



**Aalto University**  
School of Business

**Aalto University School of Business**  
**Sharing Information on Progress (SIP)**  
**Report on the implementation of the PRME**  
**8.5.2018**

**PRME**

This is our **Sharing Information on Progress (SIP)**  
Report on the Implementation of the **Principles for**  
**Responsible Management Education**

## 1 Letter from the Dean

Aalto University School of Business hereby submits its Sharing Information on Progress (SIP) report for the period May 2016 to April 2018. We were one of the original signatories to the PRME in 2008 and remain firmly committed to its principles. This is reflected in our diverse activities to integrate those principles throughout our teaching, research, and societal interaction.

There is increasing interest in responsible management in all of our Departments, and I am pleased to report here on progress on several fronts: new institutions and initiatives, new teaching, new research, and new faculty resources. To mention a few highlights, as a part of the implementation of the 2017-20 strategy of the School, first, a new "slogan" was adopted: "Better Business, Better Society". The School is now both further increasing its emphasis on societal contribution in its activities and attempting to better communicate about the full range of activities related to sustainability. Second, the School has invested in new faculty resources, notably one tenure track professorship and one professor of practice position in sustainability. Third, as described in this report, the School has made a range of new educational initiatives. Fourth, the School has taken a broader responsibility in Aalto University, in particular through the new Sustainability Hub coordinated by the School.

We will continue to strengthen our implementation of the PRME and in this report we also outline new, ambitious targets for the next reporting period.

Helsinki, 8.5.2018



Ingmar Björkman  
Dean  
Aalto University School of Business

## 2 Brief introduction to Aalto University School of Business and its approach to responsible management education

Aalto University School of Business is part of Aalto University where science and art meet technology and business. The School of Business is the leading business school in Finland and one of the top schools in Europe. It shares the following values with the rest of the Aalto University: Passion for exploration; Courage for influence and excel; Freedom to be creative and critical; Responsibility to accept, care and inspire; Integrity, openness and equality.

The School of Business has a firm commitment to responsible management education. Top management support for this theme is very strong and there are multiple PRME-relevant activities within the School. The School of Business also coordinates the sustainability-related activities of the whole Aalto University through the Aalto Sustainability Hub (<http://www.aalto.fi/sustainability>) and the Aalto Global Impact initiative (<https://aaltoglobalimpact.org/>). Multidisciplinarity receives particular emphasis within Aalto University, and it is an important aspect also in the context of educating managers who are able to address responsibility and sustainability challenges within business and the economy and to respond to societal problems through business and economic policy-making.

## 3 Practical actions to implement the Six Principles

In this section we describe shortly our activities with regard to the six PRME principles (as well as organisational practices, often unofficially considered the seventh principle), focusing especially on new developments since the previous SIP report.

### 3.1 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.*

The objective outlined in Principle 1 is embedded in the mission of Aalto University School of Business and reflected in all the three key domains of teaching, research, and societal interaction. According to its Strategic Plan 2017-20 (p. 3, emphasis added), the School aims at:

- 1) Developing valued experts, innovative entrepreneurs, and **responsible business leaders** through its programme portfolio;

- 2) Advancing the global body of knowledge in business studies and economics as well as policy and practice through excellence in research, **addressing challenges important to both business and society**; and
- 3) Contributing to the **development of business and society** through societal engagement, partnerships and collaboration with corporations, NGOs, and public organizations, executive education, and life-long alumni relationships.

The strategic objective of Aalto to educate game changers is also consistent with Principle 1.

### 3.2 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.*

In addition to the Strategic Plan described above, the values of global social responsibility are reflected in the curricula as explicit learning objectives. Since 2013, capabilities to apply an integrated process for addressing ethical, social, economic, environmental, and international issues in the field of the specialized programme are one of the five main learning goals of all the B.Sc. and M.Sc. degree programmes.

As a recent development, in February 2018 Aalto University signed the Sustainable Development Goals (SDG) Accord as the first Finnish university. The Accord is a collective response by universities and colleges to the UN Sustainable Development Goals, aiming to strengthen the significant role of universities in achieving the goals of Agenda 2030. By signing the Accord, Aalto commits to advancing the UN Sustainable Development Goals in all its operations.

### 3.3 Principle 3: Method

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

**Institutions.** The university-wide Aalto Sustainability Hub began its operations in 2017 and was officially launched on 1.1.2018. It is directed by the Professor in Sustainability Management of the School of Business. The Sustainability Hub brings together researchers of various fields and promotes sustainability throughout the operations of Aalto University: in teaching, but also in research, societal impact, and campus activities.

**Programmes.** Our programmes offer a continuum of options for exposure to PRME-relevant content, here captured under the term 'sustainability':

- Sustainability as a key learning objective in all programmes: Students in all programmes obtain responsible management skills. For example, the first year of the Bachelor's Programme ends with a course on Corporate Responsibility and Ethics that is mandatory for all students.
- Sustainability courses offered as electives: Available in all programmes. For example, the Master's Programme in Entrepreneurship and Innovation Management has defined a Sustainability interest stream in its listing of elective courses.
- Sustainability as a minor subject: Creative Sustainability minor subject available in all programmes.
- Sustainability as an explicit specialization area within a programme: Master's Programme in Management and International Business.
- Sustainability as the core of an entire programme: Master's Programme in Creative Sustainability (a multidisciplinary programme offered jointly with Aalto University School of Arts, Design and Architecture, and School of Engineering). Aalto University Professional Development also offers the training programme Diploma in Responsible Business and Environmental Management.

This structure where baseline exposure to responsible management is ensured for all students and where students can then specialize further according to their interests has proven fruitful. It also allows variation in the depth of the sustainability specialization as students may opt to becoming 'management professionals with a specialization in sustainability' or 'sustainability professionals with a specialization in management'.

Recent developments within the programmes include the fact that in 2017 the Master's Programme in Creative Sustainability was awarded the EIT Climate-KIC programme label. Hence, students within the programme may select a particular Climate-KIC track where they specialize in issues relating to climate innovation and receive an additional certificate of this. The programme also introduced a new visualization outlining the range of different career options within sustainability for students, which has been very helpful for student orientation purposes.

**Courses.** There are ongoing initiatives to integrate responsible management content in courses across the curriculum, especially in the first-year basic courses such as Principles of Accounting, Principles of Marketing, and so on. In addition, there is a growing number of dedicated courses on PRME-relevant subjects. Two recent developments may be identified within the course offering. One is that a strong interest in responsibility-related courses has expanded from the management discipline to many other disciplines and now there are or will be specialized courses about sustainability also in accounting, entrepreneurship, supply chain management, communications,

international business, and marketing. The other development is that the discipline of management is offering highly focused courses such as Energy Business and Innovation, and Strategies and Management for Circular Economy. New developments regarding individual courses include the following:

- In 2017 Aalto University hosted the final week of the EIT Climate-KIC summer school 'The Journey', with participation also by School of Business faculty
- Corporate Responsibility and Ethics, revised based on gamification and digitalization in 2018 (B.Sc. level)
- Energy Business and Innovation, new course started in 2018 (M.Sc. level)
- Capstone in Creative Sustainability, undergoing a development programme in order to revise the course for the 2019 offering (M.Sc. level)
- Several new courses under development for 2018-2020 (see section 4.2)

**Faculty.** The resources in the field of sustainability and responsibility have been further strengthened since the submission of the previous SIP report. Faculty positions existing already in 2016 include a Professor in Sustainability Management, a Professor of Practice in Corporate Sustainability, and a Professor in Philosophy of Management focusing on ethics. The Professor in Environmental Management and Innovation retired in 2017. Appointments to new faculty positions since 2016 are:

- Post-doctoral Researcher in Sustainability in Business, in 2016
- Senior University Lecturer in Sustainability in Business, in 2017
- Professor of Practice in Sustainable Production, Business and Consumption, in 2018
- Assistant Professor in Sustainability in Business (will begin in June 2018)

**Teaching methods.** Challenge-based learning with real-life projects, multidisciplinary, and interaction with companies are increasingly being stressed in the teaching of Aalto School of Business; these methods are utilized also in the teaching of PRME-relevant content and they are very suitable for educating managers for the tasks of responsible management.

**Generally speaking,** smaller revisions to programmes, courses, and teaching methods are constantly being undertaken in the spirit of continuous improvement.

### 3.4 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.*

The Department of Management Studies has a long track record in sustainability research and hosts a 25-member Sustainability in Business research group (SUB; <http://sub.aalto.fi/>). The mission of SUB is to provide knowledge about innovative business models and transition paths that enhance sustainable development. In addition to this research group, PRME-relevant research is also done in other departments and disciplines, such as economics (e.g., applications of microeconomic theory in energy and environmental economics), accounting (e.g., on corporate responsibility reporting), logistics studies (e.g., on international procurement from developing countries and fair-trade supply chains), and entrepreneurship (e.g., on social entrepreneurship).

In recent years, professors at Aalto University School of Business have obtained highly competitive research grants for several collaborative research projects on PRME-relevant topics. For example, there is a large-scale project on Smart Energy Transition funded by the Academy of Finland. The project team is a consortium led by the School that includes researchers from seven other universities and research institutes from Finland and the UK, as well as four business organisations. Working closely with the public sector, companies and citizens, the project investigates how the currently ongoing disruption in the energy system - where fossil fuels are increasingly replaced by renewable energy - changes the ways in which energy is produced, distributed and used in all sectors. It analyses the institutional conditions for benefiting from the disruption and explores the policy and managerial implications and challenges.

Another example of a large scale research project is The New Global project which focuses on co-creation of frugal innovations with the twofold aim of poverty alleviation and new ecological solutions for water, energy and housing needs in low-income emerging markets. The project is carried out together with three other Aalto schools, involving energy and water scientists and architecture research. The project is funded from the strategic openings instrument of Business Finland during 2014-2018.

Overall, a search into the Aalto research database produces 98 hits for 'sustainability' and 51 hits for 'responsibility' for researchers in the School of Business since 2016.

### **3.5 Principle 5: Partnerships**

*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.*

We partner directly with a number of business organisations in teaching and research, which provides fruitful opportunities for mutual information exchange. There are frequent visitors from business firms on our courses, including on those that deal with sustainability and responsibility topics. In addition, several courses cooperate with

companies and other external partners in offering sustainability-related student projects. For instance, the challenge-based course Capstone in Creative Sustainability has since 2016 carried out nine student projects to address real-life sustainability problems of clients; mostly business firms, but also other organisations such as cities or NGOs. The Aalto Global Impact initiative (AGI, see below) supports a range of student projects which typically include conceptualizing and prototyping environmentally, socially and economically sustainable solutions to local community challenges, especially in Africa, Asia and Latin America. AGI has collaborated on student projects with CS capstone courses, IDBM industry projects, How to Change the World courses and Sustainable Entrepreneurship courses.

In terms of research, as complex sustainability challenges call for multi-disciplinary knowledge and societally impactful research, the Sustainability in Business (SUB) research group actively engages in co-creating solution proposals together with partners from different sectors of society. The Smart Energy Transition project mentioned above is one example of a research project where collaboration and interaction with stakeholders in the form of joint research activities and extensive dissemination activities play a key role.

In addition, we develop partnerships by participating in several networks whose aim is to advance topics related to responsible management. Aalto University is a member of Finnish Business in Society (FIBS), a leading corporate responsibility network in Finland with over 300 members, most of which are large companies. Aalto is also a member in the International Sustainable Campus Network and coordinates the Nordic Sustainable Campus Network. The Business School participates in the activities of the PRME Nordic Chapter where we can exchange best practices on implementing the PRME as well as engage in tangible collaboration activities such as a joint Nordic PhD course currently under development.

A key actor in terms of partnerships for sustainability is the Aalto Global Impact (AGI) initiative which operates Aalto-wide but is hosted and funded by the School of Business. AGI focuses on societal impact and global outreach. It coordinates educational and research projects that are inherently multicultural and multidisciplinary, and typically involve multiple partners such as universities, governments, NGOs, private sector companies, and international organisations. Since 2017 AGI is coordinating the PBL East Africa project, a joint project by University of Dar es Salaam, University of Nairobi, Makerere University, and Aalto University. The project engages faculty, students and external partners in the four countries to work on sustainable innovation challenges in East Africa and to test, share and refine best practices in problem-based learning around sustainability. AGI has also developed the concept of Impact Iglu which supports student and researcher entrepreneurship around sustainable business ideas through acceleration programmes and the coaching of venture teams.



### 3.6 Principle 6: Dialogue

*We will facilitate and support dialogue 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.*

We promote dialogue on sustainability and responsibility with external stakeholders through the strong partnerships described above. Note also that the Aalto Sustainability Hub explicitly aims at addressing diverse societal challenges by increasing dialogue between different scientific fields and social actors. The founding of the Sustainability Hub was preceded by a series of workshops in 2017 to prepare for future multidisciplinary collaboration, and in autumn 2017, an open research seminar series was launched showcasing the research done on sustainable development at different Aalto schools, including the School of Business.

In addition, we organize dedicated events which provide an opportunity for dialogue and debate on PRME-relevant topics. Such events included a Knowledge Sharing Breakfast for business managers and decision- and policy-makers on new energy services in 2017 as well as a large number of other events related to the Smart Energy Transition project. In 2018, we hosted an event on teaching sustainable investment in finance programmes that was organised by Finland's Sustainable Investment Forum (Finsif).

Recognizing the importance of dialogue in responsible management, we offer students the M.Sc. level course Dialogues in Corporate Responsibility in Global Economy which is based on and promotes a dialogic approach to questions of corporate responsibility. The students also have their own student organisation Aalto Sustainable Business Club (SBC) which helps its members to build new skills, connect with potential employers, and network with other sustainability-minded people.

### 3.7 Organisational Practices

*We understand that our own organisational practices should serve as example of the values and attitudes we convey to our students.*

Campus activities are recognized as an important part of the sustainability work at Aalto University. As mentioned above, Aalto is a member in the International Sustainable Campus Network and coordinates the Nordic Sustainable Campus Network. Furthermore, "Campus as living lab" is one of the strategic ideas guiding the work of the

Aalto Sustainability Hub. This means experimentation of our sustainability research within our immediate surroundings, the Aalto University campus.

The School of Business is currently undertaking a major project, Business 3.0, whereby we are constructing a new main building for the School on the main campus of the University and will relocate there in early 2019. In undertaking this project we have paid particular attention to environmental sustainability issues: the building is expected to comply with the requirements of a LEED (Leadership in Energy and Environmental Design) certification, there is excellent reachability by public rail transport, and space use is very efficient.

#### 4 Outcomes and targets

In this section we present an assessment of progress in implementing the Principles since our previous SIP report in 2016 and thereafter outline new targets for the forthcoming two-year PRME reporting period.

##### 4.1 Progress on 2016 targets

We have moved forward with regard to all of the targets established in 2016. Depending on the nature of the original target, in some cases this means that a particular end result has been achieved and in other cases that the work has progressed and still continues. Comments on individual targets are presented in the table below.

Table 1. Progress on 2016 targets

Target in 2016 SIP report	Comment
Improve the measurement of learning objectives, including those on responsibility and sustainability, through rubrics and other tools.	A curriculum mapping process has been institutionalized and now conducted in 2017 and 2018 in the context of curriculum planning. In this process all study programmes are mapped in detail against the intended learning objectives, including those related to responsibility and sustainability, in a curriculum alignment matrix.
Continue the integration of sustainability aspects in all relevant courses.	The integration of PRME-relevant content in education is proceeding well, driven both by natural interest from the side of disciplines and programmes, and by initiatives by the School to promote and institutionalize such integration. Nevertheless, attention must be paid also in the future to ensure the successful continuation of this process.

Refine the timing of courses in the Creative Sustainability programme in order to create an improved continuum of sustainability courses.	This has been done.
Offer the Bachelor's and Master's level introductory courses on sustainability also to the other Aalto schools.	Both courses offer student places to the other Aalto schools. Possibilities to open the Bachelor's level course to the other schools beyond the current numbers are being examined.
Hire new teaching resources and continue the cooperation in teaching between programmes and departments.	Several new teaching resources have been hired in the fields of responsibility and sustainability as described in this report. Cooperation between programmes and departments continues well in the teaching of PRME-related topics.
Continue the high level of various partnerships in research activities. Continue the high level of dialogue with society both through research projects and the various contacts of faculty.	All this has been continued.

#### 4.2 New targets for 2018 onwards

We have identified new targets for the reporting period beginning in 2018 and present them below, organized according to the PRME principles. We plan to devote special attention to the foundations of the initiative through Principles 1 and 2 and to continue and strengthen our activities reflected under Principles 3 to 7.

Table 2. Targets for 2018 onwards

Principle	Target for 2018 onwards	Measures
1 Purpose	Embed the purpose of serving society more strongly in the School's activities and communications	Reflect the goals of responsible management education in the School's Strategic Plan and in the adoption of the new slogan: "Better Business, Better Society".

	Strengthen internal structures to further support the operationalization of PRME principles within the School	Deepen the integration of PRME in structures and practices. To this end, e.g., hold internal discussions, carry out benchmarking exercises and learn from best practices, communicate for increased internal awareness, and establish data collection practices.
2 Values	Consistent with the 2018 signing of the SDG Accord by Aalto University, proceed with the implementation of the SDGs in the activities of the School	Identify how various courses relate to the SDG goals and communicate this e.g. with the help of the SDG icons.
3 Method	Two-pronged approach: Continue the integration of PRME-relevant content throughout the curricula and expand the offering of PRME-relevant specialized courses	Integration: <ul style="list-style-type: none"> <li>- Continue the Aalto Sustainability Hub initiative to support teachers of large introductory courses in integrating PRME-relevant content into their courses by inviting a teacher colleague with sustainability expertise to help.</li> </ul> Specialized courses: <ul style="list-style-type: none"> <li>- Offer new courses: Strategies and Management for Circular Economy, Corporate Responsibility Communications, Sustainable Supply Chains, Sustainability in International Business. Discontinue the course Corporate Environmental and Social Responsibility to avoid duplication and to make room for the new course on circular economy.</li> <li>- Explore possibilities to offer a course on Sustainable Finance in the future.</li> <li>- Co-organize the PhD course "Developments in Corporate Social Responsibility and Sustainability: Innovation, Organization and</li> </ul>

		<p>Governance” in 2018-19 as part of the PRME Nordic Chapter activities together with Stockholm University and Copenhagen Business School.</p> <ul style="list-style-type: none"> <li>- Revise existing courses according to the philosophy of continuous improvement (e.g., Sustainability in Business, Capstone in Creative Sustainability).</li> </ul> <p>Other</p> <ul style="list-style-type: none"> <li>- New Assistant Professor in Sustainability in Business will begin in June 2018.</li> </ul>
4 Research	Continue the strong research focus on PRME-relevant topics	Continue research on PRME-relevant topics and dissemination of its results. Continue the supervision of student theses on such topics.
5 Partnerships	Continue the strong partnerships	Continue participation in relevant networks as well as carry on direct partnerships with stakeholders.
6 Dialogue	Continue and strengthen dialogue	<p>Promote multidisciplinary dialogue across Aalto and with other stakeholders through the Aalto Sustainability Hub. For example, organize the first Aalto Sustainability Day in May 2018.</p> <p>Internally, strengthen PRME awareness and dialogue within the Business School.</p>
7 Organisational Practices	Adopt sustainable practices on the new campus and in the new building	Follow key environmental indicators in collaboration with Aalto University Campus & Real Estate.

## 5 Contact information

For further information, please contact our academic coordinator for PRME, Leena Lankoski ([leena.lankoski@aalto.fi](mailto:leena.lankoski@aalto.fi)).