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**Legal Studies & Business Ethics**  
**Spring 2020**

**DRAFT**

**LGST 401-001**

**Global Social Enterprise Consulting Project: A  
Wharton Undergraduate Capstone**

**Syllabus**

**OVERVIEW**

This proposed undergraduate capstone course, sponsored by the Legal Studies and Business Ethics Department, is a 7-week, .5 cu class designed to give Wharton seniors the chance to connect academic theory with complex real-world issues arising within the context of award-winning social enterprise projects identified by the World Bank's "Ideas for Action Initiative." The course is especially appropriate for sponsorship by the Legal Studies and Business Ethics Department because the Initiative is jointly sponsored by the World Bank and Wharton's Zicklin Center for Business Ethics Research. The aim of the course is to integrate and strengthen students' academic skills by applying them in cross-functional ways to the production of real-world consulting reports for project founders. The course will also require students to grapple with current ethical and legal challenges that business organizations face, such as defining the purpose of a business, determining how to incorporate global standards like the Sustainable Development Goals or other Environmental, Social, and Governance (ESG) standards into a business plan, and designing mechanisms to promote ethical behavior and combat such systemic challenges as corruption.

The Ideas for Action Initiative is an annual competition for global social enterprise founders with new winners every year. Thousands of projects are submitted annually from over 140 countries. From these, a handful are honored with an award. Every year, the best proposals are published in M. Mohieldin and D. Petkoski (Editors), *Financing and Implementing the Sustainable Development Goals – Ideas for Actions*, The World Bank Group, 2015, 2016, 2017, 2018, 2019. The books are available online. See: <http://www.ideas4action.org>.

Students will be assigned to work on winning proposals from the most recent competition cycle. The students will work on teams to analyze specific aspects of the project and challenged to produce concrete plans to improve/extend/expand/implement the project under the guidance of the instructor. For example, their work product may include suggestions on how to enrich product or service offerings, create marketing campaigns, better utilize IT, or raise start-up funding – among many other possible topics. The students will interact directly with the founders and others already engaged with the project, including experts from the World Bank, the International Finance Corporation (IFC), and other relevant stakeholders. The interaction with multiple stakeholders will encourage students to deal with competing ideas, investigate contradictions, and consider multiple

forms of evidence in drawing conclusions and making recommendations. Students' suggestions will be shared with the team that developed the project as well as other interested parties.

## **GRADING**

**Overall Contribution to Class (35%)** The course is intended to engage students in critical thinking, problem solving, analysis, interpretation, and synthesizing information and help them to develop the analytic skills and substantive framework to address challenges as they arise in addressing complex business challenges. Many of these challenges will involve justifying one's position to those in disagreement. To this end, the course emphasizes articulating reasoned arguments. Class participation is an integral component of this emphasis. Class attendance, class participation, class debates, case study analysis, assignments, project work, instructor evaluation, and peer ratings will comprise 35% of the grade.

**Project Work (50%)** Project Work will account for 50% of the available points.

**Project Presentation (15%)** Project Presentation will account for 15% of the available points.

## **GUEST SPEAKERS AND RESOURCE EXPERTS**

Guest speakers and resource experts will be invited to address the topics in the course, with emphasis on the selected projects. Resource experts, including the founders of the project, will provide inputs on implementation challenges associated with the project. Students will interact with speakers and resource experts either in class or via remote communications outside of class (or both). The coursework in the class session, outlined below, will focus on models for creating thoughtful, impactful consulting reports that will be of practical use to project founders.

## **COURSE OUTLINE AND READING LIST**

There is no textbook for this course.

### **Week 1**

#### **OVERVIEW OF THEMES; QUESTIONS; APPROACHES; WHAT'S A BUSINESS FOR; AND THE CHALLENGE OF IMPLEMENTATION**

##### Required Reading:

- Andrew Crane, Guido Palazzo, Laura J. Spence, and Dirk Matten, "*Contesting the Value of Creating Shared Value*", UNIVERSITY OF CALIFORNIA, BERKELEY, VOL. 56, NO. 2 WINTER 2014 CMR.BERKELEY.EDU
- O. R. Vila and S. Bharadwaj, "*Competing on Social Purpose*", Harvard Business Review, 94-101, September 2017
- Business Roundtable, "*The Purpose of a Corporation*", 2019 (<https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>)
- "*Voices on Society: The Art and Science of Delivery*", McKinsey, April 2013

[https://www.mckinsey.com/~media/McKinsey/Industries/Social%20Sector/Our%20Insights/Voices%20on%20Society%20The%20art%20and%20science%20of%20delivery/Voices\\_on\\_Society\\_The\\_art\\_and\\_science\\_of\\_delivery.ashx](https://www.mckinsey.com/~media/McKinsey/Industries/Social%20Sector/Our%20Insights/Voices%20on%20Society%20The%20art%20and%20science%20of%20delivery/Voices_on_Society_The_art_and_science_of_delivery.ashx)

## Week 2

### **INNOVATION LAB: FROM EXECUTIVE SUMMARY TO FULL PROPOSAL FOR IMPROVEMENT– EXPLORING COMPLEMENTARITY AND IMPACT**

#### Required Reading:

- C. Bason and R. D. Austin, “*The Right Way to Lead Design Thinking*”, Harvard Business Review, March 2019
- J. Lietka, “*Why Design Thinking Works*”, Harvard Business Review, 72-79, September 2018
- M. Mohieldin and D. Petkoski (Edit.), “*Financing and Implementing the Sustainable Development Goals – Ideas for Actions*”, The World Bank Group, 2015, 2016, 2017, 2018, 2019

## Week 3

### **MANAGING COMPLEXITY; GLOBAL ENTREPRENEURIAL ECOSYSTEM; INCLUSIVE CAPITALISM; RESPONSIBILITIES IN FRONTIER MARKETS**

#### Required Readings:

- “*Redefining capitalism*”, Eric Beinhocker and Nick Hanauer, <https://www.mckinsey.com/global-themes/long-term-capitalism/redefining-capitalism>
- “*Entrepreneurial Ecosystems Around the Globe and Company Growth Dynamics*”, September 2013 Report Summary for the Annual Meeting of the New Champions 2013, World Economic Forum, [http://www3.weforum.org/docs/WEF\\_EntrepreneurialEcosystems\\_Report\\_2013.pdf](http://www3.weforum.org/docs/WEF_EntrepreneurialEcosystems_Report_2013.pdf)
- V. Rangan, M. Chu, D. Petkoski, *Segmenting the Base of the Pyramid*, Harvard Business Review, 2011.
- C. M. Christensen, E. Ojomo, and K. Dillon, “*Cracking Frontier Markets*”, Harvard Business Review, pp. 90-101, January/February 2019

## Week 4

### **LEADING AND MANAGING CHANGE: FROM PERSONAL TO ORGANIZATIONAL CHANGE FOR ESG IMPACT**

#### Required Readings:

- “*International Finance Corporation’s Policy on Environmental and Social Sustainability*”, International Finance Corporation, January 2012
- James Chen, “*What Are Environmental, Social, and Governance (ESG) Criteria*”, May 2019 <https://www.investopedia.com/terms/e/environmental-social-and-governance-esg-criteria.asp>

- S. W. Dithoff and A. Grindle, “*Audacious Philanthropy: Lessons from 15 World Changing Initiatives*”, Harvard Business Review, 111-118
- Battilana et al., “*The Dual-Purpose Playbook*”, Harvard Business Review, 125-133, March 2019

## Week 5

### ENHANCING IMPACT THROUGH LEADERSHIP, SOCIAL ENTREPRENEURSHIP, AND DESRUPTIVE INNOVATIONS

#### Required Reading:

- R.S. Kaplan, G. Serafeim, and E. Tugendhat, “*Inclusive Growth: Profitable Strategies for Tackling Poverty and Inequality*”, Harvard Business Review, 127-133, January 2018
- [Clayton M. Christensen](#), [Michael E. Raynor](#), and [Rory McDonald](#), *What is Disruptive Innovation?* Harvard Business Review, December 2015.
- C. Bouquest, J. Barsoux, and M. Wade, “*Bring Your Breakthrough Ideas to Life*”, Harvard Business Review. 102-113, November 2018

## Week 6

### THE CHANGING LANDSCAPE OF IMPACT INVESTING: FINACING FOR DEVELOPMENT; BLENDED FINANCE; AND INNOVATIVE PARTNERSHIPS

#### Required Readings:

- R. G. Eccles and S. Klimenko, “*The Inventor Revolution: Shareholders are Getting Serious About Sustainability*”, Harvard Business Review, 107-116, May 2019
- “*Blended Finance— A Steppingstone to Creating Markets*”, International Finance Corporation, April 2018
- Petkoski, D., Warren D. & Laufer, W. *Collective Strategies in Fighting Corruption: Some Intuitions and Counter Intuitions*. Journal of Business Ethics, 2010.
- US SIF, “*Sustainable Investing Assets Reach \$12 Trillion*”, 2018  
(<https://www.ussif.org/files/US%20SIF%20Trends%20Report%202018%20Release.pdf>)  
are just two examples of the fundamental shift in the global business environment that will also impact the ecosystem in Lebanon, creating new business opportunities.
- “*Creating Partnerships for Sustainability*”, by Marco Albani and Kimberly Henderson, McKinsey, July 2014  
<https://www.mckinsey.com/business-functions/sustainability-and-resource-productivity/our-insights/creating-partnerships-for-sustainability>
- *The changing landscape of social-impact investing*, McKinsey, July 2017  
<http://www.mckinsey.com/industries/private-equity-and-principal-investors/our-insights/the-changing-landscape-of-social-impact-investing?cid=other-eml-alt-mip-mck-oth-1707&hlkid=7ecb74263ccc4f18be158c3f1651c32c&hctky=1620023&hdpid=0f66605d-5fab-401b-8d93-92abdf38b9bb>

## Week 7

### PROJECTS PRESENTATION, COURSE REVIEW, AND TAKEAWAYS