Principles for Responsible Management Education

Sharing Information on Progress (SIP) Report

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Deusto Business School’s Commitment to the Principles for Responsible Management Education
Renewal of Commitment to the Principles for Responsible Management Education

As an institution committed to the Principles for Responsible Management Education, it is a pleasure to submit our progress report.

We are celebrating our centenary anniversary this year, and in particular, we want to celebrate our values, which make Deusto distinctive.

We do think it’s worth the effort involved to achieve professional excellence; we do believe it is essential to work with integrity and ethical commitment, based on cooperation and solidarity. We do feel that the future needs innovative people, entrepreneurs, and that it needs people who are open to what’s different, to diversity.

And because of these values, it is our desire to renew our commitment to PRME initiative and to encourage other institutions of higher education to support it. We will continue to look for new opportunities to keep improving our participation according to the Principles for responsible Management Education.

I am thankful to all our academic, management, students and Alumni community who had worked hard to strengthen our commitment to PRME in our everyday tasks and in our community involvement.

In Bilbao, October 2016

Guillermo Dorronsoro
Dean
Deusto Business School
In 2016 Deusto Business School (DBS) has celebrated the Centennial Anniversary in Bilbao campus and the 60th anniversary in San Sebastián campus. During 2015-2016, we have devoted many hours to thinking about the future. We have updated our strategic plan for 2016-2017 and our values. However, our mission continues. Deusto Business School aims to train responsible professionals, capable of promoting and leading sustainable business projects in a global context, towards a more prosperous, fairer and more inclusive society. We aim also to contribute to generating knowledge in order to respond to the main challenges facing society and organizations, from an interdisciplinary perspective and in collaboration with other stakeholders.

Thus, in 2016 we have updated our values, inspired by the Society of Jesus. These are: professional excellence, integrity and ethical commitment, cooperation and solidarity, openness and diversity and innovation and entrepreneurship. And beyond that we have also launch a new 2020 Strategic Plan. We offer new Bachelor’s degrees, postgraduate and Executive Education courses, and we have developed new research and transfer project. Our main goal for the next strategic period is “the University as Service and Commitment”. We believe that our Vision should be built around the Jesuit motto “Serving for a Better World”, comprising both teaching and knowledge generation as core activities to create and sustain that vision.

We want to continue to be recognized as one of the very top Business Schools in Spain, and develop our capabilities and competencies for also being a school of reference within the European business schools’ framework, thus continuing to serve for a better world. All in all, we will continue to foster learning as well as knowledge creation and transfer experiences in favor of a more just and inclusive society.

Deusto Business School has 100 years of experience in Bilbao Campus and 60 years of experience in San Sebastian Campus being a referent in the leaders’ comprehensive education. The distinguishing features of Deusto’s business education have always been high-quality education in the management fundamentals and a values-based education, emphasising the ethical values of professionalism, personal integrity and the social dimension of business leadership. Our business school has been a pioneer in Spain in training business leaders. It was founded in 1916 at La Comercial in Bilbao and was the first Business School in Spain offering university level studies in Business Economics and Administration. Later on, in 1979, the University of Deusto integrated into its institutional framework the second business school in Spain, ESTE (Escuela Superior de Técnicos de Empresa) of San Sebastian, which was also of Jesuit orientation. This School introduced the current university bachelor degree in Business Administration (BBA) – the first of its type in Spain – and its activities of Executive Education began in 1960.

Since 2008, when Deusto Business School launched the Executive Training, our Business School has changed considerably. In 2009, Deusto Business School joined the two campus -La Comercial in Bilbao and the ESTE in San Sebastian- They merged into a single School of Economics and Business Science with two campuses, one in Bilbao and the other in San Sebastian. We also adopted new degrees and joint degrees in compliance with the norms of the European Higher Education Area.

A new brand has been developed: “Deusto Business School (DBS)”, with the objective to gradually but steadily become a player in the sector of international business schools.

In 2010, Deusto Business School extended to cover all teaching activities of the new School (undergraduate, graduate and doctoral) as well as MBAs, Executive Master’s and Executive Training. In 2011, we opened the new headquarters of Deusto Business School in Madrid and San Sebastian for Executive Training, MBAs, In-Company and postgraduate programmes.
Today, Deusto Business School has 72 core Faculty members, 77 adjunct professors, 227 collaborating Faculty and 40 staff exclusively devoted to the non-teaching activities. Deusto Business School educated on average 2,000 students and 1,000 additional executives in its customised programs for companies in the last 2 years. With over 15,000 alumni, the influence on Spanish business is a barometer of the School’s success.

Alumni Network offers you load of possibilities to keep you up-to-date and in touch with other members. DBS has a well-earned reputation as one of the most important educational institutions in business studies in Spain. The close link between DBS and Spain’s business community and leaders is clearly reflected on the DBS Council, which is formed by prestigious figures from the world of economics and business. It includes the presidents and vice-presidents of major financial and industrial groups, such as the Santander Bank, BBVA, Kutxa Bank, Ibercaja, Bankia, Spain Mediaset, Price Waterhouse Spain, CAF, Deloitte, KPMG, E&Y, Telefonica, CEPSA, Renta4. Throughout its 100-year history, well-known figures in Spain, including ministers, presidents of the major Spanish banks and important intellectuals have studied and taught at DBS.

DBS’s reputation is particularly acclaimed in two areas of expertise: Finance and Strategic Consultancy and Audit. Proof of this is that a high percentage of its graduates are recruited by large financial groups (including BBVA, Santander, Barclays Bank, BBK and Bankinter) as well as major international consulting firms such as Deloitte, E&Y and Price Waterhouse (DBS has developed a specialist in-house Master’s for their new recruits), KPMG and Accenture.

In the last years, as a result of the new development of the school, DBS has gained a high reputation in the areas of innovation and sustainability. An illustration of this is the spectacular increase of its In Company activities with an impressive number of companies.

At the graduate and master degree programs, DBS has a certified Internal Quality Assurance System in compliance with ANECA AUDIT guidelines. The system is continually being improved through analysis of process indicators and a management system.

In 2015, Deusto Business School – University of Deusto joined to Aristos Campus Mundus 2015 (ACM 2015), together with Comillas Pontifical University and Universitat Ramon Llull. The three Jesuit Universities committed to socially responsible and sustainable innovation. ACM is the strategic aggregation of three universities with a social mission. ACM also includes an advanced strategic aggregation with the signing of a strategic cooperative agreement with Georgetown University, Boston College and Fordham University.

DBS has an association of more than 15,000 alumni in over 30 countries. 20% of the IBEX-35 companies have former Deusto students in top executive positions. The
In 2015 and 2016 Deusto Business School has developed a new 2016-2020 strategic plan. After each School independently underwent a period of strategic reflection, the Board and Governing Council of Deusto University approved a new strategic project aimed to compete successfully with the best international business schools within the globally-accepted parameters of the sector (training offer, internationalization, impact research, international accreditations, infrastructures, brand awareness, a high position in the international ranking tables, etc.). Since 2008, DBS has followed these strategic milestones:

• 2008 - 2011 strategic period initiated a process of deep transformation, with the launching of an independent brand new Executive Education Unit (2008) and the merger of Faculties of Bilbao and San Sebastian (2009). New facilities were also opened in Madrid (2011).

• 2012 - 2015 strategic period has continued this process, with the merger of all Undergraduate, Graduate, Executive Education and Research and Transfer activities in one single project. Governance, Organization and Business Model were adapted in order to meet the mandate received from the stakeholders, following specific recommendations and insight from AACSB and EQUIS accreditation processes initiated in this period.

As a result, Deusto is now a new entrant in the highly competitive sector of global business schools. While keeping faith with the past, it has adapted to the major trends that are transforming the international business school sector and infuses them with the values which are reflected in our Vision, Mission and Values. This is our new strategic plan:

• 2016 – 2020 strategic period aims to culminate this transformation process. It is set in the context of the University of Deusto Strategic Plan, and is focused on only a few strategic areas, identified in the context of our AACSB accreditation process. In these areas, the Plan outlines strategic goals alongside a financial appraisal of costs, revenues and investments required, and it also has an emphasis on implementation and metrics to determine whether or not goals have been accomplished.
OUR APPROACH TO THE 2016 SIP REPORT

Deusto Business School and its approach to PRME

As Jesuit-oriented institutions the University in general and particularly DBS are characterized by being deeply committed to ethical and humanistic behavior.

From an academic point of view, DBS’s is deeply rooted in the Jesuit-oriented approach to business education, where ethics and values-based education has traditionally been a cornerstone of its activities.

More recently, sustainability has been chosen as a strategic dimension, and it is now a pivotal element in the design of the School’s operations and future; moreover additional steps are being taken to embed sustainability transversally within all the disciplines taught at DBS.

In April 2010, the School Board adopted the Principles for Responsible Management Education (PRME) as an appropriate framework to reinforce the School’s strategic positioning, a proposal which was signed and endorsed at the highest level of our governance system by the University’s Rector.

The implementation of PRME is viewed as a process of systemic organizational change affecting crucial aspects of the School’s daily activities (resources, processes and educational services). At the same time, PRME principles and the concept of sustainability have become a key part of the identity of Deusto Business School.

Resources:

The PRME Committee has been working to embed PRME principles into DBS values and programs. This committee consists of the Dean, the Director of the Executive Education and Deputy Dean, the vice dean for Research and Identity, the vice dean for Faculty organization and professors from the departments of economics, strategy & information systems, and personnel management.

The School is demonstrating its commitment to the School’s new strategy through a set of new initiatives including the re-design of curricula and the professional development of faculty members in sustainability matters.

In addition, the School’s has adopted Corporate Social Responsibility and Humanistic and responsible management as strategic lines of teaching and research.

Processes:

In our strategy of gradual systemic change towards corporate responsibility and sustainability, the most important processes that have been established are:

(1) Faculty Development. DBS is implementing a recruitment strategy aimed at receiving visiting professors, experts in the field of sustainability and PRME principles. During this period, four visiting professors who specialize in sustainable business strategy have met with DBS faculty to develop research projects and new methodologies.

At the wider level of ethics and values, the Spain Province of the Society of Jesus Educational Unit and the University of Deusto have organized two training Programs for DBS members to consolidate leadership skills and Jesuit-oriented ethics. Under the initiative of UNIJES (Federation of Jesuit Universities of Spain), training is offered on the “Ledesma–Kolvenbach teaching model”; on the “meta-competencies” of “utilitas”, “humanitas”, “justitia” and “fides” (competence, commitment, consciousness and compassion).

(2) Partnerships Development. DBS is coordinating efforts within the University through the Vice-President’s Office for Identity and Mission in the belief that education on sustainable business is a complement to the teaching on ethics and values.

DBS is building strategic partnerships with Jesuit networks such as the Aristos Campus Mundus 2015, the Jesuit Network of Universities in Spain (UNIJES), the International Association of Jesuit Business Schools (IAJBS), and regional and national experts in addition to initiatives such as the Spanish Network of the Humanistic Management Network (HMN), UN Global Compact or Spainsif.

At the same time, DBS is strengthening its partnerships with the International Association of Jesuit Business Schools (IAJBS) and the Humanistic Management Network (HMN). The first organization is linked with Jesuit Business Schools across the world. Many of them are signatories of PRME. Sustainability in all its forms (social, economic, and environmental) is boosted in the annual IAJBS Congress. The Humanistic Management Network is committed to objectives that are similar to the ones proposed by PRME.

As in the previous case, many Universities are partners of both HMN and PRME.
Working in these two networks allows DBS to identify potential partners that are interested in the same topics that are central also for Deusto Business School.

Educational Services:

Deusto has traditionally held compulsory courses on ethics and values, such as "Education in Human Values", a strategic module promoted by the University’s Vice-President for Identity and Mission which is taught to all undergraduates across the University. 15 academic members from DBS teach on this module.

Extracurricular activities such as ‘Deusto Campus’ aims to create a University community of students and staff through a wide range of activities including social and environmental voluntary work, citizenship, workshops and specific campaigns.

New modules on Sustainability, Business in Society and Sustainable Innovation are already operational in the DBS Executive Programs and Doctoral Program.

2016 SIP: reporting on new relevant areas of progress

Specific Reporting facilitates an evaluation of achievements to date and is the gateway for formulating new goals. Two years ago, DBS published its second Sharing Information on Progress (SIP Report) for PRME, following the recommendations of the PRME Secretariat:

“The drafting of the SIP report should not be a complicated, time-consuming, or difficult task. SIPs can be produced in the language decided by each participating institution and should include the following elements:

1. Renewal of the commitment to PRME, signed by the highest executive of the organization;
2. Major achievements in relation to the implementation of one or more Principles during the last 24 months (since signing up to PRME or since last SIP report);
3. Key objectives for the next 24-month period with regard to the implementation of the Principles
4. Desired support (meetings, tools, best examples, implementation guidelines…) from the PRME community which could help most in achieving your key objectives for the next 24 months"

It was logical to use an extensive approach when we wrote our first SIP. However, our reports for PRME in the future will only feature the new relevant areas where we have undergone significant transformation under the inspiration of the PRME framework. We will also include our key objectives for the next 24-month period.
PROGRESSING IN OUR UNDERSTANDING OF RESPONSIBLE AND HUMANISTIC MANAGEMENT EDUCATION

**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.

In order to fully incorporate into our academic activities the values of Sustainability, the need to deepen in our understanding of Humanistic Management, Corporate Responsibility and Sustainability was clearly felt. We, in business schools, should not take for granted what the concept and practice of corporate responsibility sustainability is well applied. Corporate sustainability as an international trend is a comparatively new phenomenon, which took off with the turn of the 21st century and it is still evolving. This is why during the last two years we have carried out among all concerned members of the Faculty an intense collective process of discussion about the values that are central to develop the mission of Deusto Business School inside the wider role of the University of Deusto. The 100 anniversary of the Bilbao campus and the 60 anniversary of the San Sebastian campus have been major opportunities to consider the core values of DBS and their linkage to sustainability

**VALUES OF DEUSTO BUSINESS SCHOOL**

In 2016, Deusto Business School has updated its values. The values of Deusto Business School are the living part of its identity. They are inspired by the tradition of the Society of Jesus and, at the same time, reflect PRME principles and commitments. They are the following:

a) **Professional excellence.** It means seeking the highest quality in our work. Performing our activities with rigor and technical competence, but also with profound human quality. Giving the best of ourselves and always seeking to go further. Advance and improve.

b) **Integrity and ethical commitment.** It means being honest and honorable in our work and in our relationships with others. Being aware of the ethical implications of the many decisions that we face and acting in a fair and responsible manner. Seeking the common good, especially that of the most vulnerable and disadvantaged groups.

c) **Cooperation and solidarity.** It means recognizing the need and the value of working with others to address common challenges. Being able to transcend purely individual interests to work for the collective interest. Working together to develop a common project in which the whole is more than the sum of its parts.

d) **Openness and solidarity.** It means being open to the new and different. Recognizing the value and the wealth we could receive from what it is different from us: people from other countries, other cultures and religions; new ideas and viewpoints that challenge our beliefs. Being able to welcome, respect, value, discuss, share, live and work with those who are not like us.

e) **Innovation and entrepreneurship.** It means looking critically at reality, identifying challenges and opportunities; being able to propose solutions to overcome unsolved problems; convincing more people to move from ideas to actions; making the change happen and creating a shared value.

**THE INTEGRATION OF OUR VALUES AND PRINCIPLES: THE LEDESMA-KOLVENVACH MODEL AND PRME PRINCIPLES**

We have initiated a review on how to embed these values into our programs and faculty. The exercise has started on executive education. All the departments have participated in this process of how to include the values and the embeddedness into all our teaching programs. In order to work on it we build a model based on an analysis of the implementation of UN Principles for Responsible Management Education together with the updated Jesuit higher educational value-based framework - the Ledesma-Kolvenvach model promoted by Deusto Business School- University of Deusto. Our main hypothesis is that the two educational initiatives PRME and Ledesma-Kolvenvach could help to re-design and build a model of responsible and humanistic
management education. Therefore, we need to understand two main concepts based on an experiential process - human dignity and sustainable value creation - and source them into economic and management theory.

The main activity develop under the analysis of how to integrate our values based on responsible management education into our teaching programs for responsible leadership is the embeddedness between our Jesuit high education model, the Ledesma-Kolvenbach model and the PRME principles.

The Ledesma-Kolvenbach (L-K) model was developed by the former Superior General of the Society of Jesus (SJ), Peter H. Kolvenbach and the current Superior Adolfo Nicolás via different documents and public discourses. The Ledesma-Kolvenbach model aimed to update the principles for the higher education system based on the current needs of a globalized society inspired by the principles and values of the Society of Jesus. The L-K model highlights the preservation and promotion of human dignity, solidarity and the common good which can be considered as universal values. According to Kolvenbach, humanism focuses on the concept of the whole person with a permanent focus on exalting the human dignity and the capacity of human beings in order to promote and generate common good. Kolvenbach believed that universities might update their role in society with a view to dealing with humanity’s primary social problems at the core of higher education: poverty, inequality, human development, human dignity, social justice and spirituality.

The model develops four basic dimensions that are mutually supporting: utility, justice, humanism and spirituality

a) Utility refers to the necessary skills, knowledge and techniques that every student should develop in order to become an excellent professional. If we translate this to modern business school education,

b) Justice involves the transformation of universities into organizations that might promote the role of society’s critical and social awareness about societal challenges, and therefore train professionals in responsible values.

c) Humanism highlights the different dimensions of the human being, with a view to developing the human being as a whole - not only his/her intellectuality and professional life, but also his/her soul and actions. It includes the aim to increase students’ level of social awareness (about themselves and about societal problems), their level of skills in order to deal with professional (human and technical) tasks, their level of compassion (not to be blind to others’ situations) and their capacity to commit to organizations, people and social initiatives.

d) Spirituality involves the possibility to develop their own spirituality, believing that all human beings are capable of having a spiritual dimension.

Therefore, we propose to integrate both, PRME and Ledesma-Kolvenbach into a shared, hybrid model. We compare both initiatives, their principles and goals and set up a shared group of dimensions. These dimensions are:

a) Values and principles: Humanism and human dignity

b) Goals: Sustainable value creation

c) Capabilities for future generations: self-reflective skills, conscious capabilities and excellence

d) Program design and educational services: building social conscious and social justice

e) Methodologies: Experiential learning, self-reflection and organizational transformation

f) Responsible research and humanistic management theories

g) Global responsibility: stakeholder engagement and partnering for trust
METHODS TO SUPPORT FACULTY TO IMPROVE RESPONSIBLE MANAGEMENT EDUCATION

Principle 3 | Method: We will create educational frameworks, materials, processes and environments that encourage effective learning experiences for responsible leadership.

In the last two years, Deusto Business School has organized different workshops to train the faculty with different knowledge related to improve responsible management education and research. These workshops are:


RESEARCH APPLIED TO PRME PRINCIPLES: POSITIVE COLLABORATIVE EXPERIENCES

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.

Deusto Business School has created successful collaborations with different research networks in the field of sustainability. The three main partners have been:

1. The Jesuit Network of Universities in Spain (UNIJES)
2. The International Association of Jesuit Business Schools (IAJBS)
3. The Humanistic Management Network (HMN)

UNIJES network organizes annual congresses in different fields at the Spain level. They are linked with ethics, Catholic Social Thought and Human Rights linked to the market economy and the institutions. Professors of DBS have participated in those annual congresses with papers enhancing the role of sustainability in our modern society.

A small delegation of DBS has taken part in the 2015 IAJBS Congress that was held in Montevideo (Uruguay). DBS is collaborating with the official journal of IAJBS, Journal of Management for Global Sustainability. Many of the papers published in the journal are linked with PRME principles.

The Humanistic Management Network organizes annual congresses, panels and gatherings. Professors from DBS are being active part of those meetings, developing conceptual papers that are linked with the implementation of PRME principles at the level of the firm.

At the same time, DBS has participated in the last two PDWs organized by PRME at the Academy of Management Annual Congresses in Vancouver (Canada) and Anaheim (USA). This is an example of the close collaboration between DBS and the PRME initiative.
OUR VALUE-BASED NETWORK IMPACTING OUR STUDENTS

Deusto Business School has created a long-term network with other value-based institutions.

UNIJES
Jesuit Universities, the network of universities associated to the Society of Jesus in Spain (UNIJES is federation of independent Jesuit universities) also collaborates to boost alliances and joint projects which strengthen them: academic and humanistic quality in our education, programmes, the search for solutions to social challenges and contribution to today’s dialogues and debates.

ARISTOS CAMPUS MUNDUS (2015)
ACM 2015 is a strategic aggregation of three socially-oriented universities - the University of Deusto, the University of Comillas, and Ramon Llull University. This aggregation began as an advanced strategic cooperation agreement with Georgetown University, Boston College and Fordham University.

INTERNATIONAL ASSOCIATION OF JESUIT BUSINESS SCHOOLS (IAJBS)
One of the main objectives of IAJBS is to enhance the ability of business schools deans and administrators to lead in the creation and transmission of scholarship and knowledge that will prepare students for the profession and vocation of business leadership in a global economy.

ALBOAN
Deusto Business School cooperates with this international cooperation NGO promoted by the Society of Jesus in the Basque Country and Navarre. It works to build global citizenship which condemns injustices that cause inequality in the world, seeking to form a culture that promotes good and transforms the structures that lead to poverty at the local and global levels. A main activity together is the organization of the conferences "Conversations towards a human economy". Deusto Business School together with ALBOAN participates in the dialogue between companies and NGOs to discuss about how to solve societal problems.

COMPARTE LEARNING COMMUNITY
This learning community was created by a group of people and organisers linked to DBS who share the passion for implementing strategies to achieve an inclusive world.
NEXT STEPS

Going forward, it is clear for us that participating in PRME is a long-term endeavor, a journey that we have just started.

There are two major objectives that we would like to highlight in this chapter. If we are right about them, we should be able to focus our next SIP Report on the progress achieved in these two specific issues:

**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.

To increase both the amount and quality of research linked with PRME principles. This includes the organization of periodical research seminars in order to enhance the quality of the research and the amount of researchers involved in PRME-related research.

**Principle 3 | Method:** We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership

To increase the focus in the area of PRME that is linked with methodology. In short, as Deusto Business School we will be committed for the next two years in the creation of educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership. In particular, we will be focused in quality issues, accreditations and learning assurance processes. In all those tasks we will make evident our commitment to PRME as a part of DBS identity. At the same time, while enhancing our quality standards, we are also contributing to PRME principle 3.

Those two are the next steps that Deusto Business School will tackle in the next period. We are confident that Deusto Business School will make strong progress in both of them. That progress will be discussed in the next SIP report, which will take into account the period 2016-2018.