**COURSE INFORMATION**

**Course Number: MGT 920**

**Course Title: Natural Capital: Risks and Opportunities in Global Resource Systems**

**Term and Year: Spring 2025**

**Synchronous Class Meeting: T/Th at 08:30 – 09:30 AM (Eastern United States Time Zone)**

**Course Support: Elizabeth Wilkinson**

**CONTACT INFORMATION**

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| **Professor(s)** | **TA(s)** |
| **Name: Todd Cort**  **Office Location: Yale School of Management**  **Telephone Number: +1 203 436 9651**  **E‑mail Address: todd.cort@yale.edu**  **Office Hours: By appointment** | **Name: Nick Page**  **E‑mail Address: nick.page@yale.edu** |
| **Review Sessions:** *On Request* | |

**TEXTBOOKS AND RECOMMENDED/REQUIRED READINGS**

**Textbook(s):** None

**Required Readings:** *See Class Website*

**Recommended Readings:** *See Class Website*

**Class Meeting Zoom Address: https://yale.zoom.us/j/94321102890**

**COURSE DESCRIPTION AND OBJECTIVES**

**Course Description:**

Natural resource constraints affect most, if not all, functional areas of the modern corporation. Many large companies are taking proactive approaches to managing these risks and capturing the opportunities they create. As such, they are increasingly expecting their employees to have a basic familiarity with the environmental and social, as well as the economic, megatrends affecting the resource systems on which they depend.

**Course Objectives:**

This is a survey course designed to introduce business students to fundamental science and business dilemmas arising from constrained natural resources. By the end of the course, we expect that students will:

* Ask informed questions about the economic, social and environmental risks facing continued access to the critical natural resources on which your business depends
* Pursue business solutions to addressing those risks
* Gain experience working in global, cross-cultural teams

**Course structure:**

This course is built around six global resource systems: materials; energy; food; water; climate and natural areas. It provides a vehicle for students to explore the ways in which businesses are dependent on these resources, as well as the risks facing continued access to them and the accompanying opportunities for innovation. It is designed for graduate-level business students with no prior background in sustainability or natural resources.

Class interactions will take place virtually on the Zoom online course platform (<https://yale.zoom.us/j/94321102890>) and the language of instruction and interaction will be English. Class materials – text, reports, videos, etc. – will also be posted to the online platform. Students are expected to have completed the equivalent of the traditional core curriculum at their business school, or to have taken prior coursework in finance, marketing, operations, business and society or other business-related subjects.

The course will devote two weeks to each resource system. Each two-week module will comprise:

* Week 1: An overview of how the resource system works, including the economic, environmental and social risks facing its continued operation, as well as the business opportunities and risks created;
* Week 2: Analysis of a business dilemma facing a company whose operations are dependent upon that resource system and presentation by a company working in the space.

Following are the case study dilemmas that we expect to use for the course, but any of these may change before the beginning of class.

* **Materials:** **Vale,** the global mining company, has long reported on its commitment to sustainability. However, Vale has had some very public and devastating mis-steps in recent years putting these commitments under scrutiny. In this case we look very broadly at the Vale sustainability strategy in light of these recent incidents and ask whether the company needs to re-evaluate its approach to sustainability.

* **Energy:** The **Connecticut Green Bank** was an early leader in the global green bank movement. It continues to create novel financial transaction methods to scale and accelerate investments in green energy. In this case study we will explore the green bank model, identify its strength and how its innovative model has created change in financing for clean energy. We will also propose models to scale this impact as well as furthering its mission for funding less profitable clean energy investments.

* **Food:** Coffee has had a troubling path with regard to sustainability - both environmental and social. **Illy**, led by Andreas Illy, is seeking to re-imagine the coffee value chain to bring greater benefits to coffee plantation farmers by innovating the coffee supply chain. In this case, teams will propose innovations to the coffee value chain that could have profound impacts on the livelihoods and health of farmers and potentially ramifications well beyond coffee.

* **Water:** Water allocation in the western United States was conducted in the late 19th century and codified into law. But population growth, economic development and climate change have placed increasing strain on limited water resources in the region. This case study will look at one river basin in the western United States (the **Klamath River**) and the complexity of water allocation, water use, law, politics, environmental protection and indigenous rights.

* **Climate:** The Norwegian oil company Statoil changed its name to **Equinor**. Along with the name change came a radically new strategy to profit in the face of climate change and an expected energy transition. The company has invested heavily in the transition to natural gas (rather than oil and coal) and toward more aggressive renewable energy assets such as onshore and offshore wind. This case looks at how Equinor should position itself in the global economy given the uncertainties and challenges posed by climate change and how governments and stakeholders are reacting to these challenges.

* **Natural Areas:** Based on the lessons from **Lyme Timber** in the United States, is there an economically viable model for private capital to purchase land in your country for the purposes of conservation?

The dilemmas posed, both by the companies and across the wider resource systems, have yet to be solved. Students will be asked to draw on the fundamental business tools to which they have been exposed in their studies – finance, strategy, marketing, operations and others – to develop new and innovative approaches to addressing these dilemmas, as well as sustaining access to the resources and services on which the global economy and these companies depend.

As we continue to pilot new technologies and teaching methodologies as well as cooperative models across GNAM schools, students are expected to be flexible and willing to engage in an experimental (sometimes imperfect) experience. Ongoing feedback will be an essential part of the class, giving students in this eighth cohort the opportunity to continue to shape the course and related efforts for the future.

**Course Deliverables**

* High level analyses of the strengths, weaknesses and opportunities facing each of the six resource systems – by each student for each system for which they are not conducting a group analysis of the business dilemma.
* Suggested resolutions to the business dilemmas posed – each student will be required to participate in group analyses and presentations for two of the cases.

**GLOBAL TEAMS, GLOBAL INSTRUCTION**

The Natural Capital course is a 100% on-line class using a mixture of technologies and modes of interaction. The course centers around the bi-weekly synchronous class session that occurs Tuesday and Thursday at 08:30 – 09:30 AM Eastern US time. The course also utilizes an on-line ‘textbook’ with readings, videos and access to social media and interactive platforms for students.

This course is designed to honor and take advantage of global presence. The case studies are global in nature. Students will deliver case study solutions in international teams. We also recruit scholars and faculty from around the world to contribute and teach in the course.

**About the Professor**

Todd Cort is a Senior Lecturer at the Yale School of Management and the Yale School of Environment. He also serves as the Faculty Co-Director for the Yale Center for Business and the Environment (CBEY), Faculty Co-Director of the Yale Initiative on Sustainable Finance and Faculty Director of the Yale Executive MBA Sustainability Track. He holds a Ph.D. in Civil and Environmental Engineering, Master’s and Bachelor’s degrees in biochemistry and a Professional Engineer’s license in California. Dr. Cort previously served as Director of Sustainability Advisory services for TUV Rheinland and Det Norske Veritas where he consulted to large international companies on sustainability matters including metrics, risk management and auditing practices.

Dr. Cort currently works at the intersection of sustainability and corporate finance.  Over the course of 20+ years, in consulting and academia, he has applied a scientific and economic lens to corporate social and environmental responsibility (or sustainability) in order to identify the tools, mechanisms, metrics and indicators that create the greatest value for investors, businesses and society.

Dr. Cort teaches classes to graduate level students in:

* Metrics of Sustainability;
* ESG Corporate Controller;
* Sustainable Finance;
* Business and Environment Solutions.

**COURSE REQUIREMENTS AND SPECIFIC GRADING POLICY**

Course Assignments are listed on the class website. Descriptions of ‘what makes a good deliverable’ are also posted on the course website. A total of 100 points are assigned for the course – 10 points for each SWO Analysis (total of 40 points) and 30 points for each business dilemma presentation (60 points total).

***Deliverables***

1) Business Dilemma Deliverable

Each student will be assigned into two groups to deliver two business dilemmas – one in the first half of the course and one in the second half. Groups will change for each of the two business dilemmas. Full descriptions of the business dilemmas and deliverables are provided on the course website.

2) SWO Analyses

For any module where a student is not part of a business dilemma team, they will be expected to complete a Strength, Weakness and Opportunity (SWO) Analysis.

EXAMPLE DELIVERABLE SCHEDULE

For example, John Doe is a student in the course. John is assigned to deliver a case study solution for the Energy Module (Section B) and also for the Natural Areas Module (Section F). Therefore, John’s assignment schedule is:

* Materials Module: John delivers SWO Analysis individually (10 points)
* Energy Module: John delivers business dilemma with assigned group (30 points)
* Food Module: John delivers SWO Analysis individually (10 points)
* Water Module: John delivers SWO Analysis individually (10 points)
* Climate Module: John delivers SWO Analysis individually (10 points)
* Natural Areas Module: John delivers business dilemma with a new assigned group (30 points)

Total points for deliverables: 100 points

**Grading Criteria**

This course covers topic areas that are subjective in nature and continuously evolving, therefore, the major skills to be developed in this course are around reasoning and application of tools to intractable problems faced by businesses and society. The assignments are therefore graded based on the following characteristics:

1. Recognition of the critical elements and factors impacting business strategy
2. Knowledge of the relevant tools that can be brought to bear against the problem
3. Critical reasoning and the ability to balance competing, but frequently incomparable priorities
4. Development of argument to support conclusions and recommendations including clear statements of reasoning, compelling argument, appropriate use of evidence and succinct presentation

**Grades**

There are five grades at Yale SOM: High Honors, Honors, Proficient, Pass, and Fail. The grade distribution that faculty use, and the policy with respect to the reporting of grades on official transcripts, are described below.

HH: High Honors. Up to top 10 percent of class. Reported on transcript.

H: Honors. Next 25 percent. Reported on transcript.

PR: Proficient. Next 55 percent. Not reported on transcript.

P: Pass. Lowest 10 percent in core courses; guideline of 5 percent in electives. Not reported on transcript.

F: Fail. An absolute standard; no minimum requirement. To the extent it is used, the F grade counts toward the 10 percent Pass category. Not reported on transcript.\*

Once grades are officially recorded, they may not be changed except in cases in which a mathematical error has been made in computing the grade or a clerical error has been made in recording it. Students seeking correction to a grading error must contact the instructor within two weeks (ten working days) from the receipt of the grade.

 \*F grades in core courses require remediation. The failed core course is not reflected on the official transcript until remediated. Elective courses with F grades are not reflected on the official transcript. Students must replace failed electives with other electives to meet total credit requirements for graduation.

Grades for students outside of Yale SOM are posted as percentages and converted to the grading system of the host institution.

**YALE SOM HONOR CODE**

**Guiding Principles**

Honesty is fundamental to the profession and practice of management. It is therefore the bedrock premise of management education at Yale. To the community of students, faculty, and staff of the Yale School of Management, honesty and integrity build the trust essential to a free and lively exchange of ideas.

* The Yale SOM Honor Code is intended to foster the School’s exceptional learning environment and to support conduct that will distinguish the faculty, staff, and students in their lives as managers, at school, at school-related functions, and in the larger management community. The Honor Code will be referred to as the “Code” hereafter.
* The Honor Committee has jurisdiction over all Code violations including matters of academic dishonesty and egregious violations of the social and professional norms of behavior.

**Academic Integrity**

The Yale SOM community, including faculty, staff, and students, supports the highest standards of academic integrity. All academic work affords an unparalleled opportunity to put forward new and innovative ideas; at SOM, we aspire to always acknowledge the ideas upon which new solutions are based.

* When working on any assignment with a team, students must clarify the expectations for each member of the team.
* Faculty will provide clear guidelines for students on the parameters of any group work, as well as guidelines for proper citation.
* A student will contact the professor for clarification if there is a question about the way in which the group work is to be completed.
* Students are encouraged to consult print resources as well as online resources, available on the SOM portal, concerning proper citation.

**Community Standards**

A hallmark of the Yale SOM community is its inclusive nature, which respects the diverse backgrounds and views of its members. SOM faculty, students, and alumni aspire to standards of conduct while at Yale, and as they function in the larger management community, that will further distinguish SOM as a center of integrity and fair dealing.

* Students must uphold, among themselves, the highest standards of professional behavior.
* Students must strictly adhere to ethical guidelines during the job search—with interviewers, prospective employers, and their student colleagues.
* Students must remember that they represent the School as they take part in activities in the University, New Haven, and the larger management community.
* Standards of individual responsibility in the job search, and in the use of School and University information technology resources, are detailed under Policies and Guidelines of the Career Development Office and Policies on the Use of Information Technology Facilities in this chapter.

**Important Note on Plagiarism**

Deliverables for this course should be your own work. We are interested in your own ideas and require all students to follow Yale University’s plagiarism policy for graduate schools which can be found at <http://www.yale.edu/graduateschool/academics/ethics.html>

The text reads as follows:

"The failure, whether intentional or not, to cite one's sources properly is referred to as plagiarism. Webster's Ninth New Collegiate Dictionary defines the act of plagiarizing as follows:

**Plagiarize** *vb*: to steal and pass off (the ideas or words of another) as one’s own : use (a created production) without crediting the source ~ *vi* : to commit literary theft : present as new and original an idea or product derived from an existing source.

We are required to cite any instance in which we have either directly quoted or indirectly drawn upon and benefited from the works and ideas of others. This requirement applies equally to all of the work that we do, whether a paper or an exam for a course, a presentation in class or at a conference, a manuscript for publication, or any other scholarly work. Failing to credit the influence of existing research and scholarship on one's own work is tantamount to theft. It is particularly important to note that the Internet is subject to the same rules that govern other sources. It is not somehow free or different from any other source that must be cited if used.

Plagiarism, whether deliberate or through negligence or ignorance, is a serious violation of conduct at both the College and the Graduate School, and, indeed, in any environment that values integrity, respect and fairness. Our commitment to creative scholarly work carries with it explicit and implicit commitments to documenting the sources of existing ideas and statements that appear in our own work. By planning ahead, being honest, and exercising patience, plagiarism is easy to avoid.

It is imperative that all of us learn and apply the standards for citation in our disciplines because the written form for noting citations varies from one field of study to the next. In short, while the obligation to cite all sources we have used is universal, the forms of citation vary widely. In addition to the resources available through the Graduate School, Yale faculty members can help you determine the current protocols governing scholarly references in each discipline."

**Policy on Artificial Intelligence**

The use of AI technologies is permitted in this class. We strongly recommend that you review any AI based output for factual errors, logical thread, sound rationale and coherent messaging.

**GENERAL STATEMENTS**

**Attendance**

Students are expected to attend classes regularly, be on time, and be prepared to contribute to class discussion. We recognize that there are times when circumstances may cause a student to miss class. If these absences are due to religious observance, unplanned hospitalization, extended illness, or a personal or family emergency that directly affects the student or an immediate family member, the absence would be considered excused. Students will be informed about whether their absence is excused or unexcused by a program administrator. Whenever students are unable to attend class, they must inform the instructors. If the circumstances make advance notice impossible, an e-mail as soon as possible after the missed class is the next best alternative. The student must make arrangements with a classmate to get notes and copies of class handouts, and to complete all missed work.

**DETAILED OUTLINE OF CLASS SESSIONS**

In order to accommodate time zones across the GNAM schools, the synchronous on-line classroom sessions will be offered Tuesdays and Thursdays from 8:30am to 09:30am, Eastern United States Time, starting on Tuesday January 21st. Actual on-line interactions will consist of:

* Same-time video discussions with faculty, TAs and guests;
* Moderated on-line discussion threads; group sessions – both video and on-line; and
* Other methods as fit the class best.

We will endeavor to finish speaking by 09:30 to allow time for additional questions and discussion and to allow groups to meet directly following class (09:30 – 09:50am).

**Please note the time change in March when the class resumes after the mid-semester break due to the US move to Summer time.**

***The current schedule is as follows:***

Synchronous sessions for the entire class will be held on Tuesday and Thursday mornings from 08:30AM – 09:30AM New York time.

Dedicated time for synchronous interaction of group members in global teams will be available immediately after the full class sessions from 09:30AM to 09:50AM New York time.

Session 1: Tuesday January 21 – Introduction to class goals and structure (Todd Cort)

Session 2: Thursday January 23 – Introduction to the Materials System (Todd Cort)

Session 3: Tuesday January 28 – Discussion of students’ analysis of Materials System (Todd Cort)

Session 4: Thursday January 30 – Introduction to Vale Business Dilemma (Todd Cort)

Session 5: Tuesday February 4 – Corporate Guest – Caterpillar Corporation (Ran Tao, Global Sustainability Director - to be confirmed)

Session 6: Thursday February 6 – Introduction to the Energy System (Mike Oristaglio, Senior Lecturer Yale University - to be confirmed)

Session 7: Tuesday February 11 – Discussion of students’ analysis of Energy System (Todd Cort)

Session 8: Thursday February 13 – Introduction to Connecticut Green Bank business dilemma (Bryan Garcia, CEO of the Connecticut Greenbank - to be confirmed)

Session 9: Tuesday February 18 – Corporate Guest: China Light and Power (David Simmons, Chief Strategy, Sustainability and Governance Officer and Hendrik Rosenthal, Director Group Sustainability – to be confirmed)

Session 10: Thursday February 20 – Introduction to the food system (Bruce Kahn, Professor Columbia University - to be confirmed)

Session 11: Tuesday February 25 – Discussion of students’ analysis of the food system (Todd Cort)

Session 12: Thursday February 27 – Introduction to the coffee case study (Kenneth Barigye, Founder of Mountain Harvest – to be confirmed)

Session 13: Tuesday March 4 – Corporate Guest: Griffith Foods (TC Chaterjee, CEO - to be confirmed)

**Yale SOM Spring Break (March 5 through March 24)**

**Please note that on Sunday March 9, 2025, US time will move forward one hour for “Daylight Savings Time”. If your country’s time does not also change before the class resumes later in March, the starting time for the class will effectively be moved one hour earlier**.

Session 14: Tuesday March 25 – Sustainable Finance and ESG (Todd Cort)

Session 15: Thursday March 27 – Introduction to the water system (Will Sarni, Practice Lead in Water and Nature at Earth Finance - to be confirmed)

Session 16: Tuesday April 1 – Discussion of students’ analysis of the water system (Todd Cort)

Session 17: Thursday April 3 – Introduction to the Klamath River Basin case study (Todd Cort)

Session 18: Tuesday April 8 – Corporate Guest: Coca-Cola (Bea Perez, EVP Sustainability - to be confirmed)

Session 19: Thursday April 10 – Corporate Guest: Occidental Petroleum (Krish Ravishankar, SVP Sustainability – to be confirmed) *Note this talk is out of order die to Peter Boyd’s schedule*

Session 20: Tuesday April 15 – Introduction to the climate system (Peter Boyd, Founder of Time4Good) *Note this talk is out of order die to Peter Boyd’s schedule.*

Session 21: Thursday April 17 – Introduction to the Equinor case study (Nate Teti, VP – to be confirmed)

Session 22: Tuesday April 22 – Corporate Guest: International Paper (Sophie Beckham,Chief Sustainability Officer) *NOTE: This talk is out of order due to Sophie’s schedule. We will not have a feedback session for the Climate SWO.*

Session 23: Thursday April 24 – Introduction to the natural areas system (Bradford Gentry, Associate Dean and Professor in the Practice, Yale School of the Environment - to be confirmed)

Session 24: Tuesday April 29 – Discussion of student’s analysis of the Natural Areas System (Todd Cort)

Session 25: Thursday May 1 – Introduction to the country-level conservation finance dilemma (Todd Cort)

Session 26: Tuesday May 6 – Final class. Content to be determined at a later date

The instructor reserves the right to modify and/or change the course syllabus as needed during the course.