Since 1993

Principles for Responsible Management Education

Report on progress

2010-2011
Message from the President

International Institute of Business is an independent business school that operates in Ukraine in the field of upgrading business education, advanced lifelong training and learning and business and society researches. According to its mission International Institute of Business creates value for individuals, companies and society through relevant and experiential executive education, applied research and innovation in business management, bringing world’s best management experience into Ukrainian business practices ensuring proactive and client-oriented delivery. Realizing of such a mission requires from International Institute of Business relevant social responsibility commitment and conscientious attitude towards impact on society. Founded in 1993, International Institute of Business always accompanied the transformation of Ukrainian management making important contribution via assuring spillover of the market economy business culture to our country. International Institute of Business was one of the first Ukrainian signatories to the Principles for Responsible Management Education initiative and I am proud to introduce this report on our progress and commitment to the PRME Principles.

We behave with commitment, efficiency, expertise, innovation, synergy and are accessible to all who can benefit from what we offer.

Professor Olexander Savchenko

President,

International Institute of Business
Summary

In 2007 IIB joined the Principles for Responsible Management Education and committed itself to improve efforts to incorporate sustainability, business ethics and corporate responsibility issues in curricula and research. In 2009 the Centre for Corporate Social Responsibility and Business Ethics was established as organizational unit within IIB structure with the purpose to design and deliver training materials, collect information and provide research which inform teaching and create the network of partners and to be the part of the network.

At the beginning of 2010 plans for the Centre for Corporate Social Responsibility and Business Ethics were submitted to, and approved by, the Academic Council of the Institute. The major goal of the Centre’s activity is to promote CSR and business ethics development in Ukrainian business community Ukraine via a number of means: research; teaching; consulting; and publications and undertake efforts to embed the values of corporate social responsibility in curricula of existing courses and design a new programs which reflect issues of wise leadership, sustainability and social responsibility.

One of the most significant outcomes in 2011 has been the launch of international research project on the practical problems in leadership and management and understanding of SCR issues in modern management practice in Ukraine with the aim of identifying ways, and assessment tools, to examine various styles of leadership. During the first phase of the project more than 100 managers were surveyed. As a part of the project a series of workshops for MBA programme instructors were organized with participation of international experts, and with MBA graduates and alumni as a focus group. Objectives of the project include the improvement of study programmes, the better integration of courses on MBA programmes, and, ultimately, improved outcomes. The first phase of the project was completed successfully in April 2011. In September 2011 the second phase of the project started. The main partner of the project is the Polish Foundation for Management Research.

The IIB’s most important asset is its faculty. They are excellent as lecturers, consultants and as researchers. IIB ensures that there are ample opportunities to communicate, share best practice, and exchange information with colleagues. The majority of IIB faculty have undertaken training and internships programmes in Ukraine and abroad at business schools and institutions to enhance curricula and pedagogy. IIB instructors participated in the series of highly prestigious national and international training programmes on CSR related issues such as:

Social Entrepreneurship - Trainings for Trainees organized by British Council,

Summer Institute 2011 - How to Design and Deliver CSR Course for post-graduate programmes organized by Ukrainian Association for Management Development under support of large business corporations. It makes a significant contribution to the development of core and elective courses, and it facilitates professional contact and networking with academic staff of foreign countries.
The professional development of academic staff is supported in a variety of ways. IIB continues to run faculty exchange programmes with Grant MacEwan University, the University of New Brunswick (both Canada), and ALBA Graduate School of Business (Greece), Polish Institute for Management Research and others. These provide opportunities for faculty members to gain new knowledge, gather information, attend classes and work on curriculum alignment and course design.

The Centre is to advise on how to incorporate CSR issues into programmes of study. IIB’s expertise in this area has been recognised by the Ukrainian government. At the behest of the Ukrainian Parliament an important initiative on CSR has been launched. It is chaired by Ksenia Lyapina, a Member of Ukrainian Parliament. As a result, working groups of IIB faculty have contributed to the development of the draft of a document entitled *A National Agenda for CSR*. It is expected that the Ukrainian Parliament will consider *A National Agenda for CSR* during 2012.

In February 2011, the International Institute of Business became the ‘pioneer’ among Ukrainian business schools by supporting the idea of responsible business partnership as the priority for the business world practice. IIB succeeded in persuading leading Ukrainian organizations and companies to sign a *Declaration of Ethical (responsible) Procurement*.

Among other activities which worth mentioning are the partnership established by IIB with the Centre of Corporate Social Responsibility Development, European Business Association CSR Committee, American Chamber of Commerce CSR Committee, British Council and others.

More details about IIB activity as PRME signatory are given in the Report on Progress achieved over 2010-2011.

One of the most recent initiatives of IIB is to support young talented children who are studying painting in Kiev Children Art School #6. The main purpose of the project is to attract attention of MBA students and graduates to the school activity. The best paintings of young talented artists were exhibited in the premises of IIB and IIB has published annual calendar in which reprints of paintings were embedded. Support given by IIB to young artists shows a very visible commitment to corporate social responsibility and serves as a good example. The masterpieces of young artists illustrate this report.
Issues of corporate social responsibility have a significant impact on links connecting management with external environment in its diversity of methods and intensity of reaction so companies are to revise relations with society. To be adequate to the task of management education International Institute of Business newly reconsidered its mission towards the changing role of Universities and business schools in modern age.

International Institute of Business’ Mission is:

Value Creation for individuals, companies and society through

- Relevant and experiential executive education
- Applied research and innovation in business management
- Tailoring world best management experience into Ukrainian practices
- Proactive and client-oriented delivery

The slogan ‘Creating Value’ reflects the core goals of International Institute of Business’ activities, meaning:

- Enhancing the value of human capital,
- Increasing the value of Ukrainian companies,
- Generating new knowledge by conducting applied research aimed at improving the quality of educational and training programmes;
- Promoting efficiency and augmenting growth of Ukrainian economy.

The International Institute of Business’ mission statement is supported by a set of values that underline the core principles of activities:
<table>
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<tr>
<th>Efficiency</th>
<th>We aim to increase efficiency of the Ukrainian economy by transferring the world’s best management experience into business practice. We provide efficient, value-added, solutions to our clients. We strive to be efficient in everything we do.</th>
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<tr>
<td>Integrity</td>
<td>We cultivate an environment of honesty, trust and collaboration in which we maintain the highest ethical standards. We believe integrity is an essential cornerstone for true professional and personal success.</td>
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<td>Expertise</td>
<td>We promote competence and professional focus. We aim to instil world-level professional standards in Ukrainian business. We are competent in in supporting the needs of our clients. We realize that for business education to remain high quality, it has to be responsive to the rapidly changing global business setting, both culturally and technologically. We remain flexible in our delivery and we constantly refresh programme content so as to reflect current world business practice.</td>
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<td>Synergy</td>
<td>We offer an integrated portfolio of products aiming at providing our clients with comprehensive and practical solutions. We create a unique atmosphere of collaboration, mutual support and genuine interest in each other's success. We utilize all possible synergies in our activities and product portfolio.</td>
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<tr>
<td>Commitment</td>
<td>We are committed to providing quality products that are valued by our clients. We adhere and promote social responsibility understanding it to be a cornerstone of democracy, the market economy and efficient economic development.</td>
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<td>Innovation</td>
<td>Rapidly changing environments require an innovative response. We ensure, therefore, that our products are informed by current research and accepted best world practice. We wish to be innovative so that both we, and our clients, remain efficient and competitive.</td>
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To ensure incorporation of information, cases and the results of research in CSR area in to MBA and other programmes provision by faculty members, in April 2010, the IIB Academic Council approved a new template for course outlines. This requires the completion of special fields informing students about the contribution of research, corporate connections to course materials and used by course instructor and CSR and business ethics issues have to be embedded in all existing courses.
The values of the United Nations Global Compact and other initiatives for responsible business have been incorporated into the curriculum of International Institute of Business in a variety of ways.

Social responsibility and sustainability issues were introduced in all types of International Institute of Business’ programs - academic, executive development programs and professional qualifications programs as well.

Various disciplines of International Institute of Business’ Ukrainian Program of Business Administration address key sustainability issues (e.g. ‘Marketing and Society’, ‘Consumer Behaviour’, Marketing Politics of Communications).

International Institute of Business’ Accredited Study Centre for international professional qualification programs in marketing, management accounting and public relations (in collaboration with Chartered Institute of Marketing (UK), Chartered Institute of Management Accountants (UK) and Chartered Institute of Public Relations (UK)) embrace key ethics and responsibility topics (e.g. “Fundamentals of Ethics, Corporate Governance and Business Law”, “Global Business Environment”, “Regulation and Ethics of Financial Reporting”, “Issues in Recognitions and Measurement”, “Interacting with the Competitive Environment”, “PR and Communication Theory”, “PR Theory and Practice”, “Managing Corporate Reputation”).

International Institute of Business also has launched introduction of special courses in corporate social responsibility into its academic programs as following:

1) Ukrainian Program of Business Administration:

Courses «Business Ethics» and «Corporate Social Responsibility»

2) International MBA program:

Courses «International Corporate Social Responsibility» and «Corporate Social Responsibility Strategies and Social Entrepreneurship. Business Ethics»

3) Executive MBA program:
Courses «Business and Society»


International Institute of Business’ students knowledge in corporate social responsibility and practical skills of are of the great value for the national and international society.

During last three years the students of Chartered Institute of Public Relations in the International Institute of Business reflected their corporate social responsibility experience and raised ethics issues in their final diploma projects, among others are:

1. Veronica Proshuta (“Corporate Social Responsibility & Ukrainian large business groups: evolution from charity to long-term social partnership”)
2. Tatiana Panfilenko (“Corporate Social Responsibility reporting is an effective communication tool between organization and it stakeholders”)
3. Inna Borzilo (“Corporate Social Responsibility as a Business Opportunity for Ukrainian Small and Medium-Sized Enterprises”)
4. Svetlana Bondarenko (“Sporting events are often sponsored by the brewing companies while sport is associated with the healthy life and beer is not. Can Corporate Social Responsibility programs help to maintain a good reputation and cope with possible social criticism?”)

International Institute of Business is proud to underline that Veronica Proshuta’s diploma project on issues of corporate social responsibility was awarded by the highly distinction mark by the CIPR and her assignment was posted on the CIPR web-site as an example for other CIPR students which are trained globally.

Being a member of European Business Association (EBA), International Institute of Business took active part in activity of Corporate Social Responsibility Committee established by EBA. Marina Starodubska, IIB CIPR Program tutor was elected as a deputy chairman of EBA CSR Committee. The International Institute of Business representatives take active part in the Committee activity to promote corporate social responsibility among EBA Members and wider business community in Ukraine as well as educate companies on the right ways to promote their corporate social responsibility efforts. Also International Institute of Business launched series of master classes about strategic corporate social responsibility problems. Among them is a workshop on “Role of corporate social responsibility in corporate reputation development" moderated and chaired by Vladimyr Goncharov and Veronika Proshuta, IIB Graduates.
International Institute of Business has a strong commitment to enhancing the quality of teaching and learning. This can be seen in a range of initiatives that have been introduced over the last three years. These initiatives include:

- Creation of a new ‘Policy for Faculty Development’;
- A range of incentives and mechanisms for recognizing and rewarding excellence in teaching;
- Programme of developmental projects and innovations, financially supported by the International Institute of Business;
- Effective utilisation of the quality assurance process to plan, monitor, encourage and support academic staff in achieving best practice in teaching and learning.

The main strategies, outlined in the International Institute of Business Policy for Faculty Development, and aimed at strengthening the faculty and improving the quality of teaching and learning, include:

- Introduction of regular programmes to disseminate best teaching practice, pass on new knowledge, and to improve professional and teaching skills;
- Creation of a climate that will motivate staff and students, and introduction of a system to motivate effective teaching, learning and research activities;
- Recognition of quality of teaching and learning via monetary and non-monetary rewards;
- Encouragement of the integration of the instructors and the researchers of International Institute of Business into the world academic community through funding their participation in conferences, seminars, various training events abroad.

Means and mechanisms for recognizing and rewarding good results in teaching include:
‘Bonus Fund’ for research activity;
Decrease of teaching load;
Programmes to upgrade qualifications;
Programmes to facilitate academic mobility;
Programmes to disseminate knowledge of innovations in education.

According to International Institute of Business’s Quality Assurance and Improvement Framework, it uses a range of internal audit procedures. Each full-time and part-time faculty member is requested to design and develop an individual working plan for the forthcoming academic year. This comprises four parts. It reflects the main areas of the faculty member’s activities, such as: teaching, instructional activity, research and organizational development. Upon completion of the academic year, faculty members submit an individual report, which covers the main areas of their activities over the year. The system of Quality Assurance includes:

- Policy and Procedures for the review and improvement of programme curricula by the Committee for Programs and Curriculum Development, and approval by the International Institute of Business Academic Council,
- Policy for Monitoring and Quality of Teaching and Procedures for obligatory mid-term and final course evaluation by students for each taught course. Evaluations are analysed by the Committee for Monitoring and Quality Control and by the International Institute of Business administration. Findings are reported to the International Institute of Business Academic Council.
- Final program evaluation by students; the results of surveys are analysed by the Academic Council and reported to the International Institute of Business Supervisory Board.
- Regular open classes, which are subject to peer, review by International Institute of Business faculty members; the Committee’s subsequently discusses observations for Curriculum and Programmes Development, and at Academic Council meetings.
- Policy on New Course Proposals and Procedures for regular review and approval of content of course outlines by the Committee for Programs and Curriculum Development;
- Regular management reports on quality of teaching and learning improvements – submitted to the International Institute of Business Supervisory Board.

The professional development of faculty members is supported in variety of ways at the Institute. Priorities in professional development are determined at both institutional and individual level. IIB-Ukraine considers faculty development as essential for the development of the individual, as well as the organization as a whole. The development of faculty can be via a number of possibilities:
• Permanent search and selection of the best candidates for the positions of IIB’s instructors on a competitive basis;
• Provision of seminars and workshops to enable instructors to refresh knowledge, to learn about best practices, and to improve their professional and teaching skills;
• Creation of an atmosphere conducive for the creation of effective teaching and research activities, including attention to motivation;
• A transparent and understandable system of faculty monitoring and evaluation
• A system that recognises and motivates quality in teaching and proficiency via monetary awards;
• Integration of instructors and the researchers of IIB-Ukraine into the wider world academic community;
• Favourable compensation to stimulate research - bonus payments and rewards for quality of teaching;
• Development of sponsorship of departments by business.
In 2010 to accomplish a social aspect of its mission International Institute of Business established the Centre for Corporate Social Responsibility and Business Ethics. Over the period activity of the Centre embraced the following main directions: 1) Information generation and dissemination:
- Round tables, participation in seven international and local conferences, two seminars, two committees, master class;
- Introduction of intellectual product into academic and business activities:
  - Participation in activities of Working Group for National Strategy for Social Responsibility of Business in Ukraine;
  - cooperation with the Association of Ukrainian Banks in elaboration of «Ethics Code for Ukrainian Banker and Entrepreneur»;
  - Participation in review and improvement of programme curricula by the International Institute of Business’ Committee for Programs and Curriculum Development presenting new course «Corporate Social Responsibility and Social Entrepreneurship Strategies. Business Ethics» into International MBA and Executive MBA programs;

3) Researches and Publications:
- Two international research are in progress;
- Three publications highlighted modern problems in business ethics and social responsibility in Ukraine.

For a long-time perspective International Institute of Business will develop the capabilities the Centre for Corporate Social Responsibility and Business Ethics has got to become a national leader of research and teaching in corporate social responsibility realm with a significant role in

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**Principle 4**

*Research: We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporation in the creation of sustainable social,*
international projects of leading international professional organizations. For this accomplishment the Centre will focus on the following activities:

- Wide dissemination of Corporate Social Responsibility and Business Ethics knowledge in business society and Research activity;
- Teaching courses in Corporate Social Responsibility and Business Ethics at basic International Institute of Business’ programs.

According to this the following research directions will be developed:

- Social investments in Ukraine;
- Organizational learning and Corporate Social Responsibility;
- Corporate Social Responsibility’s impact on social evolution in Ukraine;
- Corporate Social Responsibility Management in Ukrainian organizations;
- Business Ethics in Ukraine;
- Social Entrepreneurship in Ukraine;

For effective dissemination of knowledge and support of dialog International Institute of Business’ Centre for Corporate Social Responsibility and Business Ethics will generate proposals for further incorporation of values of social responsibility and business ethics into academic activities and conduct seminars and round tables joining faculty members around effective introduction topics of corporate social responsibility into academic courses. The Centre will also conduct joint seminars and round tables with faculty members from other business schools and Universities. The Centre also will develop and disseminate teaching materials facilitating incorporation of values of social responsibility into academic activities.

International Institute of Business’ Centre for Corporate Social Responsibility and Business Ethics will publish results of its research and will present it also at scientific conferences in Ukraine and abroad. The Centre also will launch an International Conference in realm of Corporate Social Responsibility in Management Education and Modern Business and the relevant paper series. In long-term perspective International Institute of Business’ Centre for Corporate Social Responsibility and Business Ethics will accomplish unique expertise of cooperation with leading international organizations such as EBEN, EABIS, CRT etc. The perspectives will favour the achievement of International Institute of Business’ goal to become a leading business school in development of 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.
International Institute of Business has introduced guest speakers’ series for students inviting governmental officials, international experts and business leaders to deliver lectures on corporate responsibility and share their views on what steps need to be done further bringing attention of companies to corporate responsibility problems and best practices in implementing various social initiatives. International Institute of Business will continue this activity in future.

In 2011 International Institute of Business with other 17 companies and organizations have signed the Declaration on responsible partnership. The event was organized by Centre for corporate social responsibility (CSR) development with the support of the Norwegian Embassy and UNITER Project. Signing of the Declaration is a good example of the collective efforts. Document content demonstrates not only corporate will, but also companies’ commitments for systematic and consistent work of bringing their partners and suppliers into the concept of ethical business.

In cooperation with Kyiv School of Economics and Victor Pinchuk Foundation, International Institute of Business faculty members attended the number of Public lectures delivered by:

- James Wolfenson, Former President of the World Bank: “Ukraine in a Four Speed World”;
- General Colin Powell, Former US Secretary of State “Democracy and Global World Challenges”;
- Dr. Muhammad Yunus, 2006 Nobel Prize Winner for Peace “Fighting Poverty”.

The Boards of the International Institute of Business comprise representatives from the business community and from academic institutions. An International Business Advisory Board

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.
(IBAB) drawn from industry and commerce supports the Board of Trustees. This is a very recent initiative (September 2011). Four prominent Ukrainian businessmen have currently agreed to become members of IIB Board of Trustees.

**MBA Advisory Board**

Over two last years International Institute of Business has focused its efforts on creating an MBA Advisory Board. Terms of reference of the Board members are defined as being to:

- Provide recommendations to the International Institute of Business management and Academic Chair of MBA programmes regarding programme development; ensure products meet the needs of clients;
- Recommend guest speakers;
- Discuss MBA student feedback and help resolve current issues;
- Benchmark the Institute against best practice at business schools both in the Ukraine and worldwide; help create new partnerships and contacts; ensure that best practice in teaching and learning is employed at International Institute of Business;
- Participate actively in the EMBA programme at the diploma defence presentation stage and as external examiners;
- Help attract sponsors and fundraise;
- Provide financial support for students, and for instructors participation in internship and exchange programmes.
International Institute of Business understands that it’s own organizational practices should serve as an example of the values and attitudes it conveys to the students.

Corporate social responsibility is offered to organisations through executive education. Corporate social responsibility presentations are given regularly to a variety of stakeholders. Regular Corporate social responsibility/Sustainability seminars will be offered by academics from within the International Institute of Business and from abroad as well.

The International Institute of Business operates within the culture, framework, and expectations laid down by own policies and procedures and has the established Leadership and Corporate Social Responsibility and Business Ethics Centres. The International Institute of Business has policies and procedures that ensure faculty behave in a reasonable and fair manner in all aspects of their employment. The broad expectations for all members of the International Institute of Business are laid out in the Charter and Statutes and given specific meaning in various policies and procedures covering ethical behaviour, research misconduct, anti-fraud and corruption. The International Institute of Business’ Human Resources Department oversees a comprehensive set of policies and procedures. These include policies concerning age, bullying and harassment, data protection, disabled staff, diversity, whistle blowing, gender equality, recruitment and selection, disciplinary procedures, and health and safety. Students have specified procedures enabling them to make complaints about their personal treatment by staff and appeal against academic decisions if they feel they have been treated unfairly or inappropriately. More particularly, the International Institute of Business expresses its sense of corporate responsibility through its widening participation initiatives and the various projects it has engaged in to encourage women back into the workplace and enhance their career prospects once there. Members of the virtual

Principle 6

Dialogue: We will facilitate and support dialogue and debate among educators, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.
community of faculty with interests in Corporate Social Responsibility promote it regionally by giving regular presentations.

International Institute of Business is an active member of Business in the Community, customised development programme for business partners is an example of how International Institute of Business’ faculty members work with clients to introduce a mainstream customised executive learning programme with a strong focus on the changing global context, the new organisational practices that are emerging in response, and the implications for the firm and its clients.

Moving forward the International Institute of Business has now galvanised its corporate partners into thinking about their relationships with schools and the development of tripartite initiatives that ultimately will bring school students through into higher education and into good quality employment with future support from International Institute of Business’ Carrier Development Centre. International Institute of Business’ staff is committed to behaving with friendliness, openness, responsibility, and integrity and this has been reinforced and supported by the commitment to the Principles for Responsible Management Education.