Sharing Information on Progress
(February 2017)

PRME
Principles for Responsible Management Education

Report on Implementation of the Principles for Responsible Management Education at BMI

www.bmiinstitute.com
The Principles for Responsible Management Education (PRME) is a UN Global Compact sponsored initiative with the mission to inspire and champion responsible management education, research and thought leadership globally. Higher education institutions become signatories to the six Principles for Responsible Management Education.

The PRME are inspired by internationally accepted values and provide an engagement structure for academic institutions to advance corporate sustainability by incorporating universal values into curricula and research. PRME promotes continuous improvement among institutions of management education in order to develop a new generation of business leaders capable of managing the complex challenges faced by business and society in the 21st century.

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Declaration of commitment to PRME

13 February 2017

On behalf of Baltic Management Institute (BMI), I am pleased to present the institution’s first Sharing Information on Progress Report to the PRME Secretariat, to all of our stakeholders, to peer academic institutions, and to the wider community.

In doing so, I wish to reaffirm BMI’s commitment to the PRME initiative and the Principles for Responsible Management Education which it promotes.

As an institution of higher learning involved in the education of managers, we again declare our renewed commitment to continuous improvement in implementing the PRME principles, reporting on progress to our stakeholders, and exchanging effective practices with other academic institutions.

Sincerely,

Jaunius Pusvaškis
Director General, BMI
About BMI

BMI is a unique international business school for experienced high-level managers. Founded as a partnership of leading European schools of management in 1999 in Lithuania, we now have programmes and academic partners on three continents.

Our programmes include the outstanding BMI International Executive MBA and the more recently introduced certificate offerings on “Leadership & Decision Making” and “Innovation & Industry 4.0”, as well as custom in-company trainings and other Executive Education solutions.

The BMI EMBA was the first programme in the CEE and Nordic regions to earn full 5-year EPAS Accreditation from the EFMD.

Our faculty are entirely international, from the partner schools and other leading international business schools, and teach on a visiting basis or in modules delivered at their home institutions.

BMI’s academic partners include the original consortium of European business schools that jointly award the BMI International EMBA diploma; top schools in the U.S. and China that deliver specific BMI EMBA modules; and “executive mobility partners” in a growing number of countries which together with BMI offer joint exchange opportunities for EMBA student-executives.

To date, BMI has accompanied more than 5,000 executives in their leadership development journeys, helping them better understand their roles, test their boundaries and lay the foundations for long-term effectiveness.

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Reporting on the 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.”

Preparing high-level managers to be generators of sustainable value for business, society at large and the global economy is BMI’s mission and is reflected in the design and delivery of programmes. As an institution, years ago, BMI was among the very first organizations in Lithuania to sign the UN Global Compact - a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

BMI takes a stakeholder approach to sustainability and responsible leadership with emphasis on their three commonly distinguished and inter-dependent pillars: economic, environmental and social. We hold that responsible corporate behaviour requires personal integrity as well as up-to-date knowledge and skills. And we successfully foster a shared vision of responsible leadership in the BMI community of students, alumni, faculty and staff, which in fact is perceived as one of the hallmarks of the BMI brand.

It is common to hear our graduating students and alumni speak with pride of how the BMI community helps to promote a responsible and upstanding management culture in the Baltic region. That reflects the attitude of ethics and social responsibility which is ever present, as a strong undercurrent, in BMI’s identity and programmes.

Self-analysis regarding ethics, responsibility and sustainability (ERS) is an integral part of the process of maintaining EPAS accreditation, which was first granted to the BMI International EMBA programme in 2006. This is one framework in which we regularly collect and track information related to PRME-related activities. Additionally, each year BMI conducts a survey of outgoing students which asks them to rate the extent of their growth in ERS knowledge, skills and attitudes, and to provide feedback on related curriculum elements.

PRME-related academic content and pedagogy are set by the BMI Academic Council and implemented by the BMI Dean of Faculty and Research with the EMBA Programme Director. At the institutional level and as regards non-academic activities, strategy in this area is defined by BMI’s Governing Board and implemented under the supervision of the Director General of BMI, when appropriate in collaboration with the BMI Alumni Association.

*Future objective:* The objective for Principle 1 is to begin regular reporting to stakeholders regarding progress in the implementation of PRME. We intend to do so by making this
report available on our website and distributing it to our students, alumni, faculty, corporate partners and academic partners. Moving forward, we will do so at least every 2 years.

- **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.”

BMI considers personal integrity to be the necessary foundation for managers’ commitment to sustainability and social responsibility. That’s why the school has a formal policy for promoting ethical behaviour. This BMI Integrity Policy is presented both orally and in writing to all new students, who must confirm in writing that they have read and understood the policy and agree to comply. BMI also requires faculty and staff at all levels to work with honesty and integrity. That means fairness and objectivity in student assessment, proper respect for the confidentiality of personal information and avoiding even the appearance of possible dishonesty in any aspect of teaching, grading or administration.

The values of global social responsibility are the core of one of the nine programme-level intended learning outcomes for BMI’s flagship International Executive MBA. It states that at completion participants should be able to “demonstrate an international perspective and cross-cultural awareness, commitment to honesty and integrity, and sensitivity to the ethical and socio-cultural dimensions of business activities and relationships.” This ILO is presented and explained to students at the beginning of their studies and referenced in ILOs for specific EMBA modules, with self-reflection on the degree to which it was achieved by each participant during a survey at the end of their studies. In recent years such surveys have shown that graduates on average rate their growth in ERS knowledge and skills during the programme as 8 on a scale of 1 to 10 (where 10 is the best).

*Future objective: An objective for Principle 2 is to make the explicit mention of ERS-related elements an integral part of the syllabi and course descriptions for all BMI EMBA courses.*

- **Principle 3 | Method**

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

The BMI International Executive MBA curriculum includes a required course on ethics, social responsibility and corporate culture. The exam requires participants to reflect and apply the studied principles, values and international best practices to their own experience and
current work. Last year this course, which is taught by Prof. Eric Guthey of Copenhagen Business School, was joined by two professors from the Albert Luthuli Centre for Responsible Leadership at the University of Pretoria in South Africa, thus bringing a great deal of added knowledge and insight on Africa to the class.

A separate required course on corporate governance deals directly with the ethical and legal responsibilities of members of companies’ governing bodies and top management with regard to sustainability and diverse stakeholder interests. (In terms of measuring the value provided and seeking to continually improve, students’ ratings of the quality of these two courses have steadily improved over the past 4 years, from 84% to 90% for the ethics course, and from 84% to 98% for the governance course.) Issues related to the UN Global Compact and PRME principles are also addressed in other required courses and projects: from finance, accounting and marketing, to operations, HR and strategy.

In 2015, BMI introduced an optional EMBA module on Human Resources delivered on-site at U.S. partner school Tulane University Freeman School of Business. It is open to BMI’s current EMBA students and alumni and includes two courses: “Leadership and Ethics” (with detailed analysis and discussion of 17 real-life business case studies on how executives handle environmental risks, corrupt practices in an industry or company, supply-chain matters, and other highly relevant threats to stakeholder interests) and “Managing People Internationally” (which deals among other things with ‘making a difference’ when managing people as well as the role of culture in companies and the complexities of multicultural teams, and includes a group on managing a real-life cross-cultural management challenge). Roughly a dozen executive participants from BMI attend the module every year.

In 2016, BMI introduced the Executive Programme “Innovation & Industry 4.0” focused on recent industrial developments influenced by the emergence of artificial intelligence and related transformations in the corporate life. Lectures are combined with visits to “smart factories” in Germany and meetings with international industry leaders. In this interactive context, issues of social responsibility and sustainability, particularly human resource matters, are a frequent topic of discussion and debate.

Future objective: With regard to further implementing Principle 3, BMI plans in 2017 to launch a specialized one-week Programme on Energy focused on markets, policy and resource management. Delivered in the USA with partner Tulane University, among other things it will deal extensively with issues of environmental sustainability (accident prevention, development impact, reduction of pollution and CO2 emissions, impact on developing nations, reserve management) and renewable energy sources.
**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.”

Because of its unique model which involves relying fully on visiting professors from leading international business schools, BMI does not undertake formal research on its own, but relies on and benefits from the top notch intellectual development activities fostered by its partner schools, the results of which research BMI is able to help distribute.

In 2013, BMI began publishing “BMI KNOWLEDGE” executive briefs with summaries of recent research of clear practical value by faculty in the BMI network and analysis of business trends by regional industry leaders and policy makers. The briefs published to date can be accessed on the BMI website. The Editorial Committee actively seeks to include material related to ethics, social responsibility and sustainability. Thus one issue presented non-financial forms of accountability and control, another dealt with some ethical aspects of luxury brand strategies, and a third addressed executive compensation and motivation.

Some BMI EMBA students each year dedicate their Master's thesis to issues of CSR and sustainability, going deeper into areas explored in the programme, applying it to their own organizations and/or starting related social initiatives. Some recent topics have included occupational fraud management, digitalization and sustainable growth, responsible leadership, and values based leadership.

**Future objective:** With regard to further implementing Principle 4, BMI intends to at least occasionally dedicate its “BMI KNOWLEDGE” executive briefs specifically to ERS issues, and to continue including some reference to such issues within most briefs on other topics.

**Principles 5 and 6 | Partnership and Dialogue**

“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.”

“We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organisations and other interested groups and stake-holders on critical issues related to global social responsibility and sustainability.”

BMI has strong corporate connections. Almost all participants in BMI programmes are top or senior-level managers in local or multi-national companies who continue to work throughout their studies. Other business leaders give guest-lectures or briefings to students.
That means our programmes themselves – with the ERS courses, projects and other PRME-related elements described under Principle 3 – serve as forums for extending and sharing knowledge and experience regarding companies’ social and environmental responsibilities.

Both BMI and the BMI Alumni Association frequently organize public discussions with alumni experts, other business leaders and government officials on currently relevant business and management issues. The topics themselves, or the discussion they generate among participants from the wider business community, quite often touch on issue of sustainability and responsibility.

Some of the relevant public lectures held by BMI in 2016, for example, included one by a Japanese CEO regarding the influence of moral traditions on Japanese management practices, and others on neuro-marketing practices, evolution of the financial industry, and strategies for the sustainable global growth of companies. Some relevant events held by the BMI Alumni Association in 2016 included discussions on HR and leadership trends, personal and company data protection, and work-family balance, as well as several visits to manufacturing sites. The Alumni also held a meeting with the mayor of Vilnius to discuss further development of the Lithuanian capital city.

The previous year, over 100 business leaders gathered at a BMI conference on “Evolving Opportunities in the Business of Technology”. The keynote speaker was Leo Sun, president for Europe at Huawei Technologies, one of the world’s biggest telecom infrastructure companies. Others speakers included an executive from Telia-Sonera Group, the head of a startup incubator, an investment promotion official and a vice minister of transport and communication. Ethical issues of evolving technologies were a hot topic of discussion.

BMI has in recent years also held joint events with the French, British, Danish and American Chambers of Commerce and Transparency International.

Also note the international business school partnerships behind the programmes and modules described under Principle 3, like the Leadership & Ethics course (and the future Energy Programme) delivered with Tulane University in the USA, and the “Innovation & Industry 4.0” programme developed with THM Business School in Germany.

During 2016, an 8-day ‘India Immersion Programme’ organized with Poland’s Warsaw University of Technology Business School and Chandragupt Institute of Management Patna in India directly exposed a group of BMI EMBA students and alumni to current business and development issues on the subcontinent.

Also during 2016, Louvain School of Management in Belgium, which is one of BMI’s founding partner school and has earned international recognition for its expertise and programmes related to sustainability and CSR, launched a massive open online course (MOOC) on the topic “Communicating Corporate Social Responsibility”. BMI provided access to its EMBA students and strongly encouraged them to participate in this MOOC.
Future objective: With regard to further implementing Principles 5 and 6, during 2017 BMI intends to transform its EMBA ethics and corporate cultures course into an innovative cross-cultural module with Shanghai Jiao Tong University’s Antai College of Economics and Management. BMI student-executives will attend the module together with Chinese EMBA students in Shanghai, for joint lectures and discussions led by European and Chinese faculty. The module will include visits to companies with management briefings.

- “Principle 7” | Organizational practices

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

BMI makes every effort to abide by the principles of sustainability and social responsibility in its organizational practices, both for their own sake and as an example for our students.

At one level, we actively engage in recycling and avoid unnecessary usage of paper, and we’re attentive to avoiding energy waste by switching off IT and other equipment overnight and on weekends as well as through efficient lighting and air conditioning systems.

At another level, we’ve always proudly embraced diversity in terms of gender and culture in BMI’s governing bodies, faculty and programme cohorts. The school is attentive to the personal growth not only of its students, but also of its staff, regularly offering training opportunities and encouraging people to grow into positions of greater responsibility.

Among BMI’s management and staff, there is also a very real spirit of seeking to contribute to the broader community. The following are a few examples.

In 2015, to contribute to the future of management education in the Baltic region, BMI launched the BMI Fund, an initiative to promote PhD studies and faculty development. The BMI Fund finances an annual scholarship for studies at the Doctoral Department of HEC Paris, a co-founder and partner of BMI. It is awarded to a student pursuing a PhD in management or a faculty member of a business school in the region. That person is enrolled in the ISP programme for visiting scholars at HEC Paris. During 2016 the first recipient, PhD student Eglė Aleknevičiūtė, successfully completed the ISP programme at HEC Paris.

Several years ago now, the school joined a group of private companies to launch a social project to help renew Lithuania’s education system, known as Renkuosi mokyti! (“I choose to teach!”). This project encourages top university graduates, who would not normally enter teaching, to teach for at least two years in secondary schools. BMI has used its faculty resources to provide leadership training for the participants, while students, alumni and staff have served as guest speakers and mentors for the young teachers.
Two years ago, BMI joined the “Initiative to Beautify Vilnius” organised by the Investors Forum of Lithuania, which involved the creation of a new “Avenue” of trees and benches to save and nurture the environment and make the city a nicer place to live. Separately, a group of alumni contributed in BMI’s name to the improvement of an important city square.

On a smaller scale, but indicative of the school’s general culture, for several years now at Christmas time the BMI staff have jointly contribute money in order to ‘fulfil the wish’ of a poor child, as per a national campaign that is conducted every year.