Sharing Information on Progress 2011

EGADE Business School
Tecnológico de Monterrey

Monterrey, Nuevo León, December 2012
Renewal of the commitment to PRME

EGADE Business School

Monterrey, October 15, 2012

As an institution committed to the Principles for Responsible Management Education, it is a pleasure to submit our second “Sharing Information on Progress” report 2011-2012.

EGADE Business School of the Tecnológico de Monterrey continues the implementation of these principles and it is our desire to renew our commitment to PRME and to encourage other institutions of higher education, students, and the general community to support the recommendations made by these principles.

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 community who had worked hard to strengthen our commitment to PRME in our everyday tasks and in our community involvement.

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EGADE Business School / EGAP Gobierno y Política Pública
Principles for a Responsible Management Education

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.
We at EGADE Business School have incorporated in all the curricula.

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.

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

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.

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.

Principle 6: Dialogue:
We will facilitate and support dialogue and debate among educators, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.
In our last Communication in Progress Report, we introduced our Centre for the Integration of Economic and Social Value (CIVES), which is one of the main actors at EGADE Business School on charge of transforming our school into one of the most standing institutions in Latin America regarding to CSR (Corporate Social Responsibility) matters.

This Centre is on charge of the development and transference of knowledge for the creation of economic and social value through research, education and social programs. It was created with the sponsorship of FEMSA and the support of the Social Enterprise Knowledge Network (SEKN). Also, CIVES has alliances with governmental organisms such as the Secretariat of Social Development of Nuevo León, and some knowledge networks such as the International Research Network for Social and Economic Empowerment (IRENE-SEE).

CIVES vision is to position EGADE Business School as the main Latin American reference in topics such as corporate social responsibility, business solutions to poverty and social entrepreneurship.

The 5 main action areas of CIVES are:

1. Research: Generation of articles, business cases and books.
2. Training for enterprises and third sector organizations through opinion articles, forums, conferences and lectures.
3. Volunteering through social programs: Collaboration between CIVES, EGADE Business School and civil society organizations in order to mitigate social problems.
4. Advice on CSR and business issues for enterprises and civil society organizations.
5. Special projects: Mix of more than 1 of the last areas.

EGADE Business School and the Centre for the Integration of Economic and Social Value (CIVES) have been working altogether to develop and improve the responsible management principles and its practice through a wide variety of
activities, programs and initiatives. We will discuss this in detail through the present report.

**Regarding Principle 1 and 2:**

EGADE Business School still counts with the participation of an Ethics Committee made up of five faculty members who make decisions regarding to the content of ethical, corporate social responsibility and environmental courses. Also, this Committee is also in charge of training other faculty members concerning this matter, and planning conferences and events, among other responsibilities.

The course *Business Policy, Ethics and Corporate Social Responsibility* continues to be part of all our postgraduate programs (master degrees and PhD degrees). The main subjects of this course are corporate social responsibility and sustainable behavior in organizations. The overall objective of this course is to integrate an ethical and social responsible reasoning in executive’s decision making. As a final project, all the students have to develop a study case regarding a regional company and its performance in responsible management principles.

At the end of this course, all the students are asked to fill a Learning Objectives Assessment Rubric, which objective is to generate a self-evaluation of the student regarding to his comprehension of the course contents and its implementation in the professional practice. This assessment rubric consists in three main areas: 1) ability to identify all of the interested stakeholders in a decision making process, 2) ability to analyze and make decisions for ethical problems in business work and 3) ability to recognize social responsibility issues and the social impact of business decisions.

At the same time, EGADE Business School is still implementing its Sustainable Campus program, which includes activities as recycling, water saving mechanisms and other environmentally friendly behaviors. The overall objective is to reinforce a sustainable development perspective in all our students, faculty members and staff.
**Regarding Principle 3 and 4:**

Regarding principle 3 about the method and educational materials to support the responsible management education, members of CIVES and the network SEKN produced three study cases about examples of real business cases implementing responsible management principles. These study cases will be used to spread the knowledge of the empirical results of responsible management principles.

On the other hand, during 2011, the Centre CIVES and students of the PhD in Management Sciences at EGADE Business School published three papers about consume patterns and technology adoption processes of low-income consumers in Mexico.

The list of the complete references of these articles is the following:


Among other activities, EGADE Business School offered a one week Ethics Workshop for all faculty members during summer 2011. The main objective of this workshop was to introduce professors to ethics issues, methodologies for ethical decision making and resolution of ethical dilemmas.
**Regarding Principle 5:**

Regarding our collaboration with the business sector, this year CIVES and EGADE Business School advised three enterprises in the following subjects:

- Elaboration of perceptions and image diagnostics and recommendations to consolidate it.
- Developing business base (propelling small farmers in the value chain).
- Development of the business social strategy.
- Strategies and processes that allow the implementation of the CSR component within the entire company.

During 2011, we established an alliance between the CIVES and the International Research Network on Social Economic Empowerment (IRENE SEE) which main purposes are to: 1) create social empowerment through business solutions to social problems, 2) give scholarships to doctorate students who focus in this topic and 3) to study the long term viability, usefulness and effects of social and economic empowerment in Africa and Latin America. We promote the research and diffusion of knowledge in CSR issues and social business through this alliance.

**Regarding Principle 6:**

We have been contributing to the diffusion of responsible management principles through training programs directed to social leaders, members of civil society organizations, and enterprises.

Jointly with the Secretariat of Social Development of Nuevo León, this year we offered a total of 55.25 training hours to 711 people from a variety of non-profitable organizations. On the other hand, we trained around 600 people from the business sector. Some of the topics of these courses were related to strategy and planning of corporate social responsibility, integration of corporate social responsibility in the supply chain, social entrepreneurship, finance, marketing and other topics related to the non-profitable organizations management. These courses are aimed to develop
new capabilities and professionalize our community in responsible management principles.

Through CIVES, the Social Enterprise Knowledge Network (SEKN) and the sponsorship of BBVA Bank, during 2011 we developed a special project called “Generating Scale and Impact on Social Entrepreneurship in Latin America”. The objective of the project was to study, analyze and document successful social business models (consolidated and expanded) through the continuous work with actual social entrepreneurship and help other social entrepreneurs with their projects.

The first step of this project was to elaborate a pedagogical case about a successful social entrepreneurship. The second step consisted on a seminar to discuss the results and generate the basis to train other local organizations. The mentoring was directed by professors and students of EGADE Business School and the main topic was the generation of scalable business models. The results were elaborated proposals of business models by different social entrepreneurs.

At the end of 2011, another project was finished jointly with a non-profitable organization called “Pase Usted”, the Government of Nuevo León, Nuevo León Fund for Innovation, Institute of Innovation and Technology Transfer of Nuevo León, CEDIM and EGADE Business School. The main objectives of this project were to advice, train and finance 10 social entrepreneurship projects for their future consolidation and expansion. EGADE Business School contributed with the training and advice of these 10 social entrepreneurship projects in topics such as generation of business models, marketing and finance.

In the same vein and regarding the 6th principle, the Humanistic and Management Research Chair contributes to the inspirational guide in two subjects:

1. The buying in argument: How can PRME are used to enhance competitive advantage?

2. Facilitating dialogue among students and teachers to enrich the learning experience.

EGADE through the Humanistic and Management Research Chair exposed its experience in the diffusion of the PRME principles to the community. The buying
argument shows a model developed by the Humanistic Management Research Chair that allows recognizing whether or not a firm is managed considering sustainability. On the other hand, the facilitated dialogue contribution exposes some strategies followed by EGADE’s faculty to enrich the ethical reflection and the learning experience among students considering the PRME principles.

The buying argument:

In this sense, we in EGADE believe that PRME principles regard not just with ethical behaviour but also with better performance for the firms. In this vein, the Humanistic and Management Research Chair, has developed a model called “The five dimensional model of sustainability for firms “(MOPSE as its Spanish acronym). MOPSE is based on a well-developed theoretical framework of the different approaches available that relate to the concept of entrepreneurial sustainability.

MOPSE takes into account not only the triple bottom line (economic, social and environmental), as the focus of responsible development of the company, to society, taking into account the stakeholders, transparency and accountability in their daily action. This model allows the student to review the principles of the PRME transversely at different levels of the organization: Individual, group and organizational and try to think about the impacts that may be generated from their actions.

At this time the team that developed the MOPSE is engaged in a multi-regional research with several universities in Mexico (UNAM, U.Veracruzan, U.Baja California and EGADE BS) and in Colombia, Perú as well as in Trinidad and Tobago.

In regards to: Facilitating dialogue among students and teachers to enrich the learning experience:

Teaching ethics in business programmes has always been a challenge for any teacher. In this sense, EGADE Business School has developed in the last two years a course in political, ethics and CSR business by developing case studies to induce students to think about the business and ethical implications of different decisions made in a company. In addition, the entire MBAs programmes' courses have an ethic transversal.
Actions taken

We have noticed that when the students face real problems in the form of study cases, complex constructs such as ethics become more understandable for them. In this sense, the global discussion among the participants in the class enriches in many ways the learning experience not only of the students, but of the teacher also.

Another great practice that gives value-added to the learning experience is the case study design. This activity consists of a contest where the students design, research and build case studies involving constructs such as business ethics, corporate social responsibility, social development, poverty alleviation programmes, and sustainability.

The cases discussed in class are national and international, regional and global. This gives the student an overview of what is happening in the business world and an understanding of how the taking of decisions can have consequences of high impact on the company, its stakeholders and society. In addition, the course curriculum includes sessions that review the different functional areas of the company and how decisions from any part of it can cause some people to benefit while simultaneously harming others.

Results

Students have developed a particular interest in participating in this course because from the beginning their thoughts about the traditional business model as related only to profits are questioned, and it also includes the dimension of how decisions impact on stakeholders. Over time this course has become one of the pillars of ethics education in our master’s programmes.
OBJECTIVES FOR 2012

Some of our objectives for 2012 are:

Research area:

- Publication of more study cases related to CSR issues.
- Publication of a monthly article in specialized CSR media.
- Publication of a yearly paper by PhD students.
- Generation of new knowledge in the Development of the Value Chain.

Training and diffusion:

- Development and delivery of six courses from EGADE professors to non-profitable organizations.
- Generation of a biannual forum related to CSR issues.
- Creation and launch of the academic offerings of CIVES.
- Provide CSR support to at least three enterprises.
- Development of an Executive Transversal Sustainability Program for enterprises and non-profitable organizations.