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To:

PRME Steering Committee
c/o Jonas Haertle,
Head PRME Secretariat at United Nations Global Compact Office
801 2nd Avenue, 2nd Floor
New York, New York 10017

February 21st, 2017

Adoption of the Principles for Responsible Management Education

As a business school that aims at educating and equipping current and future international managers, Lomonosov Moscow State University Business School (MSUBS) is hereby reaffirming its commitment to adhere to the Principles for Responsible Management Education, to be accountable to all our stakeholders and to share our practices related to implementing these principles with other prospective and current PRME signatories. We see the dialogue with PRME community as a valuable resource of best practices that allows our school to critically consider our own performance and learn from the best.

We have been committed to the six PRME principles and have ensured that the principles permeate all areas of MSUBS life. The present progress report has provided us with an opportunity to evaluate the depth of our commitment, re-affirm the best practices and recognise the areas where there is room for improvement.

As a current PRME signatory, we recognise that PRME principles we are committed to should be translated into specific practices that will make our values and attitudes evident to our students, our business partners, and the academic community.

We hereby reaffirm our commitment to dialogue and exchange of ideas and practices related to social responsibility and sustainability with our colleagues in academia and our partners in the world of business to further advance the six PRME Principles.

Sincerely yours,

Dean
Prof. Oleg S. Vikhanskiy
About Lomonosov Moscow State University Business School

Lomonosov Moscow State University Business School (MSUBS) is one of the oldest business schools in Russia. It was founded in 1989 as the School of Management within the Department of Economics at MSU. In 2001, the School became a separate Department at MSU.

MSUBS delivers a full range of educational programmes on the undergraduate, graduate and post-graduate levels to Russian and international students. The School launched its first comprehensive educational programme, the MBA programme, back in 1995. In 2001, it started the Master of Science in Management programme (later transformed into the Master of International Business programme). In 2003, the School introduced the Bachelor of Management programme, and in 2007, the School completed its portfolio with its Executive MBA programme.

MSUBS sees itself as a globally-minded business school that equips highly motivated students for managerial work in various contexts. For over 20 years, MSUBS has been successfully training students to become competitive, ethically and strategically thinking business leaders able to make responsible decisions in the rapidly changing global environment and to further the development of civilised business both at home and abroad.

About 600 students are enrolled in MSUBS programmes and over 2,500 students have already graduated from the School’s four study programmes. One of the School’s main competitive advantages is a well-balanced programme that combines profound theoretical knowledge of economics and management with the development of practical managerial skills with a focus on the current concepts and trends in management.

A well-established partnership with leading corporations provides MSUBS students with a unique opportunity to tackle complex business issues both in the classroom and onsite, to experience the excitement and challenges of business firsthand. Such combination of in-depth studies with practical experience enhances their immediate career prospects and equips them for further professional development.

Quality of educational programmes at MSUBS is constantly monitored and ensured. The School studies the best practices of Russian and Western business schools by participating in partnerships, exchange programmes, conferences, workshops and research programmes. MSUBS studies the experience of other PRME signatories and the best practices are discussed at faculty conferences and
department meetings. As the outcome, the School constantly receives positive feedback from its graduates and their employers and ranks very high in Russian and international ratings.

MSUBS is actively networking with schools from other countries to provide students with various educational opportunities and maximise their international exposure. The School actively participates in student exchange programmes and incorporates courses by visiting professors into its programmes to broaden the students’ perspectives and have various issues discussed from local and global viewpoint. Since 2010, MSUBS has been offering a dual degree programme in cooperation with St Andrew’s University School of Management.

MSUBS is trying its best to be immersed in international dialogue and networking in the field of management education through affiliation, accreditation and partnership with variety of bodies, including ABEST21, EFMD, CEEMAN, BMDA and PRME. MSUBS faculty and staff participate in international conferences, annual meetings and educational programmes that address various issues in international management education.

**MSUBS Mission**

The School’s mission is to be a driving force for economic and social change by fostering a new business culture and encouraging positive change in business community through its students and alumni. To ensure that, School strives to provide high-quality education based on international standards and principles of responsible business that correspond to the needs of the global business community in today’s changing world. In order to ensure high quality of its programmes, the School encourages its faculty to use various approaches and teaching methods and address the individual learning needs and styles of its students. The School equips the students to be competitive and succeed in business while being fair and responsible in their leadership and sustain while developing in them a respect for moral, ethical and legal standards.

The School’s mission is in line with the mission of Moscow State University, which was defined in 1755 by Empress Elizabeth the First as “education of the people for the common good of the people and for the well-being of the country”. This mission remains relevant for the 21st century.

Lomonosov MSU Business School’s goal is to bolster the art, theory and tools of business and management. It successfully integrates the scientific and research traditions of Russian higher education with new approaches that teach management as the modern art of doing business.
In accordance with its mission, MSUBS has successfully integrated six PRME principles developed by the United Nations Global Compact initiative into its practices and strives to incorporate the principles in a systematic and creative way, constantly looking for new ways PRME principles may shape the School’s programmes.

Introduction to the Progress Report

This report is the second UN PRME SIP for MSUBS. The following document demonstrates various ways in which the School has been applying the Principles for Responsible Management Education and sets the direction for further improvement.

As one of the leading business schools in Russia, MSUBS strives to create holistic programmes that address various facets of responsibility and sustainability across curriculum to help the students recognise the present and emerging challenges in the areas of business ethics, human rights, sustainability, corporate social responsibility, leadership and others and the ways these issues may be addressed.

In discussing and implementing its strategy, MSUBS strives to maximise the involvement of all its core stakeholders, including faculty, heads of programmes and departments, students, alumni, and corporate partners. Joint meetings, sessions and discussions, both formal and informal, ensure that the programmes offered are up to date and adequately address the challenges for responsible and sustainable business in Russia and abroad.

The present document covers MSUBS practices up to the current academic year, 2017-2018 and is structured in accordance with the 6 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.

MSUBS builds incorporates in its programmes awareness of global challenges in sustainable development and skills necessary to become responsible global citizens. These competencies are at the core of such courses as Business Ethics, Corporate Social Responsibility, Anti-Corruption and Sustainable Business Development, yet the School tries to ensure these issues are addressed throughout the curriculum.

Besides the curriculum, MSUBS strives to provide a range of extracurricular activities that would challenge prejudices, foster awareness of various irresponsible and unsustainable practices, and promote creative and proactive attitude toward social problems. Some of the best practices can be demonstrated in the Bachelor of Management programme. We have managed to create a holistic approach to teaching and fostering responsibility and sustainability through combination of curricular and extracurricular activities throughout the 4-year programme.

During their first year at MSUBS, BM students take a course on history of entrepreneurship in Russia, where they learn about the values and traditions of Russian entrepreneurs of the 19th and early 20th centuries. They learn about philanthropy, art patronage, and social responsibility in Russian business prior to Communist regime. At the same time, they volunteer at Ostafyevo Estate Museum (Ostafyevo, The Russian Parnassus Estate Museum, http://www.ostafyevomuseum.ru). The Museum is located in the southern outskirts of Moscow at the site of Ostafyevo estate, a family estate of the prominent Russian nobility, the Vyazemsky and the Sheremetevs. The estate is linked with some of the most famous names in Russian culture and history, and the students learn about the traditional Russian values while learning about heritage preservation and seeing the present-day challenges of museums and heritage sites. Volunteering at Ostafyevo includes gardening, maintenance work, opinion polls of the visitors, website performance tests and participation in poetry readings and musical events. Students are also encouraged to submit ideas and business projects to help the museum identify areas of growth and ways to enhance its visibility.
During their second year, BM students take a course that was specially developed at MSUBS to address PRME principles and promote discussion of responsibility and sustainability among students. The course is Social and Value Aspects of Doing Business and it includes meetings with CSR managers, non-profits, volunteers, and social entrepreneurs. During this year, the students are provided with a wide range of volunteering opportunities from volunteering at hospices, helping charities that work with the elderly, to volunteering at various events and venues and fundraising for children with disabilities and animal shelters. Such a variety gives students an opportunity to try several projects and choose the types of charity and volunteering work they might continue in future.

During the third year, BM students take the Corporate Social Responsibility and Business Ethics courses. At the same time, they actively participate in organising annual Sustainability Week, with a range of projects, from case competition based on cases provided by MSUBS corporate partners, to photo and fashion contests, to recycling campaigns, workshops and seminars on various aspects of sustainability.

During the fourth year, BM students are encouraged to address corporate responsibility and sustainability in their course papers and diploma projects.

Thus, the 4-year programme is seen as a journey from awareness of traditions to practical ways values play out in business to research and findings about responsibility and sustainability in current business practices in Russia and abroad. In all these, MSUBS fosters shared learning approach, where faculty and students volunteer, work, and research side by side. Besides, students are provided with opportunities that would challenge the accepted biases, foster inclusion and tolerance, and give them a chance to tackle social problems in various ways.
Principle 2 | Values

The values of global social responsibility are incorporated into MSUBS’ mission statement. The School has incorporated broad issues of social responsibility, ethics and sustainability into its programmes and has been encouraging its faculty to intentionally target this agenda in various courses, focusing on specific local issues, such as corruption, environmental issues, equality and tolerance, and others.

Originally, the School started by introducing courses that focused on ERS agenda, such as Corporate Social Responsibility, Business Ethics, and others and followed by developing and introducing new courses, such as Corruption: Risk Management in Bachelor and Master programmes and Social and Value Aspects in Doing Business in BM programme. However, it soon became clear that if we take these values to heart, they should permeate the whole programme and be targeted across disciplines, so as to be seen as an integral part of management and decision making in any business, on any level. In so doing, the course plans of various disciplines were updated to include ERS agenda in a variety of ways, including case studies, group and research projects, and workshops.

MSUBS is distinguished by strong interaction with its alumni community. To ensure that values discussed in class are pertinent for resolving the current business issues, a practice of alumni visits is encouraged, when MSUBS Alumni Association organises visits to businesses led or owned by MSUBS alumni in order to learn best practices and share advice and expertise across various fields. MSUBS alumni community has become a support network of likeminded managers who invest into creating a new business culture in Russia, the culture of accountability, trust, and transparency.

MSUBS values are not only shared across curriculum; they are evident in lives of its faculty and staff who support various charities, volunteer, participate in community events, or share their expertise pro bono with various charities and NGOs. Recently, MSUBS faculty led workshops for NGO leaders at Blagosfera, the biggest NGO hub in Moscow and were invited as experts to select participants for the upcoming Dushevny Bazar, the biggest annual charity event in Russia. Besides, MSUBS faculty participate in conferences that discuss various angles of responsible management education. This rich personal experience is translated into classroom discussions and case studies that bring ERS agenda to life.
Principle 3 | Method

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

MSUBS strives to create environment that encourages research and discussion of pertinent ERS issues in various ways.

Besides introducing ERS agenda to the classroom through curriculum, MSUBS faculty members and students are encouraged to explore the challenges of business ethics, responsibility, and sustainability through research, course papers, group projects, workshops, and company visits. MSUBS strives to monitor the quality of its programmes and, upon receiving feedback from students and business community, seeks to adapt its programmes to specific challenges that Russian business faces today.

Among its recent developments, MSUBS launched the Doing Business in Russia programme for MBA and EMBA level students and managers working for international companies. The programme’s working language is English and it specifically addresses present-day managerial issues in Russia and includes sessions with top managers and company visits that make the programme anything but abstract knowledge.

Another effective initiative is Autumn Business School, a joint project of MSUBS and Saxion University, in cooperation with major business incubators in Russia and Holland. This project encourages cooperation between Russian and Dutch students and faculty to foster international dialogue and joint efforts to address the current challenges common to all European countries.
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.

In ensuring the quality of its educational programmes, MSUBS encourages its faculty and students to pursue various research opportunities, including research of the current practices and trends pertaining to corporate social responsibility and sustainability in Russia and abroad. Within the last three years the School encouraged the students to explore various ERS topics in their course projects and diploma (thesis) projects. For example, in 2018, Master theses included, "Corporate social responsibility as an antecedent of consumer choice", "Factors of realization of corporate social responsibility in Russian companies" as well as studies on corporate culture, the role of EQ for managers, and opportunities for businesses promoting healthy lifestyle. As for Bachelor programme, the School realised an opportunity for growth in research. Back in 2016, there were no Bachelor thesis projects focused on ERS. However, some third year students demonstrated an interest in the topics in their course papers, which resulted in two thesis research papers on ERS in 2017. The most recent graduating class of 2018 produced four Bachelor theses centered around ERS agenda, including “Corporate ethics management as a tool in developing corporate culture”, “Various aspects in promoting corporate philanthropy programmes”, a study suggesting marketing and promotion tools for charity supporting patients with secondary immune disorders, and a research into the role of corporate code of ethics for growth and effectiveness of a particular Russian company. These papers clearly demonstrate a growing interest in ethics, responsibility and sustainability among MSUBS students and their willingness to be proactive in learning about the issues and suggesting their own solutions for the current challenges.

MSUBS faculty members speak at a variety of conferences around the world. In June of 2017, a paper by Sergey Shaposhnikov, MSUBS faculty member, received Best Paper Award at the conference, Society of Open Innovation: Technology, Market, and Complexity, held in Riga. Besides, MSUBS faculty regularly publish their research findings in various academic journals. Among the recent articles, we should mention Leadership and change management. A cross-cultural perspective from Russia, co-authored by MSUBS faculty, Dr. Naumov and V. Boltrukevich, and published in Leadership and Change Management. A Cross-Cultural Perspective, ed. D. Halkias, et.al., by Routledge in 2017.

At MSUBS, critical evaluation of our programmes, mission, and environment is crucial. Various surveys are carried out among students and corporate partners to ensure our programmes meet expectations of our stakeholders. Some of the surveys aim at evaluating the inner changes students experience when programmes challenge some of their basic assumptions or behaviours. In Decem-
ber 2017, a survey was conducted among MSUBS second-year BM students upon their completion of Social and Value Aspects of Doing Business course. Among the most striking results it should be mentioned that over 80% of students responded that they want to work in a company that is socially responsible and sustainable (about 35% claiming it is a must and further 50% saying it is highly desirable). These new expectations from potential employees might increase the pressure on the companies to stick to the right principles and be ethical in their practices. The results of the survey were presented at the annual Lomonosov Readings conference at MSUBS in Spring 2018.
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.

In its ambition to foster a new business culture and a new business community in Russia, the one characterised by a strong sense of ethics, commonly shared values and responsibility, MSUBS understands its role in creating and maintaining a network of partnerships on different levels.

In terms of academia, MSUBS partners with variety of educational institutions across the globe. The School participates in exchange programmes and invites visiting professors to provide students with broad perspective on various issues and to encourage a glocal mindset. Due to recent changes in international politics and in Russian economy, it has become more challenging for MSUBS students to participate in exchange programmes, yet the School has managed to keep its exchange programme running and expanded the number of foreign students coming to MSUBS. MSUBS faculty are active participants and speakers at international conferences, and thus, through an ongoing exchange of students, faculty, and ideas, the School ensures it is fully aware of global challenges and trends in business, ERS challenges in particular. For its Sustainability Week in 2016 and 2017, MSUBS invited faculty from partner universities, including Stockholm University Business School (Sweden), Faculty of Economic and Business, University of Zagreb (Croatia), RISEBA and Stradins University (Latvia).

As an example of unconventional international cooperation, MSUBS is proud to be a part of Hiroshima Green Legacy project, which led to seeds from Hiroshima surviving trees planted at MSUBS Botanical Gardens and further internship opportunity for MSUBS Master programme student at the UN office in Japan.

In terms of business partnerships, MSUBS benefits from networking with 150+ international and local companies operating in Russia. The companies provide a wide range of internship experience for MSUBS students, offer their materials for case studies during the annual Sustainability Week at MSUBS, provide experts for workshops and panel discussions, open their sites for company visits. Thus, the School ensures that students’ classroom experience is in full sync with business realities in Russia, and the challenges of ethics and responsibility are addressed from a very practical angle.
Among its recent developments, MSUBS launched the Doing Business in Russia programme for MBA and EMBA level students and managers working for international companies that specifically addresses present-day managerial issues in Russia and includes sessions with top managers and company visits that make the programme anything but abstract knowledge.

Although the School does not aim at educating CSR managers or NGO managers, we are proud that some of our students consider these career choices as their options. An MSUBS student has recently joined the D-Group.Social team in charge of the largest annual charity event in Russia (Dushevny Bazar) as a full-time staff member. Thus, her volunteering experience evolved into a managerial career at an NGO. The previously mentioned survey conducted among MSUBS second year BM students demonstrated that about a third of the respondents would consider a career as a CSR manager. We see this as a definitely positive trend that may foster productive dialogue between business and non-profits in Russia.
Principle 6 | Dialogue

We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.

MSUBS is committed to dialogue and partnership with other members of academia, business, and other groups concerned with the issues of responsibility and sustainability. MSUBS faculty attend all major conferences targeting the current issues in the area of ethics, social responsibility, and sustainability in Russia to network with other schools, corporate partners and non-profits. Besides, we encourage ongoing dialogue with academia, business, and NGOs through various curricular and extracurricular activities.

In our work with students and alumni, we strive to inspire collaboration with NGOs and charities that will not see them as passive recipients of donations but stakeholders in their own right, that may provide valuable insight and can be seen as a partner rather than a dependant. In terms of its cooperation with various non-profits, MSUBS has expanded its partnerships network and the major partnerships currently include Ostafyevo Estate Museum (volunteering, organising educational programmes for neighbouring schools), Podyozhiki (event volunteering at Atlanty and ReForum), Dushnevny Bazar (volunteering at the biggest annual charity event in Russia), and Blagosfera (the biggest NGO networking hub in Moscow). Besides, we continue working with Starost’ v Radost’ (the Joy of Old Age) foundation, Podsolnukh (Sunflower) foundation, and Hospital Clowns.

The most recent examples of the expansion of our partnership network in the area include our collaboration with Giving Tuesday, Impact Hub Moscow, and Clean Games.

Giving Tuesday

A global annual charity initiative, Giving Tuesday came to Russia for the first time in 2016, and MSUBS was an active participant from the onset, with specific focus on grassroots, student-led projects. The projects included bake sales to benefit Hospital Clowns, donation drives for animal shelters, blood donation campaigns, bike training sessions to benefit the Joy of Old Age foundation, and others.
**Impact Hub Moscow**

The most recent collaboration targeted the concept that is still in development in Russia, the one of social entrepreneurship. In order to provide MSUBS students with a clear understanding of this concept and specific examples, the School organised workshops by Impact Hub Moscow, a social entrepreneurship incubator.

**Clean Games**

A great initiative that started locally and has since gone national and even global, Clean Games turns solving environmental issues into fun, competitive activity. MSUBS students participated in Clean Games in two locations in Moscow, collecting and sorting hundreds of kilograms of waste.

Besides the above mentioned initiatives, MSUBS encourages serious and creative reflection on Russian history. One of the established traditions is BM students preparing an edutainment programme about a certain aspect of WWII every year. In 2017, a group of then second-year BM students created a programme, War Through the Eyes of Children, based on a book of memoirs of those who lived through WWII as a child or teenager. The programme was presented at different venues in Moscow region and later, upon the invitation by Rostourism Agency, was presented at three various venues in Czech Republic in January 2017.
Future plans

MSUBS strategy for the upcoming two years has principles of responsible management education at its core. As a business school driven by commitment to foster business community and business culture of responsibility, transparency and sustainability in Russia, the School is going to continue exploring ERS issues in its teaching, practice, and research. A specific focus for the upcoming two years will be encouraging further student research on ERS issues, including work on course projects, diploma and thesis research. We believe that both business and academia can benefit from research in this area, as it is going to help the School to ensure its programmes are specific and in sync with current business challenges and it may help businesses to find ways to become more responsible and sustainable. Another priority will be deeper involvement of MSUBS alumni into discussion of anti-corruption and other ethical practices in businesses across Russia. We believe the feedback of our alumni and their interaction with current students will foster the business culture that is characterised by transparency, accountability, and inclusion.