

Video Segment 7: Where Is the Greatest Impact?

“All those individuals out there who have changed their behavior and are making harder decisions, don’t quit. The companies are paying attention.” - David Swift

NOTE-TAKING GUIDE

How do members of Wharton Dean Erika James’s ESG panel see the following influences advancing the transition to a Net Zero Economy by 2050?

Individual Consumers:

The Built Economy:

Companies like General Motors:

Wharton Professor Sarah Light asks, “Where in the value chain is the fulcrum point for the greatest impact?” Explain this quote (with help from the video and the vocabulary list):

The panelists agree that behavior change is challenging. According to Wharton professor Benjamin Keys, research suggests that when it comes to using more efficient sources of energy, consumers revert back to their old ways once the incentives (like lower prices encouraging someone to use cleaner energy) are gone. As a consumer, what are your thoughts on behavioral change as we try to reduce greenhouse gas emissions that are harming the environment? Are you already making smarter choices related to clean energy and fossil fuel? What are they? If not, what will it take for you to change your behavior to help the world reach a Net Zero Economy by 2050? Are you inspired to influence your peers? If so, how?

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Academic Research: Higher-education faculty, like Wharton School professors, examine problems and situations to gather data and insight that might help shed light on subjects and arrive at important solutions.

Battery Electric Vehicles: Vehicles, like cars, that are either partially or fully powered on electric power.

Built Environment: Man-made structures and facilities where people work and live.

Cadmium in Electronics: The metal cadmium and its compounds, used in semi-conductors and other products, are highly toxic and environmentally hazardous.

Capital: Assets used for the production of goods and services, including financial assets (money).

Climate Change: The long-term shifts in temperatures and weather patterns that are increasingly caused by human activity, like the burning of fossil fuels that releases greenhouse gases into the atmosphere.

Energy Efficiency: Using less energy to get the job done — which often translates to burning less fossil fuel.

ESG Strategies: ESG stands for Environmental, Social and Governance and refers to a system for how to measure the sustainability of a company. It is an evaluation of a firm's beliefs and attitudes about social and environmental factors. Companies are thinking hard about how to incorporate ESG factors into their business strategy to appeal to investors, customers and other stakeholders. And investors are turning to ESG rating firms to screen their investments on these various factors.

Fulcrum Point: The center of an activity or situation.

General Motors: An American company that manufactures automobiles.

Greenhouse Gas Emissions: The rising levels of carbon dioxide and other heat-trapping gases that are emitted from factories, vehicles and other sources of fossil fuels and are thought to be damaging the planet.

Internal Combustion Engine Vehicles: A vehicle that runs on fossil fuels.

Manufacturer: A company that makes goods for sale.

Net Zero Economy: The move toward eliminating fossil fuels and other sources of greenhouse gases that potentially hurt the environment by 2050.

Retailer: A person or business that sells goods to the public.

Upstream Issue: The upstream part of the supply chain system, which includes the raw materials and suppliers who contribute to a company's process of making its products, looks toward the supply side of the chain where the raw materials originate. The downstream part of the supply chain includes processes used to create finished goods and the distribution and sale of those goods.

Value Chain: The process of activities in a business, including production, marketing and after-sale activities.

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