United Nations Principles for Responsible Management Education

Sharing Information on Progress Report 2010
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Dear Secretariat,

As an institution of higher learning involved in the education of current and future leaders we are pleased to share this progress report of our School of Business Administration at the University of San Diego. USD is committed to engaging in a process of continuous improvement in the application of the Principles for Responsible Management Education, reporting on progress to all stakeholders and exchanging effective practices with other academic institutions.

We understand that our own organizational practices should serve as examples of the values and attitudes we convey to our students.

We celebrate our progress and reaffirm our commitment to future activities to further advance the Principles for Responsible Management Education (PRME).

Sincerely,

Julie H. Sullivan, Ph.D.
Executive Vice President and Provost
University of San Diego
About the School of Business Administration

For over 35 years, the School of Business Administration has provided a rigorous, values-based education that accelerates the personal and professional growth of the students who pass through our doors.

The School of Business Administration (SBA) is committed to developing socially responsible business leaders with a global outlook through academically rigorous, relevant, and values-based education and research.

As a result, USD School of Business Administration graduates hold professional positions in high technology, new economy corporations, consulting firms, and other entrepreneurial endeavors throughout the Pacific Rim and beyond.

The School of Business Administration (SBA) is accredited by The Association to Advance Collegiate Schools of Business (AACSB) International, and also holds additional accreditation from AACSB in Accounting. Regionally, the SBA and the University of San Diego are also accredited by the Western Association of Schools and Colleges (WASC).
For over 35 years, we have been a leader in offering learning opportunities inspired by our mission. As a result, University of San Diego (USD) School of Business Administration graduates hold professional positions in high technology, new economy corporations, consulting firms, and other entrepreneurial endeavors throughout the Pacific Rim and beyond.

The degree programs at USD's School of Business Administration have achieved the highest level of international recognition by being fully accredited by AACSB International. Numerous degree specializations and co-curricular activities from professional development workshops to industry association conferences, enable our students to tailor their studies to meet their particular career interests whether they be in the private, public, or not-for-profit sector.

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Ranked among the top institutions of higher education in the United States, the University of San Diego prides itself as an institution dedicated to academic excellence. Members of the faculty of the School of Business Administration maintain close ties with the business community and are frequently recognized for their innovative contributions to industry as well as academia.

The School of Business Administration was one of the original signatories to participate in the PRME. The University of San Diego has been a values-based institution since its inception, and the School of Business Administration views the core PRME principles as an extension of its own mission.

David F. Pyke, Dean
School of Business Administration
University of San Diego
Highlights since the previous progress report

Beyond Grey Pinstripes Ranking
The University of San Diego’s Master of Business Administration program is ranked among the top 25 universities in the world for integrating social, environmental and ethical issues into its curriculum, according to the Aspen Institute’s 2009-2010 edition of “Beyond Grey Pinstripes.” USD’s MBA program ranks 21st in the world and jumped 15 spots from its ranking of 36th two years ago on the list of the top 100 schools. Rankings were based on several factors, including the number of courses with social and ethical content and how well students were exposed to them. USD was ranked sixth overall in the category of “For-profit Impact” for courses specifically addressing how business can be an engine for improving social and environmental conditions. Schools were also ranked on the amount of faculty research involving issues of corporate social responsibility.

BusinessWeek Ranking for Sustainability
In academic specialty rankings released by Bloomberg Businessweek in May 2010, USD’s School of Business Administration ranked #4 in the category of Sustainability. BusinessWeek ranked 111 schools using nine distinct measures including student satisfaction, post-graduation outcomes and academic quality. Nearly 88,000 graduating seniors were surveyed for the rankings. In addition, BusinessWeek polled 718 corporate recruiters for companies that hire thousands of business majors each year, asking them which schools have the best graduates, most innovative curricula and most effective career services. Overall our undergraduate programs were ranked #28, but we were extremely proud to be recognized in the area of sustainability.

Center for Peace and Commerce
In 2009, the Center for Peace and Commerce (CPC) was formed in a collaborative effort between the School of Business Administration and the Joan B. Kroc School of Peace Studies. Its mission is to prepare new generations of “change makers” who develop and exercise innovative approaches for achieving the “triple-bottom line” – people, profit and planet. CPC’s role is to contribute in creating new enterprise paradigms and solutions that foster peace-building and poverty alleviation through courses, scholarship, enterprise development, active engagement with multiple stakeholders, and the promotion of good governance. The CPC will: develop and promote relevant research on responsible enterprise; create space for intellectual engagement through seminars, workshops and conference; support teaching innovations and the development of appropriate teaching tools; enhance the learning experience through high-impact, hands-on learning locally and abroad; support the development of business plans pursuing the triple bottom line; and promote innovative, responsible initiatives and leadership.
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.

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.

Principle 3
Method: We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

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.

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.

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.
Progress on Principles 1 & 2

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.

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 following are some actions we have taken to further our commitment and implementation of the Principles of Responsible Management Education:

Learning Goals and Outcomes in Degree Programs
The University of San Diego School of Business Administration is committed to developing socially responsible leaders and improving global business practice through a wide variety of learning opportunities. To this end, the learning objectives of each degree program incorporates these goals and is followed through by various learning assessment tools. Each year these assessments are evaluated to assure the desired learning.

Corporate Social Responsibility and Sustainability emphasis in MBA Programs
The MBA Programs (Full-time MBA, International MBA, and Evening MBA) added an area of emphasis in “Corporate Social Responsibility and Sustainability.”

The Corporate Social Responsibility (CSR) and Sustainable Enterprises emphasis prepares students to strive to achieve success in the triple bottom line: economic, environmental and social. Courses analyze what business must do to be socially responsible in a global landscape. Students develop leadership skills to face complex managerial decisions to align economic wealth creation and social value. A focal point is on management and governance systems, as well as personal values, leading to responsible conduct by firms and their employees.

MS Real Estate Program adds Sustainability Course
“Sustainable Real Estate” is intended to help students develop an understanding of the various aspects of sustainable real estate. Topics include history, economics, legal and regulatory issues, business environment, technology, operations and management, financing sources, building rating systems, among others. A 3-day training on the Leadership in Energy and Environmental Design (LEED) rating system is included.

EXAMPLE OF LEARNING GOALS AND OUTCOMES FROM OUR DEGREE PROGRAMS

BBA Business Administration
Learning Goal 1: Knowledge of global business practices and their impact on business and society
Student Learning Outcomes:
#1.1: Exposure to the international business community
#1.2: Describe the impact certain global business practices have on society in general

Learning Goal 6: Ethical attitudes and values
Student Learning Outcomes:
#6.1: Identify appropriate values in a given context
#6.2: Identify ethical behavior in a given context
#6.3: Distinguish ethical from unethical behavior

MBA
Learning Goal 3: Students will develop the ability to critically assess, evaluate and communicate the ethical and social implications of organizational decision-making.
Student Learning Outcomes:
#3.1: Identify appropriate values in a given context
#3.2: Recognize ethical problems and dilemmas
#3.3: Describe the impact certain global business practices have on society in general.
The Corporate Social Responsibility and Sustainable Enterprises emphasis requires a minimum of three courses. The following courses have been introduced to the curriculum in the last two years that help fulfill this area of emphasis:

**Business Initiatives with the Base of the Pyramid**

*Course Description:* Previously unsuspected, market initiatives aimed at the socio-economic base-of-the-pyramid (BOP) are generating both social and economic value, holding the promise of improved wellbeing for the world’s poor. This course analyzes how business models can play a significant role in generating social inclusion and economic prosperity for the 4 billion people living in poverty by bringing them closer to mainstream markets as consumers, producers, or business partners. It invites critical thinking on the links between issues that heretofore lacked any real connection: development, the fight against poverty, and business performance. The course tackles these issues by drawing on the experience of leading organizations—for profit and non-profit—engaged in market initiatives with low income groups. Course materials examine the viability of such initiatives and show how they impact poor communities.

**Sustainable Global Supply Chains**

*Course Description:* The increasing globalization of suppliers and customers has increased concern with the issues of sustainable and responsible management across global supply chains. In this course we explore the main risks, opportunities and practices we now see in global supply chain management from both conceptual and practical perspectives on sustainable practice. We will look at how organizations as varied as Intuit, Wal-Mart, Starbucks, US Marine Corps and other corporations address and apply responsible and sustainable supply chain strategies.

Students on this course will engage in applied studies and learn from academics and practitioners about the current challenges in this critical business arena.

**Business Leadership and Spirituality**

*Course Description:* This course addresses the current social movement connected with spirituality by exploring the relationship between business and spirituality, with a focus on the challenges of business leadership. Topics covered will include: How is business leadership related to the idea of calling? What special challenges for spirituality do the power and wealth that accompany successful business leadership pose? How can spiritual discipline and contemplative practice be tailored for the time-pressures of life?

**Microfinance and Wealth Creation**

*Course Description:* This course provides a unique opportunity to explore the area of microfinance and wealth creation—both from a theoretical and practical point of view—with a unique, global perspective. This course is designed to explore and analyze key issues associated with microfinance and wealth creation: What is microfinance? What are the various business models for microfinance institutions (MFI’s) and wealth creation? Which of these models are sustainable, scalable and reproducible? What is the social and economic impact of MFI’s? What are the benefits and limitations of microfinance as a path for alleviating poverty?

Students will have a chance to explore these questions through course readings, class discussions, on-site visits to MFI’s, meetings with MFI practitioners and their clients and a final project. One of the highlights of the course is a visit to the city of Guadalajara, Mexico, where students will have the opportunity to see first-hand how different types of organizations are offering financial services to low income citizens in Latin America. This experience provides a “global” perspective of microfinance while at the same time providing several “local” MFI models.

**MBA Application Essay draws attention to Social Responsibility**

To assure that applicants to the MBA Programs at USD begin to reflect upon, and consider the importance of, social responsibility and sustainability, they are now required to include the following essay with their application: “USD’s MBA programs strive to prepare socially responsible MBAs. What does social responsibility mean to you? Please defend your position in 500 words or less.”
Speakers for classroom visits and meetings with students

Special Guest Speakers
Below is a list of selected speakers on issues of sustainability and corporate responsibility that were classroom visitors. This partial list shows the diversity and richness of the topics debated and discussed in all our graduate and undergraduate programs:

- **Hector Ureta**, Former Director of Patrimonio Hoy, CEMEX
  “Designing Business Models for the Base of the Pyramid: the Experience of CEMEX”

- **Alex Pryor**, Co-founder Guayaki Sustainable Rainforest Products
  “Designing a New Business Model for Sustainability”

- **Robert A. Eckert**, Chairman and CEO, Mattel, Inc.
  “The Value of Reputation: Leading Through Crisis”

- **Michael Bush**, Board member of Technoserve, CEO of 3 Day Blinds
  “Business Solutions for Poverty Reduction”

- **Christopher Crane**, ex-Director of Opportunity International, Founder of Eduleap
  “The Future of Microfinance”

- **Jeff Goldberg**, President & CEO of Cali Bamboo
  “Sustainable Sourcing”

- **Max Anderson**, author of MBA Oath, “Social Responsibility in Business Programs”

- **Simona Vaclavikova**, UNDP Ambassador, “An Update from Darfur: a Civil Affairs Perspective”

- **Bill Massaquoi**, Rebuild Africa, “The Potential and Limits of Microfinance in Post-Conflict Countries”

- **Alberto Vollmer**, CEO Santa Teresa Rum
  “Proyecto Alcatraz”

- **Jorge Riquelme**, Executive Director of Bayside Community Center
  “Public-Private Partnerships and Community Building”

- **James Pierson**, Founder of Acholi Beads
  “Empowerment and Peace in Uganda through Business”

- **Sam Melehy**, ex-manager Peregrine systems; COO Pepperweed
  “Maintaining Ethical Business Practices”
Progress on Principle 3

Principle 3
Method: We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

Various Centers and departments in the School of Business engage in activities to advance concepts of both local and global responsibility through conferences and programs to benefit students, faculty and the greater community.

SBA Business Plan Competition

The inaugural School of Business Administration Business Plan Competition was kicked off in Spring 2008. Generous support from alumni and community donors fund the annual $10,000 in prize money. Both graduate and undergraduate teams consisting of at least one current USD student conceptualize and develop their plan with support from faculty members and volunteer mentors in the business community over the course of the spring semester and must advance several rounds to reach the final competition.

Several plans have focused on sustainable development in the last two years: a sustainability consultancy whose competitive advantage was to improve operational efficiency and reduce waste all throughout operations; a renewable energy exercise gym that would capture energy used by the machines and reuse the energy in other operations; and a greening landscape and related beautification services firm for cities throughout Mexico in exchange for exclusive outdoor advertising rights.

Building Greener Communities

In February 2010, The Burnham-Moores Center for Real Estate co-hosted a morning breakfast forum, "Building Greener Communities in the San Diego Region," along with CleanTECH San Diego, the City of Chula Vista and the National Energy Center for Sustainable Communities. The forum was held to initiate collaboration between the real estate development and the renewable and energy-efficient power and equipment manufacturing industries to stimulate regional economic development and to assist developers and builders in meeting new state environmental mandates. The forum comes on the heels of recent research funded by the U.S. Department of Energy and California Energy Commission, which concluded that the use of renewable and energy-efficient power and building equipment technologies and advanced site design features could substantially reduce the energy consumption and emissions of large-scale development projects in California.

Panelists included Darren Morgan of Cushman & Wakefield, David Schnaars of Solar Turbines, Nick Lee of The Paul Design Group, Denny Stone from the City of Chula Vista, Lou Galuppo from the Burnham-Moores Center for Real Estate, and Doug Newman from the National Energy Center for Sustainable Communities. The panel was moderated by Jim Waring of CleanTECH San Diego.

Since Fall 2009, MS Real Estate students have been signing a code of conduct that emphasizes ethical behavior and responsible leadership.
SECOND ANNUAL SUMMIT ON
PEACE AND PROSPERITY THROUGH TRADE
AND COMMERCE

“INCREASING MARKET SHARE THROUGH SOCIAL BRANDING”

Can business do well by doing good?

The Kroc Institute for Peace and Justice theatre was packed with students, faculty and members of the business community to investigate this question at the second annual Summit for Peace and Prosperity through Trade and Commerce organized by the Ahlers Center for International Business.

Company representatives came to share their success stories of doing well by doing good. Global firms such as Starbucks joined smaller start-ups. One such start-up was World of Good (mother company of World of Good by eBay) who gained eBay’s attention in addition to gaining market share, media attention and a loyal consumer base through their social branding and marketing strategies. Dennis Macray, Director of Ethical Sourcing and Global Responsibility for Starbucks and Priya Haji, CEO of World of Good discussed “New Directives of Big Business: Sustainable and Ethical Supply Chains.”

Colin Brady, the COO of Product (RED), which was founded by Bono from the rock band U2, discussed “Innovative Incentives of Social Branding.” Their business model generates a sustainable flow of money from the private sector into the Global Fund to help eliminate AIDS in Africa.

Panelists (left to right): Liz Goodgold; Jake Kloberdanz; Priya Haji; Dennis Macray; Colin Brady

CEO and founder of OneHope (formerly Hope Wine), Jake Kloberdanz, enlightened the crowd with his creative business strategy of donating half of the profits of every bottle of wine sold to a specific cause.

Videos of the event can be found at the Ahlers Center for International Business website at http://www.sandiego.edu/ahlers/peace.

Dennis Macray
2ND ANNUAL SAN DIEGO MICROFINANCE SUMMIT

In collaboration with local microfinance practitioners and fellow educational institutions, the Ahlers Center for International Business played host to the 2nd Annual San Diego Microfinance Summit in 2010 to highlight the work of local and international microfinance practitioners. Stemming from a successful inaugural summit in 2009, this year's summit included many of the prior year's components, such as a panel discussion, networking lunch catered by microfinance clients and a marketplace of microfinance client vendors selling their products and services. This year, the summit was extended to a full day format to include afternoon breakout sessions and a closing reception. Sustainability planning was built into the summit, using compostable serviceware and limiting paper usage.

Yeardley Smith, the famous voice of Lisa Simpson, delivered the keynote address about her experience as a Grameen Foundation ambassador working to rebuild Haiti's financial sector after the devastating earthquake in early 2010. Attendees of this sold-out event included university graduate and undergraduate students, faculty and business community members.

International microfinance practitioner panel (from left to right):
Elisa Sabatini, Via International
Christopher Crane, Eduleap
Peg Ross, Grameen Foundation
Sean Carpenter, Project Concern International
Advancing Principle 3: Action-learning through Projects

Each year MBA students have the opportunity to travel abroad to gain international consulting experience. The purpose of the consulting project is to further develop students' leadership and team skills and to enhance their cultural awareness in an international setting. In addition, international organizations benefit from receiving consulting services. Many of the projects have a strong focus on socially inclusive business models or issues of sustainability. Below is a sampling of these projects.

**Rio de Janeiro: Endesa**
Endesa is a holding company for electric power providers in Brazil. They serve the state of Rio de Janeiro as well as several other locations. Electric power provision was recently privatized in Brazil and is still highly regulated by the government. Because they provide electricity to many very poor and poor, yet upwardly mobile customers, they have a major problem collecting on accounts receivable and from customers accessing electricity by informally tapping into the system. The team was challenged to create a program, or programs, that would increase collections from these customers. The team found several other electric companies around the world with similar problems and developed a matrix of best practices used, in addition to designing new methods specifically for the Brazilian context. This structured approach was very well received and Endesa is looking forward to further assistance in implementing the recommendations.

**Buenos Aires: Banco Galicia**
Banco Galicia is one of the largest private sector banks in the Argentine financial system and a leading financial services provider in the country. In alignment with the World Resources Institute (WRI) protocol and the World Business Council for Sustainable Development (WBSCD), Banco Galicia understands their responsibility in reducing carbon emissions. For the last two years, with a focus on sustainability, they have calculated the amount of greenhouse gases produced in their day-to-day activities (through burning fossil fuels for electricity, gas and airplane transportation) in units of tons of carbon dioxide equivalent. The student team was charged to identify new, current major emission sources and opportunities for savings in the future incorporating various bank branches. The MBA consultants recommended some adjustments to their organizational structure as well as specific networking and communication activities that would motivate and encourage execution of their current and future goals. They also designed a specific timeline to implement best practices across the branches that included targets for success.

**EcoWatch India**
EcoWatch India is a Non-Governmental Agency working primarily in the South-Indian state of Karnataka to improve the lives of rural villagers by providing them methods to preserve their sources of income and protect their local environment. For example, in rural coastal Karnataka depletion of ground water caused by the influx of small manufacturing units was leading to the encroachment of sea water that made traditional farming impossible. As a result, inhabitants were being forced to migrate to small towns adding to the infrastructural pressures and numbers of displaced persons living among the urban poor. USD consultants were charged with developing a plan by which EcoWatch could partner with other NGOs and State Government agencies thereby expanding its reach, effectiveness and viability. The consultants created a plan by which the Principals in EcoWatch could augment their capabilities by inviting student teams from local and foreign colleges to manage an expanding menu of projects.
Rio de Janeiro: Gaffree e Guinle University Hospital

HUGG-Unirio is located in the northern section of Rio de Janeiro and was founded in 1929 as the largest and most modern hospital in the entire city, with a capacity of 320 beds. Since that time, this university hospital has become a modern teaching hospital, with 17 amphitheaters holding 50 students and one holding up to 200 students. Specialties include cardiology, endocrinology, OB/Gyn, urology, psychiatry among many others. Student consultants were asked to assist in developing a distance education model that would allow HUGG to transmit knowledge over long distances to train health family groups and healthcare workers in poor communities. Using a SWOT analysis and conducting several interviews, the consultants analyzed the distance education opportunities and provided a thorough assessment of the costs and benefits of pursuing this new strategy. The client was impressed with the outcome gave praise for the suggestions.

Advancing Principle 3: Action-learning through Community Engagement

In addition to consulting projects for course credit, students are encouraged to participate in a variety of community activities. These activities may fulfill community service requirements required for graduation, as in the MBA Programs, be a part of an individual course that incorporates community engagement within the course structure, or as a project for a student club.

Community Engagement

MBA students visit a non-profit pediatric pharmacy in Tijuana, Mexico at Hospital Infantil de las Californias, to assist them in scaling up their operations and expand into other parts of Baja California. This is currently the only pediatric pharmacy serving Baja Norte.
Team-building activities support honey farm for women’s cooperative in Mexico

As part of the course “Leading Multicultural Teams and Organizations,” Via International creates an international service learning and socially responsible experience by organizing a beehive construction activity. The activity was hosted by a group of women who received a micro-loan from Via International to start their honey harvesting cooperative. IMBA students were served lunch prepared by the women and then challenged to their team building activity. The group properly constructed six hives that are now being put to good use, increasing the output of honey production of the all female co-op.

SEED Project

What started out 13 years ago as a vehicle for teaching students the tools and techniques of project management by having students plan and implement a house renovation project - nicknamed the “Thanksgiving House” - was reinvented and re-branded as the new SEED (Sustainable Environment Enterprise Development) Project in 2009. The project will be dedicated to creating environmentally conscious private and public spaces that provide a renewed framework for the future development and lives of their users. SEED will no longer be a School of Business Administration course but will become a collaborative effort by students and faculty in disciplines across campus; participation may be in the form of a course project, an internship, or an independent study.

SEED’s project for 2009 was to renovate a number of areas in Skip Gleavey’s house to give him access to some amenities that had been missing from his life since a bicycle accident and resulting paralysis over a year ago. SEED customized and remodeled one of the upstairs bathrooms in order to meet Skip’s needs, modified his closet, added ramps, replaced his washer and dryer with front loading units, rebuilt his outside deck and modified some of the kitchen cabinets and counters to meet ADA requirements, in addition to resolving an air quality problem in the house. Consistent with SEED’s mission, wherever appropriate, modifications were accomplished using sustainable building practices and “green” materials.
Progress on Principle 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.

Faculty in the School of Business Administration at the University of San Diego are dedicated to generating and sharing knowledge that is rigorous and relevant for all sectors of the economy. Since the last progress report a new journal has been launched focused on issues of sustainability, several books published, and contributions made in scholarly journals and other publications. Below is a listing of our research since our last progress report that has focused on issues of corporate social responsibility and sustainability.

The Burnham-Moores Center is played a key role in the launching of a new Journal of Sustainable Real Estate. Norm Miller, the Center’s former director of academic programs, is serving as editor of the journal, with three associate editors: one in the United States, one in Asia and the other in Europe. The journal will be published under the auspices of the American Real Estate Society, with funding by the CoStar Group; the first issue was launched in November 2009. An advisory board has been formed, consisting of approximately 30 leaders from academia, the private sector and the nonprofit sector. An editorial board of 20 academics from universities such as Harvard, University of Michigan, Clemson and University of Denver has also been put in place to review the journal submissions. The journal’s Web site is: www.josre.org.

Professor Patricia Marquez is one of the editors of Socially Inclusive Business: Engaging the poor through market initiatives in Iberoamerica which examines how market mechanisms can mobilize social change by engaging the poor in win-win scenarios. Companies, social sector organizations, and development agencies are all beginning to glean the potential that lies among the world’s poorest people, both as an untapped productive force and a neglected consumer market. This book aims to demonstrate how the private sector can become part of the solution of poverty.
Advancing Principle 4: Contribution to knowledge

Advancing Principle 4: Contribution to knowledge

- Marshall, S. Sustainability amidst uncertainty: Columbia Forest Products’ pursuit of sustainability in a changing market. oikos Global Case Writing Competition.
Advancing Principle 4: Contribution to knowledge


- Tu, C., Galuppo, L. Capital Markets and Sustainable Community Development: What are the Perceived Risks and Barriers? *Journal of Sustainable Real Estate*.

Sustainable Commercial Real Estate Study

In 2009, the Burnham-Moores Center began playing a key role in a comprehensive national study by CB Richard Ellis (CBRE), a global leader in real estate services, to evaluate the range of benefits that sustainability has for commercial real estate holdings. The study, which will take place over several years, is comprised of more than 150 of the 250 CBRE-managed buildings that have earned the Environmental Protection Agency's Energy Star plaque for outstanding energy performance. The study will generate quarterly results, while adhering to strict methodology as well as surveys and in-depth interviews. Burnham-Moores Center researchers will assist CBRE in gathering information from two camps—property managers and tenants.
Progress on Principles 5 & 6

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.

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.

The School of Business Administration has maintained strong linkages with the business community and other organizations since inception. Our Advisory Board, consisting of leaders from both the profit and non-profit sectors, is strongly engaged in providing the direction of the School. In 2009 our Advisory Board was presented with the current progress on issues of sustainability and social responsibility. They shared several ideas and were instrumental in the creation of our new Center for Peace and Commerce.

CSR Industry Panel
For FY09-10, a monthly industry speaker panel series was introduced in the School of Business, of which one month was dedicated to Corporate Social Responsibility. This panel was held in April 2010 and participants included: Karen Derenthal Schmidt, Senior Vice President at Eurus Energy; Jeff Goldberg (alum), President & CEO of CaliBamboo; Gail Welch, CSR Team Member at Qualcomm, Inc. The panelists shared with the audience their current and future planned CSR activities, and discussed amongst themselves best practices for their respective industries and organizations.

Microfinance Partnerships
The University of San Diego’s Center for Service-Learning and the Ahlers Center for International Business, in collaboration with the San Diego Microfinance Alliance and several community partners such as La Maestra, ACCESS, Via International, have created the San Diego Microenterprise Project (SDMP). The purpose of this project is to promote economic recovery, encourage experiential learning, and facilitate active community involvement. One of the projects of the SDMP has business students assisting a local microfinance fund with it being supported by La Maestra and Via International. The San Diego Microfinance Alliance stems from the 1st Annual San Diego Microfinance Summit in 2009, involving approximately 20 non-profits, for profits and educational institutions working together to advance microfinance education and outreach in the local community, all the while realizing the importance of San Diego in the global microfinance sector.

Furthermore, a partnership with USD and Acción San Diego enables graduate and undergraduate students to work as consultants for microfinance clients on business pains such as marketing, accounting and web design. Students receive applicable training from faculty and Acción coordinates the matching of students to clients.
Advancing Principles 5 & 6

Student Internships

Two undergraduate student teams traveled to the Dominican Republic and Argentina during summer 2010 to address social and environmental responsibility projects. In Argentina, five students worked in the fields with Guayaki Sustainable Rainforest Products to study their methods of sustainability and product development. In the Dominican Republic, two students worked to advance the Bullpen Foundation’s mission of providing young Dominican men the formal education they bypassed in pursuit of a major league baseball career.

At the graduate level, our students have: completed a sustainable supply chain project with Hewlett Packard; worked with Scripps Encinitas to help “green” their operations; interned with the CA Center for Sustainable Energy in project management; and worked with Pants for Poverty in London on how to expand the apparel brand into the US and other markets. Pants for Poverty ethically sources organic cotton in an effort to alleviate poverty world-wide, resulting in tripling farmers’ profits, improving health and empowering women in India during the five years they been in business.

Student Organizations and Leadership

There are approximately 15 student organizations in the SBA that give students opportunities to develop leadership skills, of which three are focused on sustainable development:

• **Net Impact** – with both a graduate and an undergraduate chapter - works toward positive social change through business via curriculum change, in addition to education and outreach through speaker series and networking events.

• **The Microfinance Club** is run at the undergraduate level in hopes to advance the awareness and practice of microfinance in San Diego and to create a forum for students and practitioners to interact together. The club works closely with local microfinance and other university microfinance clubs to secure internship and volunteer opportunities for students.

• **The Student International Business Council (SIBC)** is a privately-endowed, undergraduate student-led organization dedicated to its vision of “Peace Through Commerce.” Focused on leadership, international business, and responsible business conduct, the long-term goal of the Council is to develop individuals who will go on and play a fundamental role in peace around the world.

Continuing Education

The Burnham-Moores Center, in partnership with the University’s Office of Corporate and Professional Education, developed a new continuing education certificate program in **Land Use and Sustainable Community Development**, which launched in September 2008. The certificate is a comprehensive program for professionals interested in understanding the mandated, complex and time-consuming processes that are involved in land use decisions. The program also helps participants understand how to incorporate sustainable measures in their projects through site planning, building design and energy-efficient approaches. SDG&E is providing 10 full scholarships for the program to local government professionals interested in completing their certificates.

New seminars were developed in 2010 for the **Global Business Strategy Certificate Program** run by the Ahlers Center for International Business: “Global Sustainable Supply Chain Systems” emphasizes how to manage supply chains that deliver a greater environmental and social impact; and “Business Innovation through Corporate Social Responsibility” explores new business models that are emerging to build future markets by providing goods and services geared to the needs of heretofore excluded populations.
Over the last two years, collaborative efforts to make the University of San Diego a more sustainable campus have tremendously increased over prior years. In 2010, the university hired a Director of Sustainability, after having an interim Director for over two years, who is charged to work with the full range of university constituents – from students, to departments, to suppliers, to community members - to pave the way towards sustainability and a healthier planet.

Programs and Campus Development

Academic Programs

The Environmental Studies major was approved to begin in Fall 2009. It is designed as an interdisciplinary approach studying environmental issues from the natural science, social science and humanities perspectives. Students majoring in environmental studies will be well prepared to pursue graduate studies in environmental policy, resource management, environmental science, law or any area in the rapidly developing industries related to environmental sustainability.

Leadership in Energy & Environmental Design (LEED)

USD began building its first Leadership in Energy and Environment Design (LEED) Gold certified building, the new Student Life Pavilion (SLP). This certification changes the paradigm of construction on-campus as all future buildings will be designed to qualify for a minimum LEED-certified Silver rating.
Sustainability Across Campus

Green features in the SLP building include: natural ventilation with windows that open and an inner courtyard that helps with air flow; use of recyclable or recycled materials such as carpeting; decomposition unit in the dining hall; power conservation through energy efficient and electrical systems; recycling of 85% of construction waste; 40% reduction in water usage by low-flow water fixtures; use of environmentally-friendly cleaning products and practices; bike racks installed and no additional parking spaces created; and green low-water plantings on the rooftop, which also has amazing panoramic views of Mission Bay, San Diego Harbor, Tecolote Canyon and Mission Valley. The building held its inaugural opening in September 2009.

Solar Installation

In 2009, USD President Mary Lyons announced the planned installation of a major solar power project that will create the eighth largest solar energy facility on a U.S. college campus. Through a partnership with San Diego-based AMSOLAR, 5,000 photovoltaic panels will be placed throughout the campus, generating up to 15% of USD’s power needs through a 1.17-megawatt renewable energy system. AMSOLAR will set up the entire system and then sell the generated electricity back to USD at lower than current rates for the next 25 years. In addition to helping reduce greenhouse gas emissions and improve USD’s energy efficiency, the plan is expected to create jobs for San Diego workers, serve as a nationwide example of solar’s economic feasibility, and be used as an educational resource by faculty and students. The university also will receive renewable energy credits (RECs). Construction began in 2010.

Recycling Competition

The University of San Diego earned third place among California colleges and universities in the per capita recycling category of the 2010 RecycleMania competition. This year’s ranking was an improvement on USD’s 5th place rank for 2009, and placed them 38th in the nation – ahead of prominent schools such as MIT, Notre Dame, Brown, UCSD and the University of Virginia. RecycleMania is a friendly competition among over 600 U.S. colleges and universities based on recycling and trash data reported over a 10-week period between January and March of each year. Schools are ranked according to who collects the largest amount of recyclables per capita, the largest amount of total recyclables, the least amount of trash per capita, or have the highest recycling rate. This year participating schools recycled or composted over 84 million pounds of material during the ten weeks, an increase of 15 million pounds over 2009. This year’s grand champion was nearby Cal State San Marcos, which earned the title for the second year in a row.

Stone recycle bins were installed throughout campus in 2009: one recycle bin to one trash bin. The recycle bins have blue lids for commingled recyclables and the regular trash bins have brown lids that are labeled trash in the same areas.

Campus Living & Environment

Conservation Projects

USD engages in $8.2 million in energy and water conservation projects on campus with installation occurring presently. Many of these projects are targeting student housing areas since these areas comprise the most usage on campus. The conservation projects will save the university over $1 million annually in electricity and water costs and 20% of its total energy used and as much as 20% of water used.

Supporting Local and/or Sustainable Products

Both the USD Bookstore and Tu Mercado (SLP) integrated a natural, sustainable section in each store where the USD community can purchase recycled materials, refillable drinking containers, and organic, handmade and/or locally made products. Tu Mercado also won the National Association of College and University Food Services award for excellence in Incorporating Sustainability in your Convenience Store category.

In 2009, USD initiated a local Farmer’s Market on Wednesdays in front of the University Center. Fresh fruit and vegetables, nuts, seeds and food cooked on site are available for purchase from 11:00am-2:00pm.
Sustainability Across Campus

Looking Ahead

With strong leadership of our Director of Sustainability and the campus-wide Sustainability Task Force, USD is striving to become the most sustainable private university campus by 2025. In addition to current and ongoing activities, we are looking ahead to achieve the following goals and objectives:

‣ Continued collaboration with the City of San Diego on the Linda Vista project that will engage the community in opportunities for energy conservation programs currently being underutilized
‣ Energy Manager position designated to be filled by the end of 2010
‣ Student Outreach Program Launch and education of new and existing students in sustainability
‣ Development of sustainable living community in our student housing areas
‣ USGBC and San Diego Earthworks conference to be held on campus in 2011