

THE COLLEGE AT 25: ENERGY AND THE ENVIRONMENT

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The College as the Cradle of CGOs

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From a common classroom in 1979, a teacher and her student take their places on the international stage of business.

America was emerging from recession in 1984 when the College of Business was born. The shocks to the economy from the energy crisis of the '70s and double-digit "stagflation" were fading.

It was "morning in America." Business was booming. Conspicuous consumption was back. Gas was cheap and plentiful, with elephantine SUVs lumbering off production lines.

The environmental movement? An afterthought, relegated to academics, the "radical" fringe, and Earth Day programs for schoolchildren.

No longer.

NEW CURES FOR ENERGY HANGOVERS

When our current recession ends, things will look much different. The nation has been on a financial and environmental bender the past quarter century, and is now waking up to the hangover. Grim resolutions are made: things will be different this time.

However, this time it will take more than grim resolution. It will take vision and creativity, not only on the parts of individuals, but institutions as well. It will take dedication and follow-through.

Merry Rankin, Iowa State's director of sustainability and a 1987 College of Business graduate, knows something about the vision and

creativity needed to get society on the wagon, so to speak, toward a more sustainable future. So does MBA candidate Nicholas McCann. Both came to Iowa State not to follow any tried-and-true career path, but instead to realize unique visions for themselves and the world in devising programs of graduate study for the 21st century, new career tracks that may soon enter the curricular mainstream in the College of Business.

And there's nothing "grim" about their resolve.

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the journey that has led us to where we are today, and where we must go in the next 25 years.”

A CAREER AT A CROSSROADS

Twenty-five years ago, Rankin was a new graduate who had studied marketing, trans-log and management. After several positions in retail, by 1990 she found herself laid off and “at a crossroads” in her young professional life.

Raised on a family farm in southern Iowa, and steeped in the environmental principles that come with stewardship of the land, Rankin instinctively knew which road a young businesswoman should take at this juncture in her career: she would go back to Iowa State for her master’s degree—in wildlife management.

“I was interested in how people who had a lot of influence in natural resources interacted with the environment, and how they made decisions that impacted the environment,” Rankin says.

In other words, Rankin found management at least as compelling as the wildlife aspect of her studies, a double focus that led her to craft a novel master’s program and write a thesis on the environmental activities and actions of Iowa businesses and

industry. In the course of her studies and after, she pursued a number of foreign opportunities, working on wildlife and environmental projects in Australia, India, Costa Rica and South Africa before landing with Iowa’s Department of Natural Resources.

SPEAKING TWO LANGUAGES

Like Rankin, Nicholas McCann, a Miami-Ohio graduate with a double major in business and German, wanted to bridge the divide between business and the environment. And, like her, his environmental instincts were galvanized overseas—in his case, working on sustainable irrigation and soil erosion projects for subsistence farmers in Haiti.

Today, McCann is working toward his MBA with an emphasis on sustainable agriculture. And, befitting the double major he pursued as an undergraduate, he views his work through the lens of “linguistics.”

“I think there’s a big disconnect between the environmental world and the business world,” McCann offers. “People don’t speak the same language.

“One of the great opportunities in my program,” he continues, “is that I get to learn two languages: sustainable ag, so I understand the ecological principles people are talking about; and, on the economic plane, why people say they can’t do this, that or the other.”

Not only are people like McCann and Rankin transitional in the business world, then, they’re “translational”

as well, serving to mediate the divide between business and the environment, while exposing that divide as illusory when viewed from a broader perspective.

“To say that our economic systems are separate from ecological systems violates some law of thermodynamics,” McCann jokes. “When you look at it from a systems perspective, they can’t be divorced.”

That’s a perspective shared by Frank Montabon, associate professor of operations and supply chain management and McCann’s adviser. “The environment is not an imposition,” he insists. “If you’re making windows out of wood, it’s in your interest that there’s a sustainable supply of wood. If you’re making beer, it’s in your interest that there’s a reliable supply of clean water.”

RISE OF THE CGO

Given the heightened environmental awareness of consumers, beyond ensuring a business’s supply chain, “going green” can also support a company’s customer relationships. That’s a central tenet of the marketing strategy of Minnesota-based utility Xcel Energy, according to 1984 grad Mark Stoering.

“One thing driving our renewable energy strategy,” notes Stoering, “is driving customer interest in being green companies, *sustainable* companies not only promoting energy efficiency with their own employees, but representing to customers that they’re taking initiatives in that direction.”

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And, Stoering insists, it's not just "greenwashing" otherwise environmentally suspect operations—customers, he says, will wise up to that quickly in today's information environment.

As vice president of portfolio strategy and business development for Xcel, Stoering works with many of the Fortune 500 companies based in the Twin Cities to elevate both their green profiles *and* practices. In nurturing these corporate relationships, he's noted a growing phenomenon.

"We continue to see the emergence of 'chief green officers' or 'sustainability officers' in companies, beyond what has traditionally been an energy manager," Stoering says. "So there are those emerging professional tracks that make those jobs not only broader but more enriching, particularly for companies with energy demands that go beyond compliance and are actually interested in promoting environmental stewardship."

MORE THAN A BUZZWORD

As at Xcel, sustainable business practices must be championed at the top of an organization. In this regard, there is perhaps no better example of the emerging "CGO" than Merry Rankin herself, who oversees Iowa State's Live Green! program, the signature initiative of Iowa State President Gregory Geoffroy.

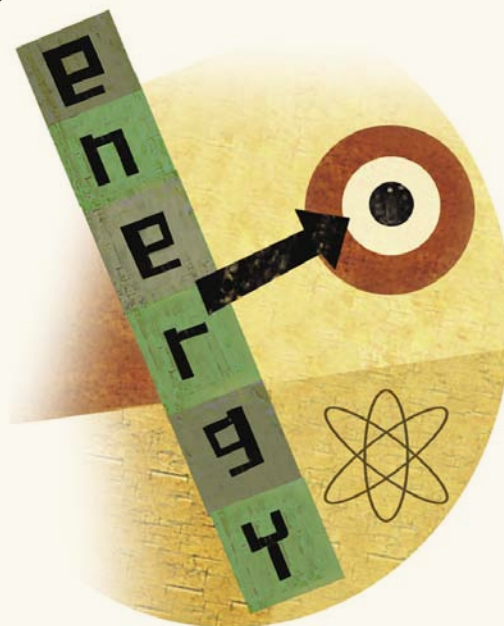
As the university's "CGO," Rankin manages a \$3 million renewable loan fund that helps campus facilities implement conservation programs and other sustainable practices, with cost savings directed toward repaying the loans. Equally important, Rankin sits in the highest councils of

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the university, meeting regularly with top officials to review sustainable policies and practices at Iowa State.

"Yes, there are a number of institutions where 'being green' is a buzzword," Rankin acknowledges. "But I have a voice. I wasn't hired just to sit in an office, write press releases, and ride in the VEISHEA parade.



"There is a new sense of urgency with regard to sustainability at institutions," she continues, "including the way they do business and interact with their communities. I've been hearing of many more plans to hire directors of sustainability, both in education and business."

STUDY AT THE EPICENTER OF GREEN

But will that sense of urgency translate into new programs of study at Iowa State's College of Business?

Or will tomorrow's CGOs be mostly academic "entrepreneurs" such as Rankin and McCann, self-starters who see a need—and an opportunity—and customize a program to their vision?

Montabon notes that, like ethics, "sustainability" is not a concept to be developed, polished, and then relegated to an academic sideline, but instead must inform every aspect of a business curriculum. In that regard, the college is constantly adjusting its curriculum to accommodate emerging concerns faculty believe they'll be dealing with years down the line.

Yet, Montabon says, the kinds of programs crafted individually by McCann and Rankin will, in time, achieve mainstream status. "We can absolutely envision new majors, new minors, new degree programs in business and the environment," he says. "Other schools have already implemented them."

Still, notes McCann, "other schools" don't have all of the advantages of Iowa State in cross-disciplinary studies, resources that can make "green" degrees from Iowa State stand out among the crowd over the next 25 years.

"There are great opportunities for students to do this," McCann remarks, "especially here, with all the things going on in renewable energy.

"Iowa State is the epicenter for all that," he smiles. "It's why I came here." ■