**M1\_Activity 2\_Advance. Application of Sustainable Transition Leadership: A Strategic Briefing Simulation**

Objective: In this activity, students work in teams to role-play leaders of a fictional engineering company facing sustainability and ethical challenges. Using provided data and stakeholder briefs, they must analyse environmental and social issues, navigate ethical dilemmas, and develop a strategic sustainability transition plan. Each team presents a short pitch justifying their decisions, applying CSR frameworks and aligning their strategy with relevant Sustainable Development Goals (SDGs).

**Estimated Time: 60 minutes**

Briefing: Scenario + Role Assignment (10 minutes)

Data & Dilemma Pack (10 minutes)

Team Strategy Development (30 minutes)

Reflection & Debrief (10 minutes)

Divide students into groups of 4–5 and assign roles in a sustainability challenge. They are required to analyse a data and dilemma pack, develop a strategic transition plan, and reflect on their decisions and key takeaways.

**1. Briefing: Scenario + Role Assignment (10 minutes)**

**Scenario Overview:**

Students are sustainability consultants hired by EnviroTek Engineering, a global manufacturer under pressure from investors, regulators, and the public after a sustainability audit revealed poor CSR practices and environmental inefficiencies. The board is considering closing one of its high-emission plants, but this risks layoffs and supply chain disruptions.

**Each group is tasked to:**

* Analyse the situation using sustainability leadership principles
* Propose a data-informed transition plan that addresses the company’s triple bottom line
* Reflect on their decisions and key takeaways

**Roles per group:**

* Sustainability Director
* Chief Financial Officer
* Operations/Engineering Lead
* CSR & HR Advisor
* External Stakeholder (e.g., investor or NGO rep)

Each role has competing interests, and students must negotiate to align on one coherent strategy.

**2. Data & Dilemma Pack (10 minutes)**

**Company: *EnviroTek Engineering***

Industry: Industrial equipment manufacturing Global Presence: Europe, Asia, and South America Situation: Under pressure from ESG investors, media, and regulatory agencies to reduce emissions, improve social responsibility, and adopt transparent ethical governance.

**Key Company Data:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Indicator** | **Plant A (Germany)** | **Plant B (Brazil)** | **Plant C (Vietnam)** |
| Annual GHG Emissions (tons CO₂e) | 120,000 | 80,000 | 60,000 |
| Energy Source | Renewable (60%) | Fossil Fuel (85%) | Fossil Fuel (95%) |
| Annual Operating Cost | €20M | €12M | €9M |
| Workers Employed | 500 | 300 | 450 |
| Community Concerns | Low | High (health impacts) | Medium (labour rights) |
| Employee Satisfaction Score (1–5) | 4.2 | 2.8 | 3.1 |
| CSR Programme Presence | Full CSR Policy | Limited CSR Actions | No CSR Strategy |

**Stakeholder Briefs:**

Investor (GreenCap ESG Fund):

“We are considering divesting unless emissions drop 30% within two years. We need a clear CSR plan and transparency in labour and governance practices.”

Local NGO (Brazil):

“The community near Plant B reports rising respiratory illness. We demand a clean energy transition and local consultation.”

Labor Union (Vietnam):

“There are reports of 10-hour workdays and underpayment. Workers deserve a safe, fair environment before you consider expanding operations here.”

Board of Directors:

“We want a solution that balances social impact with financial performance and protects our brand reputation.”

**Ethical Dilemma Cards *(Each group draws 1 at random):***

1. **Cost vs. People**
Upgrading Plant C to meet sustainability standards will cost €10M and delay a major client delivery by six months. However, it will improve labour conditions and reduce emissions.
2. **Greenwashing Temptation**
Marketing suggests advertising a new “green initiative” based on a minor packaging change. It could boost reputation but risks being called out for greenwashing.
3. **Layoffs for Efficiency**
Closing Plant B could reduce emissions by 40% and satisfy investors - but will lay off 300 workers in a vulnerable community.
4. **Supplier Ethics Conflict**
A major raw material supplier is fast and cheap - but is known for labour violations. Switching suppliers could delay production and increase costs by 15%.
5. **Short-Term Gain vs. Long-Term Value**
The CFO wants to focus only on actions with fast Return on Investment (ROI). The sustainability team wants to invest in projects that may take 5 years to show results but deliver higher impact.

**How to Use the Activity:**

* During the Strategy Development phase, students use the data to identify problems and prioritize sustainability actions.
* The Ethical Dilemma Cards drive discussion, simulate uncertainty, and reveal conflicting values.
* Stakeholder briefs force students to consider multi-perspective impacts in their role-play.
* Students should cite at least two SDGs when defending their strategy

**3. Team Strategy Development (30 minutes):**

**Students collaborate to:**

* Identify 2–3 key priorities (e.g., emissions reduction, workforce retention, investor appeal)
* Decide on plant closures, upgrades, or partnerships
* Build a short-term and long-term sustainability strategy

**They must use:**

* Ethical reasoning
* CSR frameworks
* Business & financial thinking
* Stakeholder perspectives

**Prepare a Strategy Brief (using the template provided):**

|  |  |
| --- | --- |
| **Section** | **Description / Notes** |
| Group Name / Team Members | List all team members and their assigned roles. |
| 1. Core Sustainability Challenge Identified | Briefly describe the key sustainability issue your team focused on. |
| 2. Strategic Goals | List 2-3 specific sustainability goals your plan aims to achieve. |
| 3. Proposed Actions | Summarize the main actions recommended (environmental, social, governance). |
| 4. Justification and Ethical Reasoning | Explain how your strategy reflects ethical decision-making principles. |
| 5. CSR Framework Applied | Explain the CSR framework used (triple bottom line). |
| 6. Expected Outcomes - Environmental | Expected environmental benefits (e.g., emissions reduction). |
| 6. Expected Outcomes - Social | Expected social outcomes (e.g., improved labour practices). |
| 6. Expected Outcomes - Financial | Expected financial impacts (e.g., long-term savings). |
| 7. SDG Alignment - SDG 1 | State the first SDG supported and how your strategy aligns. |
| 7. SDG Alignment - SDG 2 | State the second SDG supported and how your strategy aligns. |
| 7. SDG Alignment - SDG 3 (Optional) | Optional: Include a third SDG if relevant. |
| 8. Final Notes / Team Reflections (Optional) | Summarize team discussions, dilemmas, or compromises faced. |

**4. Reflection & Debrief (10 minutes):**

* How did different roles influence the strategy?
* What ethical conflicts arose, and how were they resolved?
* What would be the long-term impact of your decisions?