China Europe International Business School
CEIBS

Communication on Progress Report
2009

United Nations Global Compact

PRME Principles for Responsible Management Education

June, 2010
A Note from the Dean of CEIBS

The year 2009 marked the 15\textsuperscript{th} Anniversary of the founding of the China Europe International Business School (CEIBS) and our second year of PRME affiliation. This focus has reinforced our solid reputation as the leading international business school in Asia. The rigor and educational innovation we represent are internationally-recognized through our accreditation both by EQUIS and AACSB and our consistently high rankings by the highly-respected Financial Times.

Our affiliation with PRME has cemented CEIBS’ focus upon educating responsible business leaders. Issues of corporate social responsibility, sustainability and business ethics are woven both throughout the curriculum and in the fabric of daily campus life. Constant interactions take place among our multi-cultural, diverse student and faculty populations and the vibrant business communities in the cities we serve. The result is a unique learning environment.

Business in China and with China inevitably includes public policy implications at both the local and global levels. The global business community looks to the East to understand and anticipate the messages and actions emanating from China that influence world politics, economics and business. CEIBS is the leading center in the region for organizing forums that bring together industry leaders, senior government officials, renowned academics and business students in an open, neutral environment to discuss and debate hot issues facing China and the world. This report summarizes the myriad activities occurring in 2009 that relate to and support the Principles of Responsible Management Education (PRME) set forth in the United Nations Global Compact. We are proud of our continued progress to date and look forward to furthering our already energetic efforts.

Rolf D. Cremer, Dean
China Europe International Business School

The Mission of CEIBS

To support China's economic development and to further China's integration into the world economy by preparing highly competent, internationally-oriented business leaders capable of working within the Chinese economic environment, while adapting to the driving forces of business globalization, international competition, and international co-operation.
Introduction to the Communication of Progress Report

China Europe International Business School (CEIBS) became a signatory institution of United Nation’s Principles of Responsible Management (PRME) in the spring of 2008. By virtue of being immersed in the business, educational and government community, the school is at the center of conversations related to public policy and emerging trends. Into this category fall the growing importance of sustainable business, environmental awareness and corporate social responsibility.

Adoptions of the six principles are a continuous work-in-progress. This second annual report to all stakeholders outlines the actions and activities undertaken within the school to support, abide by and promote the six principles of PRME. This report is organized by the respective principles and demonstrates our commitment to continuous improvement in each of these six pivotal areas.

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.

A variety of activities outside of the classroom are provided to students in their pursuit of understanding, participating in and assuming a leadership role in an ethical and sustainable business world. A primary focus of activity within the school is to support the development of inclusive business practices among diverse partners. Programs are designed to further the enhancement of China’s business environment while contributing to the understanding of international norms and building harmony among diverse cultures, viewpoints and behaviors. The school environment is a living context for learning, understanding and applying strategies and tactics that promote and further cooperation among diverse and culturally-distinct professionals.

The following areas are particularly applicable to this process:

**Case and Business Competitions**

*MICANVAS Colloquium International Business Competition* is an annual competition hosted by Mudra Institute of Communication, Ahmadabad (MICA), India. The theme of the November, 2009 competition was the promotion of a new type of eco-label as a way to raise awareness about green products. Contestants were required to conduct marketing research and, based on the results, design a series of marketing strategies and communications plans to promote the eco-label locally.
CEIBS MBA students Bobby Deng and Yuyu Chang bested five other international teams in the final round to win this year’s MICANVAS Colloquium International Business Competition.

**Student Initiated Activities:**

Students at CEIBS are an international, diverse population of Mainland Chinese, other Asians, Europeans and North and South Americans. This talented and lively population has demonstrated both interest in and proclivity toward the topics of Corporate Social Responsibility, Business Ethics and Sustainable Business. Following is an enumeration of activities initiated and led by students during 2009.

*The 2009 Being Globally Responsible Conference (BGRC) was held June 6 and 7, 2009 on the Shanghai campus. Approximately 200 participants from business schools, universities and organizations across the globe, and members of the media attended this 4th annual event. The two-day, student-organized event included debates, speeches, workshops and panel discussions focused on various aspects of corporate social responsibility and sustainable business practices.*

**Student Clubs:**

There are over thirty *Student Clubs* within CEIBS with a variety of interests and activities. Those with particular focus upon corporate social responsibility, ecology and sustainability and global awareness and understanding are the following:

*Evenings of International Understanding* were organized and held by the International Club to further inter-cultural knowledge and understanding. The school’s Student Committee, Photography Club, Music Club and Film Club worked with this group to detail various cultures to the school community. All of the following activities were held at the Shanghai campus:

- **Spanish Night:** February 18, 2009
- **Latin American Night:** March 16, 2009
- **South East Asian Night:** March 25, 2009
- **Korean Night:** April 1, 2009.
- **North American BBQ Night:** April 10, 2009.
- **Indian Night:** April 14, 2009

*The Energy and Environment Club* brings together students and professionals with a common interest in the Energy and Environment sector. Its goals are:
❖ To raise awareness among CEIBS students about environmental and energy issues.
❖ To provide students with insights into the global energy and environment industry including career opportunities.
❖ To facilitate networking with leading Chinese companies in the Energy and Environment sector.

The CSR Club promotes social responsibility among students and the businesses world. The CSR club aims to encourage and support CEIBS students and organize events to further explore and contribute to those activities and business that are related to Corporate Social Responsibility (CSR), Social Venture, Environment Sustainability, Non-Governmental Organization (NGO) and Charity. Annual events include:

❖ Corporate CSR engagement & NGO cooperation
❖ Charity Bazaar
❖ CSR business forum
❖ CSR and social venture competitions

The CEIBS Entrepreneurship Club has the mission to create a platform that fosters business idea generation and allows members to easily access the resources needed to start a new venture. As part of the CEIBS Entrepreneurship Club, members grow their network and learn how to start a business through experience sharing, open discussions, and hands-on experience. Annual events include:

❖ Guest speakers from all fields including entrepreneurs, investors, and lawyers
❖ Experience sharing from entrepreneurs
❖ Open Forums with specified topics
❖ Business start-ups speakers
❖ Trips to local start-up companies
❖ Networking outside CEIBS

The Healthcare Club is a learning-oriented organization operated by CEIBS MBA students. The group focuses on the operation of global healthcare business, performance and efficiency. Through experience sharing and group discussion, club members accumulate knowledge, management skills and contacts related to the healthcare business in China.

The Human Resources Club serves the professional interests of CEIBS students, helps schoolmates prepare for the future career, provides networking activities and ensures professional competence in interview process. In addition, members are encouraged to take a global strategic perspective in supporting their development as future organizational leaders.

China Business Club provides CEIBS students with the platform to enter the Chinese Business Culture and helps them learn and appreciate various trends emerging in
industries within the current Chinese economy. This group organizes forums related to the specific industries in China, holds networking events and organizes workshops on topics related to the Chinese business environment and culture.

*CEIBS Business Women Club* is a student organization dedicated to providing female MBAs with a platform for balancing study, career and family. On April 14, 2009 the group hosted a Family Day at Shanghai’s Century Park in Pudong for students, spouses and children.

*CEIBS Community Outreach and Inclusion Network (COIN)* is a club focused on philanthropic and charitable causes. The group was formed in response to the student demand to respond to charitable causes, such as the typhoon in Taiwan, and to address philanthropy. The group’s agenda includes the following activities:

- Work with local orphanages/migrant schools
- Cooperation with the CEIBS Charity Union, an alumni-established organization that donates to charity and engages in philanthropic activities.
- Affiliation with Planet Finance, a group that consults on micro-finance with institutions in China. This involves working with client groups to develop business plans and/or an English websites and/or financial statements for their partner organizations.

**Intern Scholarships:**

Two Intern Scholarships offer Chinese students the opportunity to work in Europe for a multi-national company for several months.

- **LVMH-CEIBS Summer Internship.** LVMH, the large European luxury and fashion product firm, awarded three MBA students with Intern Scholarships. Each of the laureates were selected by an international Jury chaired by Professor H.C. de Bettignies and spent two months in the summer working for a division of the company in France. Mr. Andrew Wu, the China Group Director of LVMH, indicated that, for the past 25 years, LVMH has sponsored scholarships for European students keen to learn about Asia. The company’s scholarships to CEIBS students allow Chinese nationals an opportunity to learn about LVMH and business values in Europe and also to enhance their capacity to become global citizens.

- **CEL-CEIBS Private Equity Scholarship.** China Equity Links, the first independent continental Europe Private Equity fund dedicated to China, offered a scholarship to one CEIBS MBA students interested in the private equity sector. The laureate spent his 2008 summer internship with CEL / CEL Partners, working for six weeks in the PRC office in Beijing and two weeks in the company’s Paris office.
Scholarships:

To enhance the diversity of the CEIBS MBA student body, scholarships are given to both Chinese and overseas students. These scholarships are a cooperative effort between China and other countries, companies and institutions. Some examples are:

- Emerson Scholarship
- Shanghai Municipal Government Scholarship
- EU-China BMT Scholarship

**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.

Curriculum initiatives in all of the programmatic areas demonstrate the commitment of the school to social responsibility and sustainability. The following gives the details of how these are incorporated into each program.

**MBA Curriculum**

*Curriculum Revision:* Revision of the MBA curriculum took place during 2008 and was put into effect with the new 2009 academic year. The goal is to deliver a curriculum aligned with ethical business practices designed to meet the specific needs of the current business development in China. The revised curriculum was the result of a year-long collaboration that included input from faculty, recruiters, alumni and current students.

Changes were implemented in the following areas:

- **Student Orientation.** A module "Management, Culture and Values" (MCV) was introduced at the very beginning of the year and the "Ethics Day" took place a few days later. The objective is to illustrate the importance of values in decision making and managerial behavior while drawing attention to ethical dilemmas encountered in doing business in China.

- **China focus.** CEIBS teaches advanced international business theories and attaches great importance to the practical application of these skills in the cultural context of the growing and developing economy of China. Specific elements added to the MBA curriculum are:
  - Chinese language competency for foreign students in order to improve cultural understanding and the ability to interact in China's economy.
  - China HR, as this area is deemed the most challenging aspect of managing in the Chinese business environment.
“China Within the World,” a course that emphasizes economic, political, cultural and trade issues that impact those who do business with and within China.

China Discovery Week, an intensive lecture series that explores contemporary issues in China business, is now an annual event.

✧ **A core course in Ethics and Responsibility**

As part of the core curriculum there is a three-component course early in the first year of the MBA program. Elements include: 1) a module on sustainability and responsibility (Professor J. Fryxell), 2) a module on business ethics (Professor H.C. de Bettignies) and 3) a module on corporate governance (Professor H.C. de Bettignies). In these three modules and outside the course throughout the year, guest speakers are invited to give talks, share experiences and research results and to continue the attention of the class to those issues.

✧ **Cross-functional curriculum integration**

The most challenging business problems cut across functional lines of responsibility. To solve them managers must be competent in cross-disciplinary analysis, solution generation and communication. The revised CEIBS curriculum includes several applied integration modules that require students to innovatively and systematically solve practical business problems using knowledge and skills acquired in earlier courses. The modules are spread throughout the MBA curriculum to reinforce and build upon each stage of learning.

✧ **Entrepreneurship**

Entrepreneurs play an increasingly important role in China’s economic growth, both by starting new ventures and reinvigorating existing businesses.

✧ **Strengthening of soft skills and analytic capabilities**

A foundation module emphasizes the skills and understanding needed to successfully apply business knowledge in the workplace. Cultural understanding, teamwork, leadership, and presentations skills are taught and honed in addition to quantitative methods and spreadsheet analyses.

✧ **Flexibility in Year Two**

The second year of the CEIBS curriculum is flexible, allowing for graduation in 18 or 20 months depending on the student’s choice of electives and work experience. Elective credits can range from 18 to 36. A summer internship and an international exchange experience are optional.

**Comprehensive Capstone Project:** The MBA program, as well as the EMBA curriculum, has required modules that include Ethical Leadership, Corporate Social Responsibility, Sustainability and Corporate Governance. In addition, both include a comprehensive business plan, which is constructed in consultation with a local business. Several of these efforts are related to not-for-profit institutions and sustainability.
During the 2009 several of the Responsible Leadership Projects have been coordinated with an initiative led by Nancy Barry and Associates (NBA) on a project labeled Enterprise Solutions to Poverty (ESP). This massive project mobilizes the talents of MBA students from leading institutions across the world. The primary objective of ESP is to have a positive impact on the incomes and assets of at least 50 million low income people by 2012 in the six focal countries of China, India, Mexico, Brazil, Columbia and Kenya. Students built business plans in one of four areas: agribusiness, creation of decentralized distribution systems, innovations in micro-finance and the improvement of communication and enterprise networks. In each project a team of students prepared a “live case” and proposed recommendations for the case study.

**Responsible Leadership Project**

The China Europe International Business School (CEIBS) requires all MBA students to complete a course of study on Responsible Leadership, including a module that entails social and/or environmental project work. This is a first for any MBA school in Asia and demonstrates our commitment to developing responsible and ethical business leaders. The project course has two key requirements:

- Research on a key social or environmental challenge, including a local stakeholders analysis
- Development of a business plan to address the selected challenges in conjunction with an organization from the local community.

The 2009 MBA students formed 36 teams who worked on the following student-developed *Responsible Leadership* Projects:

- **Energy Waste and Material Waste (Paper, Water and Food) on CEIBS campus.** Their goal is to create a framework to implement quantifiable approaches to reduce carbon footprints, increase efficiency, and achieve a *Green Campus*

- **Consumer Recycling in China.** This group is working on the core issues of awareness and infrastructure related to this activity.

- **Green credit policy and equator principle in China.** With this policy, industrial projects having probability to cause excessive energy waste and pollution would not be allowed to get financial credits from commercial banks in China.

- **Poverty Alleviation - Decentralized Distribution System.** The goal is to build profitable and inclusive businesses which incorporate millions of low-income people as suppliers, distributors and consumers.

- **Waste Management within fast food chains.** Handling the problem of waste requires a profound analysis of the processes and life cycles of all products involved in the fast food service.

- **Interconnection of Bicycles with Public Transport in Shanghai.**
Including cycling as a part of a city’s urban transport system and the interface between the bicycle and the other key transportation modes of subway and bus.

- **Green Packaging.** Green corrugated packaging includes aspects of economics, technology, regulation and awareness.
- **Packaging Waste Management.** This project works to improve China’s current waste management processes by actively promoting recycling, waste minimization and reuse.
- **ESP – Microfinance.** How the use of technology and innovation can improve the current status of the microfinance industry in China.
- **ESP – Agribiz.** Moving the farmer from traditional procurement models related to the small farm to new larger business models.
- **Water filtration.** Although rich in water resources, Shanghai faces a shortage of fresh water due to water pollution.
- **Social Enterprises.** Because social enterprise is such a new concept in China, its definition became so broad and inclusive that basically any entities or firms that have social goals can be considered as social enterprise in China.
- **Organic Food.** This project explores the opportunity and challenge for organic food development in China.
- **Urban Planning Energy Construction.** Buildings are responsible for at 27% of the energy use in China; reengineering can make a major contribution to tackle climate change and energy use.
- **Walter Filtration.** Due to the water treatment technology used by tap water suppliers, Chinese households know that it is not acceptable to drink the tap water directly.
- **Team 16 Elderly Care.** With the elderly population accounting for 11% of the total Chinese population, aging is an unprecedented challenge for China.
- **Green Building.** This project investigates how to improve the environmental efficiency of the Shanghai residential buildings.
- **Poverty Alleviation – migrants.** In order to understand better the circumstances in which migrants’ children live, the group developed an analysis of the current living conditions of migrant workers in cities and what challenges they face.
- **Energy Efficiency and water recycling.** Water resource protection and the current deteriorating water situation is an urgent problem in China.
- **Solar Energy.** As traditional energy sources (oil, gas) grow more and more expensive, the demand for alternatives and public awareness to the environment have led to increased global incentives for solar power.
- **Food delivery to poor.** The development of Food Banks in Chinese cities is untapped at this juncture.
Food processing and packaging. The domestic supply chain of fruits from farms in different provinces to consumers in Shanghai is highly fragmented, inefficient and costly. This project works to streamline the system.

Social Enterprises. The best practices developed in western countries are brought into China by a group of pioneer social workers, with the aim to balance the speed of social sector development with the rapid economic growth and achieve a healthier social environment.

CO2 Trading. This project addresses issues and proposes solutions related to China’s small-scale CDM market.

Solar energy and its use in recharging electric bicycles.

NGO Development. Non-government organizations in China remain diminished both in performance and capacity.

Green Building. This project examines the existing policies, opportunities and barriers related to the implementation of the European Environmental Bureau (EEB) policies in China.

Air pollution and how different corporate segments can benefit from a wider application of air filtration technology.

Urbanization and social security for migrant children

Elderly Care. The increased aging population in China contributes to a gap between demand and supply of essential social services offered to the elderly in Shanghai.

Smart Grid. The implementation of the smart grid in China requires the integration of clean energy and consumer awareness to address growing demand and capacity problems.

Water. Shanghai’s wetlands are threatened by rapid urbanization, intense water pollution, and over-reclamation.

Organic cosmetics. Despite increased education, income levels and health and ecological awareness, the organic cosmetics market remains an unregulated industry, lacking standards to certify cosmetic products as “organic”.

Green Consumers. Chinese consumers have low awareness of green clothing and China has an under-developed green clothing industry.

Building Materials and Greenspace. Various countries are constructing pavilions for the 2010 Shanghai World Expo which will be open from May through October 2010. Upon closing, occupants agree to return the space to its original pre-Expo state. This project proposes creative uses for both the Expo materials and land.

- This complex Responsible Leadership Project is managed by Professor R. Brubacker.

EMBA Curriculum

The EMBA Curriculum has several areas devoted to responsible leadership, corporate
social responsibility and sustainability:

✧ Orientation to the program includes a half-day session (taught by Professor H.C. de Bettignies) on the Value of Values. A first reflection on social responsibility challenges encountered in doing business in China is initiated during this introductory module.

■ In the "Foundations of Management" module taught early in the program (by Professors H.C. de Bettignies and Xiao Zhixing,) ethical issues are included and discussed in the context of several Chinese cases. Professor Terence Tsai also develops topics of Business Ethics in his Strategic Management module. To support the discussion of this topic and bring a further understanding of CSR to class participants, Professor Tsai wrote several cases on CSR in 2009.

✧ All EMBA students engage in a personal leadership development exercise. Surveys on their performance and leadership-style and capability are sent to at least 10 stakeholders in the company to gain honest assessment of their strengths and areas for improvement in their management.

✧ Comprehensive group projects are part of the capstone experience in the curriculum and its outcome and process are both vital for the program. Students are not only required to solve a practical problem with the theoretical tools learned in class, but also to rethink and renovate decision-making models with the research methodology. An EMBA project is completed by a group comprised of 4 to 5 students and requires about fourteen months. A successful research project demonstrates both academic achievements made in a management field by EMBA students and their research competencies to analyze and solve business problems. Sustainable and responsible solutions are expected.

✧ Overseas modules in either the United States or the European Union, in partnership with a leading business school allow participants to visit leading multinational firms of the host country. Discussions of global management issues and values are conducted with senior executives. In addition, students network with EMBA students of the partner business school.

✧ The first EMBA cohort group of 42 students began studies in Accra, Ghana in March, 2009. CEIBS Africa EMBA program's inaugural class consists of executives primarily from Ghana and Nigeria, including a Ghanaian Parliamentarian and a High Court Judge. The majority of the students (50%) have a background in the category of sciences and engineering; 21% come from a business management background, while the remainder of the class has an art and languages academic background. Among the cohort, 36% are employed by foreign-owned enterprises, 31% by private enterprises, while 3% are government employees. The inaugural class includes 20% female students. With CEIBS professors coming from China to teach courses, CEIBS Africa-based EMBA students will receive the same EMBA program offered to CEIBS students in China.
Executive Education (EDP):

A non-credit program in Business Ethics module is taught within custom programs for corporate clients. Professor Terence Tsai offers an EDP module related to Strategic Management relating to Business Ethics. To support the discussion of this topic and bring a further understanding of CSR to class participants, Professor Tsai uses his original teaching cases.

EU-China Business Development Certificate Program

The EU-China Business Development Certificate Program provides practical but rigorous training for business managers in disadvantaged regions of China. Focusing on training participants for planning, funding and managing new business, the program offers nine courses with six intensive modules each in entrepreneurship, business finance, and international management in selected cities in the Western, Central and North-Eastern regions of China.

The Certificate Program was designed and the training materials developed to suit the profile and needs of students from disadvantaged regions. The program team comprised of professors from CEIBS, Frankfurt School of Finance and Management (FS) and Zhejiang University. Six modules are included in the certificate program:

- Financial Reporting & Managerial Accounting
- Business Finance & Funding,
- Organizational Behavior & HR Management
- Marketing & Sales Management
- Corporate Entrepreneurship
- Strategic & Operations Management.

Principle 3

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

CEIBS Case Development Center was created in 2001 with a mission to become the world knowledge center for China-specific managerial issues. The Center is dedicated to developing teaching cases of international standard, in both English and Chinese,
so as to serve management education and the business world. The CEIBS Case Development Center is a member institution of ECCH, the leading case distributor in the world. At present, more than 100 CEIBS cases are distributed worldwide through ECCH. In 2006, CEIBS became the first school from Chinese mainland to join ICCP, the International Community of Case Publishers.

The Center has initiated extensive cooperation with leading business schools in the world, including INSEAD, IMD, Darden and Wharton, in jointly developing China-focused cases. It also authorized IVEY Publishing and IESE Publishing to distribute CEIBS cases overseas. Most recently in 2006, HBS Case Distribution Center at CEIBS was created to distribute HBSP products in the Chinese mainland and Hong Kong.

Cases written in 2009 to promote discussion related to corporate social responsibility and sustainability include:

Tsai, Terence and Shubo Phillip Liu (2009), Hunghom Peninsula in Hong Kong: A Realistic Call for Corporate Social Responsibilities (A). Asian Case Research Journal (SSCI) (UR), CEIBS publication.

Tsai, Terence and Shubo Phillip Liu (2009), Hunghom Peninsula in Hong Kong: A Realistic Call for Corporate Social Responsibilities (B). Asian Case Research Journal (SSCI) (UR), CEIBS publication.

Tsai, Terence and Shubo Phillip Liu (2009), Hunghom Peninsula in Hong Kong: A Realistic Call for Corporate Social Responsibilities (C). Asian Case Research Journal (SSCI) (UR), CEIBS publication.

Tsai, Terence and Shubo Phillip Liu (2009), Hunghom Peninsula in Hong Kong: A Realistic Call for Corporate Social Responsibilities, Teaching Note (A) (B) (C), 19 pages. Asian Case Research Journal (SSCI) (UR), and CEIBS publication.

InterChina Consulting and Its Post-80’s Staff (A). Nandani Lynton and Sophie Chen. CE-409-090-1

InterChina Consulting and Its Post-80’s Staff (B). Nandani Lynton and Sophie Chen. CE-409-091-1

Browning Haverford Meets Ningbo Prime Dental Care: The Beginning of a Beautiful Friendship? Nandani Lynton. CE 309-300-1

Blue Monday, Henri-Claude de Bettignies and Charlotte Butler (joint copyright CEIBS/INSEAD)
Jianbao questioning his values (A) (B), Henri-Claude de Bettignies and Charlotte Butler (joint copyright CEIBS/INSEAD)

Tan and the Audit Day, Henri-Claude de Bettignies and Charlotte Butler (joint copyright CEIBS/INSEAD)

Xi-Cheung Partnership, Henri-Claude de Bettignies and Charlotte Butler (joint copyright CEIBS/INSEAD)

**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.

The following are articles published in this area during 2009:


“Halten Sie die Werte Hoch.” Karrieremagazins BerufSZiel, einer Beilage der Süddeutschen Zeitung. 02.09.


de Bettignies, H. C. & Thompson, M.J., Leadership, Spirituality and the Common Good: Est and West Approaches , Antwerp, Garant Publisher 2009, 131p

CEIBS European Chair for Global Governance and Sino-European Business Relations.

The chair holder of this prestigious position between January and August of 2009 was Professor Henri-Claude de Bettignies, Distinguished Professor of Global Responsible Leadership. Since September of 2009 the chair has been held by Professor Hellmut Schutte.

The following research areas and questions have been the agenda of this Chair:

1. The Chinese firm of the future
One major objective is to understand the way Chinese firms operate today to better anticipate their evolution as they develop their activity internationally and expand globally. In assessing Chinese private firms’ and SOEs’ organization, their operating mechanisms and the role ascribed to their different stakeholders, what is likely to emerge in terms of corporate governance and strategies? Are we likely to see emerging an original form of governance accounting for the historical and cultural dimension of the Chinese environment with an original pattern of interaction with the union, the government, the employees and the other stakeholders? Would such a
model of the Chinese firm challenge the European way of managing global corporations, possibly questioning western concepts of strategy and supply chain management? In such Chinese enterprises how would leadership, not only be defined, but implemented in terms of leadership behavior?

2. The Euro-China business relationship
The growing interdependence of EU-China - beyond its economic dimension - is fraught with risks, particularly due to lack of mutual understanding: what could be done - at both the macro and micro levels - to create the long-term conditions of a win-win partnership? How can the mutual knowledge and the trust necessary be enhanced for that purpose, both at the corporate and at the societal levels? What could be the role of business leaders in such process, both in China and Europe? What kind of organizational mechanisms could facilitate the development of trust and mutual knowledge? How do Chinese leadership and values encourage the willingness to engage internationally and in global issues? What needs to be done in order to develop Chinese managers committed to and able to perform effectively in European environments? Could that be internalized as part of corporate social responsibility?

3. Global governance and the role of China
The economic performance and global weight of China makes it urgent to rethink our current mechanisms of - or lack of - global governance: from the shortcomings of the current institutional mechanisms and given the dynamics and risks of today’s world, what can be done, by whom and how - at a time when the dominant paradigm of the firm is radically challenged? What could be the role of China and Europe in a new model of global governance? Are current models of corporate governance still relevant and could they be a source of inspiration for global governance? Can we learn from the corporate social responsibility approach and could it be relevant at the global level? What could be the role of business in a multi-stakeholders global governance institutional mechanism?

4. The role of management education and training as an instrument of change
The effectiveness of management education in China as a powerful vehicle for change could gain in effectiveness: how could European and Chinese firms cooperate with education institutions to enhance the transfer of knowledge and of experience in order to accelerate the development of managerial skills appropriate to the dynamics of China? Given the change in values and expectations of the young generation of Chinese managers, what are the implications for corporations hiring, developing and managing the young generation? Do these implications induce different career management requirements? How will corporations adapt to young Chinese managers with different values and expectations? With more exposure to the world outside China, will the different mindset of the younger generation bring new requirements for career management? Is the Western model of knowledge management relevant in non-mature markets? How will the rapid change experienced in China impact on management knowledge and transfer skills? Over time the learning process will work
both ways between Europe and China: how can we prepare the conditions for this reciprocal learning exchange?

Several Academic Research Centers have attained impressive academic and professional reputations in China. Most notable contributors to research consistent with PRME are:

- Europe China Center for International Business Relations (ECCIR)
- Center of Chinese Private Enterprises
- CEIBS-Zhejiang University Center for International Entrepreneurship
- Center of Organizational and People Excellence
- Europe-China Center for Leadership and Responsibility

Center for Healthcare Policy and Management

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.

The academic institution of CEIBS, its administrators and individual faculty members remain actively involved within the Shanghai business community and with various companies within China. The two Shanghai Campuses organize and host many programs that provide executives and members of the business opportunities for continuous learning, problem exploration and discussion of achievements, best practices and challenges related to doing business in China.

The Corporate Advisory Board (CAB)

The Corporate Advisory Board (CAB) of CEIBS is a high-visibility platform allowing senior executives from the School's corporate sponsorship partners an opportunity to share their views concerning business education in China. As an interface between the School and the business community, the CAB gives on-going advice and feedback on the direction to CEIBS on issues such as the School's branding, strategy and fund raising, and ensures that the School's teaching and research activities are closely linked to business practice.

Programs and Conferences which facilitate this knowledge transfer and dialog are the following:
CEIBS Executive Forum:  How to Manage A Sustainable Global Supply Chain, March 26, 2009. Shanghai campus.  IBM's Vice President of Supply and Chief Procurement Officer, Mr. John M. Paterson, spoke with MBA and Executive EMBA students on the topic within the context of current environmental initiatives.

"Marketing in the Crisis" Presentations, June 9, 2009. CEIBS Lujiazui International Financial Research Center.  CEIBS featured two senior professors presented the topic for the Advisory Board.  Professor John Quelch drew from his article “How to Market in a Downturn,” recently published in the Harvard Business Review.  Professor Charles Waldman presentation was on the topic "Shoppers and Consumers Changing Behaviors in Gloomy Times"

CEIBS Executive Forum:  “Welcoming the Low-Carbon Revolution”, December 8, 2009. Shanghai campus.  Chairman of China Technology Exchange Mr. Xiong Yan shared his expertise on how Chinese companies cope with the opportunities and challenges of today's low-carbon economy.  Mr. Xiong is also Chairman of China Beijing Equity Exchange and China Beijing Environment Exchange.

Opportunities for Cooperation between Chinese and Indian Business, December 11, 2009. This full-day event, jointly organized by CEIBS and the Confederation of Indian Industry and sponsored by Tata Sons Limited Beijing Office, featured speakers and discussion among a group of experts culled from the diplomatic corps and the business world.

Corporate Partnerships:

CEIBS has developed corporate sponsorships with approximately one hundred foreign corporations operating in China.  Several new and renewed sponsorships during 2009 were the following:

- Tesco, the world’s third-largest retailer
- AXA which assumed sponsorship of the CEIBS "Euro-China Centre for Leadership and Responsibility" (ECCLAR)
- Haworth, Inc., a designer and manufacturer of office furniture and organic workspaces
- British Airways

The Euro-China Center for Leadership and Responsibility (ECCLAR)

The Center, created in 2005, engages in research to create knowledge related to "responsible leadership", corporate social responsibility, corporate governance and corporate citizenship.  In addition, it shares knowledge through the publication of papers and books and provides networking opportunities to individuals and organizations involved in issues dealing with responsibility through forums, workshops and international conferences. Recent publications include: de Bettignies, H.C. & Lepineux, F. Businees, Globalization and the Common Good, Oxford, Peter Lang, 2009, 447p
Principle 6

Dialogue: We will facilitate and support dialog 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.

Various programs were held on-campus and in cooperation with businesses, the Chinese government and other universities during 2009. A sampling is the following;

*Chinese-German Dialogue on "Green Finance", September 4, 2009, Beijing Campus.* This event was a meeting of three Chinese and two German ministries, organized by KfW Development Bank and moderated by CEIBS Dean Rolf D. Cremer. The dialog aimed at sharing experiences in combating climate change and promoting low-carbon or no-carbon policies.

*CEIBS, British Embassy Co-host Symposium on China's Hospital Reform, October 15, 2009, Beijing.* -- The symposium brought together experts, academics and practitioners hosted by CEIBS and the UK Trade & Investment Section of the British Embassy. More than 100 participants from healthcare, businesses, hospitals and government departments across China met to discuss hospital reform.

*CEIBS Hosts First Annual China Innovation & Entrepreneurship Forum, November 1, 2009, EIBS Shanghai campus.* To help the global economy recover from the effects of the financial crisis, innovation and entrepreneurship will help existing enterprises undergo a rebirth and new businesses emerge. To effect this change, this forum brought together corporate managers, bankers, angel investors, venture capitalists and other private equity investors, in addition to government policy makers, and educational institutions.

*Climate Change, Sustainable Development Addressed at 2009 EU Day, November 14, 2009, Shanghai campus.* This second annual EU Day emphasized the issues of climate change and the promotion of sustainable development. The day-long conference featured a roster of EU policymakers, business leaders, and academics who addressed critical business and social issues impacting the China-EU relationship.
CEIBS-EUCCC Host 2nd Annual Conference "CSR: A Road to the Sustainable Enterprise? Best Practice from Europe and China", November 23-24, 2009. Shanghai campus. The Euro-China Centre for Leadership and Responsibility (ECCLAR) organized a two-day forum entitled “CSR: A Road to the ‘Sustainable Enterprise’?” The forum, which was sponsored exclusively by AXA-Minmetals Assurance, attracted 200 attendees to the CEIBS Shanghai campus to hear 47 expert speakers from business, academia, and government, and civil organizations from China, Europe and the United States.

Respectively submitted,

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