PRME Principles for Responsible Management Education

Report 2009

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Message from the Graduate School of Management

Since taking the step in 2008 to become one of the 100 first management schools in the world to sign the UN-backed Principles for Responsible Management Education, the Graduate School of Management at La Trobe University is moving to implement responsible management principles in all of our activities.

We welcome the opportunity to demonstrate our commitment to the Principles through showcasing the key strides we have made in 2009 in this report. As a premier institution in the Asia-Pacific region, we take our responsibility for shaping and developing responsible leadership skills in the region very seriously. We also recognise that implementing the principles requires a holistic approach, one that is cascaded and realised through our Mission, Vision and Values, and also serves to meet our various stakeholders’ needs.

The most visible result of our commitment to the PRME has been the launch of Australia’s first Graduate Certificate in Corporate Responsibility. An overwhelming response to the program has proven to us that this type of program is indeed needed by an emerging industry of practitioners in the field of corporate responsibility. The success of this part-time program has led us to develop a brand new full-fledged Master of Corporate Responsibility to commence in 2010. In addition to these very specialised programs, we are reviewing the GSM’s flagship MBA offering in order to infuse our subjects with the very latest in contemporary management practice founded in responsible management.

We continue to strengthen our research focus in the area and, importantly, also believe in creating valuable, relevant and industry-led programs. With this in mind, we partner closely with industry to develop opportunities for student volunteering initiatives, internships, research and relevant course offerings. This further reinforces the University’s strong focus on public advocacy and opinion leadership to advance responsible business practices. Being based in the Asia-Pacific, we have forged relationships with Universities in the region, in part, to augment our understanding of the differing cultural contexts in crafting and delivering the PRME message to our students.

Building a sustainable future requires a long-term strategy. We recognise this and are striving to achieve realistic goals, as reflected in the GSM’s strategic plan. We are particularly proud of the progress we have made in our new Degree programs and subject review, but also realise that improvements are needed in relation to our student and staff engagement and PRME member partnerships.

We consider ourselves part of the PRME community, and look forward to forging meaningful relationships with other members to create mutually beneficial outcomes for our students, staff, the community, environment and other stakeholders.

Mission and vision

As a national leader in business management, our primary function is to facilitate the development and transfer of management education and knowledge. As part of La Trobe University, we continually work to enhance our national and international profile, and command wide recognition for delivering socially responsible, inclusive, and relevant education opportunities.

In harnessing the power of our research, teaching, and industry collaborations, we actively contribute to the social, cultural and economic prosperity of our community. Our focus on academic rigour and workplace relevance will continue to provide a holistic educational experience for our students. In preparing our students to assume global leadership roles, we seek to further our dedication to responsible management education.

Professor Geoffrey Durden
Head of School
Associate Professor Suzanne Young
Director of Corporate Responsibility and Global Citizenship
Graduate School of Management
La Trobe University
The Graduate school of Management at La Trobe University is guided by the overarching University’s Sustainability Policy Statement.

The Policy Statement outlines that La Trobe University will:

- Reduce the University’s carbon footprint
- Minimise the use of natural resources such as water, non-renewable energy and paper
- Minimise waste to landfill
- Consider environmental and social impacts in decision making
- Collect data which allows us to monitor our environmental performance and report that performance at appropriate committees
- Embed sustainability in all aspects of our activities and performance management
- Develop ways of facilitating the formation of multi-disciplinary research teams able to tackle problems and issues which arise as a result of climate change and minimise the impact of climate change.
- Engage with staff, students and the broader La Trobe community working for change towards environmentally sustainable behaviours
- Minimise green house gas emissions in its operations and supply chain and work towards carbon neutrality
- Adopt a coordinated approach to sustainability strategy, planning and management
- Adopt a robust governance process with respect to environmental sustainability
- Put in place systems and structures to assist in compliance with relevant environmental legislation, standards and agreements
- Enhance conservation and biodiversity in the management of our campuses and engagement with our communities
- Associate La Trobe University with leadership on climate change action, education and research
Building a sustainable future requires a long-term strategy

We appreciate that while strides are being made in a number of categories, a phased approach is required to embedding the principles. Moreover, in recognizing the strategic imperative this creates, measures have been taken to incorporate the ideology in a multi-faceted approach. It is with this in mind that we have developed a simple set of progress indicators in relation to the 6 principles, which highlight the extent to which each principle has been embedded, in line with the directive from the United Nations PRME and the GSM’s strategy.

- Principles not embedded, develop capabilities, programs and resources
- Principles somewhat embedded, requires more investment
- Principles embedded, reinforce message and develop links with other 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.

1.1. New GRLI student chapter

A recent survey of all GSM students showed overwhelming support for the development of a dedicated GSM student chapter, for students by students. The survey was given to all students at the School regardless of their program and more than 55% of them took the time to fill out the new questionnaire.

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The sample was representative across gender, age region and enrolled course. The survey itself was developed by two students from the Graduate Certificate in Corporate Responsibility who also volunteered as GRLI Student Ambassadors. The GRLI (Globally Responsible Leadership Initiative) is an initiative headed by the UN Global Compact and the European Foundation for Management Development - La Trobe University joined the initiative back in 2007. The student ambassadors set out to survey the student cohort’s understanding of sustainability and corporate responsibility as well as identify curricular and extra-curricular areas and activities of interest. The response was not only overwhelming in number but also in enthusiasm. More than half of the surveyed students volunteered to be active members of a new chapter, most of them providing ideas for the chapter in the process.

The student chapter has begun its work with engaging students more meaningfully with the principles by hosting a luncheon, with Maria Simpson, Group Manager - Community Investment and the Telstra Foundation, Australia’s leading telecommunications company. Students also generously donated money to the Smith Family Foundation on the day, a children’s charity committed to helping disadvantaged Australian children.

The School is sponsoring two students, as nominated by the Student Chapter, to attend the Australian Centre for Corporate Social Responsibility’s annual conference next year.

1.2. Diverse understanding of sustainability

Not surprisingly the GSM’s diverse student body with students from 6 continents provided an equally diverse understanding of the concept of corporate responsibility. However, there are remarkable similarities in the perception of responsible management practice. Students almost uniformly replied that they feel that business needs to give back to society. Whilst most students recognised the imperative for business to maximise profits, a majority said that they would consider a company’s environmental and social track record before seeking employment.

Overall, the results indicate that the next generation of leaders will be highly engaged and knowledgeable about their role as important influencers. They know that they will have to continue to develop their understanding of the impact that business is having on the environment and the people around them. Most importantly, they know that they have to show initiative to succeed as responsible management practitioners. The initiative shown in setting up this chapter proves that. The future looks bright for these students as they set out to enrich their own and their fellow students’ degrees with their own brand of leadership initiative.
1.3. The Global Management Challenge

The GSM is sponsoring three groups of students in this year’s edition of the World Global Management Challenge. These students are currently busy competing with more than 400,000 other competitors from 30 countries in the world’s largest management simulation game. Each of the teams runs virtual companies and their objective is to get the highest share price in the simulator’s virtual stock exchange.

The groups consist of a mix of MBA and Master of International Business students from various backgrounds. One team even combines current students with GSM alumni, providing a great networking opportunity between past and current students.

As representatives from the GSM, these students apply responsible management principles in their bids and it encourages students to think globally and engage with global issues.

Completed/Ongoing

- GRLI Student Chapter and its associated strategic plan
- Student Survey on sustainability and responsible leadership

Future:

- Continue to support the Student Chapters for greater inclusion and dialogue between staff and students
- Identify opportunities for students to engage meaningfully with our stakeholders, industry partners, NGO’s, government agencies and our PRME partner universities.
Principle 2 – Value

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.

1.3. Values

The most visible result of our commitment to the PRME has been the launch of Australia’s first Graduate Certificate in Corporate Responsibility (GCCR). An overwhelming response to the program has proven to us that this type of program is indeed needed by an emerging industry of practitioners in the field of corporate responsibility.

The program has been developed in partnerships with the Australian Centre for Corporate Social Responsibility (ACCSR) and an industry board consisting of leaders from organisations like IBM, Telstra, The National Australia Bank (NAB) and Westpac.

It might not have been purely coincidental that the GSM launched its Graduate Certificate in Corporate Responsibility (GCCR) in the shadows of the world-wide financial crisis and plummeting investor confidence in business practices of such high flyers as Bernie Madoff and more recently Allan Stanford.

At the launch of the program, world-renowned President of the New York-based International Center for Corporate Accountability (ICCA), Prof. S. Prakash Sethi, saluted the leadership and foresight shown by the GSM in recognizing a growing void in management education that must be filled.

Speaking to a mixed crowd of students, academics and industry leaders, Prof. Sethi stressed the necessity of developing new research and pedagogy in this area, commending the leading role that the GSM has shown in this area. He pointed to the fact that the GSM is among a small group of pioneering institutions worldwide that have taken the challenge of launching a full-fledged, stand alone, graduate program in corporate responsibility.

The success of this part-time program has led us to develop a brand new full-fledged Master of Corporate Responsibility to commence in 2010. This program is a natural progression from the Graduate Certificate, allowing our current cohort of excellent students to become leaders that are capable of defining the profession of corporate responsibility in the future.

In addition to these very specialised programs, Professor Gavin Jack is currently leading a thorough review of the GSM’s flagship MBA offering. Following this review all of our subjects will be infused by the very latest in contemporary management practice founded in responsible management.

Completed/Ongoing

• Graduate Certificate of Corporate Responsibility turns values to behaviours and practice
• Development of Masters in Corporate Responsibility demonstrates the demand for sustainability-related degree programs and the School’s commitment to the PRME principles.
• Curriculum overview and inclusion of sustainability considerations in all subjects

Future

• Greater curriculum development and growth of GCCR program in Australia and countries in the Asia-pacific region
Principle 3 – Method

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

3.1. International partnerships in creating pathways for globally responsible leaders

Student mobility is a strategic priority and the University maintains active partnerships with more than 80 institutions worldwide and provides a supportive framework to the La Trobe University students, faculty and staff.

The University is committed to broadening internationalisation and encourages the student international experience, development of internationalised teaching curriculum and research, and the diversification of the student community through the interaction with study abroad and exchange students from around the globe.

The Graduate School of Management furthers these international relationships through study abroad programs, articulation arrangements, reciprocal exchange programs, research collaborations, study tours, off-shore programs and visiting scholars.

Examples of partnerships with a PRME focus include:

**Student research projects in Hanoi and Dijon.**

GSM students have the opportunity to undertake a for-credit research project in Hanoi, Vietnam and Dijon, France once a year. These projects are run with the support of our partners there, namely Hanoi University and The Burgundy School of Business.

Students have tackled a number of projects in a range of disciplines, including ethics, the economics of climate change, corporate governance and leadership.

**International volunteering and internship opportunities.**

Progress and talks are under way with the Hanken School of Economics and Aarhus School of business in Denmark to develop a number of international opportunities for students to volunteer and work with NGO’s. Both these universities are also signatories to the PRME. These programs will allow for us to muscle up our capabilities and develop new programs which will hopefully grow through the inclusion of more PRME partners in the future.

3.2. Leading responsible practice through example

The University engages in a number of practices, aimed at fostering a sustainable and productive environment where our stakeholders work, learn and interact.

These include responsible purchasing practices, supporting Fair Trade, using energy efficient, recycling, and alternative energy solutions across all our buildings and infrastructure.

The University has a dedicated Sustainability Taskforce responsible for coordinating efforts around the University to cut down on carbon emissions, waste, and pollution. Professor Carol Adams, a leading authority on sustainability management and reporting practices, leads the team.

The GSM has had an independent consultant audit the school’s sustainable practices and the recommendations will begin to be implemented in 2010.
3.3. Social Inclusion and Diversity

The University’s Equality and Diversity Centre works to support and improve opportunities for staff and students in higher education. The EDC is especially aimed at developing programs and policies which improve access for students and support the successful completion of their studies.

The Equality and Diversity Centre also coordinates and develops programs and policy to ensure our diverse workforce has equal access to the opportunities and benefits of employment.

The university is committed to social inclusion and offers a range of services for students who have experienced disadvantage during their high school years. Students with the following backgrounds are more likely to have experienced disadvantage: disability or long-term medical condition; Indigenous Australian; low socio-economic status; non-English speaking background; and those who attended a rural or remote area school.

Facilities available to students and staff at the Bundoora Campus:

- Career program
- Child care
- Computer services
- Counselling
- Disability support services
- International student services
- Library facilities
- Medical centre
- Religious facilities
- Sport and Recreation

Completed/Ongoing

- International partnerships established to create pathways for more globally responsible leadership
- Facilities and School infrastructure aimed at enabling diversity and greater social inclusion
- Environmental solutions aimed at greater energy efficiency, waste reduction and pollution reduction

Future

- Move to a paperless Graduate School through greater use of ICT and online learning management systems
- Implement recommendations from sustainable practices audit
- Work towards creating stronger links with international PRME partners to enable idea sharing and creating learning opportunities for students with responsible management themes.
- Engage staff and students in greater volunteering efforts and developing linkages with Australian indigenous communities.
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.

4.1. Our research capability

Central to the intent of embedding the 6 principles, is the development of a world class, leading edge research capability aimed at uncovering and building on the latest conceptual and empirical research in the disciplines related to responsible leadership, management and sustainability.

Our holistic approach incorporates providing access to and encouraging research by academics, PhD and management students across various themes, including Corporate Governance, Corporate Social Responsibility, Industrial Relations, Not for Profit, Climate Change, SME enterprise, Ethics and the global financial crisis drivers and impacts.

As outlined in the previous section, students have the option of undertaking research projects with two of our international partners. Domestically, students have the options to undertake research projects for credit as part of all of our Graduate programs. Examples of recent research topics students have completed include:

- The use of recycled rubber and tyres in France: environmental impacts and entrepreneurial aspects.
- The effects of global warming on the French wine industry.
- Green consumers and the green marketing challenge.

Our PhD program attracts scholars from across the world in various management disciplines. Some examples of PhD topics under current supervision include:

- The consequences of injuries, illness and disabilities on future HR requirements.
- Effectiveness of Audit committees as part of the Governance process in Victorian Local government.
- An investigation into organisational change management responses to global warming: Cases from the Australian Banking Sector.
- Employee Empowerment—is it a reality?
- The application of the concept of sustainability in the formation, development and execution of organisational strategy.
- Mid-life crisis and its effect on leaders: a reality check for organisations.
- Nonprofit-business partnerships within Australia: strategies for success.
4.2. New Research from GSM academics

Journals

Books and Book chapters

Conference proceedings
- Durden, G, & Jack, G (2009), Communicative Competence and Critical Professionalism in Multi-Stakeholder Engagement, Asia Pacific Academy of Business in Society (APABIS), 5-6 November, Queensland, Australia (Non-DEEWR)
- Pugliese, T & Young, S (2009), A Multidisciplinary perspective of the study of chronically ill, injured and disabled workers, Association of Industrial Relations Academics of Australia and New Zealand (AIRANZ), 4-6 February, Newcastle, Australia.
- Young, S & Thyil, V. (2009) CSR and Business strategy: An exploratory study of Australia, India and the UK, Asia Pacific Academy of Business in Society (APABIS), 5-6 November, Queensland, Australia (Non-DEEWR)

Completed/Ongoing
- Development of research capability with a responsible management focus through engaging academic staff, Graduate and PhD students

Future
- Continue to grow our research capability
- Attract staff and students interested in the aforementioned discipline areas
- Identify industry partners for collaborative empirical, case and action research opportunities
- Identify collaborative research opportunities with Universities in the PRME network
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.

5.1. Industry Links that matter

Early in the process of adopting the PRME, the GSM realised that real value-creation required close links to practitioners, to industry. This led to the formation of an industry advisory group consisting of managers in the area of Corporate Responsibility from companies including NAB, Telstra, IBM, Member’s Equity, Fosters, Westpac. This board provided valuable input into the development of the School’s Graduate Certificate in Corporate Responsibility. The Group also played a key role in recommending that the School go ahead with establishing the partnership with the Australian Centre for Corporate Responsibility (ACCSR). This progressive partnership allows students to combine cutting edge theories provided at the GSM with the latest in practical management practice delivered by practitioners at the ACCSR. In practice, this means that students in the Graduate Certificate in Corporate Responsibility need to complete at least 4 days of workshops with the ACCSR to complete the course.

5.2. Executive Education and Consulting

The Graduate School of Management’s Executive Education and Consultancy program provides high quality, professional management education programs, including professional consulting services, and customised in-house training. Courses are designed to meet the specific needs of public and private sector organisations for continuing professional education and training. They are framed around cutting edge management concepts and practices and are available nationally and internationally.

Areas of expertise

Staff at the Graduate School of Management have research and consulting expertise in a number of areas and provide in-house training, consulting services and management education programs.

Examples of in-house training

- Leadership Development Program, AMWU, Sydney and Geelong, 2007

Completed/Ongoing

- Established key industry links aimed at creating and tapping into responsible management practices and sharing research and knowledge.
- Developed executive education and consulting resources and capabilities

Future

- Develop research, executive education and volunteering partnerships with Government and NGO’s
- Develop specialised consulting and executive education capability in areas of Corporate Governance, Ethics, Corporate Social Responsibility and Climate Change
- Seek out international research, executive education and consulting opportunities and partnerships
Principle 6—Dialogue

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

6.1. Conferences and distinguished visiting academics

In February 2009, the GSM was a major sponsor of the Australian Centre for Corporate Social Responsibility (ACCSR) conference in Sydney, Australia. The Annual conference, entitled “Game Changer: The New Social Contract Between Business, Society and Government” attracted industry leaders, NGO’s, government representatives, academics and practitioners from across the world. The GSM will sponsor the conference again in 2010.

In 2010, the GSM will be hosting the Finance and Governance conference in Melbourne, Australia. The conference will see renowned academics from around the globe cross the boundaries of finance and corporate governance.

In 2009, the GSM hosted a number of visiting academics who shared their research and academic expertise with students and staff. It is our intention to continue to invite specialists from various disciplines as part of our strategy to augment our research capability and tap into their research and pedagogy expertise.

We have had the honour of hosting distinguished visiting academics at the School this year, including:

- Professor Prakash Sethi, University Distinguished Professor at the Zicklin School of Business, Baruch College, City University of New York and is President of the International Center for Corporate Accountability.
- Peter Tatham, Centre for Humans Systems, Cranfield University, Swindon and member of the HUMLOG group

Completed/Ongoing

- Continue to host and sponsor conferences with a responsible management theme.

Future

- Focus on creating links and meaningful dialogue with Government and NGO’s
- Create a collaborative network of distinguished academics and researchers in PRME-focused areas.
Contact

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