

Mining and Metals Teaching Note: Five Issues with Broad Implications

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This Teaching Note is designed to orient the user to the materials in this Featured Collection and to suggest how they might be used in the business school curriculum.

The purpose of this Teaching Note is distinctive, because it covers a set of materials (a “Featured Collection”) that focuses on a specific industry. Most teaching notes are for a single case or exercise. They unpack the nitty gritty details of a case or lay out detailed classroom plans, and thereby move from general questions to specifics. In contrast, this teaching note moves from the specifics of the mining and metals industry – which are evident in the abstracts and teaching notes for any given case or article in this collection – to more general questions.

The aim is to reveal how this Featured Collection addresses many of the broad concepts, debates, and questions of the major disciplines in the business school curriculum. We hope that you will see that these broad topics are addressed – and return to look at the specifics of the materials in this collection.

Please note that several of the individual cases within this collection have their own Teaching Notes, which can be obtained from the source of the case.

Five issues are raised in this Featured Collection:

- **Sustainability and Core Operations**
- **Global Portability of Governance and Agreements**
- **Shareholder Activism and Other Levers for Change**
- **Taking a Role in Pressing Social Issues: HIV/AIDS**
- **Managing Accidents, Crises, and Risks**

How were these issues selected? They were distilled by looking at what is current in the business press and industry-related publications and websites, as well as what is current in the teaching cases and research on this industry.

For each issue, we include a table that shows how the issue links to courses in the business school curriculum and to some of the questions raised in a particular discipline (such as core courses on strategy or operations or electives on the environment).

Sustainability and Core Operations

Courses: Core Disciplines or Electives	Some Questions / Teaching Topics
Strategy	<p>“What business are we in?” Does it matter if it is defined as “mining” or “energy?” What options does each open or foreclose?</p> <p>How do we devise a long-term strategy, in a world with short-term focus?</p> <p>When is it time to exit from a strategy? Are there sunk costs? Competence traps?</p> <p>Where do cross-sector partnerships work well (business, government, NGOs)? What can they accomplish?</p>
Operations	<p>Where should we locate our operations? How is that choice affecting, and affected by, societal issues? What factors affect opening or closing a facility?</p> <p>How do the methods of extracting resources impact local communities? What is the impact on the social as well as physical landscape? How can these impacts be managed and reduced?</p> <p>How can cleaner technologies be incorporated into operations?</p>
Environment	<p>What definitions of sustainability are currently in use in the mining and metals industry?</p> <p>What are some of the metrics by which companies and industries are assessed? What mix of economic, environmental, and societal indicators is being used by companies?</p> <p>What lessons does this industry offer to other industries, particularly as it deals with resource issues that are urgent and unavoidable? Are there lessons from how other industries manage sustainability?</p>

Global Portability of Governance and Agreements

Courses: Core Disciplines or Electives	Some Questions / Teaching Topics
Strategy	<p>What are the different regulatory environments in which we operate, across countries? Can we define overarching corporate strategies that work in multiple settings, or do we tailor our strategy with each setting?</p> <p>How do we adapt our relationship to key stakeholders, depending on the legal and political environment of the country or region in which we are doing business?</p>
International	<p>Are the lessons from one region portable to another?</p> <p>How do different countries' approaches to government subsidies affect the viability of operating globally? What opportunities and constraints do government subsidies involve? How much oversight is involved?</p> <p>How do stakeholders with international networks exert influence on corporations? How are their approaches different from those of local stakeholders?</p> <p>How can developed nations assist emerging economies in the pursuit of sustainable development?</p>
Environment	<p>Do global standards – for operating and reporting – have an impact on environmental quality?</p> <p>Are there cross-industry best practices emerging for managing multiple stakeholders?</p>

Shareholder Activism and Other Levers for Change

Courses: Core Disciplines or Electives	Some Questions / Teaching Topics
Strategy	<p>What kinds of products or industries are vulnerable to actions by activist shareholders?</p> <p>Should companies anticipate and address these actions with explicit strategic responses? Or hope their impact will be temporary and minimal?</p>
Business and Society	<p>Is shareholder activism on the rise as a method for raising societal issues? Where and why?</p> <p>How do activist shareholders mobilize and make a case? How do their efforts compare to other mechanisms for influencing corporate practices?</p>
Economics and Finance	<p>Does investor activism affect share price?</p> <p>How does investor activism affect firms' choices of whether to be public or private?</p>

Taking a Role in Pressing Social Issues: HIV/AIDS

Courses: Core Disciplines or Electives	Some Questions / Teaching Topics
Human Resource Management	How do “best practices” for managing employees with HIV/AIDS, e.g., in the United States, translate across national borders and industries?
Strategy	<p>How can businesses operate when the local labor supply and the communities from which it comes are impacted by an epidemic like HIV/AIDS?</p> <p>How can businesses play a role in the invention and dissemination of new ways to prevent the spread of HIV/AIDS?</p> <p>Are these efforts a necessary part of the core operations of businesses in Africa, corporate philanthropy, or some of both?</p>
Business and Society	<p>What mix of pressing business needs and corporate citizenship impels companies to respond in this arena, particularly in Africa where the crisis is widespread?</p> <p>How does business interact with NGOs, foundations, health care organizations, and governments that are also working on the HIV/AIDS issue?</p>

Managing Accidents, Crises, and Risks

Courses: Core Disciplines or Electives	Some Questions / Teaching Topics
Decision Sciences	<p>How are acceptable levels of risk measured and determined?</p> <p>What is an acceptable risk level in operations where there will always be some risk?</p> <p>What are the costs of prevention?</p>
Organizational Behavior	<p>How do the lessons about “normal accidents” apply?</p> <p>How do organizational cultures and systems affect safety?</p> <p>How do companies learn from accidents? Do the reporting routines and cultural assumptions emphasize individual blame, exceptionalism for each incident, root systemic factors?</p> <p>What are the effects on corporate reputation of disasters that are seen as preventable rather than unfortunate flukes?</p>
Accounting	<p>How do new approaches to causality, systems- level thinking, and information flow apply to the tracking of safety expenditures and results?</p>