

FUNDAÇÃO DOM CABRAL



DESENVOLVIMENTO DE EXECUTIVOS E EMPRESAS

**PRiME** Principles for Responsible  
Management Education

## **Sharing Information on Progress Report (SIP)**

**June, 2010**

## **INTRODUCTION**

This Sharing Information on Progress Report aims to offer a concise account of our main achievements and of our institution's progress towards sustainability under the framework of the Principles.

It also reports on the next steps in FDC's core concern as regards sustainability in executive education and the practices of corporate responsibility.

As a signatory to the UN Global Compact, FDC is committed to the Principles for Responsible Management Education (PRME) and to the Globally Responsible Leadership Initiative (GRLI), of which FDC is a founding member. Therefore, FDC is committed to sustainability, to economic and social inclusion, and to the creation of conscientious leaders who will be good executives committed to enhancing their performance and building a sustainable world, as well as to supporting corporations on governance, transparency and corporate responsibility.

## I. LETTER OF RENEWED COMMITMENT

Nova Lima, June 24<sup>th</sup>, 2010.

PR.024/2010

### **Dr. Manuel Escudero**

Special Adviser to the United Nations Global Compact  
Head, PRME Secretariat  
Executive Director, Research Center for the Global Compact  
The Levin Institute

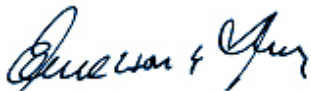
Ref. ***Letter of renewed commitment***

Dear Dr. Manuel Escudero,

Fundação Dom Cabral has expressed its commitment to the Principles for Responsible Management Education. We have been engaged in a continuous improvement process to apply the Principles for Responsible Management Education and to report on our progress to all stakeholders while exchanging effective practices with other academic institutions.

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

We wish to go on developing our own practices and program curricula continuously in order to help to support the cause of responsibility in business.



Emerson de Almeida  
Dean

## II. PROGRESS CONCERNING THE 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.

This Principle is closely related to Fundação Dom Cabral's mission, which is to "Contribute to the sustainable development of society by educating and developing the skills of executives, entrepreneurs and companies". In its strategy for the 2010-2014 timeframe, FDC seeks to "Be recognized for generating and implementing educational solutions to create sustainable results for society, for companies, and for organizations from both the public and the third sectors". One of the paths forecast to reach such an objective is that of "internalizing sustainability and social responsibility values...". Thus:

1. This year we have promoted a seminar with all the FDC technical staff, involving professors and program managers, to discuss "The FDC Reason for Being". Our purpose was to gain a greater understanding of our responsibility vis-à-vis society, and particularly of our role in educating and building the skills of executives and entrepreneurs and in developing companies, thus incorporating the values of sustainability into business and into society. A document about "The FDC Reason for Being" subsidized the debates and it is being reviewed to incorporate the results of the seminar.
2. We have created the "Development Fund", and 50% of our annual net results will be placed in it to finance investments in the institution's development, mainly as regards activities linked to sustainability and social responsibility.

### 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.

FDC is aligned with this Principle, as its strategic objective is to "develop in its managers and professors the competence to add the sustainability and social responsibility theme into its projects and products...". Main achievements:

1. Degree Programs:
  - a. We have incorporated the Ethics module as a compulsory discipline in all our Specialization in Management programs.
  - b. We have developed 22 professors who teach the Specialization in Management Program to incorporate the sustainability and corporate responsibility theme into their respective disciplines. The approach to the theme is now carried out transversely throughout all disciplines and not by means of one specific discipline.

- c. We have increased the workload of the sustainability module in our MBA programs.
2. In-Company Programs:
- a. We have encouraged and supported managers and professors to insert the sustainability and corporate responsibility theme in the programs.
  - b. Several programs with large companies already incorporate the theme:
    - i. Philips - Education and Leadership for Sustainability.
    - ii. Odebrecht - Business Sustainability.
    - iii. Energisa - Community Projects.
    - iv. Eletrobrás - Preparation of the Sustainability Report According to the GRI Model.
    - v. Furnas - The Fundamentals to Prepare the Annual Report on Social and Environmental Responsibility.
    - vi. Funbio – Process Redesign to optimize the acquisitions of the Projects of the Brazilian Fund to Preserve Biodiversity.
    - vii. EADS (Airbus) – Presentation and discussion with the participants of the Research Project “The Challenges Facing Companies’ Sustainability and Strategic Planning”.
    - viii. Halma – A visit to the Casa do Jardim school. One day in contact with underserved children, when resources were donated.
    - ix. ARPEL - The Association of Oil and Gas Companies in Latin America and the Caribbean / RECOPE - Refinadora Costarricense de Petroleo - Globally Responsible Leadership.
    - x. BASF - Leadership Development Program.
    - xi. SEFAZ-BA - Manager Development Program — Developing management that is more oriented to results, more humane and participative.
3. Open Enrollment Programs:
- a. GRS Program - Responsible Management for Sustainability: it aims to enhance awareness and strategic vision in executives as regards sustainability issues and social responsibility management by proposing changes in management practices from a conceptual basis and the tools to support such actions.
  - b. Sustainability for Civil Construction Managers Program: it aims to develop leadership within the civil construction sector and its chain, taking into account the needs of various stakeholders. It is based on the mastery of concepts and tools on managing sustainable ventures.
  - c. We have been gradually introducing the sustainability and corporate responsibility theme into our open programs:
    - I. In the STC – Skills, Tools and Competencies Program there is a module on “Our common future: sustainable decision-making”.
    - II. The PDE - Executive Development Program develops the theme “Ethics, the Individual, Society and the Company”.
4. Partnerships with Companies:
- a. We have a set up the Partnership for Sustained and Sustainable Growth – PCS2, with mid and large-size companies that believe in generating wealth for

all their stakeholders, and that seek to discover, adopt and share new methods and tools to develop the business growth model of the future that will focus on sustainability and business perennity. The group of participants is made up by the leaders who will lead these companies to a new level of sustained and sustainable growth. The partnership will last for 5 years, and its pillars are: the Business Project for Sustained and Sustainable Growth; guidance from the Sponsors' Committee; Cooperation and Exchanges among the companies; visits to benchmark companies.

- b. We have also set up the Partnership with Social Organizations – POS, with social organizations that wish to implement professional management and become self sustainable so they can ensure broader actions that will achieve increasingly improved results. The aim is to contribute with the organizations to enhance what they do best: contribute towards changing society. The participants are the managers of the organizations, and the partnership will last for 3 years. The activities of this partnership will involve: knowledge transfer, implementing a management system, and exchanging experiences.

### Principle 3

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

One of our strategic objectives is to “develop competence to structure educational solutions by means of knowledge centers and their development and reference centers, which will be able to respond to the demands put forth by society”. Innovation in programs and teaching methods is a permanent objective, and we have made progress at creating learning methodologies and materials as regards sustainability and social responsibility.

Some examples:

1. In the CEMIG company Successor Development Program we have developed a methodology based on Mintzberg's text “The 5 Minds of a Manager”, which has guided the preparation of the study carried out by the successors of current leaders on Responsible Leadership and its Values at CEMIG.
2. We offer the market a Coaching Program to develop responsible leaders.
3. We are reformulating the Responsible Management for Sustainability Program – GRS as regards its structure, content and methodologies. The main aim is to bring more pragmatism into the program and focus on the reality at organizations.
4. Application projects that focus on sustainability are developed in the MBA and Specialization and Management Programs. As a result of such a methodology, in one of the MBA groups the students decided, voluntarily, to reform and enlarge a nursery school in an underserved region near the Campus, in Jardim Canadá, in Nova Lima.
5. One FDC professor has created a virtual Ning network named Sustained and Sustainable Growth. This is an initiative to discuss the capacity to bring together performance, growth and social and environmental responsibility.

## 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.

One of the challenges facing the FDC long-term strategy is generating relevant and innovative knowledge in management. The various research projects we have been developing on the theme sustainability and corporate responsibility illustrates our strategic focus, as well as our commitment to applicable knowledge.

Our research activities on these themes are developed by the Petrobras Sustainability Center, which is sponsored by Petrobras, the largest Brazilian company. The Center has been developing the following activities within its structure:

1. At the Reference Center in Responsible Management for Sustainability – CRGRS:
  - a. Sustainability and Corporate Governance– SGC: an analysis of norms, manuals and laws that deal with the corporate governance theme; the creation of a tool to assess sustainability and corporate governance.
  - b. The Challenges to the Sustainability and the Strategic Planning of Companies in Brazil – SPE: An analysis on sustainability and strategic planning, also dealing with the reputation and integrated local development themes; the creation of a tool to assess sustainability and strategic planning.
  - c. The Challenges to the Sustainability and People Management of Companies in Brazil – SGP: An analysis of sustainability and people management, also dealing with the reputation and integrated local development themes; the creation of a tool to assess sustainability and people management.
  - d. Sustainability and Power in Organizations: the systematization of research on sustainability and leadership education, governance, strategic planning and people management; it aims to organize the arguments produced in CRGRS research, as a basis for interlocution between sustainability and power in organizations.
  - e. A pilot project on education and the application of the methodology developed in the research project "Sustainability and Strategic Planning" to management reality at Braskem.
  - f. A pilot project on education and the application of the methodology developed in the research project "Sustainability and People Management" at Camargo Correa.
2. Responsible Retailing Development Center – CDVR:
  - a. The Responsible Retailing Code of Conduct and the "Retailing of the Future" Model: After research and interaction with companies and with society, the initial versions were formatted and then later offered to public appreciation at events and via the Internet.
  - b. The Development of Criteria for the Fecomércio Award for Responsible Retailing.

3. Other Research:
  - a. Challenges to Sustainability and the Strategic Planning of Companies: the evolution of companies at managing their involvement with Brazilian challenges to sustainability.
  - b. A mapping of the political, social, environmental and economic challenges facing the country as regards sustainability.
  - c. Bibliographic research and interviews with experts that led to identifying 47 challenges to sustainability.
  - d. The following items were checked by means of a questionnaire directed to those responsible for formulating strategy at companies: the level of incorporation of each sustainability challenge into planning, its importance to the company and its impact on the business, and the approach of the company to the 4 key challenges.
4. IBM Corporate Services Corps: a register and assessment of the process and of the impact of Modules 5 and 6 of the IBM Corporate Services Corps and the systematization of their learning. Products: a core document that will encompass systematization and the register and 3 thematic documents, under the guise of case studies and articles to be presented or published. At the same time, a monitoring methodology and a system of indicators that, eventually, may be used to assess future groups and thus allow comparative studies.
5. Several publications dealing with the theme sustainability and social responsibility:
  - a. Book Chapters:
    - i. Sustainable Scorecard as an actionable framework for managing sustainability: the case of tube Brazil. 2009. Author: Oliveira, A. M. F. Reference: Corporate Environmental Management Information Systems: Advancements and Trends.
    - ii. Natura Ekos: essências de perfume promovem o desenvolvimento sustentável no Brasil. 2008. Author: PARO, Roberta. Reference: Creating Value for All: strategies for doing business with the poor (UNISA/South Africa) (international launch by UNDP/English).
    - iii. Preempting land-related conflicts: the case of VCP and eucalyptus plantations in Brazil. 2008. Author: PARO, Roberta. Reference: The Business of Sustainable Development in Africa (UNISA/South Africa).
    - iv. Votorantim Celulose e Papel (VCP): plantando eucaliptos em parceria com os pobres rurais. 2008. Author: PARO, Roberta. Reference: Creating Value for All: strategies for doing business with the poor (UNISA/South Africa) (international launch by UNDP/English).
  - b. Articles in Newspapers and Magazines:
    - i. Sustentabilidade Responsável. Author: BOECHAT, Claudio Bruzzi. Reference: Dom: a Revista da Fundação Dom Cabral, Bh, n.05, 2008.

- ii. Round Table – “Investimento e retorno no campo da sustentabilidade: uma visão financeira. Author: Cláudio Boechat; Marco Antônio Fujihara. Reference: Dom: a Revista da Fundação Dom Cabral, Bh, n.05, 2008.
- c. Case Study Reports:
- i. Natura Ekos: Essências de perfume promovem o desenvolvimento sustentável no Brasil. Caderno de Casos. Nova Lima: FDC, 2009. Author: BOECHAT, C.B.; PARO, R.
  - ii. Programa de Suinocultura Sustentável Sadia (Programa 3S): trazendo sustentabilidade para a cadeia de suprimentos. Caderno de Casos. Nova Lima: FDC, 2009. Author: BOECHAT, C.B.; WERNECK N.; MIRAGLIA, L.
  - iii. Votorantim Celulose e Papel (VCP): plantando eucaliptos em parceria com os pobres rurais . Caderno de Casos. Nova Lima: FDC, 2009. Author: BOECHAT, C.B.; PARO, R.

## 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.

One of the FDC principles is that of Partnership, “by means of which limitations are overcome and solutions obtained as a result of the interaction among Fundação Dom Cabral, people, institutions and companies”. Several of our activities as regards sustainability and social responsibility are carried out in interactions with the leaders and managers of our partner companies, thus enhancing our knowledge and actions in this field. The activities that are currently being carried out include:

1. The 10,000 Women Program – Entrepreneurial Women Development Program, carried out in partnership with Goldman Sachs Bank. It aims for the social inclusion of entrepreneurial women.
2. Partnership with IBM in its IBM Corporate Services Corps Program, aiming at the participation of the company's international executives as volunteers in NGO work. FDC has made it possible to carry out support for managing the Casa do Jardim nursery school in Jardim Canadá, near the FDC Aloysio Faria Campus in Nova Lima.
3. The activities carried out by our Reference Centers and our Development Centers are developed in partnership with companies. Currently, approximately 30 companies are partners at the following Centers:
  - a. Reference Center in Responsible Management for Sustainability.
  - b. Responsible Retailing Development Center.
  - c. Sustainability in Civil Construction Development Center.

## 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.

It is an FDC strategic objective to “implement programs aimed at sustainable businesses with social inclusion, mobilizing and integrating leaders around relevant social projects...”. We have supported several activities:

1. CEMIG –Energy Biennial Program: leaders of the country’s main companies took part in this program. FDC suggested the themes for the lectures, invited the lecturers and facilitated debates focused on Leadership and Sustainable Growth in Brazil and in organizations.
2. Several Congresses, such as, for example, Sustentar, the Brazilian Ethics Congress, etc.
3. This year we will host, in partnership with the European Foundation for Management Development – EFMD, the Conference on Climate Change and Globally Responsible Leadership, at the same time as the Annual Meeting of the FDC International Advisory Council, which will bring together about 150 international leaders from business schools, companies, governments and social organizations.

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

It is part of the FDC strategic objectives to "encourage our collaborators to become change agents in society". Thus, we have been carrying out several activities that also serve as an example to our students:

1. The creation of the Sustainability and Social Inclusion Committee to coordinate FDC actions in these areas.
2. The Responsible Management for Sustainability Program – GRS, for FDC collaborators.
3. Implementing the Selective Waste Collection and Recycling Program at the FDC Aloysio Faria Campus to improve selective collection and encourage the correct destination of recyclable waste. It involves the collection of paper, plastic, metal and glass waste that is given its correct destination and will generate revenue for the NGO partners that process them. In partnership with the General Association of Alphaville Lagoa dos Ingleses (where the Campus stands) and with Mineração Vallourec & Manesmann (located near the Campus), we have extended this program throughout the district by setting up 2 Eco-points for selective waste collection.
4. Initiatives to reduce paper consumption:
  - a. In partnership with PAEX – Partners for Excellence member companies, all the teaching material, booklets, professor presentations, case study and research texts, are handed to students in memory keys. Printed material is only offered to the students that so wish, actually very few of them.
  - b. In our Open Programs we have started a detailed work to rationalize better the use of paper for the materials used during the activities in all our

- programs. First results point to an initial reduction of 20% in the amount of printed material.
5. An annual program to select proposals for projects that will generate knowledge on the sustainable development of local communities and social inclusion. These proposals are presented by our collaborators and will be financed by FDC. This initiative seeks to encourage projects aimed at the social, economic, environmental and cultural development of local communities and their social inclusion.
  6. The FDC Volunteers' Committee, which aims to support community projects that involve FDC collaborators:
    - a. Supporting NGOs:

Primeiros Passos nursery school, in Nova Lima, to hold a Christmas Party and to prepare its Funding Plan.

      - i. Support for the Casa Raio de Luz nursery school.
      - ii. Support to hold Ponto Cultural.
      - iii. Support for Espaço Especial, which aims to educate people with brain damage at Alphaville Lagoa dos Ingleses.
    - b. Enlarging the public library in Jardim Canadá.
    - c. Supporting Escola Estadual Dom Orione (state-run school) to set up an IT and training laboratory; support to set up a public library in the town.
    - d. Distributing of Christmas food baskets to the staff who work for Qualy Service and FortBanco, companies that serve FDC.
    - e. Hosting the Christmas Bazaar and the Mother's Day Bazaar at the Campus.
    - f. Participating in promoting Children's Day and Education Day at Fundação Dom Cabral, with the participation of students from state-run schools in Jardim Canadá.
    - g. Participating in a visit by students from SEBRAE and from Colégio Liceu Imaculada to the Campus.
  7. Actions in the Campus surroundings, especially in the Jardim Canadá district in Nova Lima, with the aim of coordinating and enhancing actions towards its sustainable development:
    - a. FDC has played the role of a nucleus entity towards a partnership with entities in the Campus surroundings - Associação Industrial e Comercial do Jardim Canadá, Associação Geral do Alphaville and Casa do Jardim nursery school, with the aim of setting up a Master Plan for networked actions to be developed in the district.
    - b. We take part in the Estação do Conhecimento NGO in Jardim Canadá, in partnership with the VALE mining company and the Nova Lima City Hall.
    - c. We have an agreement with Fundação Flávio Gutierrez and with Museu de Artes e Ofícios to support a restoration course in wood art objects for underserved youths, mainly those from Jardim Canadá.
  8. Scholarship:
    - a. We offer scholarship grants in our Specialization in Management Program for low-income community leaders and entrepreneurs.

- b. One percent of FDC revenues are offered to Fundação José Fernandes de Araújo for scholarship grants to underserved students at Pontifícia Universidade Católica de Minas Gerais.

### **III. FUTURE PERSPECTIVES AND KEY OBJECTIVES.**

The FDC strategic objectives as regards the sustainability and social responsibility theme, which have been aimed for and have been presented above, remain for future years and will guide our actions. The programs and activities that are currently being developed will remain in place and be enhanced. Furthermore, new initiatives are already being prepared:

1. Apply the solutions proposed in the application projects prepared by FDC collaborators who take part in the Responsible Management for Sustainability Program - GRS.
2. Enhance the Selective Waste Collection and Recycling Program so it will include composting the residue from trimming the plants and organic residue to produce fertilizer.
3. Create the Inclusive Market Reference Center, whose initial studies are currently ongoing.
4. Include the 3 Globally Responsible Leadership Commitments on the back cover of the Open Program booklets to raise participants' awareness towards responsible leadership.
5. Develop ways to broach sustainability and social responsibility in the FDC programs that do not yet deal with the theme.
6. Develop sustainability methodology for the PAEX partnership and build sustainability indexes for participating companies.
7. Create a special area in our library to disseminate sustainability initiatives (books, reports, DVDs).
8. Launch the program "Networked Environment" in partnership with other local entities and aiming to contribute to turning the Alphaville Lagoa dos Ingleses region, which surrounds our Campus, into the local that exhibits the best perception as regards environmental quality for its current, transitory and future populations. The projects and specific objectives of this program are:
  - a. Water Project: Monitoring and Transparency
  - b. Soil Project: Vegetation Land Cover and Silting
  - c. Air Quality Project: Measuring Points and Tree Corridors
  - d. Waste Project: Selective Collection, Recycling and Composting
  - e. Traffic Project: Highway and Police Roadblocks
  - f. Building Project: Lecturers and Supplier Fairs

### **IV. SUPPORT THAT MAY BE OF HELP FROM OTHER PRME SIGNATORIES OR FROM THE PRME STEERING COMMITTEE.**

We will be following key initiatives by the PRME community that could be most helpful to us in achieving our key objectives, and we will be interacting with our partners accordingly and exchanging our own experiences.