



AARHUS
UNIVERSITY
BUSINESS AND SOCIAL SCIENCES



UN PRME SIP 2012



SIP 2012 from Aarhus University,
School of Business and Social Sciences

Living the PRME

– from best practice to integrated sustainability

Since our last SIP report, the Board of Aarhus University initiated an organisational restructuring of the university, including Aarhus School of Business. The restructuring was considered necessary due to three main reasons. Firstly, the restructuring was a logical/natural consequence of previous mergers at the university in 2007, and the entire organisation had to be reorganised in order to reap the potential synergies of the mergers. Secondly, the restructuring was essential to creating a university capable of contributing to solving the grand challenges of the global world and, finally, to remain competitive on the local and global markets for education and research. Aarhus School of Business was merged with Faculty of Social Sciences into a broad business school under the name Aarhus University, **School of Business and Social Sciences**. The whole rationale behind the restructuring of faculties and departments at Aarhus University was driven by the desire to build a university that combines in-depth professional competence with interdisciplinary collaboration, in close and flexible interaction with the world around us.

School of Business and Social Sciences is considered a broad business school, covering both traditional business disciplines and those usually found in social science faculties. The school is among the largest business schools in Europe with approx. 16,000 students, more than 500 faculty members and around 230 PhD students.

The research and research-based teaching at the school cover areas such as business administration, economics, organisation, psychology, marketing, management, law, business law, entrepreneurship, business communication, and political science. The school comprises 7 departments: Department of Economics and Business, Department of Business Administration, Department of Business Communication, Department of Law, Department of Political Science and Government, Department of Psychology and Behavioural Sciences and AU Herning.

Our approach to global challenges

It is obvious that many important challenges to society and businesses require an in-depth knowledge and understanding of the traditional disciplines combined with close cooperation between and across other academic fields. The advantage of being a broad business school is that we provide and offer a much broader view of the world to our students through the school's variety of fields addressing among others economic, environmental, legal, political and psychological challenges within companies, organisations and society at large. As a result, we believe that students will leave the school mastering at least one discipline, with an open mind and a broad view of the world, experiences in cooperation with people from other fields as well as the ability to innovate and solve problems they have never met before, the latter being the whole rationale behind our research-based teaching. Even though sustainability is often associated with energy and the environment, our focus is not limited to these areas as sustainable solutions are also

integrated into many other processes within a company or an organisation, including logistics, organic production and green marketing, micro and macroeconomic processes, responsible investments, value-based management, international communication, knowledge management, corporate governance, auditing, environmental law and business law, globalisation and the organisation of global companies, labour markets and social integration, CSR, green communication and rights management.

All this also supports our view that sustainability considered in this broad sense, or in other words, our social and environmental responsibilities are inherent in the way we conduct research, education and business activities and in accordance with the 6 Principles for Responsible Management Education.

This is the most important step yet taken to create future responsible leaders. We are moving from a best-practice approach to PRME to an integrated approach. We are now "living the PRME" so to say, supported by strong societal, political and economic drivers, seeing the sustainability focus integrated in many academic disciplines and through our research activities, which naturally reflects in our programmes, our partnerships and dialogue with society. We will further develop this research-driven approach, encouraging interdisciplinarity both between the departments at the school and with other disciplines at Aarhus University – Science and Technology, Arts and Health. Through an ongoing focus on establishing and maintaining partnerships with external stakeholders we contribute to the sustainable innovation and growth of society and business.

Regards

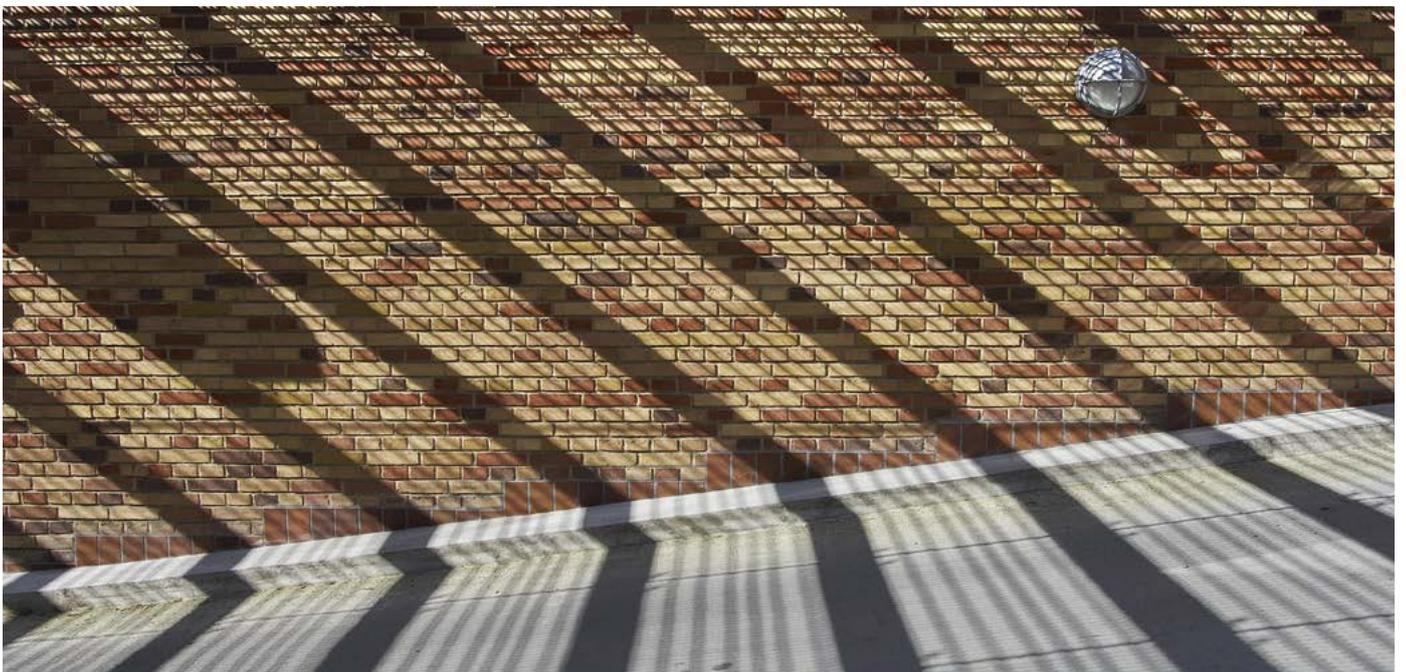


Svend Hylleberg
Dean



The Principles for Responsible Management Education

1. Purpose: We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.
2. Values: We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.
3. Method: We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.
4. Research: We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporations in the creation of sustainable social, environmental and economic value.
5. Partnership: We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.
6. Dialogue: We will facilitate and support dialogue and debate among educators, students, business, government, consumers, media, civil society organisations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.



Principle 1

Purpose: We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.

We believe that providing students with specialised knowledge of one discipline while at the same time offering them the opportunity to exploit a broader set of disciplines during their study will challenge them to discover new knowledge that resides at the margins of those disciplines. Almost all of our faculty at the school have both research and teaching responsibilities which means that our teaching is continually based on the latest research results. Teaching our students to examine information from different perspectives to find creative solutions to the world's challenges, and providing them with the opportunity to work collaboratively with fellow students from other closely related disciplines will enrich and enhance their skills and ability to adapt to any marketplace, to view and understand the world broadly and to be resourceful enough to change with the times, equipping them to become future leaders and specialists.

New strategy at the school

In late August 2011, we initiated a process of developing a comprehensive strategy for the entire School of Business and Social Sciences. During 2012, a new school strategy replaced the strategies of the former Aarhus School of Business and Faculty of Social Sciences. Besides strategic goals and actions, the strategy also includes a mission and vision statement which we feel capture the core values of the broad business school and position us as a business school focused on educating future leaders prepared for taking on global challenges.

Mission

As a broad business school, our mission is to add value to society by creating knowledge within and across the disciplines of business and social sciences and by educating our graduates to become innovative and responsible individuals with a comprehensive understanding of the complexity of a global world.

Vision

We aim to be a leading international broad business school through excellent research, talent development, knowledge exchange and research-based education.

The strategic theme of Sustainable growth through Innovation which was a focus area in the strategy of the former Aarhus School of Business 2009-2012 is today considered to be integrated into our core activities in such a way that it forms a natural platform for further developing sustainable initiatives both in our research and education.

The school acknowledges that societies are increasingly driven by innovation and continued development of ideas, products and processes which create jobs, economic growth and welfare - nationally and globally. We therefore consider research-based

knowledge, education and talent development to be primary sources of wealth and important in helping solve complex challenges characteristic of a global society. Through close cooperation with government bodies and businesses, School of Business and Social Sciences has developed into a strong international knowledge institution that provides research and education of high international standard.

All programmes at the school spanning from economics, management and business administration to law, business communication and political science include courses on social studies as well, providing students with thorough insights into how society is affected by various economic, political, legal, communicative, environmental, cultural and social impacts, which is somewhat unusual and rarely seen in traditional "narrow" programmes of other business schools. We believe that providing students with a broader view of the world will enrich and enhance their skills and ability to adapt to any marketplace and better equip them in meeting and addressing global challenges through their chosen careers.

Supporter of UN activities on sustainable development

As part of Aarhus University, School of Business and Social Sciences is an active supporter of the UN activities on sustainable development and a signatory to the Declaration for Higher Education Contribution to Sustainable Development announced at the Rio+20 conference. With signing of the declaration, Aarhus University, and thus also School of Business and Social Sciences commit to supporting following actions: **Teach sustainable development concepts, Encourage research on sustainable development issues, Green our campuses, Support sustainability efforts in the communities in which we reside, Engage with and share results through international frameworks**, such as the UN Decade of Education for Sustainable Development, led by UNESCO, the UN University system, the UN Academic Impact, the Global Compact, the UN-supported Principles for Responsible Management Education initiative and the UN Environment Programme's Environmental Education and Training initiatives, in order to exchange knowledge and experiences and to report regularly on progress and challenges.



Principle 1 in practice

The capabilities of our students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy were recently demonstrated through a number of renowned global student competitions. In 2012, students from School of Business and Social Sciences won the prestigious Financial Times annual MBA Challenge for coming up with the best business plan for marketing glasses for children and teenagers in developing countries. In their efforts to change attitudes to glasses among children and teenagers in India, the team decided to focus on a special computer game where all participants must wear glasses.¹

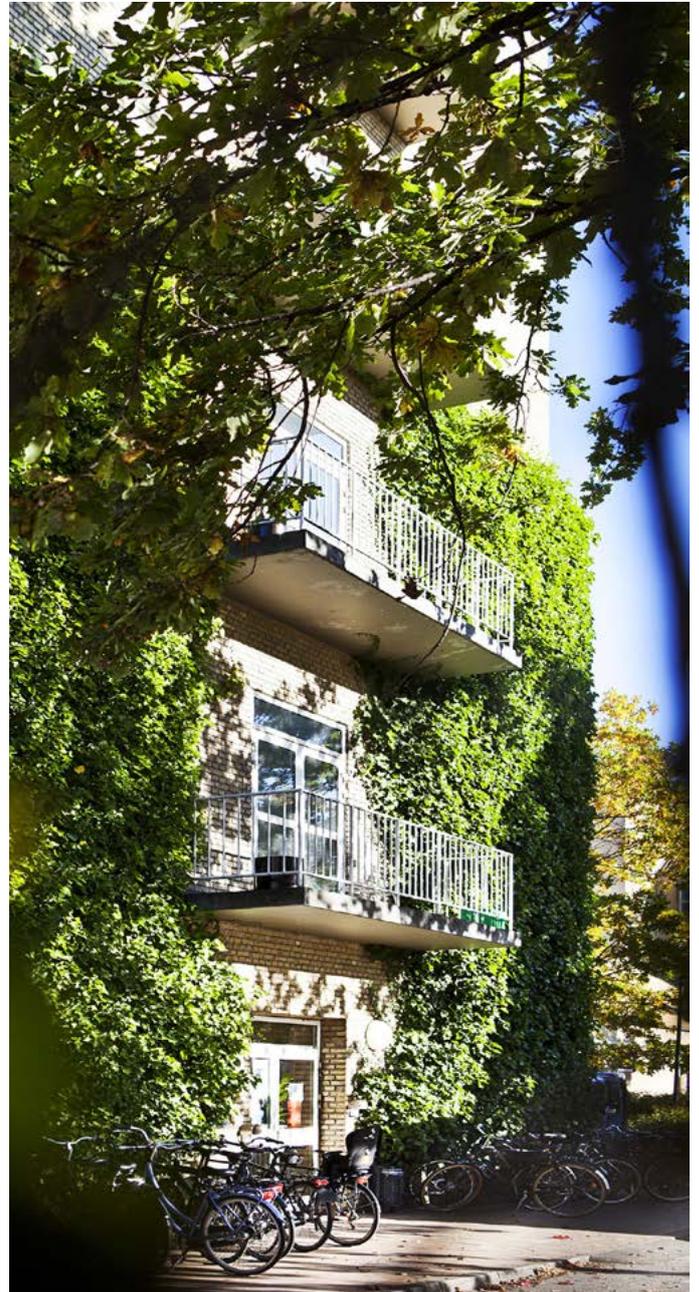
In another competition, a team consisting of a student from the Full Time MBA in Sustainability and four MSc students from Department of Business Administration came in second in the world's largest and most recognised case competition, the Hult Global Case Challenge. The team from School of Business and Social Sciences developed a business model aimed at offering poor children in developing countries improved access to education and technology by designing a project aimed at helping the 'One Laptop Per Child' (OLPC) NGO meeting its goal of educating poor children with the assistance of children-friendly laptops.²

Also students from our Department of Law demonstrated that they are members of the world elite by coming in third in the prestigious, international moot court competition for law students, Willem C. Vis International Commercial Arbitration Moot in Vienna.³

The aim of the competition was to promote the study of international commercial law and arbitration and to train law students to become the international arbitrators and arbitration attorneys of tomorrow.

Another student from Department of Economics and Business currently studying on the elite International Master of Science in Quantitative Economics programme was awarded 2nd place in a prestigious international undergraduate competition in Economics for "Best Undergraduate Paper" at the International Atlantic Economic Society for his paper on "Implications of Public Debt on Economic Growth and Development" which focuses on the causality link between public debt, economic growth and public investments.⁴

A PhD student from Department of Business Administration won the Gustavson School of Business Award for the Best Qualitative Paper in International Business at the International Management Division at the Academy of Management Annual Meeting in Boston in August 2012. The paper entitled 'When Global Virtual Teams Share Knowledge: The Role of Media, Culture and Language', has been selected for making the strongest contribution to IB theory development based on the use of a qualitative methodology.⁵



1. <http://bss.au.dk/currently/news/news-item/artikel/students-win-financial-times-mba-tournament/>
2. <http://badm.au.dk/nyheder/nyheder/news-item/artikel/au-students-fighting-for-education-of-poor-children-1/>
3. <http://law.au.dk/en/current/allnews/news/artikel/law-students-ranked-third-among-the-worlds-best-universities/>
4. <http://bss.au.dk/currently/news/news-item/artikel/economics-student-from-aarhus-university-receives-2nd-place-for-best-undergraduate-paper-2012-1/>
5. <http://badm.au.dk/nyheder/nyheder/news-item/artikel/anders-klitmoeller-wins-award-for-best-qualitative-paper-in-international-business/>

Principles 2 and 3

Values: We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.

Method: We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

Besides our already existing study programmes with focus on sustainability, over the past two years since our last SIP report the school has established several new courses and programmes at all degree levels, e.g. Bachelor's degree programme in Economics and Business Administration with Ethics, international full-time Sustainable MBA, BSc in Economics and Business Administration – Sustainability, Master in Environmental and Energy Law etc. as well as courses and projects concerned with the subject, e.g. Perspectives on Line Management in new organisational forms and Organisational change at master's degree level, and Project on sustainable business strategies at MBA-level, to name but a few. Also at PhD level, the interdisciplinary aspects of sustainability have been explored in 13 different PhD studies on subjects like Energy taxes, Waste economics and Influencing transport behaviour, as well as other environmentally relevant behaviours.

Moreover, a programme-specific employer panel has been established for each of our master's degree programmes to facilitate a systematic dialogue between the programme management and the corporate world. The input from the programme-specific employer panels is crucial for further development of the programmes and is considered as a sustainable, effective output-based approach to quality assurance.

In summer 2012, the school's Department of Business Administration hosted in cooperation with Danish companies a summer school for 50 PhD students from 17 different countries. The summer school had its primary focus on sustainability in environmental and economic psychology and consisted of 5 workshops covering the topics "Values, norms and sustainable food", "Changing behaviour via community approaches", "Reducing household energy consumption", "Breaking car habits – promoting bicycling and public transport" and "Stress and the city: Restorative environments".⁶

Our departments are also active contributors to AU Summer University providing various courses on social responsibility and sustainability from a business perspective. During the summer school 2012, the courses included among others: *Sustainable Development and Macroeconomics*, *The Economics of Gender Differences in the Educational System*, *The Economics of Search and Matching*, *The Sustainable Company*, *Strategic Management of Creativity and Innovation*, and *Politics, Welfare Regimes, and Poverty in Low and Middle Income Countries*.

A greener and more sustainable organisation

In 2010, our SIP report described the "Green ASB", which was a first step towards creating a greener and more sustainable business school. The aim of this project was to make the service and administration of the business school more energy-efficient and environmentally friendly. After the merger of the two units into School of Business and Social Sciences, the initiative changed name to Sustainable Campus and continues to focus on developing the school into an educational institution working on reducing energy consumption and general burdening of the environment through various initiatives aimed at decreasing our CO₂ footprint.⁷

Sustainable student activities

A group of our former students have initiated "Aarhus Sustainability Network" in order to increase the awareness and ease of sustainability among students at Aarhus University through academic and social activities. The aim of the network is to contribute significantly to the development of a sustainable Aarhus through events, networking and cooperation with companies, organisations and individuals.

Another student initiative is the annual Aarhus Case Competition⁸ which offers a week of intense case-solving where students learn to apply theoretical knowledge to real business cases e.g. Doing business in Brazil, Future Banking Challenge. During the week students have the opportunity to network with other teams, consultants and CEO's from partner companies. The competition offers students an inspiring experience and an opportunity to develop their business skills bridging the business and academic worlds and thus complementing students' education and awareness of its practical use.

Our successful endeavour of connecting students to businesses also continues to blossom through initiatives such as the Mentor programme,⁹ where professionals sign up as mentors for students, providing advice to students and helping them with their personal development and career opportunities, Job Shadow, Career fares – all through the school's career centre devoted to assisting students in career-related matters and preparing them for the step that follows after graduation.¹⁰

6. <http://bss.au.dk/currently/news/news-item/artikel/aarhus-universitet-vaert-for-international-phd-sommerskole/>

7. <http://medarbejdere.au.dk/en/main-academic-areas/business-and-social-sciences/news/news-article/artikel/green-activities-to-proceed-at-business-and-social-sciences/>

8. <http://aarhuscasecompetition.dk/>

9. See more at: www.au.dk/mentor and <http://bss.au.dk/currently/news/news-item/artikel/mentor-programme-continues-to-grow-at-aarhus-university/>

10. Read more about AU Career Centre, Business and Social Sciences on www.career.au.dk

Principle 4

Research: We will engage in conceptual and empirical research that advances our understanding of the role, dynamics and impact of corporations in the creation of sustainable social, environmental and economic value.

In the period 2009-2011, the focus area of interdisciplinarity at the former Aarhus School of Business was the strategic theme Sustainable growth through Innovation. During this period, a number of results demonstrate how identifying a goal of developing and managing a research strategy with focus on interdisciplinarity can create new ways of e.g. research collaboration. Many researchers from across the departments have participated with new research activities ranging from sustainable supply chain, responsible investment, sustainable consumption to CSR, climate and energy law, leadership, green business models etc.

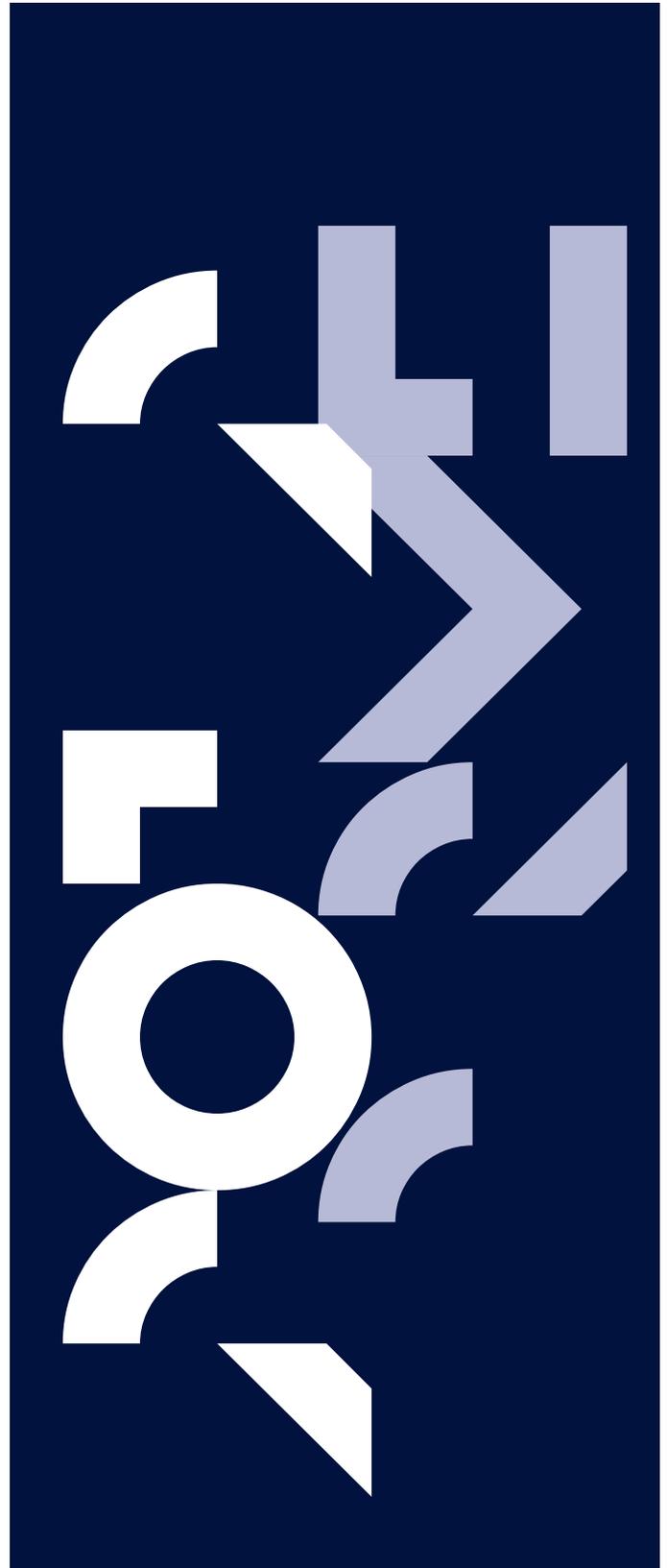
Research groups have been established at several departments which contribute to knowledge and understanding of companies', organisations' and consumers' activities in economic, environmental, social and cultural matters and their consequences. Some examples of our research groups and centres are: Marketing & Sustainability, Innovation Management, Corporate Social Responsibility, Sustainability and Consumption, Globalisation and Industry Dynamics, Centre for Research in Integration, Education, Qualifications and Marginalisation, Center for Corporate Performance etc.

At our Department of Business Administration, close to 50% of all researchers employed at the department are engaged in research that advances our understanding of the role, dynamics and impact of businesses in creation of sustainable social, environmental and economic value through research in areas such as the wind turbine industry, entrepreneurship education, supply chain management, change management, business ethics and corporate social responsibility, the growth economies of China and India, value based leadership, energy saving behaviour etc. Furthermore, virtual communities have been launched at the school followed by financial incentives with the purpose of establishing research collaborations with as few restraints as possible. The virtual communities are based on the ideas of network collaboration across traditional research areas, organisational units, industries and national borders. So far, two virtual communities have been established:

- *Integrating Sustainability - from dialogue to reporting*¹¹
- *Sustainability and Consumption – Near-Term and Long-Term Strategies and Interventions*¹²

11. [http://pure.au.dk/portal/en/projects/virtual-community-integrating-sustainability-from-dialogue-to-reporting\(18b4fa2f-07cb-4f6a-a738-2fecc8cd3c58\).html](http://pure.au.dk/portal/en/projects/virtual-community-integrating-sustainability-from-dialogue-to-reporting(18b4fa2f-07cb-4f6a-a738-2fecc8cd3c58).html)

12. <http://badm.au.dk/sustainabilityandconsumption/>



Principles 5 and 6

Partnership: We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.

Dialogue: We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organisations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.



An example of interaction with the corporate world is our successful series of morning lectures held each semester with a relevant theme for the business world. The theme for the autumn semester 2012 is “Is Denmark prepared for the future?”, which includes lectures on CSR, best practices, healthier employees, strategic tools etc. Through a combination of knowledge, inspiration and networking, the participants learn how to tackle some of the future challenges facing corporate Denmark.

UN RIO+20 Conference

Leading up to the UN RIO+20 Conference on Sustainable Development in June 2012, PRME and School of Business and Social Sciences launched a global competition entitled PRME LEADERS+20,¹³ urging students and lecturers worldwide to

present their shared vision of how the future generation of leaders should be educated. The intensive and global marketing of the competition contributed to the branding of the PRME initiative and the role of business schools in the creation of a sustainable development and a new generation of responsible leaders.

The Aarhus University Rio+20 delegation created a special website on Global Challenges, illustrating the research going on at the university on Green Growth, Energy, Jobs, Water, Food, Cities, Oceans, Disasters.¹⁴ This mapping of research connected to the Global Challenge is now continuing, and special interdisciplinary task forces are created to strengthen the cooperation between various disciplines not only at the School of Business and Social Sciences but across the university.

Exchanging knowledge and sustainable solutions

The school contributes to the development of society with research-based solutions through the exchange of knowledge and innovation in an equal partnership between university and industry and between the university and public stakeholders. The school bases its activities within knowledge exchange on the basic view that the exchange of knowledge is a structured framework for interaction between the university and the outside world, and that innovation is a potential which arises from the interaction between research, education and the environment.

Since School of Business and Social Sciences is part of Aarhus University, we are also committed to supporting and exercising the commitments and objectives of the university’s overall strategy. More particularly, the university is currently working on a strategy for knowledge exchange and how to contribute to solving grand challenges that the world is faced with, e.g. health and demographic change, climate change and resource efficiency, inclusive and innovative societies, clean and efficient energy, food security and the likes. Since all these are interconnected and complex challenges, they call for greater cooperation among disciplines in finding solutions. With the reorganisation of Aarhus University and the merger of disciplines, we are able to better draw on experiences and knowledge from colleagues across academic fields, thus reaping the greatest possible benefits in finding solutions to the intertwined global problems and avoiding pitfalls in the process, thanks to the broad range of expertise that exists in such cross-disciplinary collaborations.

13. <http://bss.au.dk/currently/news/news-item/artikel/un-and-business-and-social-sciences-launch-global-competition-focusing-on-the-leaders-of-tomorrow/>

14. <http://www.au.dk/en/research/globalchallenges/>



PRME

This is our **Sharing Information on Progress (SIP)**
Report on the Implementation of the **Principles for
Responsible Management Education**