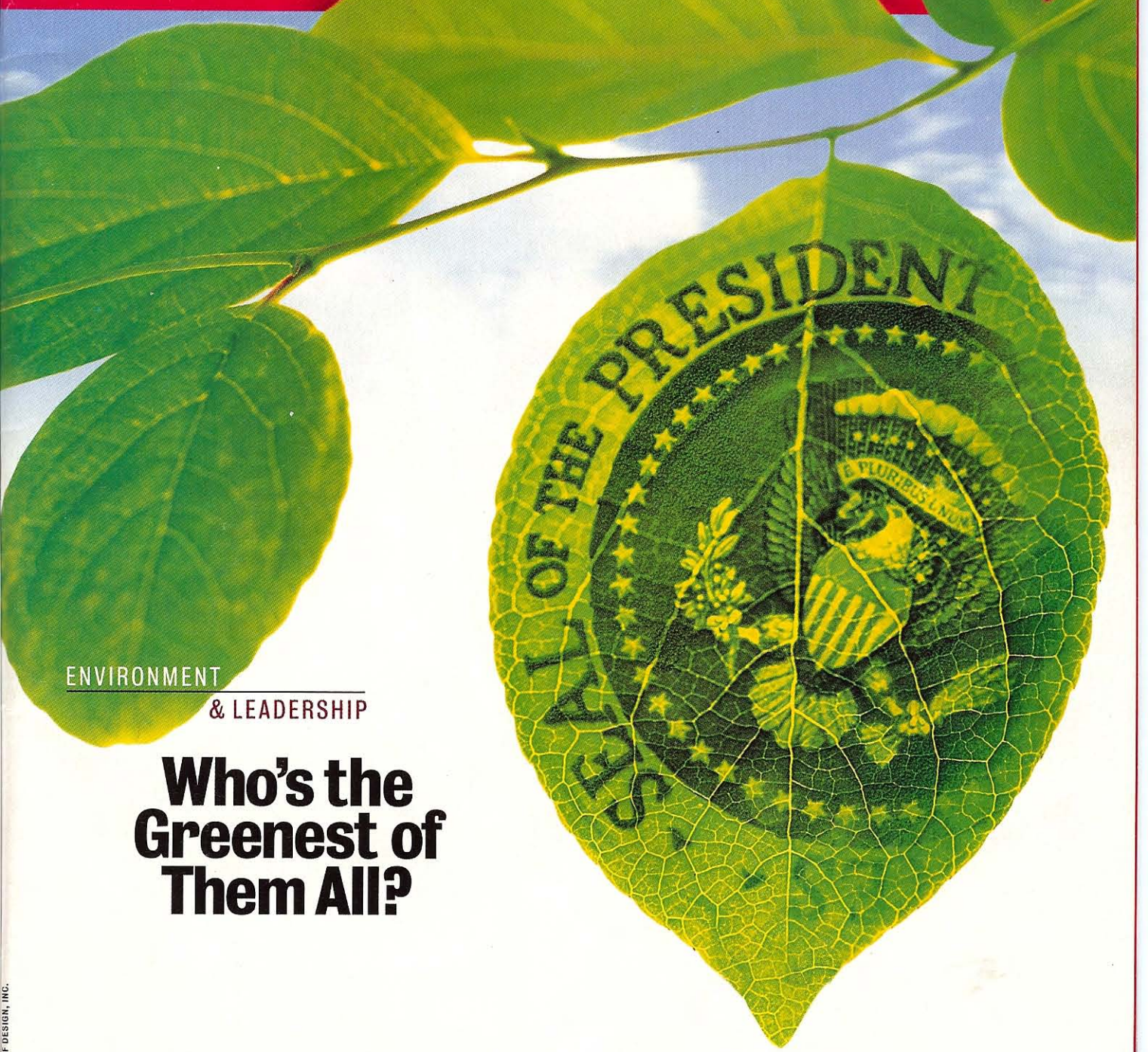


BEIJING'S OLYMPIC TROUBLE QUINDLEN ON WAR POETRY

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ENVIRONMENT
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Who's the Greenest of Them All?

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A Growth Industry

Business schools are teaching entrepreneurs how to get rich helping to save the environment.



'PEOPLE, PLANET, PROFIT': Presidio's Nahser with graduate students in San Francisco

By MARTHA BRANT and
MIYOKO OHTAKE

ASH UPADHYAYA IS NO TREE hugger. The 29-year-old from India has a master's degree in petroleum engineering, worked as a reservoir engineer at Shell Oil and drives a Porsche Boxster that gets a measly 20 miles per gallon. Yet he has spent the past two years studying environmentally sustainable business at the Stanford Graduate School of Business. "Am I really driven to do this by my values? The honest answer is no," says Upadhyaya, who wants to work for a private-equity fund when he graduates in June. "It just makes good business sense to be sustainable."

Environmentalists and capitalists have typically eyed each other with suspicion, even disdain. A new breed of M.B.A. student thinks it's possible to make a bunch of green by going green. For some, studying sustainable business practices just gives them a competitive edge. For others, it's a fresh way of thinking about business. These eco-M.B.A.s talk about the "triple bottom line"—people, planet, profit. Thousands are joining Net Impact, a

networking group for business leaders interested in societal problems. "Business-school students today are much more interested in social and environmental issues—and in business solving those issues," explains Liz Maw, executive director of Net Impact.

Slowly, business schools are catching up. "This is all student-driven," says Stanford B-school professor Erica Plambeck. Seven years ago she offered the first environmental elective at the business school. Today Stanford ranks No. 1 on the Aspen Institute's 2007 "Beyond Grey Pinstripes" report, which rates how business schools integrate social and environmental responsibility into their curricula.

In 2001, when Aspen began ranking schools, only 34 percent of those it surveyed offered any green courses. By 2007, 63 percent did. Even the most traditional schools are weaving in the environment. Harvard Business School students study

A new breed of business student sees going green as a way to wealth.

cases such as Nestlé's sustainable cocoa agriculture, and the Wharton School will host a Net Impact conference this fall.

Mainstream schools weren't changing fast enough for green-business icon Hunter Lovins. The book she coauthored in 1999, "Natural Capitalism," has become the textbook for sustainable management. In it, she argues that companies don't factor the environment into their spreadsheets. "We treat it as if it has a value of zero, and that's bad capitalism," she says. Business leaders needed to start thinking differently. So in 2003 Lovins helped found Presidio School of Management in San Francisco, where climate change permeates every part of the curriculum. Presidio is one of a handful of schools from Washington to Vermont now offering a "Green M.B.A." These being business schools, the term has actually been trademarked and is owned by the Dominican University of California.

Critics say such boutique business schools themselves are unsustainable. But Green M.B.A.s insist they learn traditional skills while fostering unconventional business values. For the final project in accounting at Presidio, students analyze both a company's finances and its CSR (corporate social responsibility). One group gave United Parcel Service credit for mapping routes so drivers can avoid gas- (and money-) wasting left turns. Green M.B.A.s take macroeconomics, but it includes the emerging field of "ecological economics." The cases they study examine companies like Clif Bar, which makes organic energy snacks.

But it's the atmosphere at Presidio that makes it so different from Harvard. During a recent class, provost Ron Nahser walked around the high-ceilinged room at historic Fort Mason prodding students toward self-examination: "What are you learning about your calling? Are you feeling the love in the marketplace? Ask yourself, 'Why am I in this?'" For Presidio student Taja di Leonardi, it was never for the money. A nature lover, she wanted to go to business school without feeling as if she was selling her soul. At Presidio, her quest to design her own green kitchen grew into a business plan for something she called Ecohome Improvement. When a storefront became available near her home in Berkeley, she says, "it was consistent with my values, there was a need and there was a location a couple blocks away." Since Ecohome Improvement opened in 2005, di Leonardi has doubled the store's square footage, increased her staff from one to 10 and seen a 200 percent increase in revenues. Soul intact, she is cashing in. ■