

Education

**Demand not yet sustainable**

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POSTGRADUATE AND MBA STUDY

Academics and businesses are grappling with how best to develop environmentally aware executives, writes Laura Kelly.

"**Business schools** do have a responsibility to train leaders in sustainability and I think industry is calling out for it," says Daniella Tilbury, whose group produced a report for the government on what's being taught to MBA students.

A number of schools have committed to changing their business programs, but the main barrier is deans who think the curriculum is already overloaded, says Tilbury, director of the Australian Research Institute in Education for Sustainability.

"There seems to be a concern that if sustainability goes in, what will come out? If a course already lasts three years, schools don't want that to become 3 1/2," she says.

But Tilbury doesn't believe significant resources are required.

"Advances could be made not by adding to the curriculum but by doing what we already do, differently," she says.

The dean of Melbourne Business School, John Seybolt, says he prefers to thread sustainability education through its core courses.

While he agrees that MBS isn't teaching enough about sustainability, he believes industry isn't pushing for it.

"I would say there is industry interest in sustainability, certainly. But I would also be willing to wager that in most companies' recruitment policies, sustainability training wouldn't be an issue at all."

Seybolt says educating for sustainability is crucial, but few schools have truly integrated it into their curriculum and most are grappling with how to do it.

"I've looked at best practice examples in the US, where **business schools** have set up a sustainability centre to research and advise in the area, but they had wealthy patrons," says Seybolt.

Sharyn Roberts, head of award programs at AGSM, echoes Seybolt: "There hasn't been an increase in industry demand for sustainability courses that I'm aware of and if you look at the hiring practice of a large number of organisations, it's based on key business competencies and psychological tests of an individual's values."

Roberts says sustainability is embedded in AGSM's core courses and could be developed further into corporate responsibility courses.

"Sustainability is a significant focus for the school, but we're really just in the early stages of crafting where it will end up," Roberts says. "Whether there will be a significant shift at the end of the day, it's difficult to say at this point."

Recruitment policies at some major companies appear to confirm **business schools'** views.

National Australia Bank has a good reputation on sustainability and is a member of the United Nations-backed voluntary standard for sustainability reporting, the Global Reporting Initiative.

But according to its manager of corporate social responsibility, Rosemary Bissett, while hiring executives with some sustainability training may be useful, it isn't standard policy.

"It's a chicken and an egg type thing," says Bissett. "If there were people trained like that out there, we would be interested."

"But we're only in the very beginning stages of factoring sustainability concerns into our training, and, talking to industry peers, it looks as though that's the standard stage the industry is at."

BHP Billiton, whose Ok Tedi mining operation in Papua New Guinea was heavily criticised for the environmental damage it caused, completed its first environmental report in 1997 and joined the Global

Reporting Initiative in 2002.

The company's vice-president for sustainable development, Ian Woods, says environmental safety is at the top of BHP Billiton's charter and the company only recruits people who identify with that. But its vice-president of human resources, Louise Doyle, says sustainability training isn't an issue in recruitment.

"When recruiting we conduct behavioural and psychological testing to ensure the individual identifies with our company charter. But, no, we don't look to recruit people with sustainability training."

Asked what prompted BHP Billiton to sign up to the Global Reporting Initiative, Woods points to pressure from non-governmental organisations and the importance of maintaining the company's reputation on environmental issues.

Woods says shareholder interest in sustainability following disasters like Ok Tedi wasn't a major impetus. "Shareholder value didn't drop significantly post-Ok Tedi, it didn't move significantly either way," says Wood.

Research by CPA Australia and the University of Sydney indicates that BHP Billiton shareholders' lack of concern isn't unusual.

Released in August, the research indicates that triple-bottom-line reporting did nothing for the share price and was unlikely to be rewarded by investors, providing little incentive for the 77 per cent of top 100 Australian companies who don't produce a sustainability report to start doing so.

There are, however, examples of Australian **business schools** finding a niche for the development of sustainability courses regardless of the complexities of demand and resource availability in the sector.

The University of Technology, Sydney, is unique in offering a sub-major in responsible business with a separate course in sustainability.

The course, taught by Suzanne Benn, is full this semester.

She says the sub-major was created three years ago in response to a trend detected through the school's link with businesses and increased student interest in ethics after the corporate scandals of the 1990s.

Auckland Business School is also developing sustainability education.

The school has established an Energy Research Centre with money from some of New Zealand's top energy companies, including BP New Zealand. Centre director Remy Garderet says providing neutral research on energy for industry and government was the main reason for establishing the centre, but

producing executives trained in sustainable development will be a future focus.

"At the moment we're focusing on providing scholarships for post-doctoral research, rather than on developing new courses," says Garderet.

"But in the long run research should filter through to influence courses and we are hoping to contribute to training the kind of people that are missing in New Zealand and will be useful as managers, analysts and even in government."

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