INNOVATION IN A CHANGING CONTEXT

United Nations Principles for Responsible Management Education

Sharing Information on Progress Report
June 2010
Ashridge are partners in organisational learning and change. Our context and that of the organisations we work with is changing, and new ways to interpret this changing context are emerging.

Thinking about what ‘sustainable development’ means for our work – in particular for our core strengths of leadership, strategy and change – is about protecting and extending our competitive advantage. It is about innovating to adapt to and remain relevant to a changing context, and about continuing to add value to our clients, and by doing so, to wider society.

This document outlines our strategy and how we are delivering against it.

Contents

1. About Ashridge 4
2. Introduction from Kai Peters, Chief Executive 7
3. Overview 11
4. Inquiry, Dialogue and Thought Leadership 13
5. Working with Individuals and Organisations 21
6. A Sustainable Venue 26
7. Appendix 32
In the five decades since we were established as a business school in 1959, Ashridge has helped many organisations and individuals address numerous management development and organisational development challenges. We understand that every organisation is different and that there is never one solution that fits all. We therefore partner with organisations to create learning experiences specifically for you, to deliver value to your organisation and make a tangible difference.

We do this through a range of activities and different areas of expertise. We are world-renowned as a leading partner for executive education for both organisations and individuals, and we are one of the only business schools in the world that is also an organisation development consulting practice. We are truly international, with over 90 faculty members representing 20 nationalities and clients in over 50 countries.

The majority of Ashridge’s work is with organisations (both public and private). This accounts for 55-60% of our activity – unusual in the younger, student-heavy world of business schools. Our practical approach makes us an ideal choice for many clients as we provide the rigour of an academic institution, but have a deep understanding of the issues facing organisations today generated through our work with business leaders throughout the world. Add to this our expertise in creating learning experiences that really make a difference – by combining our executive education and organisation consulting perspectives, we offer something that is truly different.

In addition to our work with organisations through customised executive education and organisation consulting, Ashridge also has a portfolio of open enrolment and qualification programmes, all designed for experienced managers.

Our work with organisations and individuals is supported by our online learning platform offering both customised insight on demand and online learning communities, and our expertise in developing psychometric and 360° feedback tools to aid learning.

Collaborative research and inquiry at Ashridge informs and underpins all areas of our work with clients as well as wider public debate on management and the role of business.
The venue

Ashridge provides the perfect environment for learning and innovation. With our origins as a thirteenth century monastery, today’s school occupies a magnificent country house built in the early 1800s, and, set in over 190 acres of parkland and historic gardens, it is secluded without being isolated – it is, after all, only 30 miles from London, close to air, rail and motorway connections. It imparts a tranquil atmosphere where people can focus without distraction, with space to develop, be creative and reflect on their learning.

Residential facilities
Since its inception as a business school in 1959, Ashridge has carried out sympathetic restoration and extensive modernisation, including the addition of 190 ensuite bedrooms and executive suites, furnished and equipped to high standards.

Meeting rooms
Fifteen main meeting rooms are available, the largest with a capacity of up to 180, all readily configured to clients’ requirements. They are supported by 50 adjacent syndicate rooms, with easy access to coffee lounges and garden areas, ideal for breaks and continuing discussions. The rooms are fitted with state-of-the-art audio-visual and IT equipment, fully supported by skilled technicians.

Award-winning cuisine
Ashridge’s bar and dining areas offer the perfect place to relax, network with other participants and meet with faculty members. The quality of the food, catering for all dietary requirements, is matched by the friendly and efficient service, and chefs regularly win the top awards in culinary competitions.

Leisure and relaxation
Ashridge recognises the benefits of making time for leisure activities and relaxation. It has a fully-equipped Lifestyle Centre, with swimming pool, jacuzzi, steam room, exercise equipment and squash courts. Outdoor facilities include tennis courts, putting green and croquet lawn, football and cricket pitches, mountain bicycles and a jogging trail. Our own parkland is surrounded by the Ashridge Estate – a further 5,000 acres of forest owned and managed by the National Trust – which offers many further opportunities for recreation.
2. The role and purpose of a business school, and our strategic response to a changing context

Introduction from Kai Peters, Chief Executive

A changing context

Our context is always changing. In 2010, the most pressing challenge in the wider context for most leaders has been navigating the challenges of ongoing crises in the global economy. But immediately beyond this lie wider and connected trends with impacts that we are becoming more certain about: demographic change, an eastward shift in the centres of economic power, alarming trends in public health, urbanisation, rising inequality, systematic abuse of human rights, increasing scarcity of natural resources and degradation of ecosystems – forests, water systems, climate.

But it’s not just our context that’s changing; it’s how we understand our context that’s changing too. Much of our economy and industrial processes are still built on assumptions from the time of the industrial revolution, a time of huge technological innovation and improvement in the quality of life for many, a time when we looked around and saw, for example, abundant natural resources and man’s ‘triumph’ over nature. Now, we are increasingly aware of the limits of this narrative, we see that resources are scarce, that ecosystems are more delicate and fragile than we realised. And with globalisation in the 1980s and 1990s our horizons are no longer national but international, with globalised capital flows and trade in goods and services, where decisions taken in one part of the world now have far greater impacts than they used to on the livelihoods of others far distant. The new narrative that is eclipsing the industrial revolution perspective is sustainable development – a new ‘big idea’ that helps us make sense of our changing context and how we need to adapt.

In response, we are seeing new organisational practices emerge: new business models, new products and services, new operational practices. But we are also seeing many older organisational practices continue, practices that are increasingly less relevant in a changing context. Practices that are not healthy for our organisations, for our communities, and for the wider ecosystems of which we are a part and on which we rely.

Why are we seeing these new organisational practices emerge? Some people are changing behaviour because they are persuaded by the scientific evidence of environmental challenges for example, for others it might be more to do with personal values and a concern for fairness and stewardship for future generations. For others again, it might simply be the recognition that if large numbers of people are starting to think and act differently, this means certain markets may shrink while others may grow.
The role and purpose of business schools

So as things change, it is helpful to ask ourselves again: what’s the purpose and role of a business school? On a practical level Ashridge exists to help organisations and individuals be more effective. We work in partnership with organisations and individuals to help in tackling complex challenges – supporting and developing leaders and leadership, formulating and implementing strategy, fostering and stimulating organisational change. Through bespoke learning and consulting interventions, complemented by executive qualification and open enrolment learning programmes, and underpinned by applied research, we are partners in organisational learning and change. It is our aspiration that, by helping organisations and individuals be more effective, we play a valuable role for society as a whole.

On a more philosophical level, we recognise that part of the collective purpose and role of business schools, along with the professional bodies and major management consultancies, is to act as both stewards and shapers of the body of practices and thinking – the cultural norms – of organisational life.

We steward the collective lessons learned by the countless organisational leaders who have gone before us, often unconsciously, as these ‘past lessons learnt’ become codified and embedded in the conceptual frameworks and tools that inform many of the conversations that take place with today’s and tomorrow’s leaders every day in business schools and more widely.

And as we help today’s managers make sense of a changing context and new practices, we also help shape the broader public debate and intellectual current of ideas within which today’s leaders in organisations make strategic and operational decisions.

We therefore collectively play a limited, but nevertheless significant role in influencing the behaviour of organisations. The questions we ask, what we champion and celebrate, and the values and contexts embedded in our concepts, frameworks and tools, make a subtle but important difference to the decisions others make.
Our strategic response

If this is our purpose and role – what we do - and this is how our context is changing, what does this mean for our strategy? The right strategic response is embodied in the United Nations Principles for Responsible Management Education, which we helped develop.

We need to be challenging organisational leaders with the realities of our changing context and helping them make sense of what this means, not just for their strategy and organisational practices, but also for their broader purpose.

This isn’t a ‘nice to do’, it’s a strategic imperative - only organisations that adapt as their context changes survive and thrive. By leveraging our strengths and by innovating now, we are seeking to protect and extend our competitive advantage. If what our clients value about working with us is our expertise around leadership, strategy and change, engaging with sustainable development is about ensuring that our expertise in leadership, strategy and change remains relevant. This is also, in the bigger picture, what we exist for as a business school and how we add value to society as a whole.

How do we act to make this strategic imperative become a reality? There are three clear areas of focus:

First, we need professional excellence from our faculty - we need them to engage in inquiry, dialogue and thought leadership that asks what our changing context means for our core areas of practice. We also need to be learning from innovative organisational practice where it is emerging, and looking again at our own concepts, frameworks and tools to ensure they are still relevant in changing times.

Second: we then need our faculty to bring this new thinking into our work with organisations and individuals. Finally, it goes without saying that we also need to apply it to the way in which we manage ourselves as an organisation.

Do we have the capability to deliver? Yes, we believe we do. Although there are obvious challenges, we believe we have the people and the culture to deliver, and we believe we are making the right decisions to support the kind of change we need. The following pages outline in more detail our thinking in these three areas, the steps we have been taking, the challenges, and our plans for the future.
As institutions of higher education involved in the development of current and future managers, we declare our willingness to progress in the implementation, within our institution, of the following Principles, starting with those that are more relevant to our capacities and mission. We will report on progress to all our stakeholders and exchange effective practices related to these principles with other academic institutions:

**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 dialogue and debate among educators, business, government, consumers, media, civil society organisations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.

We understand that our own organisational practices should serve as example of the values and attitudes we convey to our students.
Inquiry, dialogue and thought leadership
A major programme of dialogue, inquiry and thought leadership involving seminars, workshops, conferences and publications, led by individuals across our faculty to stimulate innovation in our work as a partner in organisational learning and change.
UN PRME Principles addressed: 6, 5 and 4

Working with individuals and organisations
• A suite of offerings catering to demand for management education around sustainable development, including the Ashridge Masters in Sustainability and Responsibility, open enrolment programmes and bespoke learning and change interventions.
• The integration of sustainable development perspectives into MBA programmes and other qualification and open enrolment programmes and customised executive education and consulting interventions.
• Innovation in learning processes, to blend more virtual learning and virtual action learning into our interventions.
UN PRME Principles addressed: 6, 5, 1, 2 and 3

A sustainable business school and a sustainable venue
Our vision is to become the sustainable venue of choice for our clients by 2015. Targets we have set include:
• Cutting our carbon emissions by 34% by 2020 and 80% by 2050
• Reducing our waste to landfill by 30% in 2010
• Further targets around water use and food and paper sourcing.
We have also initiated a programme of activity to engage and empower staff across our organisation on sustainability.
UN PRME Principles addressed: our own organisational practices
INQUIRY, DIALOGUE AND THOUGHT LEADERSHIP

Strategy

The core of our work as a business school is the work we do with organisations and individuals in fostering organisational learning and change. We believe engagement, dialogue and thought leadership are essential to ensure that our work as a partner in organisational learning and change adapts to remain relevant and lead change in a changing context.

Thus to play our role as a business school in helping organisations and individuals adapt to a changing context, we need to:

- Encourage and support our faculty to foster dialogue among and inquire collaboratively with diverse groups including business, government, consumers, media, civil society organisations and other interested groups and stakeholders to help understand and make sense of the changing context.

- Encourage and support our faculty to engage collaboratively in thought leadership, drawing on this dialogue, that creates the new narratives that interpret this changing context, that revisits existing concepts and frameworks to ensure they remain relevant, and that leads to innovation in our work as a partner in organisational learning and change.

We also believe it is important we play our part in leading change across our own industry sector.

How are we doing this?

Encouraging and supporting our faculty to foster dialogue and thought leadership

We established a specialist centre for thought leadership – the Ashridge Centre for Business and Sustainability – in 1996. The remit of this centre is to work collaboratively with Ashridge’s other centres for thought leadership (in leadership, strategic management, executive learning and coaching), and across our faculty to encourage and support faculty from across the School to foster dialogue and thought leadership to ensure our practice as an institution remains relevant in a changing context.
Key initiatives:

A series of dialogues on business and sustainability – a partnership between Ashridge and InterfaceRAISE.

In 2009, Ashridge and InterfaceRAISE hosted a series of dialogues, convened at InterfaceFLOR’s London showroom, and at London’s Victoria & Albert Museum. These dialogues considered themes including leadership, change, design thinking, dialogue and virtual working, and featured Ashridge faculty including Kai Peters, George Binney, Chris Nichols, Caryn Vanstone, Alexandra Stubbings and Hugh Pidgeon.

Worldly Leadership Summit – a partnership between Ashridge, the Leadership Trust, and the Globally Responsible Leadership Initiative.

In September 2009, Ashridge worked with partners to convene a dialogue on ‘worldly’ leadership. Almost a hundred top thinkers from all corners of the world met to share critical leadership wisdoms from their societies, and then to focus on how these wisdoms can be combined and developed to address the major problems facing business, society and the planet today.

Developing the Global Leader of Tomorrow.

Published in June 2009, Ashridge worked in partnership in this study with the UN PRME, the Academy of Business in Society (EABIS) and nine business schools from a variety of different regions globally. The work was financially supported by Unilever, Shell, IBM, Microsoft and Johnson & Johnson. The study sought to understand the perspectives of CEOs and senior executives on the role of management education in adapting to a changing global context.

Dialogues on Developing the Global Leader of Tomorrow.

Working with partners, Ashridge has convened several dialogues with senior executives, and HR, talent management, learning and development, organisational change and sustainable development professionals to explore themes and perspectives around the implications of a changing global context and the emergence of the ‘sustainable development’ narrative for talent management, learning and development, management education and organisational change. Dialogues have been convened in the UK, the Netherlands, Germany, the United States, Dubai and Abu Dhabi.

Adapting to a changing context: the role of management education.

Ashridge partnered for a second time with the UN PRME and EABIS as an input to the Second Global Forum on Responsible Management Education, part of the 2010 UN Global Compact Leaders’ Summit, convened at the UN Head Quarters in New York by Secretary General Ban Ki-Moon in June 2010. Drawing on data collected as part of the UN Global Compact – Accenture CEO study, Ashridge and EABIS analysed CEO perspectives on the implications for management education and business schools.
A collaborative inquiry into sustainable development and organisational change. Through 2009 and 2010, Ashridge has convened a collaborative inquiry into the nature of organisational change for sustainable practices. The inquiry involves representatives from Nokia, News International, Guardian Media Group, Standard Chartered Bank, John Lewis Partnership and InterfaceFLOR.


Ashridge International Research Conference: Global Leadership, Global Ethics
In May 2009, Ashridge hosted a major international academic research conference Global Leadership, Global Ethics: In search of the ethical leadership compass.

A role for business at the Bottom of the Pyramid
In January 2009, Ashridge published a major study on Base of the Pyramid business models, led by Edgar Wille and Kevin Barham.

Evaluating the Earthwatch-HSBC Climate Leadership Programme
In November 2009, Ashridge embarked on a three year project for the Earthwatch Institute to evaluate the impact of the Earthwatch-HSBC Climate Leadership Programme.

Conference on the Future of Learning
In August 2009, Ashridge hosted a major international conference The Future of Learning, in partnership with the University of Cape Town Graduate School of Business Executive Education Unit and Mt Eliza Executive Education, Melbourne. The conference included a track on learning and sustainable development.

An extended list of selected publications and conference presentations can be found in Appendix 1: Selected publications and conference presentations, Page 32
Challenges

- We pride ourselves on our independence as a community of faculty. We consider it appropriate for our leadership to encourage and support our faculty to consider a changing context and adapt as they judge appropriate. However, it is not in our culture as an organisation to compel faculty, nor do we believe this is an effective approach to change.

- Change takes time. Real change involves our faculty seriously engaging with the detail of a changing context and working out for themselves – individually and collectively – what they make of this changing context, and what they think it means for their practice. This process will not happen quickly.

Key Performance Indicator

January 2009 – June 2010

Forthcoming

Leading Organisations of Tomorrow

A major inquiry is currently being led by the Ashridge Leadership Centre, the Centre for Research on Executive Development, and the Ashridge Centre for Business and Sustainability on innovation in leadership development. This project is exploring the experience of eight organisations that have pioneered new approaches to leadership development that seek to develop a generation of leaders capable of stewarding their organisations through a changing global context.

Leading Organisations of Tomorrow Symposium

On 14 October 2010, Ashridge with Leuven and Case Western Reserve University will host a highly interactive symposium for senior leaders, learning and development professionals and organisational change professionals on the implications of the changing global context for leading and organising. The symposium will feature emerging findings from the Leading Organisations of Tomorrow research.
Second International Worldly Leadership Summit
Ashridge is partnering with the Leadership Trust for the second year running in organising the Second International Worldly Leadership Summit in September 2010. The theme of the Summit is Building a leadership ethic of responsibility and conviction – connecting business, civil society, education and indigenous communities across the globe toward a shared agenda for ethical, transformative and connected leadership for the benefit of humanity across our world.

Worldly Leadership Research
Ashridge is leading a major research study on non-western models of leadership. The research will involve exploring and learning from leadership approaches in parts of the world traditionally not given voice in leadership theory, including India, China and countries in South America, Africa and the Middle East. The research team will partner with host institutions in the respective countries in conducting the research.

Collaborative Inquiry on Transgressive Leadership
Ashridge is leading a collaborative inquiry on Transgressive Leadership, exploring alternatives to transactional and transformational models of leadership that might be more likely to bring about sustainable organisational practices.

Thought Pieces on Sustainability Volume 3
A third volume of thought pieces on sustainability by Ashridge faculty is currently in production.

Other forthcoming publications from Ashridge faculty
- Special Issue of the Journal of Business Ethics on ‘Global Leadership, Global Ethics?’ edited by Marc Jones and Carla Millar to be published in 2011
- Special Issue of the Journal of Public Affairs, on ‘Looking into the Abyss: Global Unethical Leadership’ edited by Carla Millar, Roger Delves and Phil Harris, to be published August 2010
- Vicki Culpin (with Dan Gretton of Platform); Ethical Compartmentalism, in Business Leadership: Challenging traditional approaches to Corporate Social Responsibility, to be published in 2011
- Eve Poole; The Church and Capitalism, to be published October 2010
- Marc Jones (with Peter Fleming of Queen Mary University of London); Corporate Social Responsibility: Crisis and Critique, to be published in 2011
- Kai Peters, Kurt April and Rory Hendrikz; Stewardship: A Personal Development Perspective, to be published in 2011
- Carla Millar and Eve Poole; Ethical Leadership - Globally, to be published November 2010
- Kurt April, Amanda April, Dave Bond and Vicki Culpin; Congruent Living: Personal, Social and Organisational Values, to be published in 2011
- Shirine Voller, Vicki Culpin, Eddie Blass; The Future of Learning, to be published November 2010
Leading change across our own industry sector
We also believe it is important we play our part in leading change across our own industry sector.

EABIS – The Academy of Business in Society
In 2002, Ashridge, working with a number of multinational companies, other business schools and the European Commission, helped establish the Academy of Business in Society (EABIS), a multi-stakeholder initiative created to stimulate change in the management education industry. Officially founded at an event at INSEAD in 2002 (Ashridge was one of seven founding partner business schools), the initiative now involves a cross section of 71 of the world’s leading business schools, together with over 28 leading companies, including founding corporate partners Shell, Unilever, IBM, Johnson & Johnson and Microsoft. These 28 companies and 71 business schools lead the Academy on a simple premise: the context of doing business is changing, new organisational practices are emerging in response, but these need to be accelerated and management education needs to change with changing times to help make this happen.

The United Nations Principles for Responsible Management Education
In 2007, Ashridge participated in a global taskforce of over 60 business schools to develop the UN Principles for Responsible Management Education. The taskforce was convened by United Nations Secretary General Ban Ki-Moon, working with EFMD, AACSB, GMAC, the Association of MBAs, CEEMAN, CLADEA, and also NetImpact, EABIS, GRLI, and the Aspen Institute. In July 2007, Ashridge became one of the first business schools to adopt the principles following their launch. Over 300 business schools globally now subscribe to the principles.
The Copenhagen Conference on Climate Change and Management Education

Ashridge made contributions at key conferences for the management education industry, including the November 2009 Copenhagen Conference on Climate Change and Management Education, a feed-in event to the COP15 Copenhagen Climate Negotiations, co-hosted by the United Nations and Copenhagen Business School, leading to the Copenhagen Declaration.

The Ashridge Sustainable Innovation Award, in association with EABIS and supported by HP and WWF

Ashridge has been encouraging MBA students to consider the changing role of business in society through an MBA award since 1999. In 2009, Ashridge worked in partnership with EABIS, HP and WWF to create an award for MBA and other management students across Europe, the Middle East and Africa, which encouraged students to put forward their best ideas for how organisations can innovate to create value from the shift to a low carbon economy. The 2009 award involved a roadshow of workshops on sustainable innovation facilitated by WWF at ten business schools across Europe, the Middle East and Africa.

Jon Alexander (University of Bath) received the top prize for his entry in the 2009 award – €7,000, a six-month mentorship with HP and career advice from Spencer Stuart. Second prize was awarded to Luc Petit (Ashridge) and third prize to Srikanth Madani (University of St Gallen). The winners were presented with their awards by Jöran Hägglund, Swedish State Secretary for Enterprise, Energy and Communications, on behalf of the Swedish Presidency of the European Union.

“To successfully transition to a low carbon economy, we need to harness and focus the creative and entrepreneurial energies of today’s and tomorrow’s leaders. The focus is frequently on the importance of technological innovation, but a necessary precondition for this innovation to occur is that we change the way we think, and see not problems but opportunities, and focus our creative energies in this direction. Europe’s business schools have a crucial role to play in making this happen. This is why I’m delighted to present this award on behalf of the Swedish Presidency of the EU.”

Jöran Hägglund, Swedish State Secretary for Enterprise, Energy and Communications, presenting the Ashridge Sustainable Innovation Award on behalf of the Swedish Presidency of the European Union, November 2009
“The challenges of doing business in the 21st century ... will require business managers with the skills and capabilities needed to benefit from the new opportunities... In the world that we are now entering, it is not only the mindset of multinational businesses that needs to change, but the skillset of the people we employ... Corporate social responsibility, having a positive impact on society - are no longer optional add-ons. They are an integral part of business strategy and business practice... Today, and increasingly in the future, we need people with an innate and profound understanding of business’s social and environmental impacts and potential... In our view, management education has a key role to play... New skills are required, new understandings. We, business, need managers and leaders with a much broader set of capabilities. You have the task to provide them.”

Unilever’s then CEO Patrick Cescau speaking to the Business as an Agent of World Benefit Global Forum convened by the Academy of Management, the United Nations and Case Western Reserve University in October 2006

“Business schools must look at four issues around curriculum content: issues of sustainability must be substantial, universal to all participants on programmes rather than “elective”, applied and discussion-based rather than only theoretical and, finally, integrated into all subject areas.”

Ashridge Chief Executive Kai Peters speaking at the UN-Copenhagen Business School ‘Copenhagen Conference on Climate Change and Management Education’ a feed-in event to the 2009 UNFCCC COP15 Copenhagen Climate Negotiations.
Strategy

Working with individuals and organisations is at the core of what we do at Ashridge, through tailored executive education and organisation consulting, online learning on demand, and executive open enrolment and qualification programmes.

Increasingly, organisations are recognising the opportunities and risks of a changing context, and that to respond effectively requires not just awareness of the changing context, but also prioritises different mindsets and ways of seeing, different skills, and different organisational cultures and values. The role of management education and cultural change interventions is therefore beginning to emerge as critical for the organisations and individuals we work with.

In addition, our changing context is also putting pressures on some of our common processes of learning, with individuals and organisations looking for more flexible learning experiences that are less time intensive, less carbon intensive, and more family-friendly.

We are therefore innovating in partnership with our clients to bring into our work with them a stronger focus on the changing context, the principles of sustainable development, and the kinds of leadership required to respond. We are also innovating our learning processes, blending more virtual learning and virtual action learning into our interventions.

In Ashridge’s 2008 global survey of CEOs and senior executives with the UN:

- 76% said it was important that senior executives in their organisations had the mindsets, skills and capabilities to lead in a changing context marked by resource scarcity, climate change and emerging markets characterised by poverty and systematic human rights abuses.
- Fewer than eight percent said either their own organisations or business schools were developing these mindsets, skills and capabilities very effectively.

Source: Developing the Global Leader of Tomorrow, 2009, Ashridge and EABIS for the UN PRME

In Ashridge’s 2010 analysis drawing on data from the UN Global Compact-Accenture global CEO survey:

- 88% believe business schools need to develop the mindsets and skills for future leaders to address sustainability
- They believe this is the second most important change that could be made to accelerate the adaptation to a changing context (of a similar order of importance as changing customer demand and the actions of the investment community and government regulation).
- 86% believe their companies should invest in enhanced training of managers to integrate sustainability and 60% say they are already doing this.

Source: Adapting to a changing context: the role of management education, 2010, Ashridge and EABIS for the UN PRME, drawing on data collected as part of the UN Global Compact Accenture 2010 CEO study.
A suite of offerings on management education around sustainable development

How are we doing this?
Examples of how we are working with individuals and organisations who are looking for learning and change support specifically regarding sustainable development:

**The Ashridge Masters in Sustainability and Responsibility** offers a thorough grounding in the fields of sustainable and responsible business practice and gives participants the opportunity to develop and apply their capacities to be an informed and self-aware individual contributing to organisational and social change. The programme takes a highly participative approach to learning and combines many opportunities to engage with leading edge practitioners and organisations with peer learning, action research, skills development and personal reflection.

**The Business of Sustainability**, is an intensive two day workshop that supports organisational leaders and strategic decision makers through the steps they need to take to establish a strategic approach to sustainability in their organisation.

**The Integrating Corporate Responsibility** programme is specifically designed to meet the learning needs of individuals leading change around Corporate Responsibility and Sustainability in organisations, working with participants to refine soft skills to think strategically, communicate with impact, be influential at all levels and provoke meaningful change right across their organisation.
Customised learning and change interventions: Engaging with Sustainability

Ashridge works directly with organisations to develop bespoke learning and change interventions to stimulate shifts in mindsets and build capability to adapt to the changing global context. While every intervention is unique to its context, our approach is informed by our own learning and change framework: sensitising, re-visioning and transforming.

**Sensitising** – we use a variety of approaches to sensitise and open up individuals and groups to the changing global context and implications for their organisations, strategies, leadership: sharing thought leadership and global social/environmental/ecological analysis and data; high-impact location visits and dialogues; Appreciative Inquiry-based organisational, social and environmental explorations; sustainability focused psychometric and 360° feedback tools; facilitated multi-stakeholder discourse; and the development of positive change agents and consultants.

**Re-visioning** – working with the changing context, we use small and large group engagement methods to stretch the organisational imagination and collaboratively develop compelling visions of a future sustainable enterprise. This work can include scenarios; strategic engagement and re-design; vision development; large group processes (World Café, Open Space etc) and cultural immersions with sustainability pioneers such as InterfaceFLOR.

**Transforming** – specific skills development and supporting on-the-ground experiments and innovations across the organisation, redesigning the organisational approach and culture from principle. This might include: skills development for sustainable innovation, sustainability and low carbon orientated action learning, participative and cross-boundary engagement, c-suite coaching; and coming alongside managers to support embedding sustainability into the cultural norms and operational practice.

**Examples of customised learning and change interventions for organisations**

Ashridge worked with a mobile services provider to engage the senior executives around the value creation opportunities associated with sustainability. The work included knowledge input around the wider context, client conversations, and the impact of game changing technologies such as Smart technology and a low carbon future. Client teams mapped their clients’ strategic positions on sustainability in order to understand how the business could support each position by developing tailored sustainability framed propositions.

Ashridge is also working in partnership with an NGO and another business school in order to deliver an integrated sustainability culture change pilot project for the business division of a large telco. The key elements include up-skilling the business leaders, understanding of the wider context and associated narratives, supporting sustainability managers to become more strategic and to take on a more business partner orientated focus, and to come alongside executives in a ‘live coaching’ manner that helps them to reflect on their behaviour and its impact on sustainability issues in the here and now.
Integration of a sustainable development perspective into mainstream programmes

Examples of how we are integrating a sustainable development perspective in our other learning programmes and interventions:

Qualification programmes

The full time MBA programme is organised to provide an integrative learning experience, with the core areas of strategy, finance, marketing, operations, leadership and human resources approached in an integrated way through compulsory modules that focus on cross-cutting themes.

Since 2005, one of these cross-cutting themes has been sustainable business – a compulsory module for all MBA students. In the 2010 programme, informed by our ‘creating sustainable value’ learning framework, MBAs first engaged with a wide variety of people and different inputs, including social entrepreneurs from the Bromley-by-Bow Centre in east London, practising managers from FTSE100 companies, and investors from the City of London. The MBAs then had an opportunity to experiment with new approaches through live case work with different organisations. In 2009 the MBAs worked with Innocent Smoothies and Seacourt Printers. In 2010 they worked with Marks & Spencer, Ericsson and the UK Government.

A sustainable development perspective also features in many other parts of the programme, including the international study tour which takes the MBAs to an emerging market, and an increasing number of MBAs are seeking to complete their live consulting project assignment on sustainability related themes.

Sustainable business also features as a theme on the part-time Executive MBA.

The Ashridge Masters in Organisation Consulting is a professional development programme for practising organisational change consultants. Organised around eight one week residential modules, one of these modules is hosted at the world-renowned Schumacher College, where notions of ecological thinking are introduced.

Customised programmes

A development programme for senior partners at one of the major professional services firms is one example of how we have worked with a client 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. Organised around three residential modules over a number of months, the programme features input from InterfaceFLOR amongst others, and participants are invited to reassess their own sense of purpose, how the world is changing, and what this might mean for their own work.

Open enrolment programmes

Many of our open enrolment programmes now feature a focus on the changing global context and the implications of sustainable development for participants’ own roles. This is now a key feature for example of the Senior Executive Programme, the Developing Business and Leadership Skills programme, and the Strategic Human Resource Management programme.
Online learning

Ashridge’s portal for online learning on demand – the Ashridge Virtual Learning Resource Centre – has been building content around the implications of sustainable development for organisations for several years, with comprehensive signposts to appropriate learning guides, articles, websites, book reviews and other useful sources of insight.

Lower carbon learning:

- We are taking steps to integrate creatively greater use of on demand online learning and online learning communities into our learning interventions. Our new Masters in Management, for example, has been designed so that the majority of learning is facilitated through Ashridge’s online learning platform.
- Ashridge has over the past five years developed a leading methodology and practice in facilitating virtual action learning and training new in-company facilitators for virtual action learning. Our research and practice development has demonstrated consistently that high quality internal virtual action learning facilitation is a highly effective and efficient means of achieving significant and enduring behavioural, capability and attitudinal change with leaders. The virtual aspect enables globally distributed action learning groups to meet regularly without the economic, environmental and personal impact of international travel.

Key Performance Indicators

January 2009 – June 2010

| Proportion of tailored executive education programmes that include a focus on sustainable development | n=10 |
| Proportion of consulting assignments that include a focus on sustainable development | n=20 |
| Proportion of open enrolment executive education programmes that include a focus on sustainable development | n=29 |
| Proportion of qualification programmes that include a focus on sustainable development | n=71 |

Challenges

- Change takes time. Real change involves our faculty seriously engaging with the detail of a changing context and working out for themselves – individually and collectively - what they make of this changing context, and what they think it means for their practice. This process will not happen quickly.
- It is easier to introduce a sustainable development perspective on open enrolment and qualification programmes where Ashridge has a greater degree of direct control over design. It has been more of a challenge to introduce into customised executive education and consulting interventions where design is developed in partnership – not all of our clients are yet making the link between their sustainability goals and their broader organisational learning and change objectives.
- While many of our programmes and interventions would benefit from the introduction of a sustainable development perspective, there remain some which have such a narrow focus that this becomes less relevant.
6. A SUSTAINABLE BUSINESS SCHOOL AND A SUSTAINABLE VENUE

Strategy

While the previous pages have described our approach to innovation as a partner for organisational learning and change, we also need to innovate in our approach to managing our own operations. While our work with organisations and individuals as a business school increasingly takes us far and wide around the world, at the same time, our home, Ashridge House itself, plays host not just to learning programmes, but to a variety of other groups of people using it as a conference venue of choice.

Our vision, therefore, is to be a sustainable venue of choice for our clients. Increasingly, our business school clients and our conference clients will choose whether or not to come to Ashridge House not just on the range of criteria we already excel at, but additionally on the extent to which we are judged to be a sustainable venue. This is clear from the tenders we receive and the feedback we get from our visitors. The direction of legislation, the views of accreditation bodies and our staff and in some instances the opportunities for real cost savings all support the value of adopting this vision.

So what does this mean in practice? Through the process of seeking accreditation to the ISO 14001 Standard, the key priority areas identified for our campus focus on energy use, water use, waste, and procurement, with a particular focus on food, paper, and renovations and new developments. In each area, we have set ourselves stretching targets, which are outlined in the following pages.

Ashridge total CO2-e emissions in 2009 (Scope 1 and 2): 1790 tonnes

- Electricity: 43%
- Heating oil: 52%
- Fugitive Emissions - Air Conditioning & Heat Pumps: 1%
- Cooking gas: 2%
- Ashridge vehicles: 2%

Ashridge total CO2-e emissions in 2009 (Scope 1, 2 and 3): 9284 tonnes

- Electricity: 15%
- Heating oil: 18%
- Other supply chain: 28%
- Water: 0%
- Other business travel (Train, expensed miles, taxi): 0%
- Staff Commuting: 3%
- Paper and Printing: 6%
- Waste: 6%
- Food and Drink: 8%
- Air travel: 14%
- Cleaning: 1%
- Fugitive Emissions - Air Conditioning & Heat Pumps: 0%
- Ashridge vehicles: 1%

Scope 1: Direct emissions from sources that you own or control.
Scope 2: Indirect emissions from imported utilities - most commonly electricity.
Scope 3: All other indirect emissions an organisation causes to occur but which it does not control.
Energy

We have adopted long term targets on energy use, seeking to reduce carbon emissions by 34% by 2020 and 80% by 2050. We have also signed up to the 10:10 campaign to see how close we can get to a 10% cut in emissions in 2010.

We are seeking to meet these targets by prioritising three parallel activities:

1. Developing an energy strategy that will see us migrate to a low carbon heating system by 2020. Due to our remote rural location, our space and water heating is currently provided by oil boilers. We are investigating the feasibility of switching to low carbon alternatives as part of a ten year capital expenditure strategy.

2. Investing in energy efficiency measures such as improved insulation, building improvements and heating controls, and looking for opportunities for using electricity more efficiently through smarter use of IS&T.

3. Engaging all staff and visitors in seeking opportunities for energy saving opportunities through behavioural change. We are involving all of our staff in a series of facilitated conversations to build a vision of a sustainable venue of choice, and identify and stimulate initiatives to make this a reality. Through this process, we are also creating a network of champions who are recognised and rewarded for making this happen.

Other key energy initiatives

- Encouraging greater use of video conferencing and train travel as substitutes for air travel where possible.
- Encouraging our faculty to travel to client locations for learning programmes where appropriate, rather than encouraging large groups to travel to Ashridge House.
- Encouraging our clients to experiment with greater use of virtual learning processes.
- Encouraging and supporting greater car sharing and working from home amongst staff.

Key recent achievements

- We have migrated from physical servers to a ‘processing cloud’ which allows multiple servers to run on one host, saving power, space and air-conditioning. In 2008 we had 49 servers running 24/7. There are now just 10, equating to a saving of over 85 tonnes of CO₂ per year.
- We are automatically switching our 50 syndicate room PCs to low power standby overnight, saving over 25 tonnes of CO₂ per year.
- All staff were encouraged to participate in a ‘Car free day’, organised on June 22 2010 in partnership with Transition Town Berkhamsted.
Energy challenges

- A Grade 1 listed historic building presents unique challenges, not just in terms of the unique attributes of the building itself, but also what changes the planning authorities will permit. We welcome the constructive support we have received to date from the local planning authorities.

- The increasing globalisation of management education and the work of business schools as our clients have become more globalised has meant that over the past two decades our business model has become more and more dependent on air travel. (This was made painfully clear when the eruption of Mt Eyjafjallajokull in April 2010 grounded European air travel and forced the postponement of many Ashridge programmes.)
Water
We have adopted a short term target of cutting water use by 5% in 2010 compared with 2009. A key initiative for meeting this target is the installation of water saving devices on the showers in our bedrooms and taps across the campus. We are committed to stretching ourselves further in this on the back of the results achieved in 2010.

<table>
<thead>
<tr>
<th>Year</th>
<th>Water Use (litres - 000's)</th>
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</thead>
<tbody>
<tr>
<td>2006</td>
<td>29.8</td>
</tr>
<tr>
<td>2007</td>
<td>31.8</td>
</tr>
<tr>
<td>2008</td>
<td>30.4</td>
</tr>
<tr>
<td>2009</td>
<td>37.6</td>
</tr>
<tr>
<td>2010</td>
<td>35.7</td>
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</tbody>
</table>

Waste
We have adopted a short term target of cutting waste to landfill by 30% in 2010, compared with 2009. To achieve this requires us to use less stuff, and recycle more of the stuff we do have to use. We have been engaging with staff and visitors to look for opportunities to be more efficient with finite resources, including trialling a “binless” office. We have been working with our waste contractor to put in place a collection infrastructure that enables us to offer far greater recycling facilities across our campus, with a particular focus on reducing and recycling our food waste.

<table>
<thead>
<tr>
<th>Year</th>
<th>Waste to Landfill (tonnes)</th>
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</thead>
<tbody>
<tr>
<td>2009</td>
<td>187</td>
</tr>
<tr>
<td>2010</td>
<td>Target 131</td>
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</table>

Renovations, new developments and other capital expenditure
In 2010, we have set ourselves a target to develop a process whereby all proposals for renovations, new developments and other capital expenditure decisions must consider sustainability considerations.
Food

Our chefs have had a passion for sustainable sourcing for many years, looking to create dishes from seasonal, locally sourced and sustainably sourced ingredients. We have long term relationships with many local farms supplying our meat and vegetables, and even source herbs from our own eighteenth century herb garden. As part of our vision of becoming a sustainable venue of choice, we want to be able to offer a truly sustainable culinary experience by 2015. As we define for ourselves what this means, we have set the following interim targets for 2010:

- Increase proportion of fish that is either sustainably sourced or not endangered from 49% to 52% in 2010
- Increase number of locally sourced products from 32 to 37 (on either an ongoing or seasonal basis) in 2010
- Increase proportion of the following products that are either Fairtrade or Rainforest Alliance certified in 2010
  - Coffee – from 2% to 20%
  - Sugar – from 11% to 15%
  - Bananas – from 0% to 10%.

Food challenges

- Reliable data on sustainable sourcing practices for fish is hard to come by, but we are working closely with our suppliers on this.
- It is currently hard to find suppliers that offer both the range our clients require as well as Fairtrade or Rainforest Alliance certification.
Paper

Our central goal regarding paper is to reduce the amount we use overall, setting ourselves the target of using 5% less paper in 2010 than in 2009. We have also set ourselves the targets that all paper used internally and in outsourced print will be either FSC or PEFC certified, and will have as a minimum 30% post-consumer content (10% for coated papers).

Key initiatives for reducing paper use:
- Using fewer paper handouts on learning programmes
- Moving to electronic administrative systems (eg for invoicing, personnel files)
- Setting printers to automatically print double-sided

Key external benchmarks:
International Association of Conference Centres (IACC) Code of Sustainability 2010 Target
- 58
- 75

CAESER UK Public Procurement Index 2010 Target
- 47
- 65

This report describes the period January 2009 to June 2010. In line with our commitment to the UN Principles for Responsible Management Education, we will produce our next Sharing Information on Progress report in December 2011. However, in the intervening period, updated information on our progress will be published on our website www.ashridge.org.uk/sustainability
Selected publications and conference presentations

Selected publications
January 2009 – June 2010


Faruk, A. (2009) Sustainability as a Relational Practice, Thoughts on Sustainability, Volume 1, Ashridge.


**Selected Conference presentations January 2009 – June 2010**


Peters, B.K.G., (2009) Business Schools’ Role in Solving the Climate Challenge and New Approaches to Curriculum Change, Presentation for UN PRME and Copenhagen Business School Conference on Climate change and Business Schools, Copenhagen, November.


Ashridge InterfaceRAISE 2009 Seminar Series

Nature Does Not Do Bailouts
January 26, 2009
Speakers: Anthony Kasozi, Ashridge, and Ramon Arratia, InterfaceFLOR (with an introduction by Kai Peters, CEO, Ashridge)

Ordinary Heroes Wanted
March 24, 2009
Speakers: George Binney, Ashridge, Matthew Gitsham, Ashridge, and Lindsey Parnell, InterfaceFLOR

Connecting Without Carbon
May 18, 2009
Speakers: Ghislaine Caulat, Ashridge and Roland Fritsch, Danfoss

All Change Please: How to Engage Everyone in Sustainability
July 20, 2009
Speakers: Caryn Vanstone and Chris Nichols, Ashridge, and Ramon Arratia, InterfaceFLOR

Getting Stuck on Low Hanging Fruit
September 28, 2009
Speakers: Nicolas Ceasar and Alexandra Stubbings, Ashridge, and Ramon Arratia, InterfaceFLOR

Thinking Like a Designer
November 23, 2009
Speakers: Hugh Pidgeon, Ashridge, and Ginette Ruthkin, Independent Film Designer