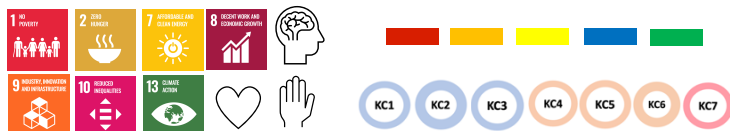


## Business Games for Environment, Sustainability and Governance (ESG)

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## Simulating environmental, sustainability and governance decisions in business environments

- The Global Challenge is a complex business simulation operated at Adam Smith Business School (ASBS) under license from Cesim Business Games. Students on the 10 credit *Delivering Performance*\* course work in groups to run an international smartphone company over 10 weeks (simulating 10 years of operation).
- In academic year 20/21, students experienced the Environment, Sustainability and Governance (ESG) module\*\* for the first time as a trial from Cesim. ASBS is among the first business schools in the world to pilot the module.
- The ESG module adds decisions on work conditions and training, as well as data protection and energy consumption / environmental safeguards and more.
- Decisions made impact on multiple parameters affecting the business, profitability, competitiveness and employee retention. An ESG report is also produced.

\* Delivering Performance is a mandatory part of the MSc in Management, a post graduate taught programme with a typical cohort of 300 international students

\*\* A description of the module can be found [here](#)

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### How the specific learning objectives were targeted

By the end of the module the students were able to:

- Critically reflect on business decisions and their impact on the environment, sustainable goals, welfare and training of the workforce
- Analyse complex international business dependencies and balance these against environmental and social impact
- Work collaboratively to promote SDG goals while operating a profitable business
- Use reflective learning models to assess personal and group decisions against SDGs

### How the specific learning objectives were assessed

- A group presentation of company performance and strategy including ESG considerations
- Individual reflection of decisions and lessons learned including ESG considerations

### How the SDGs targeted were embedded



Salary decisions made each round, student groups must balance competitive salaries with sustainable performance, talent retention and turnover. Unfair salaries result in impact on R&D and performance. Diversity and data protection training also incorporated



Each round decisions are made on the development of CO2 removal, water and energy usage. These decisions have impact on productivity and unit cost. Teams have to balance ESG goals with profit and sustainability.

### How were the activities designed and delivered?

The course is based on a complex business simulation game. Each round (simulating a year) the groups make over 100 decisions in areas from production to marketing and finance. Every decision impacts on others and ultimately decides the company's performance. The groups compete to achieve the highest sustainable shareholder value. Through game-play, and by experiencing the consequences of their own decisions, teams rapidly develop reflective decision-making techniques. For example, in the production area teams now have to decide on how much they invest in climate action technology. Students are confronted with the impact of their business activities on the environment and society.