

# Principles for Responsible Management Education

SHARING INFORMATION ON PROGRESS REPORT 2010

Griffith Business School

# Introduction



Griffith Business School (GBS) was the first University in Australia to sign up to the United Nations Principles of Responsible Management Education (UN PRME) and I am delighted to hereby renew our commitment.

Since signing up to PRME in 2007, GBS had undergone an empirical shift across all course offerings, together with business and community outreach initiatives, to ensure that we encompass responsible teaching of sustainability and corporate social responsibility.

PRME provides an engaging framework to advance corporate social responsibility through the incorporation of universal values into curricula and research and follows from a recommendation of all academic stakeholders of the United Nations Global Compact (UNGC).

In January 2010, Griffith University became a signatory of the UNGC and agreed to adhere to the 10 guiding principles with respect to human rights, labour, environment and anti-corruption. As a founding member of the Globally Responsible Leadership Initiative (GRLI), I have endeavored to make significant leadership contribution to research and thinking in this area.

GBS is also accredited with the Association to Advance Collegiate Schools of Business (AACSB International) and we are also active members of the European Foundation for Management Development (EFMD).

In 2008, GBS was accepted to participate in the Beyond Grey Pinstripes survey, which identifies the 'Global Top 100' academic institutions offering MBA programs with a strong focus on the social, environmental and economic aspects of sustainability. In this first submission Griffith Business School ranked as 27th in the World, number one in Australia and the Asia Pacific region, and number five outside the USA.

As you can see, a lot has been done by GBS since signing up to PRME, but there is still a long way to go. We invite our partner signatories to take a look at this, our first sharing of information report, and look forward to jointly advancing the

six principles for responsible management education through globally responsible leadership.

A handwritten signature in black ink, appearing to read 'M Powell', written over a light grey background.

Professor Michael Powell  
Pro Vice Chancellor (Business)  
Griffith Business School

# Responsible management: an educational imperative



At the beginning of the twenty-first century we face the perfect storm of climate change, global financial instability and resource depletion – leading to whole systems collapse. These events have the same roots: our enormous success as a species at populating the planet, and our greed and inefficiency. We have been borrowing from the future to pay for the present. These phenomena are accompanied by world power moving away from hundreds of years of US-European domination towards vast super-civilisations in Brazil, Russia, India, Japan and China. At the same time faith-based fundamentalism all over the world challenges liberal democratic human rights-based social progress.

These shifts are also accompanied by new models of political economy, new forms of communication, and new ways of organising supported by communications technology which allow us to live in virtual worlds and compress time and space. The principle challenge, though, for all humankind is learning how to live sustainably on planet Earth – here and now. Referring to the dismantling of apartheid in South Africa, Nelson Mandela said that ‘Sometimes a project looks too difficult until the project is done.’ The change that is necessary now is to build a socially just, low carbon, sustainable enterprise economy: to SEE Change.<sup>1</sup>

Working within Griffith Business School and across the university, it is our job to join with the wealth of talent, experience and enthusiasm that exists within Griffith University to ensure that the compelling immediacy of the current situation is faced; that the opportunities and challenges are fully understood, researched and articulated. Universities have an important job to do as humanity faces a very different future. The Asia

Pacific Centre for Sustainable Enterprise intends to be part of a positive approach to this future by looking for solutions wherever they may lie that will enable us to be the change and embrace the paradigm shift to living within the Earth’s carrying capacity. This calls for the best of humanity, for a raise in consciousness, for research and teaching on ‘what works on Earth now’ that we can learn from and apply. It calls for ‘uncommon leadership: leadership and governance for the common good’ – the title of one of our emerging research projects with Emerald and GRLI.

We are proud of where we work because we endeavour to embody sustainability, ethics, corporate responsibility and sustainable enterprise in all we do – with all the paradoxes, surprises, ambiguities and learning that this change implies for Griffith Business School, the University and society.

Professor Malcolm McIntosh  
Director, Asia Pacific Centre for  
Sustainable Enterprise, Griffith Business  
School

<sup>1</sup> This is the title of a forthcoming book from Sandra Waddock and Malcolm McIntosh which will be out later in 2010, published by Greenleaf Publishing: *SEE Change: The transition to the low carbon sustainable enterprise economy*

# PRME Principles

## 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.

GBS seeks to excel as a provider of high quality, cross-disciplinary and internationally relevant business and public policy education and research, emphasising the relationship between business and society in promoting sustainable enterprises and communities.

### Our values

- Responsible leadership – giving our students the knowledge, skills and values to encourage them to become responsible leaders in the future, with a concern for planet and people, as well as profit.
- Sustainable business practices – researching, developing and promoting social, financial and environmental approaches that lead to sustainable businesses and communities.
- Global orientation – providing education and research that recognises we operate in a fast-changing global environment, which prepares global citizens, with a special focus on the Asia Pacific region.

### Major achievements

GBS are now able to offer students the option of studying for a post-graduate Certificate in Sustainable Enterprise, as either a stand-alone qualification or as a specialisation within the Griffith MBA Programme.

The program aims to create a new generation of business leaders who contribute to the creation of sustainable and inclusive markets by providing a framework for understanding the challenges and opportunities ahead.

Students will learn how to manage business, while creating a positive change in society through developing a better understanding of the role, dynamics and impact of corporations in the creation of social, environmental and economic value.

Whilst being exposed to a wealth of learning opportunities, students are encouraged to question their own beliefs and assumptions in the areas of sustainability and corporate social responsibility. A number of guest speakers, who can offer real life examples of working in this arena, add a practical perspective to the course. Students' work through the following four modules

### Business Responsibility for Sustainable Development

This course introduces students to the notion of sustainable development, identifies the elements necessary for sustainable practices in enterprises and considers the broader socio-political context in which successful sustainable enterprise is embedded. A sustainable enterprise is one that seeks to operate efficiently, ethically and ecologically by managing its processes, products and people in an environmentally aware and socially responsible manner. This course investigates the drivers, motives and processes of organisational, political and societal change towards corporate responsibility for sustainable enterprise.

### Environmental Management

This course introduces the principles and elements of environmental management systems that can help business, government and other organisations move operations towards sustainable practice. The course examines multiple approaches to environmental management and reporting, with a focus on understanding and applying the ISO14000 series (an international framework for environmental management).

### Stakeholder Management

This course provides students with a greater understanding of the business-society relations that shape sustainable enterprise and finance. Participants explore the various organisations constituting the business environment and the different ways of engaging them. The latest challenges in investor relations, consumer relations, government relations, and relations with non-governmental organisations are explored, covering topics such as sustainable marketing and responsible investment.

### Sustainable Enterprise, Leadership and Change

This course enables students to integrate their understanding of, and invigorate their commitment to, the generation of sustainable enterprise. Students will explore enterprise solutions to societal challenges, such as social disadvantage and biodiversity conservation. With visits to relevant organisations and communities, and development of sustainable enterprise plans, students will learn concepts, styles and skills of leadership that are relevant to sustainable enterprise.

For more information on this program visit the APCSE website

> [griffith.edu.au/business/sustainable-enterprise](http://griffith.edu.au/business/sustainable-enterprise)

## Principle 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.

GBS believes that we are excelling in encompassing responsible education practices across the board and we have been accredited with the Association to Advance Collegiate Schools of Business (AACSB International). Griffith was the first of only three Australian universities

admitted to the Pacific Asian Consortium for International Business Education and Research (PACIBER). We were also the first Australian Business School to be admitted to the Globally Responsible Leadership initiative, which aims to promote understanding of globally responsible leadership and to develop its practice.

However, in an initiative to ensure our continuing success we are hosting a workshop in August 2010 which will ask prominent guest speakers and representatives from business, industry and academia 'What should business and management schools be teaching?'

### Major Achievements

Griffith MBA program has been ranked 27 in the Global 100 by The Aspen Institute Centre for Business Education for the Beyond Grey Pinstripes (BGP) research survey. BGP spotlights innovative full-time MBA programs leading the way in integrating social and environmental stewardship into curriculum and scholarly research.

The vision of the Griffith MBA program is to develop forward thinking and responsible leaders. GBS is a leader in management education and the program is the only MBA in Queensland to have been awarded a five-star rating by the Graduate Management Association of Australia for eight consecutive years.

MBA core courses are rich with research and practice informed sustainability content. Graduates leave the program with leadership and strategic capabilities for application in multi-cultural contexts; an ability to be effective in a socially responsible and sustainable manner in an increasingly global workplace; an ability to manage public and private sector interfaces and a capacity to analyse, interpret, and ethically apply triple bottom line principles.

Additional skill enhancement opportunities are available to MBA students through the 48 elective courses which sit within 9 separate specialisations. The specialisations are designed to increase the competencies to evaluate internal and external expert advice and to make decisions consistent with achieving sustainable outcomes for multiple stakeholders.

A common theme in many specialisations is globalisation and corporate social responsibility looking at issues such as labour standards; wage arbitrage; economic instability and the environmental impacts (carbon footprints) associated with global supply chain and logistics management. Other aspects covered include international finance; responsible investment; ethical human resource management; sustainable marketing; information system management and operating in trans-national environments.

For eight consecutive years, both the Griffith MBA and the International MBA have been awarded a 5 star rating from Graduate Management Association of Australia, which is based on outstanding performance in areas including quality of teaching staff, curriculum and industry links.

### Principle 3: Method

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

GBS wholeheartedly believe that the business leaders of tomorrow should take corporate responsibility and sustainability as seriously as their financial bottom line. That's why we are integrating corporate global responsibility principles across all of our programs including undergraduate degrees.

### Major Achievements

GBS has recently introduced a Bachelor of Business, with a Sustainable Enterprise major. Corporate social responsibility and sustainability have emerged as global management priorities. An organisation's impact on environmental and social issues is as important as financial gains. A lack of commitment to these issues can result in increasing public scrutiny, with serious consequences for an organisation's future and its employees. In this major, students gain the skills and knowledge base necessary to manage the sustainability needs of organisation's, and develop

the analytical, communication and decision-making skills to implement sustainable business solutions.

In addition Griffith University's Pro Vice Chancellor of Business, Prof Michael Powell, was a founding member of the GRLI, of which Griffith University is now a member.

Prof Malcolm McIntosh Director of the Asia Pacific Centre for Sustainable Enterprise (APCSE) together with Prof Carol Adams from La Trobe University, Melbourne, and Henri-Claude de Bettignies from the China Europe International Business School, Shanghai are involved in a long term publishing project with GRLI and Emerald publishing on 'Uncommon Leadership: Leadership and Governance for the Common Good' with the expected publication of books over the next ten years.

The School's commitment to ethical, social and corporate sustainability is further demonstrated through the activities of the Centre for Governance and Public Policy, which focuses on the sustainability and accountability of governments.

### Principle 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.

Some of the current research being undertaken by GBS researchers in this area includes:

- A comparative study of CSR standards and principles in the extractive industry in India and Australia
- Analysis of CSR trends in the year 2009
- Analysis of implications from Copenhagen for responsible corporate lobbying of national and international governance
- Barriers to energy efficiency
- Behaviour change for sustainability in organisations

- Emotion as a driver of pro-environmental behaviour
- How and why is sustainability enacted in the civil construction industry?
- Human security and sustainable enterprise
- Leadership and governance for the common good
- Leverage points to speed up the emergence of the sustainable enterprise economy
- Measuring the Socio-economic Vulnerability from Climate Change: The Cases of Coastal Kimberly and Bay of Bengal Delta
- Sustainable luxury management
- The role of trade unions in the current climate policy debate
- The Urban Water Security Research Alliance
- Trimming the sails: reducing greenhouse emissions in large desktop and laptop fleets
- Understanding the learning processes which underpin change

### Major Achievement

Prof Malcolm McIntosh, Director, APCSE, GBS, in partnership with Professor Sandra Waddock from Boston College, USA, has been working on the transition to the sustainable enterprise economy. A brief extract from their forthcoming book outlines the ongoing research and publication in various books and journals.<sup>2</sup>

‘The world is beset with problems . . . so many that they sometimes seem insurmountable. And some, like climate change, global inequities, resource and ecological collapse, a degree of urgency that are creating what we have not half-jokingly noted is an emergency—EmergenSEE, or SEE change, calling attention to the urgency associated with the need for change. SEE Change emphasizes an emerging sustainable enterprise economy. Underlying SEE Change is change—systemic change toward that sustainable enterprise economy, with many institutions, enterprises, and collectivities now

organizing for real change in the world’s social, political, financial, and ecological systems.

The emergency part, of course, is whether change will be big and soon enough to make a difference, so devastating and deep are some of the problems we are facing. Indeed, it can be discouraging even to recount the many ways in which humanity is failing our planet. In this book, although we do begin with an overview of some of the major issues facing humanity and the planet, many of which it could be argued that humanity has created for itself, we ultimately want to try to paint a more optimistic picture. We believe that enterprises of all sorts, business enterprise included, can and need to be sources of innovation, creativity, and sensibility, in creating what we call SEE Change: change toward a Sustainable Enterprise Economy.

SEE Change will be difficult, but as we hope to illustrate, the seeds of change in all sectors and in new and fundamentally different forms are already being planted and beginning to grow. But there is a core problem in that we, as humans, need to learn to ‘see’ in new ways to begin to recognize it and to create a sufficiently broad, coherent, and integrated social movement for change that can overcome the moment of the current system. Basically, we need to recognize that change at the system level, not just incremental change, is needed. Change is needed in our financial structures and systems, in what we value and do not value in our economic systems, and in the many human systems and organizations that have conceived, developed, and implemented. Deep change is needed in the purposing, goals, and practice of business enterprise. Change is needed in the ways that we, as humans, relate to nature and natural systems, most of which are under severe stress as we write, from resource overuse and depletion, the strains of a quadrupled population during the 20th century, and human impact on climate. And change is needed in the ways in which we relate to each other, use our time, and build our communities.

Thus, we can think about SEE Change in a number of ways that relate to the ‘SEE Change’ that frames this book and with which this chapter will deal. First, there is the capacity to actually ‘see’ the changes that are needed—what we believe are big and important changes in the ways that society organizes itself with respect to planetary resources. Thus SEE Change is about systemic change within the whole of society that affects businesses and other enterprises, that creates new

organizational models and partnerships, and crosses old boundaries, and that uses the new technological capacities and attendant transparencies to create new pressures that can potentially democratize societies and their enterprises in a real way.

There are, of course, dangers and risks associated with this type of transformation, because no one can predict the actual outcomes or full implications of significant and potentially disruptive system change. Yet we already can see, as this chapter will detail, the clear need for change if humanity is to not create untenable conditions for our grandchildren to live in. Thus, what we need is truly ‘sea change,’ change that focuses beyond simply ‘sustainability,’ with its implications of maintaining what already exists in its current state. We really need to move toward a new way of organizing societies and enterprises that results in thriving, not simply sustaining, and for the many, not for the few. And the definition of ‘many’ in this context needs to encompass not just human beings but also the other creatures and species that live on the planet, which are inextricably bound together in what physicist Fritjof Capra has called the web of life.<sup>3</sup>

We believe that a move to SEE—the sustainable enterprise economy—is imperative. Humanity, that is, needs a sustainable enterprise economy, filled with sustainable enterprises of all sorts, and based on significantly different economic imperatives than today’s growth-oriented, profit maximizing, rich-get-richer incentives. The question is: how do we move to this SEE Change in light of the many obstacles to change and in the face of significant climatic, economic, and social disruptions that have now become evident. In this chapter, we will highlight the current conditions. Then we will highlight both ‘top down’ change from existing (and frequently large) institutions, such as multinational corporations, and ‘bottom up’ change from new types of enterprises that are beginning to be established with multiple bottom line orientations.

Underlying these descriptions is a sense that no single theory of change or, indeed, practice of change, will effect needed transformations in the economic, social, and political spheres. We believe that we will need change coming simultaneously from many different directions and taking numerous and varied forms. In this and the next chapter, we will try to document that some of that change is already under way. The significant question then becomes will significant change come soon enough?’

<sup>2</sup> Sally Russell and Malcolm McIntosh, ‘Organizational Change for Sustainability’, in Neal Ashkanasy, Celeste Wilderom and Mark Peterson, eds, *Handbook of Organizational Culture & Climate*, 2<sup>nd</sup> ed., Sage, forthcoming; Malcolm McIntosh, ‘The Imperative of Rapid Adaptation to Climate Change: Are the Lights On in the Boardroom?’, in Andrew Kakabadse and Nada Kakabadse, eds, *Global Boards: One Desire, Many Realities*, Palgrave Macmillan, Houndmills, 2009; Malcolm McIntosh and Sandra Waddock in Andreas Rasche and Georg Kell *The UN Global Compact* (2010) Cambridge University Press; Sandra Waddock and Malcolm McIntosh, ‘Beyond Corporate Responsibility: Implications for Management Development’, *Business and Society Review*, vol. 114, no. 3, 2009; Malcolm McIntosh ‘Re-visiting the World and Co-creating a Future’ in *Journal SAMPJ*, later 2010. Emerald Publishing.

<sup>3</sup> Fritjof Capra, *The Web of Life*. New York: Anchor Doubleday, 1995

## Principle 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.

GBS presently boasts an Alumni Network of over 7,700 with a significant number of these graduates securing senior roles across a range of industry sectors. MBA Alumni are members of the School's Strategic Advisory Board providing advice on curriculum design and business planning. MBA Alumni also play a key role in School events including student recruitment and engagement, networking, guest lecturing and career mentoring. This cohort is one of many that is utilised to educate and inform business of their responsibilities in meeting social and environmental challenges.

### Major Achievement

In June 2010 Prof Malcolm McIntosh, Director, APCSE, GBS, was elected to the Steering Group for the UNGC Australian Network. Malcolm was formerly a Special Advisor to the UNGC and has written extensively about it over the last decade. This partnership will ensure that organisations across Australia will learn more about the UNGC through workshop and seminars.

On June 8, APCSE, in partnership with the United Nations Association of Australia and Earth Watch, hosted a seminar entitled *The 10th anniversary of the United Nations Global Compact and the emerging sustainable enterprise economy*. The seminar elaborated on the first ten years of the UNGC and looked at its role over the next decade. The seminar included guest presentations from UNGC signatories, and local representatives from the United Nations Association of Australia and UNGC Australian Network.

## Principle 6: Dialogue

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

We understand that our own organizational practices should serve as example of the values and attitudes we convey to our students.

GBS established APCSE in 2009 to become, among other things, a lively focal point for debate and discussion around responsible business and sustainability in the GBS, University and wider community.

GBS also supports dialogue through staff participation and attendance at numerous events in this space. Notably, on behalf of GBS, Prof Malcolm McIntosh, APCSE, Director, attended the Global Forum for Responsible Management and the UNGC Leaders Summit 2010 both held in New York, USA, June 2010.

### Major Achievements

#### Sustainable Enterprise Seminar Series

The public seminars in this series are free of charge and are designed to be interactive and promote open discussion on a wide range of sustainability issues. Each seminar attracts around 80 to 100 guests and includes a panel of local and international speakers from academia, business, government and civil society. The seminars are followed by a networking function.

- The 10th anniversary of the United Nations Global Compact and the emerging sustainable enterprise economy (08.06.10)
- Responsible investing: where the rubber hits the road (22.04.10)
- Reflecting on the lessons from Copenhagen and the way forward (22.04.10)
- Renewable energy targets and living off the grid (24.09.09)

- Sustainable supply chain: retail and transport perspectives (02.07.09)
- The cost of climate change – finance industry perspectives (14.05.09)
- Affordability v sustainability in the built environment (19.03.09)

In line with the UNGC seminar held on 8 June, 2010, APCSE launched a series of papers inspired by the UNGC from leading academics and practitioners in corporate responsibility including contributions from Allen White, John Elkington, and others, with an introduction from the editors Prof Malcolm McIntosh, APCSE, Director, and Prof Sandra Waddock, Boston College, USA. The essays are available for free from the APCSE website

> [griffith.edu.au/business/sustainable-enterprise](http://griffith.edu.au/business/sustainable-enterprise)

#### Research Workshops and Seminars

The research workshop and seminars are similar to the seminar series, but are structured more intimately, and as the name suggests, have a stronger focus on research.

- The difference makers: shaping and sustaining the corporate responsibility movement (07.06.10)
- Easy? Changing business for the sustainable enterprise economy (29.04.10)

#### Research Collaboration Workshops

APCSE hosted several Research Collaboration Workshops in March, April and June in 2010. The workshops are designed to stimulate collaborative research opportunities amongst Griffith staff and students interested in sustainability.

#### 2009 Asia Pacific Academy of Business in Society Annual Conference

In November 2009, GBS hosted the 2009 Asia Pacific Academy of Business in Society (APABIS) Conference, which took a forward perspective on partnerships between business, government and society and how each plays a role in addressing the key development challenges of the future. The conference attracted delegates from around the world representing government departments, industry, NGOs and business.



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