held that if an entity pollutes, then that must be an indication of sloppiness or undesirability in other areas as well. People or companies who are polluters are colored with morally descriptive words like bad, selfish, greedy, lazy, or evil. Even students who did not personally espouse these beliefs stated that others would feel this way about the polluter. Conversely, most students felt that a good social reputation would result from environmentally sustainable practices.
**Economic**

Respondents saw environmental sustainability as closely tied to economics of businesses. Some frequent statements included:

- Being environmentally conscious would be a large financial burden upon companies.
- Being environmentally conscious is an opportunity to cut costs through recycling, using solar power, etc.
- Companies will gain more clients by showing how environmentally friendly they are, which will create good will and increase brand value.
- A lack of environmentally friendly practices will lead to a loss of so many customers that a polluter will go out of business.
- Consumers should buy from only those vendors who consider the environment,
- In a down economy, companies cannot spend money on environmental practices that do not increase the bottom line.
- In a down economy, companies must woo consumers in any way possible, including green practices.
- In a down economy, consumers only want value added, not green for the sake of being green.
- In a down economy, businesses would take environmental measures to heart if given tax credits.
The Environmental aspect had 100% representation. Social (0%) and Economic (34.15%) were not even close to those numbers. Many of the mentions of the Economic aspect dealt with statements about how in a tough economy, businesses have to appeal to customers by going green. Another frequent statement was that companies will need to be green or lose customers they currently have.

Concerns about the future were also fairly common, but only among males (46.67%). Female responses to the future were almost 60% less frequent at only 23.08%. The Long-Term category fared similarly with the males at 46.67% and the females 58.80% lower at 19.23%. Male responses outpaced females by 42.30% in Learning and Action with the male responses at 53.33%. Finally, the males responded 42% more in Local, with 20% responding.

The only two categories where females scored more frequently than males were Human Attitude and Global. Human Attitude got 34.62% responding, compared to the males 20% (42% lower). This number is not an excellent representation, however. In the Local category, the male response of 20% was 42% higher than the females.

In fact, the Global category is one of only two categories wherein the female response was more than 40%. Specifically, 53.85% of females included the Global category, as opposed to the male response of 40%. This is only a difference of 25.72% higher for females.

The last category that had a higher than 40% response rate for females was also a high recurrence for males as well: Perceptions/Feelings. This was the second highest
overall scoring category at a combined rate of 87.8%. The gender split on these percentages was less than 2%. The terms Benefit, Good, and Needed, all had significant showings from both genders. This seems to strengthen the hypothesis that sustainability is gaining ground as a barometer for social and moral goodness. Indeed, it seems to affirm Kagawa's findings that students think that sustainability is important and has something to do with the environment, even though they know very little about it. Kagawa at 320.
Chapter 5

RECOMMENDATIONS FOR FURTHER RESEARCH

Articles dealing with students’ knowledge of sustainability marketing, and not focused on their perceptions, are sparse. Although one may determine much about a student’s knowledge of sustainability by hearing his or her perceptions, the question of what a student actually knows is a valid and important question. Perceptions that are based on inaccurate understanding are only valuable in a sociological sense. When real action or change is mandated by government or other entities, the change should be based upon facts instead of opinions. Regardless, without a foundation of questions that ask how students may define certain terms or which determine how precise a student’s knowledge of environmental conditions is, the state of most studies of students is most perceptual.

Establish Common Vocabulary

Research that includes closed-ended questions with defined terms would assist in normalizing the results. As the questions used in this study were open-ended, and terms were not defined, the variation from student to student was pronounced. If students were taught, at least for the purpose of the survey, what certain terms meant, then generalized statements could be understood in more precise context. By having closed-ended questions, the participants could not avoid the question being asked, and rambling would not be an issue. Multiple choice questions would likely work best for this purpose.
Without a clear definition of all terms, some students branch out into terms that may sound accurate but are not. One student said that companies should be more environmentally friendly by producing more "ergonomical" products. As the science and language have lapped the layperson's understanding, the layperson becomes unable to take part in the discussion.

**What is “Sustainability?”**

Another potential study would be a study of advertising that showcases sustainable products or companies. After reading the results in this study, one may ask “Why is the public only associating sustainability with environmental concerns, while ignoring economic and social sustainability?” Is this because all they are shown in advertising is that sustainability means ecologically conscious and nothing more?

As educational curriculum have not included education on sustainability, much of what has been learned by the public has come from news reports, movies, or advertising. If Clorox ads tell of Clorox’s sustainable practice, and only focus on environmental concerns, why would the consumer assume that there is anything more to the sustainability picture than the environment? Is the definition of sustainability being changed to exclude social and economic as aspects of the term? Do advertisers only use sustainability in the ecological meaning? What news reports or movies have talked about sustainability, and has that message included the social and economic aspects of sustainability?
CHAPTER 6

CONCLUSION

The findings of this study are consistent with the Plymouth study in many ways. Student's knowledge seems to be broad, sometimes erroneous, and very elementary. Buzz words from commercials or news reports could account for the majority of the knowledge these participants have.

Drafting curriculum for marketing sustainability would be best planned as a basic course. This would include vocabulary, scope of sustainability (with emphasis on social and economic aspects), and would include a lot of current events. Until there is more established curricula, the marketing and journalism outlets will likely continue to lead the charge in public awareness.
APPENDICES
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**BIBLIOGRAPHY**