



UNIVERSITY OF AMSTERDAM

Amsterdam Business School

Sharing Information on Progress Report 2012

PRME

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



University of Amsterdam Business School

at a glance

- ❖ A research-based business school with a focus on corporate responsibility
- ❖ Highly internationalised (43% non-Dutch faculty)
- ❖ Embedded in a broad-based research-driven university with a strong international reputation
- ❖ A strong portfolio of pre-experience and post-experience master programmes

mission

- ❖ Creating independent minds that have an impact on international business and society

The mission of the ABS is to offer an inspiring, international learning community to study business and management, where both staff and students can develop their capacities to optimum effect. ABS strives to conduct high-quality academic research on innovative and socially relevant themes, and to offer research-based teaching that meets the highest international standards. ABS is committed to advancing the understanding of business and its role in society, and to leverage synergies between the School and business and societal actors, with particular attention to those based in Amsterdam and surrounding areas.

values

- ❖ To contribute to the social, ethical and sustainable role of business in society
- ❖ To give students the opportunity to learn from teachers at the cutting edge of knowledge
- ❖ To provide evidence-based, intellectually rigorous insights to all stakeholders
- ❖ To be an ethical, fair and transparent employer

A word from the Dean

The University of Amsterdam Business School (ABS) has a long standing research tradition in the areas of corporate social responsibility, corporate governance and sustainable management. Starting the process of adopting the Principles of Responsible Management Education neatly fitted in with ABS overall strategy. Although in the past years ABS had to deal with various challenges, like managing strong growth in its programmes, several achievements have been made, as indicated in this report. ABS is dedicated to make further steps and will remain committed to furthering responsible management education and corporate responsibility as a whole.

Marc Salomon, Dean University of Amsterdam Business School

Preface

In this report we discuss our activities and approach towards corporate responsibility (CR), which is the term adopted to refer to corporate governance, sustainable development, society, the natural environment, and social/ethical/integrity aspects as a whole. We will briefly outline what we have done, indicate some activities in progress, and point at aspects that are less opportune for ABS as such, given the limitations and peculiarities of the organisation (the university) and the societal context in which we operate (e.g. the fact that some policies are formulated at the national/university level, and that philanthropic/community traditions in the Netherlands differ from those in some other countries).

A wider contribution, to meet the needs of the business community, students and society, is part of our mission, and we have explicitly included CR in our values and policies. We have been working on CR issues since the creation of ABS, although in earlier years this was, to some extent, part of an emergent, sometimes ad-hoc and entrepreneurial approach rather than a strictly planned strategy. We have historically taken explicit decisions by including CR issues in courses and teaching programmes; via the appointment of tenure-track and permanent staff members at different levels in various sections who have CR as their core expertise or area of interest; and by embedding it in research programmes, resulting in a steady stream of publications, work in progress and PhD projects. This trend has been in place for a number of years and has accelerated with continued development and prioritisation. As a further reflection of this, the ABS research priority area is corporate governance, broadly defined.

Overall, our principal contributions to society are mainly achieved through our research and teaching, and our students, and less via community outreach, which is also a reflection of our society, where this is less prevalent than in some other countries. It is also a deliberate decision, however, as we know from research undertaken by our own faculty that impact is highest if organisations relate CR to their core activities, and aim at integration. Otherwise, it very easily ends up being a rather isolated, one-off philanthropic effort, likely to be cut down or stopped altogether when interest wanes for one reason or another, as there is no linkage with the organisation's key foci, and thus no internal stakeholder interest and support. In addition, evidence shows that CR policies should fit the societal context, and should be implemented at the level of the organisation that has the means and authority to do so. These considerations have shaped our approach to CR.

Principle 1: Purpose

We will develop the capabilities of students to be able to operate responsibly in business and society by providing them a learning environment in which evidence-based insights and deep knowledge can help them to become critical thinkers with independent minds.

Overview

The approach to develop critical thinking on the part of students so as to prepare them well for their role in a changing society, and be prepared for future developments in business and organisations as well, is central to the approach to teaching, research and development by the University of Amsterdam (UvA), in which ABS is embedded, as a whole. It is also key to ABS, as indicated in the preceding pages already. In subsequent pages we will give further information on the various ways in which CR is integrated in our areas of activity, and how we aim to develop that further. In this section we will first give some information on development within our university, as sustainability in operational management (in relation to facilities) is coordinated at the level, as well the national and institutional context.

Achievements/Activities

- ❖ In 2009, the University Board gave sustainability a higher priority, in research, teaching and in operational management (with sustainability here mostly meaning environmental/green issues). For the first two aspects, the University President created a small committee, with representatives from four different Faculties, with the Faculty of Economics and Business (FEB, of which ABS is part) being represented by a professor from ABS who has been leading on CR over the years.
- ❖ Consistent with the above developments, the University strategic plan for 2011-2014 afforded considerable priority to CR/sustainability. The plan committed to creating conditions that will foster sustainable behaviour among UvA students and staff. It also committed to achieving key objectives such as reduction targets and a plan with fixed targets was drawn up for areas such as construction, building management, energy management, transportation, purchasing and consumption. A Sustainable Operational Management Task Force was charged with implementing measures to achieve these targets as well as setting policy and drawing up a change programme. In the strategic plan, the university specifically committed itself to achieving, inter alia, the following sustainability targets: a 30% improvement in energy efficiency in 2020 relative to 2005, in accordance with long term agreements regarding energy efficiency (MJA 3); a 40% reduction in CO₂ by 2025 relative to 1990; 50% of purchases to be sustainable by 2012.
- ❖ A small initiative, based on a suggestion by a student concerned about energy use by the University also resulted in the realisation of a carbon-neutral computer facility for students on the premises (the idea was supported financially by FEB, and an ABS staff member was involved in the early stages). It is not only the largest computer facility of UvA, but UvA was also the first university in the Netherlands that had something like this. The University invested €200,000 in the project, and expects that investment to be repaid within 15 years. In addition to having the first carbon-neutral university computer facility in the country, UvA has also been at the forefront when it comes to the introduction of a waste policy and concomitant facilities.
- ❖ The new ABS building also has an energy-saving heating and lighting system. This is, however, not something on which ABS has had a direct influence, although staff members did initially express concern about, for example, energy use of computers. This also applies to other ways in which environmental considerations can best be included from the very beginning. It is therefore seen as positive that the University is now paying significant attention to sustainability, which also sets the stage for more sustainable operations for ABS.

- ❖ There are other CR areas on which policies have been developed at a much higher level than ABS, but that apply to the School and its staff as well. Concerning ethics and integrity, Dutch universities have, via their national association, adopted a code of conduct for research and education. The UvA likewise has a code of scientific integrity, and an ethical committee with representatives of the student and workers' councils, and one representative per Faculty (for the FEB this is a professor from ABS). Ethical issues and complaints at the FEB and ABS levels are handled by specific committees in line with established procedures under the leadership of the Dean.
- ❖ In this broader context, ABS has been showing its continuing institutional engagement with CR issues via active membership of the European Academy of Business in Society (EABIS, renamed to ABIS), the Global Reporting Initiative (GRI) and also by signing up to the Principles for Responsible Management Education (PRME).
- ❖ We have organised, at GRI's request and as a service to the community, the academic conferences that were part of the broader 2008 and 2010 GRI Global Conferences on Sustainability and Transparency. The GRI conference attracts over 1,200 participants from business, consulting, policy and society in 77 countries, with high-level prominent speakers from these areas. The academic conference has consistently been one of the most positively evaluated aspects of the conference. ABS will also be organising the academic conference at the next GRI Sustainability and Transparency conference in 2013.
- ❖ As subsequent sections will illustrate, there is an on-going trend in appointing tenure-track and permanent staff members at different levels in various sections who have corporate responsibility as their core expertise or area of interest. This has impact on values and methods, as well as research, teaching, and our partnership and dialogue activities.

Principle 2: Values

We will increase awareness of corporate responsibility, including its different dimensions and manifestations around the world, through our activities in teaching, research and outreach.

Overview

As outflow of our embeddedness of CR in our core values, CR is an area that is also clearly included in our teaching, whether it is via dedicated courses, or perhaps more notably – and preferably – also via non-CR specific courses, as it is integration that we are aiming for. Courses are very often being taught by faculty with an interest in CR, and hence include examples and cases concerning CR, and such topics are suggested for students' papers and theses). This is how CR has been reaching our students; it is consistent with the more recent commitment in the University's Strategic plan 2011-2014 to make sustainability an increasingly self-evident part of curricula. In the past three years our Master programmes as well as the Bachelor programmes in which we teach have been restructured and revised in view of a (university-wide) change in the semester/block set-up which started in the academic year 2010/2011. In the revised programmes, we have also realised greater visibility for CR.

Achievements/Activities

- ❖ Increased incorporation of CR in our teaching programmes and development of new modules focused exclusively on corporate responsibility/sustainability.
- ❖ Examples of dedicated (elective) courses include corporate responsibility and ethics in the BSc Business Studies, and Business and Sustainability in our pre-experience and post-experience Master of Business Studies – accounting for the largest number of ABS master students – as well as in our full-time and part-time MBA programmes.
- ❖ Quite some disciplinary courses contain highly relevant CR components. For example, the MSc Business Studies course on Leadership includes ethical and sustainable leader behaviour as an important topic, and the Advanced Financial Accounting course on the MSc in Accounting covers certain aspects of sustainability accounting and accountability.
- ❖ Our MSc in Accountancy and Control introduced a core, compulsory course in the 2010-2011 academic year entitled 'Sustainability, Accountability and Ethics' which exposes students to topics such as sustainability reporting, sustainability assurance, accounting ethics, and corporate social accountability. The course also invites practitioners in these areas to give talks to the MSc class.
- ❖ In 2012, the part-time master programme Business Studies started to include a core compulsory course on business ethics (this will be extended to the full-time programme as well, see section 3).
- ❖ Many students across the range of pre-experience and post-experience master programmes undertake CR-oriented Master's theses.
- ❖ All ABS researchers have received The Netherlands Code of Conduct for Scientific Practice: Principles of good scientific teaching and research, with accompanying communications about ethical behaviour in research. All starting PhD students also receive a specific message with the code included from the ABS research director.

Future perspectives

- ❖ All new faculty will receive the Netherlands Code of Conduct for Scientific Practice: Principles of good scientific teaching and research in hard copy with their letter of employment.
- ❖ Further development and communication of ethical/CR guidelines for students.

Principle 3: Method

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

Overview

As already explained under section 2, ABS has specialized courses on CR and the theme is present in several other courses, with CR cases and examples being included where possible. These courses are highly popular, both at BSc, MSc and MBA levels. Furthermore in our largest and most successful full-time programme, the MSc in Business Studies, will have a mandatory course on Business Ethics as of next year, following its successful introduction in the part-time programme in 2012. As explained in section 4, we actively encourage further knowledge development in CR through PhD trajectories and other CR research projects.

Achievements/Activities

- ❖ The overall university vision of teaching and learning (*Onderwijsvisie*) outlines the general characteristics of the skills that students at our university should have mastered. Some of them specifically relate to ethics and CR. For the first BSc year, we require students to 'recognise the ethical, social, cultural and sustainable factors relevant for the field'. In the second year in the BSc, they are required to 'connect the ethical, social, cultural and sustainable factors relevant for the field and provide an independent judgment'. In the final year of the BSc we expect students to 'understand the need for stringent norms (regarding ethics, society, culture and sustainability) for profession'. Likewise, we require our MSc students to 'understand the need for stringent norms (regarding ethics, society, culture and sustainability) for profession, the ability to reflect on these norms, and put them into practice'.
- ❖ Our MBA programme has the Amsterdam Leadership Programme 'designed to underpin and enhance each student's MBA educational experience'. One of the three concepts in the leadership programme is values. Students learn to observe and define these concepts at the firm level as well as what these concepts mean to them as a person. Other courses include trust & rules/ethics and business and sustainability.
- ❖ As mentioned below (principle 4, research) ABS has many staff specialized in CR and fields related to it. These staff teach in all programmes and bring their specific expertise into non-CR courses with examples, cases etc. Often specific teaching materials and cases are developed based on research insights.
- ❖ In 2012 the University of Amsterdam, as part of the Universitas 21 network, offered several summer programmes on themes such as Global Poverty and Inclusive Development. Earlier in 2012 ABS sent several PhD students working on CR to the U21 doctoral research conference in the field of business, that took place in the US.

Future perspectives

- ❖ We aim to more thoroughly inform our students of our initiatives in research and teaching regarding CR.
- ❖ The Business Ethics course will be part of the core curriculum of the MSc Business Studies.
- ❖ The MSc Business Studies will have a dedicated entry on the ability to cope with ethical dilemmas in its final qualifications (of characteristics and skills).
- ❖ We are exploring the possibilities for an additional course on social entrepreneurship and a research master focused on business in society.

Principle 4: Research

We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of business in and for society, with specific attention to issues and trade-offs in relation to corporate responsibility broadly defined.

Overview

Corporate responsibility (environment/sustainability, social and ethical issues, corporate governance) has been an area of specific interest at ABS for some time and falls neatly under the corporate governance research priority area. It is a specific expertise of researchers who are also embedded in their disciplinary areas and, for others, it is one of the topics of interest within a wider portfolio. Overall, we have a significant number of core faculty members and PhD students whose research is fully focused on CR, while many others have a vivid interest in aspects of it.

Achievements/Activities

- ❖ Adoption of a corporate governance research priority area.
- ❖ Research on sustainability and corporate responsibility encompasses people, planet and profit, i.e. environmental, social as well as economic aspects, and their governance. Investigated themes at ABS include: corporate governance; companies and climate/energy (innovation, emission trading); consumers and sustainability/CSR; partnerships; green innovation and product development; sustainable/social entrepreneurship; ethical leadership; stakeholder management; CSR communication, branding and advertising; sustainability reporting and assurance; NGO accountability; the role of shareholders and investors in sustainability/CSR; poverty and development.
- ❖ A substantive research output in the area of CR, that continues to increase in both quantity and quality.
- ❖ In 2009, Prof. Ans Kolk received the Faculty Pioneer Lifetime Achievement Award, as awarded (for Europe) by The Aspen Institute and EABIS. The Faculty Pioneer Awards recognise exceptional faculty who are leaders in integrating social and environmental issues into their research and teaching both on- and off-campus.
- ❖ From 2012 onwards Prof. Brendan O'Dwyer is contributing to the Federation of European Accountants' (FEE) work on sustainability accounting and is conducting academic research on this issue within FEE as well as contributing to the PhD programme of the Copenhagen Business School Sustainability Platform.
- ❖ We have multiple PhD theses on corporate responsibility in progress in all of our research programmes, while more than ten CR PhD theses by ABS researchers have been defended in the past years.
- ❖ All our four research programmes, and the academic sections in which they are embedded (accounting, finance, HRM/OB, international strategy & marketing), have researchers clearly interested in the topics above, albeit with different foci. As we are continuing recruitment in accounting, finance, HRM/OB, international business, marketing and strategy, further strengthening is expected. Below we will illustrate, with some examples, the type of staff members that with dedicated CR expertise as well as those with a clear interest in it as part of their wider research portfolios.
- ❖ Prof.dr. Ans Kolk: research focused on CR, especially in relation to international business, and their interactions with local, national and international stakeholders (poverty and development; bottom of the pyramid and subsistence markets; climate change and energy; voluntary standard-setting, non-financial disclosure and accountability; stakeholders and governance; partnerships and social alliances) (strategy & marketing programme, which she directs).
- ❖ Prof.dr. Brendan O'Dwyer: research focused on CR in relation to accounting (corporate and NGO auditing and accountability, reporting and assurance),

- stakeholder engagement, professional accounting ethics and disciplinary procedures, corporate governance) (accounting programme, which he directs).
- ❖ Dr. Alan Muller (associate professor): corporate philanthropy; corporate social performance and international business (strategy & marketing programme).
 - ❖ Dr. Arno Kourula (assistant professor): corporate responsibility, nongovernmental organizations, base of the pyramid, stakeholder engagement, business ethics (strategy & marketing programme).
 - ❖ Dr. Flore Bridoux (assistant professor): stakeholders, strategy and value creation (strategy & marketing programme)
 - ❖ Dr. Marlene Vock (assistant professor): marketing and CSR, social alliances, consumers and CSR (strategy & marketing programme).
 - ❖ Prof.dr. Willemijn van Dolen: CSR & marketing, particularly in relation to consumer behaviour and social media (strategy & marketing programme).
 - ❖ Dr. Georgios Georgakopoulos (assistant professor): sustainability accounting, stakeholder engagement (accounting programme)
 - ❖ Dr. Niamh O'Sullivan (post-doc): social accountability and socially responsible investing, with specific attention to the financial sector (accounting programme).
 - ❖ Prof.dr. Deanne den Hartog: ethical leadership, innovative and proactive behaviour (HRM/OB programme, which she directs)
 - ❖ Dr. Frank Belschak (associate professor): leadership and proactivity at work (HRM/OB programme)
 - ❖ Dr. Zacharias Sautner (associate professor): corporate governance, internal governance (finance programme)
 - ❖ Prof.dr. Enrico Perotti: corporate governance and corporate finance (finance programme, which he directs)
 - ❖ Prof.dr. Arnoud Boot: corporate governance and financial markets (finance programme)

Future perspectives

- ❖ We continue to further develop our Corporate Governance research priority area, which is guided by our top CR researchers.
- ❖ Given the focus of ABS and its research portfolio, CR will be strengthened with our on-going recruitment in accounting, finance, HRM/OB, international business, marketing and strategy.

Principle 5: Partnership

We will interact with managers of business, governmental and non-governmental organisations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to jointly explore effective approaches to meeting these challenges.

Overview

There is a large body of knowledge and much research activity, with consequently a substantial network of companies and other stakeholders connected to the CR researchers at ABS, as much of the empirical research takes place at or with the corporate world to begin with.

Achievements/Activities

- ❖ Via our students we interact with companies and other stakeholders, and contribute to society more broadly as well. Many students undertake CR-oriented Master's theses within companies investigating CR issues ranging from reporting and management systems to strategy and marketing, covering activities in developing, emerging and also developed countries.
- ❖ Interaction also takes place by inviting speakers from business, government or societal organisations for classes, often in combination with targeted assignments.
- ❖ Research output finds its way into managerial (refereed) outlets, both internationally and nationally. Professors are also invited to speak at companies and professional services firms as a way of sharing knowledge. In this way, contacts are established, which sometimes result in projects, internships or other forms of research cooperation and exchange.
- ❖ While corporate sponsorship of research is less of a tradition in the Netherlands, ABS researchers cooperate in various ways with companies and other stakeholders, of which some examples are given below:
- ❖ Joint social marketing research with Child line the Netherlands (*Kindertelefoon*) to investigate the possibilities to use group chat sessions; there is an on-going follow-up study that allows analysis of all calls/questions by children in the past few years
- ❖ Research with the Dutch Central Bank that aims to analyse disclosure of risks by financial institutions before and during the current financial crisis; building of provisions and factors (forward- and backward-looking) that can explain the magnitude of provisions and accounting for risks on a bank's balance sheet; fair value reporting: issues related to mark-to-model accounting, discretion and (un)timely reporting of bad news.
- ❖ Several ABS researchers have participated in the research activities of the Partnerships Resource Centre (hosted by the Erasmus University and funded by the Dutch Ministry of Foreign Affairs) that focuses on partnerships for development. Applied research projects were carried out, resulting in position papers and articles (in progress). During the 2012 international partnership conference, Professor Kolk held a keynote speech and organised and chaired a session on partnerships in fragile states, with policymakers as discussants.

Future perspectives

- ❖ In a recent questionnaire sent out to all external teachers and adjunct faculty affiliated with ABS, we have asked them about their involvement in management education initiatives related to CSR, ethics and sustainability, their general contributions to society regarding these areas, as well as their views on future cooperation with ABS. We intend to use these links to explore future possibilities of cooperation with these individuals and their organisations.

Principle 6: Dialogue

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

Overview

There have been various ways in which dialogues with and among various groups in society on CR have been opened and maintained. A prominent initiative in the national context has been the so-called Room for Discussion, a bi-weekly debate on various topics with academics, politicians, policy-makers, (top) managers and civil society representatives. Many staff members have also been active in national and international meetings to engage in in-depth conversations with academic and particularly non-academic audiences as well.

Achievements/Activities

- ❖ A hugely successful initiative over the years has been a concept called a 'Room for Discussion' to provide students and the wider public insight from academics and high ranking business and political leaders concerning the credit crisis. In these sessions, key academics and also senior representatives from government, business and other interest groups are interviewed and have the opportunity to express and debate their views. Quite a number of ABS faculty have participated in these series and Corporate Responsibility has been a recurring topic. Several of the sessions have attracted attention from the national media.
- ❖ Our research on CR is discussed and presented in the media (often national newspapers but also radio and television) regularly.
- ❖ We have started a special seminar series on Corporate Governance broadly defined, with prominent international and national speakers.
- ❖ We have been actively participating in the (European) Academy of Business in Society (EABIS/ABIS), through research presentations, as speakers and as moderators of sessions; given the broad membership of this organisation (also non-academic) this has resulted in a series of interesting dialogues.
- ❖ We have actively participated in the bi-annual large international conference of the Global Reporting Initiative (GRI) since 2006, as speakers, organisers of the academic conference, and moderators of sessions (see section 1). Given the huge number of attendants from all sectors of society and from almost all countries around the world, this has not only led to exposure for our research but also to valuable interaction and exchange.
- ❖ As outflow of her long-standing activities as board member and subsequently advisor of the DE Foundation, Professor Kolk actively participated in a public event (including a debate forum with representatives from civil society, small farmers and business) to celebrate its 10-year anniversary in 2012. The Foundation was created by (Sara Lee) Douwe Egberts to further sustainable coffee practices, with a specific focus on small farmers in developing countries. It has led to research output, including a teaching case, but also to a dialogue with business, government and societal actors, involving both students and ABS staff.
- ❖ 2012 also saw active participation by ABS in the international workshop on sustainability centres organised by the Canadian Network for Business Sustainability at the Ivey School of Business.

Future perspectives

- ❖ Continuation of the Room for Discussion including attention to CR and related topics.
- ❖ Continuation of other types of dialogues.
- ❖ Contribution to the 2013 GRI conference as academic partner.