Principles for Responsible Management Education

SIP Report March 2012

LOUVAIN
School of Management

EXCELLENCE & ETHICS IN BUSINESS
Principles for Responsible Management Education
Sharing Information on Progress Report March 2012-03-22

Contents
Message from the head of the school 2

Social Responsibility at the LSM: Major achievements in relation to
the implementation of the 6 principles 3

Principle 1 – Purpose 4

Principle 2 – Values 10

Principle 3 – Method 15

Principle 4 – Research 17

Principle 5 – Partnership 21

Principle 6 – Dialogue 23

Key objectives for the next 24 months period 24

Desired support from the PRME community 26
Message from the head of the school

The Louvain School of Management (LSM), UCL’s (Université catholique de Louvain) Faculty of Management on two campuses (Louvain-la-Neuve and Mons), whose motto is “Excellence and Ethics in Business”, develops the leaders of tomorrow, with its offer of Master Programs (Master’s in Management Science, Master’s in Business Engineering) and continuing education programs, including an Executive Master Program in Business Administration. Each year, 1400 students receive their Master’s Degree and 250 external managers receive a continuing education diploma. The school comprises of 200 core faculty and guest speakers. The faculty is also sponsored by chairs financed by external corporate donors. Besides, the faculty offers a research department, the Louvain School of Management Research Institute (ILSM), and includes over 100 active doctoral students.

As a member of the Université catholique de Louvain and as a not-for-profit School of Management, the LSM is built on strong values which are deeply embedded in the day-to-day behaviours and activities. The School belongs to a tradition of thinking notably based on respect, ethics, humanism, and critical approach, and considers ethics and Corporate Social Responsibility as key pillars of its strategy and its positioning. The LSM advocates the “savoir-être” as much as the “know-how” by training future executives conscious of their responsibilities, subscribing to a hierarchy of values which places the business world on its right place in the society and respectful of the sustainable development for the progress of the largest number of people.

The different activities of the LSM in terms of education, research and partnerships altogether show the movement of the school toward a more sustainable business school as an organisation and as a role model for companies as well as for next generation of leaders. In this context, the Louvain School of Management continues to support the objectives of the UN Principles for Responsible Management Education. The Louvain School of Management looks forward to developing meaningful relationships with other members.

If you need further information about our activities, do not hesitate to contact me (alain.vas@uclouvain.be) or Valérie Swaen, Professor of Corporate Social Responsibility and head of the Louvain CSR Network (valerie.swaen@uclouvain.be).

Dean of the LSM
Professor Dr. Alain Vas
Social Responsibility at the LSM: Major achievements in relation to the implementation of the 6 principles

The European Commission and the partners engaged in the European Alliance for CSR "The Responsible company in 2020" strongly affirm that it is essential that business schools, universities and other education institutions play a pro-active role in mainstreaming Corporate Social Responsibility (CSR) into traditional courses, in the curricula of future managers and graduate students, in executive education, and in other educational institutions. Business schools should go beyond some optional courses in CSR or ethics and completely revisit their values, their mission, their curricula and their pedagogy. The vision of the Louvain School of Management clearly positions the school in that direction. The Louvain School of Management promoted a clear ambition - summarized in its slogan: "Excellence & Ethics in Business" - that is "to train today's and tomorrow's managers to responsible decision-making within a complex socio-economic environment and to put human and societal values at the heart of decisions". The main objective of the LSM is to promote a responsible mode of management, open to new forms of dialogue by training responsible and professional entrepreneurs. The LSM is willing to 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. The LSM tries as much as possible to incorporate into its academic activities and curricula the values of global social responsibility by offering educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

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1 The European Alliance for Corporate Social Responsibility is an open partnership for enterprises to promote and encourage CSR. The Alliance was launched in 2006 as a joint initiative of the European Commission and the business community (see http://www.csreurope.org/pages/en/alliance.html).
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.

To accomplish its mission, the LSM has constructed a competency framework, a compass (see figure 1 and table 1) to identify the targeted competencies envisioned for all graduates of the Masters’ in Management (120 credits) and in Business Engineering (120 credits), beyond the specific disciplines of these two programs and the tracks selected by the students. It defines the exit profile of our graduates. It outlines the target to be reached by the LSM graduates at the end of their degree course, by indicating the professors where to focus their teaching efforts and the students where to concentrate their learning commitment. The objectives of this competency framework are 1) to create an educational project that is strong, distinctive, shared and inspiring on the various campuses of the LSM, and 2) to ensure and clearly demonstrate the high quality of LSM’s curriculum, given the demands of the professional world today and the international ranking and accreditation processes.

![Figure 1: The LSM competency framework](image-url)
During their program, students of the LSM Master’s in Management and Master’s in Business Engineering will have developed the following capabilities:

1. Corporate citizenship

Act consciously, aware of their responsibilities, placing human and ethical considerations at the heart of their thinking and actions.

1.1. Demonstrate independent reasoning; look critically and consciously at acquired knowledge (both academic and common sense) and managerial practices, in light of emerging circumstances and their outcomes.

1.2. Decide and act by incorporating ethical and humanistic values, integrity, respect for the laws and conventions, solidarity and civic action, and sustainable development.

1.3. Decide and act responsibly, while taking into account the social, economic and environmental, sometimes antinomian, outcomes in the short, medium and long term, for the various stakeholders.

2. Knowledge and reasoning

Master an active and integrated command of a multidisciplinary body of knowledge (content, methods, models, conceptual frameworks) essential to act expertly in the various areas of management.

2.1. Master the core knowledge of each area of management.

2.2. Master highly specific knowledge in one or two areas of management: advanced and current research-based knowledge and methods.

2.3. Articulate the acquired knowledge from different areas of management.

2.4. Activate and apply the acquired knowledge accordingly to solve a problem.

2.5. Contribute to the development and advancement of the management field.
3. A scientific and systematic approach

Analyze and resolve problems in multidisciplinary and complex management situations using a scientific and systematic approach.

3.1. Conduct a clear, structured, analytical reasoning by applying, and eventually adapting, scientifically based conceptual frameworks and models, to define and analyze a problem.

3.2. Collect, select and analyze relevant information using rigorous, advanced and appropriate methods.

3.3. Consider problems using a systemic and holistic approach: recognize the different aspects of the situation and their interactions in a dynamic process.

3.4. Perceptively synthesize the essential elements of a situation, demonstrating a certain conceptual distance, to diagnose and identify pertinent conclusions.

3.5. Produce, through analysis and diagnosis, implementable solutions in context and identify priorities for action.

4. Innovation and Entrepreneurship

Innovate, initiate and lead change.

4.1. Identify new opportunities, propose creative and useful ideas; in situations that require new strategic approaches, break with existing models and paradigms, promote progress and change.

4.2. Initiate, develop and implement ideas around a new product, service, process or organisational structure, having evaluated the risks and remain pragmatic.

4.3. Integrate, collaborate and actively drive forward collective actions for change, and diffuse for social awareness.

4.4. Reflect on and improve the content, processes and goals of professional practices.
5. **Work effectively in an international and multicultural environment**

*Work as an interface between stakeholders with different rationales, belief systems, training, nationalities, cultures...*

5.1. Understand the inner workings of an organisation: develop a global approach and integrate the internal logic used, within the organisation.

5.2. Position and understand the functioning of an organisation, in its local and international socio-economic dimensions and identify the associated strategic issues and operational decisions.

5.3. Understand and establish their own role and scope for action, in the overall operation of the organisation, while liaising with the various internal and external stakeholders.

6. **Teamwork and leadership**

*Integrate and work in a team; exercise enlightened leadership within the group.*

6.1. Work in a team: join in and collaborate with team members. Be open and take into consideration the different points of view and ways of thinking, manage differences and conflicts constructively, accept diversity.

6.2. Exercise enlightened leadership skills: unite and motivate different team members, identify, draw on and develop their skills and talents, guide them towards achieving a common goal, while adapting to time constraints and the changing environment.

7. **Project management**

*Define and manage a project to completion, taking into account the objectives, resources and constraints that characterize the project environment.*

7.1. Analyze a project within its environment and define the expected outcomes: identify what is at stake, the required outcomes and the environmental constraints; clearly define the project objectives and associate the performance indicators.

7.2. Organize, manage and control the process: structure and schedule the tasks, identify and allocate human and material resources, coordinate, delegate and supervise the tasks; take into account the anticipated constraints and risks.
7.3. Make decisions and take responsibility for them in an uncertain world: take initiatives and act, anticipate and be proactive, show discernment and good judgment and be prepared to make quick decisions, taking into account multiple factors and uncertainties; accept the risks and consequences of decisions.

8. Communication and interpersonal skills

Communicate, converse effectively and convincingly with the stakeholders.

8.1. Express a clear and structured message, both orally and in writing in their mother tongue, in English and ideally, in a third language, adapted to the audience and using context specific communication standards.

8.2. Interact and discuss effectively and respectfully with diverse stakeholders (supervisors, peers, colleagues, clients ...) in face-to-face and group contexts, using both verbal and nonverbal communication skills: demonstrate the ability to listen, empathize, be assertive, provide and accept constructive criticism.

8.3. Persuade and negotiate: understand the needs and viewpoints of others, put forward their reasoning in an appropriate, relevant and persuasive manner, able to bring out points of agreement, even in antagonistic situations.

9. Personal and professional development

Display self-knowledge and independence, able to adapt quickly to new situations and involve positively.

9.1. Independent self-starter: set priorities, anticipate and plan work activities within time constraints, even in changing, uncertain environments or crisis.

9.2. Self-awareness and self-control: be aware of and manage their own emotions, able to be objective about their work and behaviour, and recognize their own strengths and weaknesses, accept them and use them in a professional manner.

9.3. Self-motivation: be capable of creating a project in line with their own values and aspirations, confident and motivated in managing the implementation of the project, and persevere in difficult situations.
9.4. Quick study, lifelong learner: quickly and independently assimilate new information and skills needed to evolve in their professional environment, learn from successes and errors in the spirit of lifelong learning.

Table 1: Description of the 9 core competencies of the LSM competency framework

Like a compass, this framework provides the direction to follow: building the roadblocks belongs to the professor and the direction. The LSM Masters’ in Management (120 credits) and in Business Engineering (120 credits) should enable the student to develop all the skills of this framework. Each student and professor decides, however, where they set their priorities.

For instance, about the first competency of “corporate citizenship”, all Master students should attend one of the following courses: Social Responsibility in Economic Life (taught in English), Corporate Social Responsibility (taught in English) or Responsabilité Sociale de l’Entreprise (taught in French). In the frame of an interdisciplinary approach in continuous dialogue with the business world, those courses enable future managers to build and extend upon knowledge, questions, tools, values and behaviours leading to a renewed vision of the human factor within the enterprise as to reconsider the synergy between the economic, social and environmental policies. CSR is studied as a reflector of the modern firms’ self-awareness process in terms of responsibility and as a source of innovation in the face of the challenges of competitiveness, sustainable development and world governance. The Louvain School of Management is also involved in the creation and teaching of the CSR course of the inter-university on-line certificate in Management organized by the ‘Campus Virtuel en Gestion’ in partnership with the HEC-ULg-Liège and the Solvay Brussels School Economics & Management (Brussels). This online CSR course is based on the same philosophy as the aforementioned courses, but mobilizes different interactive tools such as videos, testimonies or discussion forum.
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.

The LSM works to promote a renewed vision of the corporation for the 21st century through the training of 1) entrepreneurs – willing to launch innovative projects, to solve complex problems by adopting a systemic perspective and to change business norms; 2) ethical leaders – willing to motivate staff and to undertake cultural change for a more ethical and sustainable development; and 3) statesmen – willing to adopt a role of concerned citizen and to participate to the design of a new political governance².

1) Training of entrepreneurs

The purpose of the globally responsible business is to create economic and societal progress in a globally responsible and sustainable way³. Educating future managers to this enlarged conception of the purpose of the firm instead of the traditionally taught profit-first ideology should permit to avoid the case of companies behaving irresponsibly driving by the profit first only. The LSM tries to develop the entrepreneurial capabilities of the future managers, which include skills such as being able to develop a vision about possible innovation, convincing others to enter the new game, taking risks and driving the change. Alongside courses in various techniques and tools (finance, marketing, control...), students should be exposed to real entrepreneurs and innovators as role-models. In this area, the LSM has been delivering various courses in entrepreneurship since the early nineties. In 1997, at the engineering and law schools' request, an interdisciplinary program in entrepreneurship and firm creation, called CPME,⁴ was launched in collaboration with the LSM. Thanks to the Rector's support, the 'CPME' education program has benefited from the

⁴ "CPME" stands for "Formation Interdisciplinaire en Création de Petites et Moyennes Entreprises" which means "Interdisciplinary Education Program in SMEs Creation".
financial support of several firms and from the University Foundation. In order to distinguish itself from other programs intended for venture creators or designed for management students, and to emphasize its complete character, the UCL has decided to offer it as an optional program to students in engineering, bio-engineering, law and management straddling on their undergraduate and their graduate cycles of studies. This choice resulted from a will to bring together students from different schools around one common entrepreneurial project. This interdisciplinary option has been the result of three elements: a faculty demand external to the LSM, a will for differentiation, and a collective, rather than individualistic, view of entrepreneurship.

Furthermore, the LSM contributes to the socio-economic development of the Walloon Region where there seems to have a lack of entrepreneurial spirit. Indeed, the southern region of Belgium has been identified as a poor performer in terms of entrepreneurship and several of the leading local industries (steel, coal, textile, etc.) have experienced a steep decline since the early eighties\(^5\). Contributing to “boost entrepreneurship” in its environment was therefore perceived as a valuable objective for the LSM. As a result, the university has set up entrepreneurship support systems, working at three levels: managing intellectual property rights, financing new ventures and supporting venture creation.

2) Training of ethical leaders

*Leadership* is the art of directing the human reality: it is linked to motivation, communication, participation, and ability to convince people and to propose values that give sense and meaning to the economic drive of the company. If the company wants to give meaning to its activities, if it wants to give sense to economic progress by inserting it into other forms of human progress, the ethical dimension of leadership is essential to inform its choices and to guide its behaviour.

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\(^5\) Source: Global Entrepreneurship Monitor (2003),
Recent research conceptualizes and develops an “ethical leadership” construct that is defined as “the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making”\(^6\).

A number of personal characteristics have been related to ethical leadership: ethical leaders are honest and trustworthy; they are seen as principled decision-makers who care about people and the broader society, and who behave ethically in their personal and professional lives. Ethical leaders make “ethics an explicit part of their leadership agenda by communicating an ethics and values message, by visibly and intentionally role modelling ethical behaviour, and by using the reward system to hold followers accountable for ethical conduct”\(^7\).

To be an ethical leader requires putting ethics back in strategies and behaviour. The decisions made by ethical leaders rely both on an awareness of principles and regulations and on their personal consciences. As many of these decisions are dilemmas beyond the compass of regulations, the development of a globally responsible conscience is the most important foundation for globally ethical behaviour. Guided by values, an ethical leader takes into account the consequences of its decisions and actions and assumes, as much as possible, the responsibility for the future and for the society they create. The major ethical question today is at another level than that of the integrity alone. It is that of knowing *what world we want to build together with the vast resources and the enormous skills at our disposal*?

The Louvain School of Management considers as essential to help the next generation of leaders develop an *ethical leadership* dimension. This will not happen through an intellectual approach only. Emotion and spirituality should be part of the learning process and that can only be achieved through discussion and exchange of experiences engaging the

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‘whole person’. Governing people implies to go beyond the simple intellect and to give way to the heart and the mind. Experiential, presentational, propositional and practical ways of learning must be integrated into the future globally responsible leaders’ curriculum. Students could for instance be confronted to a disorienting dilemma that combines both global and individual challenges, where integration of multiple perspectives is paramount and where multiple stakeholders become part of the process. In those situations, students react not only with their rational abilities, but with all of their senses and skills (practical, affective, conceptual, imagination) — in a ‘whole person learning’ approach. This enables the globally responsible leaders to discover more of their inner dimension, to face the intended and unintended consequences of their decisions and to develop entrepreneurial learning processes. For instance, in the CSR courses (mentioned under the principle 1), students are asked to write their “personal manifesto” which should help them better perceive who they are and what they want. Together with some experts and based on some pedagogical tools specifically designed for this course (questionnaire, video...) by Jan Noterdaeme (CSR Europe), Pierre-Yves Maniquet (Alpha Resource Network) and Valérie Swaen (LSM), students discuss their personal motivations (What do I really want? What kind of world would I like to be part of?); their impacts and responsibilities (Am I aware of the impact of my decisions? Do I bear the consequences of my decisions?); their commitments (How far am I ready to go to defend what I believe in?); and define their motto (What is my “carpe diem”?); various elements that influence not only their personal development but also the development of people and organisations with whom they will be interacting. This personal manifesto and the pedagogical tools associated represent one of the main innovations in the CSR education at the LSM in the perspective of the “whole person learning”.

3) Training of statesmen

The concept of sustainable development most faithfully translates at the general level the challenges facing the 21st Century leaders: broadening the purpose of economic progress, creating a political and ethical corporate culture, and mastering the process of

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8 Taylor B. (2006), Learning for Tomorrow: Whole person Learning, Oasis press and GRLI.
collective change. To address those challenges, business leaders should participate more actively in the research and definition of the Common Good and try to build it into their sphere of activity even if global governance is still in its infancy. Business leaders should play a more responsible role in the emergence of a new culture of cooperation and debate that would replace the simple current “lobbying” practices. To their role of entrepreneur and ethical leader they should add that of statesman in the sense of adopting a role of concerned citizens and helping to construct new governance.

Business education at LSM implies a realistic analysis of our economic system and a search for keeping its dynamism and creativity while reducing its defects, dysfunctions and deviations. Furthermore, dialogue, consultation and debate are needed in order to reintroduce the political dimension in economic decision making. To deal with dilemmas and ambiguities, an openness to the views of others and discussion with people with differing perspectives is vital. Dialogue enables people to understand and gain clarification together on what matters most in a specific context, from what viewing points, in what balance, with what negotiations. This involves more than intellectual capability. It calls for the capacities to work with internal contradictions and value conflicts while sustaining relationships with those engaged in the process.

To attain this objective, the LSM encourages its students to attend the various conferences organized by the Hoover Chair in political and social ethics where key societal issues are permanently debated. Moreover, the Hoover Chair is hosting some Ph.D. students who want to broaden the societal and political dimensions of their research work on business responsibilities. The LSM participation to different international networks (like notably the Globally Responsible Leadership Initiative (GRLI), the UN Principles for Responsible Management Education (PRME), the European Alliance for CSR) is another way to reinforce its statesmanship mission.
Principle 3 | Method: We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

The aforementioned CSR courses aim at providing tools enabling the students to elicit critical thinking on ethical, social and environmental issues raised by contemporary organisations. In this perspective, the courses endow students with analytical references allowing them to identify the organisations’ values and their role, to highlight their strategic and philosophic background, to evaluate their pertinence and to sort out the various concurring positions. CSR is studied as a reflector of the modern enterprises’ self-awareness process in terms of responsibility domain and as an innovation incubator facing the challenges of competitiveness, sustainable development and world governance. The analytic references moreover give way to more personal questioning periods developed by the students in terms of their own aspirations, perceptions and observations as citizens. All these elements foster personal change that in its turn conveys possible transformations within the organisations. Students also analyze real life situations as to bring out specific ethical matters while suggesting solutions based on the opinions and the contributions of the different stakeholders involved. Two times a year, different companies and organizations propose CSR projects related to their day-to-day practices and accept to coach either 1, 2 or 3 teams of students by project. Teams of students have then to analyse the situation, write out a strategic plan showing the sustainability of their project (from economic, social, environmental and ethical points of view) and taking into account the point of view of the different important stakeholders of that company. They finally design and present an institutional communication of their project through a poster. For students, this project with a company/organisation involves carrying out different interviews, discussion panels and debates with managers and stakeholders having somewhat divergent perspectives on the project or the company, and finally to make sense of those viewpoints to develop a viable project from an economic, social, environmental and ethical perspective. This project is the opportunity for students to bridge practice and theory by getting out of the classroom into
real business situations, where they can apply some of their knowledge and know-how, but also experiment how to work with contradictions and conflicting perspectives.
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.

With the support of GDF SUEZ and Belgacom, the LSM created a Network on Corporate Social Responsibility: the Louvain CSR Network whose ambition is to support young women and men as well as company practitioners eager to place responsible leadership and sustainable production and consumption at the heart of their vision, learning and attitudes.

The members of the Louvain CSR Network come from disciplines as varied as human resources management, marketing, company law, social law, economic and social ethics, philosophy or sociology of organisations and contribute to major developments and reflections concerning the relationships between business and society. The publications of the Louvain CSR Network members cover a broad range of topics illustrating their contribution to the community (for more information about the publications of the Louvain CSR Network, see http://www.uclouvain.be/en-279687.html). More specifically, research projects are oriented toward:

1. the development of the theoretical background behind CSR by using a multi-disciplinary approach (stakeholder management, modes of governance, nature and importance of new values in business...);
2. the study of the corporate culture and the different tools (reports, labels, norms, certifications...) used by companies to demonstrate the importance they attach to CSR, and the analysis of the applicability of those tools in different countries;
3. the empirical analysis of the CSR integration in corporate strategy (best practices, communication strategy...).

A growing number of PhD. students are also working on topics related to sustainability, CSR and business ethics in general; such as the role of organisational culture in the pursuit of CSR; the analysis of employees’ responses to CSR; the study of CSR communication campaigns towards the consumer during a CSR crisis; the role of IT firms in
proposing sustainable innovations; the use of management control systems in a sustainability context, the stakeholder involvement in CSR certifications or the sociology of ISO 26000 setting process among others.

To pursue those research objectives, the LSM is developing research collaborations with other research centers inside and outside the Université catholique de Louvain. For instance, strong relationships exist with the Hoover Chair of Economic and Social Ethics which aims at stimulating ethical reflection in the research and teaching of the Faculty of economic, social and political sciences of the Université catholique de Louvain and at contributing to a well informed public debate about the ethical issues that arise in our society. These objectives are pursued through the organisation of debates, seminars, conferences and a special program in economic and social ethics; through hosting foreign scholars and through participating in countless initiatives organised by other institutions, both in Belgium and abroad. These various activities are carried further and backed up by many publications, in the form of books, scholarly articles, interventions in the media or working papers.

In addition, some members of the Louvain CSR Network participate to the Academic Council of Guberna. In essence, the role of the Academic Council is to be a sounding board and provide focused advice and feedback on knowledge development and research projects in the broad field of governance. The Academic Council serves as a platform for exchanging information and ideas on current and future research projects in the field of corporate governance. It also offers a pool of specialist guest speakers. Moreover, the Academic Council offers a means to stimulate (corporate) governance research among students as part of their thesis and projects. Conversely, Guberna also stimulates university students to tackle a corporate governance theme in their thesis (e.g. by giving a list of interesting thesis themes).

Moreover, strong collaborations have been established with professors and researchers from other Belgian universities/business schools, such as FUNDP (Namur), ICHEC Brussels Management School (Brussels), Facultés Universitaires Saint-Louis Bruxelles
(Brussels), HEC-ULg (Liège), Solvay Brussels School Economics & Management (Brussels), Universiteit Antwerpen (Antwerpen), and Vlerick Leuven Gent Management School (Gent), through the joint organization every two years of the CSR Research Seminar and the Philippe de Woot Award.

The general theme of the CSR Research Seminar is Corporate Social Responsibility. Every two years, this seminar aims at bringing together scholars from various disciplines and fields, including but not limited to management, law, sociology, philosophy, economics, political science, and social psychology, but sharing a common interest for CSR and business & society issues, in order to explore the diverse dimensions of these questions. A special attention is also given to research projects that involve strong linkages with industry participants. It may include methods such as ethnography, observation-participation, or other methodologies that require intense relationships with companies although all PhD topics and approaches are welcome. The CSR research seminar is a great opportunity for young researchers to present and discuss their research project. It offers a great exposure to leading academics and practitioners who provide feedback on their work and share advice about writing, designing and publishing. The event also includes a paper/research project presentation and a publishing workshop. This year, this seminar was organized at the Vlerick Leuven Gent Management School with the collaboration of the Louvain CSR Network of the Louvain School of Management and EABIS the Academy of Business in Society.

The Philippe de Woot Award aims to promote CSR by granting, every two years, to a Master student, from a Belgian\(^9\) school of management for a Master thesis constituting an original contribution to the understanding and thinking about CSR. Throughout his career lasting 40 years, Professor Philippe de Woot (LSM, UCL)\(^10\) always encouraged students, enterprises, economic actors as well as international and national public bodies to adhere to

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\(^9\) In 2014, the Award will take an international dimension.

\(^10\) Emeritus Professor of the Université catholique de Louvain, author and co-author of many publications ranging from Pour une doctrine de l’entreprise (1968) to Responsabilité sociale de l’entreprise: Faut-il enchaîner Prométhée? (2005), director of, and adviser to, national and international companies, co-founder of the Louvain CSR Network and active member of the Global Responsible Leadership Initiative (GRLI).
the ethics of what is now called CSR. He was a precursor of the groundswell embodied today in the commitment to CSR of the best enterprises and management schools. The Philippe de Woot award is based on a cooperative partnership between the corporate and the academic world in the CSR field (f.i., Bekaert, Belgacom, Colruytgroup, Delvaux, GDF Suez, GSK, IBA, ING, Lhoist, Umicore, among others). The main aims are to reinforce the cooperation between the corporate and the academic world in the CSR field, to enhance an inter-university approach on these matters, and to raise this undertaking to an international level. The first Philippe de Woot award took place in 2010 at the Louvain School of Management (Louvain-la-Neuve, Belgium); the second one was awarded on February, 16 2012 at the Vlerick Leuven Gent Management School (Gent, Belgium) (for more information about the Philippe de Woot Award, see http://www.uclouvain.be/en-279763.html).
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 members of the LSM strongly believe that they cannot succeed in isolation of each other; that they have to collaborate together as well as with the most proactive companies, and to be part of the most advanced networks with respect to CSR, globally responsible leadership and sustainable development.

Different collaborations have been established with companies like GDF Suez, GSK Biologicals and Belgacom. The main objective of such collaborations is to develop the concepts and the tools of a cultural transformation of companies with respect to CSR and sustainable development. The idea is to help leaders and staff to make evolve gradually the values, the strategy and the behaviours in this field, notably by exchanging practices and establishing synergies with other companies.

In 2007, the LSM has started to cooperate with CSR Europe – a network of companies which are in a process of mainstreaming CSR in their management processes and functions. CSR Europe is a privileged interlocutor of the European institutions and one of the leading organisations coordinating the European Alliance for CSR. This Alliance is an open partnership for enterprises and organisations to promote CSR and integrate it into mainstream business practice. Another important objective of the Alliance is to support the European Multistakeholder Forum on CSR and to encourage further integration of CSR in the curriculum of future managers.

Finally, among other networks, the Globally Responsible Leadership Initiative (GRLI) seems very promising, because it challenges the issues of the company for the 21st Century, the mission of business schools/learning institutions and the process for cultural change in organisations. This unique global community of action and learning - that was co-founded and supported by the United Nations Global Compact and the European Foundation for Management Development (EFMD) - represents a pioneering group of 60 business
schools/learning institutions and companies over the five continents, over 300,000 students and 1,000,000 employees that are engaged in developing a next generation of globally responsible leaders. A unique characteristic of the GRLI is that it seeks to maintain a balance between businesses and business schools/learning institutions, usually ensuring that each business school that joins does so with a business partner. Since 2006, the LSM is an Institutional Partner of the GRLI. During two years, the LSM was associated to GSK Biologicals in order to unfold a strategic CSR agenda in this pharmaceutical company based on a complete auditing of GSK’s CSR practices. This very fruitful collaboration organized in the context of the GRLI should definitely be reiterated with other corporate partners. In this framework the LSM plays an active role in two major global research projects: The Corporation of the 21st Century and The Business School of the 21st Century, in order to assume its responsibility in preparing a responsible future for business and business education.
Principle 6 | Dialogue: We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society, organisations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.

Inside the school, discussion and debate regularly take place to discuss the ways in which CSR is addressed and taught at the LSM and in other management schools, and to exchange ideas about how to further integrate sustainability issues into students' curriculum in an innovative way.

Moreover, we already presented in this document different events that the LSM is organizing in order to stimulate dialogue and debate among educators, researchers, students, business and civil society, such as the CSR research seminar and the Philippe de Woot Award (see under the principle 4).

This year the LSM students have organized the **LSM Cup 2012**, a new business game focusing on Corporate Social Responsibility. Like other business games, this inter-faculty and multidisciplinary game consists in solving case studies based on realistic situations by teams of four students (2 pairs) and defending the group's solution in front of a jury after each challenge. Four different challenges covering the main aspects of management are to be tackled during this two days event: one in finance presented by PwC, another in marketing presented by Belgacom, a third in sourcing and procurement presented by GSK and the last one in strategy presented by BNP Paribas Fortis. The uniqueness of the LSM Cup 2012 lies in the inclusion of a “crack the case” session after each challenge, which is very useful for the students who wish to learn from their mistakes. Moreover, the implication of academics in the preparation of the cases and the presence of professors from the Louvain CSR Network in the jury guarantee the coherence and the originality of the game. The game is open to all participants from the third Bachelor’s year to Master’s.
Key objectives for the next 24 months period

- **2013: Development of an option called “Ethics in Society” for Master students**
  This option will allow the Master students of the LSM to take six courses (30 ECTS) in this field (such as Ethics in Finance, Corporate Governance, International Protection of Human Rights, International Protection of the Environment, Ethics and Social Choice, Environment, Consumer Protection and Health Policies) as well as to do an internship and a Master thesis on this topic.

- **2013: The creation of a chair in “CSR communication”**
  Consumers tend to exhibit a low level of awareness of CSR activities, while at the same time expect companies to be more socially responsible and to communicate about their CSR activities. Accordingly, the way in which a company can effectively communicate about its socially responsible activities remains an important question to be addressed. The LSM is actively looking for business partners to develop a new chair around the topic of CSR communication.

- **2013-2014: Extension of partner NGOs in Belgium and abroad where students can do internships**

- **2014: Development of executive education related to sustainable development and CSR**
  Currently, the members of the Louvain CSR Network are working to propose an interesting and relevant program of executive education related to sustainable development and CSR.
2014: The first international edition of the Philippe de Woot Award (organized at the Solvay Brussels School Economics & Management, in Brussels), in partnership with the CEMS.

The objective is to develop the Philippe de Woot Award at an international level in 2014. To do that, the Louvain School of Management binds to a recognized, top-level organization, i.e. CEMS – The Global Alliance in Management Education, to integrate in this award initiative the best business schools over the world. The idea is not to take into account all business schools, because of unequal qualities and to keep the project “manageable” (in terms of the treatment of the thesis submissions as well as the communication to develop with each participating school). The LSM further considers that the objectives of the Philippe de Woot award (briefly said “to promote sustainability and Corporate Social Responsibility”) are totally aligned with some of CEMS’ priorities.
Desired support from the PRME community

- We would very much welcome a possibility to link with other members of the PRME community through conferences and workshops, and discussion forum for exchange of ideas and development of efficient partnerships in teaching, research and contribution to the community.