



The Rio Declaration on the Contribution of Higher Education Institutions and Management Schools to The Future We Want: A Roadmap for Management Education to 2020

We, the representatives and stakeholders of the world's management and business schools and Higher Education Institutions (HEIs) assembled at the Third Global Forum for Responsible Management Education, 14-15 June 2012, the official platform for management-related HEIs at the 2012 United Nations Conference on Sustainable Development (Rio+20), reaffirm our commitment to the role that management and leadership education will play in society according to sustainable development -- meeting the needs of the present without compromising the ability of future generations to meet their own needs.

We here summarise the agreements and actions taken to date and set out a roadmap for management and leadership education for the next decade, outlining our commitments and the assistance we request from others to achieve this goal (A full Strategic Outcomes Document with concrete commitments will follow this summary).

From Rio 1992 Earth Summit to 2012 Rio+20

Over the intervening 20 years since the Rio 1992 Earth Summit, a key development has been the increasing consensus that business leaders and private sector organisations have a legitimate and crucial role to play alongside political and civil society leaders in leading change to embed sustainable development as a core principle guiding our global society, as evidenced by the formation and development of initiatives such as the UN Global Compact and the World Business Council for Sustainable Development.

In recognition of this, multiple stakeholders, not least business leaders, themselves, have identified the central role that management and business schools, through their research and education activities, have to play in equipping a new generation of organisational leaders capable of leading the change required for the future we want. In the decade since the Johannesburg Summit on Sustainable Development in 2002, there has been substantial activity in mapping the agenda for the future of management and leadership education, and leading change across the sector, with a core leadership role played by initiatives including the Aspen Institute, EABIS, GRLI, Net Impact and numerous others, and in the context of the broader work within the 2005-2014 UN Decade of Education for Sustainable Development (DESD).

In 2007, at the invitation of UN Secretary General Ban Ki-Moon, these initiatives partnered with the UN Global Compact and the major management and business school accrediting bodies AACSB and EFMD, and later joined by the Graduate Management Admission Council (GMAC), the Association of MBAs (AMBA), the Association of African Business Schools (AABS), the Association of Asia-Pacific Business Schools (AAPBS), CEEMAN, the Latin American Council of Management Schools (CLADEA) to convene a global taskforce of management and business school leaders to develop the UN-supported Principles for Responsible Management Education – six principles



guiding the change required within management and leadership education to help create the future we want by developing 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. A series of several major conferences between 2007 and 2012 have brought together HEI presidents, deans and faculty leaders with other stakeholders at national and regional levels to further refine the agenda and share emerging experiences of leading change. Outcomes statements and declarations from each of these major conferences have documented the evolution in the level of agreement and consensus on the path ahead and achievements to date.¹

The Third Global Forum for Responsible Management Education was convened in the context of on-going dialogue, agreement and action culminating in a substantive programme of change across the management education sector. The Forum provided a space to discuss and mobilise action around the questions: What is the role of management and leadership education in society for the future we want, and how can we facilitate individual and systemic change within higher education as the community mobilises action towards achieving the Rio+20 vision on sustainable development? This interactive forum brought together close to 300 representatives from Higher Education Institutions, the business sector, civil society, and government, and many more contributed leading up to the event through a variety of discussion groups, social media platforms and working groups.

The Challenges We Face

For more than 100 years, management education has sought to support organisational leaders with the insight and knowhow to create wealth through helping people improve their quality of life.

But in the twenty years since Rio 1992, there is now substantial agreement that we need a paradigm shift in the core assumptions and practices at the heart of how we organise the economy and do business to ensure that quality of life is improved for all, and especially for those currently suffering from poverty, corruption and systematic human rights abuses, at the same time as respecting planetary boundaries. We need to find ways of helping people improve their quality of life that are both more inclusive and socially just, and simultaneously protect and enhance the biosphere on which we depend by stewarding our natural resource base, ecosystems, and climate.

We need to determine what this means for our societies, and understand what kind of leaders we need to make this transformation happen. And we need to do so urgently.

¹ 2008 First Global Forum on Responsible Management Education in New York; 2009 PRME/CBS International Conference on Responsible Management Education held as part of the UNFCCC COP15 Copenhagen Climate Negotiations; 2010 Second Global Forum on Responsible Management Education in New York; 2011 PRME-EFMD Summit on Responsible Management Education in Brussels; and numerous other meetings on a regional basis.



Our Commitment: A Roadmap to 2020

In order to meet these challenges, we need to work collaboratively to reassess the purpose of HEIs in society. In the past business schools have been too concerned about being the best in the world. Now they need to aspire to be the best for the world.

We need to rethink the nature of management and leadership education, enabling graduates, through transformative, trans-disciplinary learning, to lead for the long-term in ways that promote the ten principles of the UN Global Compact, creating benefits for the company, society and the planet through innovation in products, services, processes and business models, and in dialogue with all stakeholders.

We need to give purpose to our research so that it supports organisations to serve the common good. We need to redefine the purpose of the firm and adapt our core assumptions, like agency theory and maximization of shareholder value, so that they are fit for purpose in a society that works beyond the short-term to the medium and long-term.

And as scholars we need to embrace our role of acting as public intellectuals and engaging in public debate to transform business and the economy.

Sustainable development is too often seen as a niche approach (e.g., one dedicated programme, one research chair, one green campus policy) and not as core element for HEIs. We need to change this by seeking coherence among curricula, research, training and daily operations on the campus.

This emerging vision for the future of management and leadership education in the next decade is set out in a variety of documents prepared for the Third Global Forum, including the Rio Declaration for Higher Education Institutions, signed by over 200 leaders of HEIs, the Guidelines for HEIs on the Implementation of the UN Global Compact Principles in campus operations, the 50+20 Agenda – Management Education for the World, and the recommendations of issue-specific PRME Working Groups on Anti-Corruption, Gender Equality, and Poverty as a Challenge for Management Education.

Many faculty are already embracing this challenge, acting as change agents within their institutions. But many are not, yet. To realise this vision, we need to systematically engage our colleagues to help motivate and equip them to embrace this in their teaching and research, whatever their subject specialization, in order to reach all students. We also need senior leaders in schools to understand and champion why this is important and lead the requisite cultural shift in what is valued as important.

We urge committed PRME signatories to promote best practices and encourage knowledge sharing through existing academic associations, and also where appropriate, by creating regional PRME chapters and mechanisms. We also urge committed PRME signatories to create a leadership group, and call for the PRME



initiative, in order to create accountability and transparency, to de-list non-active signatories that fail to submit Sharing Information on Progress reports in a timely manner, after due consideration.

We urge more HEIs to commit to the PRME and UN Global Compact principles and welcome the decision by a growing number of HEIs, understanding that global leaders come from all disciplines, to sign on to PRME at the university level. Specific commitments agreed at the Global Forum will be highlighted in the full Strategic Outcomes Document, to follow.

The Help We Request from Others – Working Together

Sustainable Development cannot be achieved without the active participation of a wide range of different stakeholders and we recognize that we cannot bring about the changes that are needed within management and leadership education without the engagement of other groups. Change will come from within, but there are key actions that other actors can take to help us.

We request that governments support this change through incentives that are embedded in policy frameworks for higher education, specifically: support and implement the spirit of Education for Sustainable Development; fund teaching programs and research projects in HEIs that promote responsible management education and corporate sustainability; act as conveners or supporters of local, national, and regional multi-stakeholder platforms where HEIs, business, NGOs, and other stakeholders collaborate to discuss, learn, and innovate for an inclusive and sustainable development; encourage transdisciplinary research and teaching that integrates sustainability with all other disciplines; and support to PRME globally and locally.

We request that business leaders, when recruiting MBAs and undergraduates and selecting executive education, clearly articulate their demand for management, business school and university graduates who are capable of generating sustainable value for business and society at large. We also request that business leaders support management and business schools and universities in partnering on research and contributing directly to learning programmes.

We request that the major accreditors (AACSB, EFMD, AMBA, CEEMAN) and ranking organisations (Financial Times, BusinessWeek, The Economist) support this change by putting metrics based on the sustainable development and responsible management and leadership education paradigms at the heart of how management and business schools are accredited and ranked.

The Future of the PRME Initiative

We reaffirm our commitment to the Principles for Responsible Management Education as the crucial framework and initiative for organising our individual and collective efforts in creating the future we want.

Endorsed by the participants of the 3rd Global Forum for Responsible Management Education in conjunction with Rio+20, 14-15 June 2012.