

Letter from Ann E. Harrison, Dean of the Haas School of Business

October 15, 2021



The Haas School of Business is defined by its unique culture and the four Defining Leadership Principles, which are helping to create students who care about becoming great business leaders, who go beyond themselves, who are confident without having an attitude, and who question the status quo. Berkeley is a phenomenal institution that has recently been recognized by Forbes for "providing a top-drawer education to a diverse group of students at a fraction of the price of an elite private school". This culture of inclusivity and innovation at UC Berkeley and Haas is squarely in line with the UN Principles of Responsible Management Education.

At the outset of my deanship, I have three priorities to put these values into action. The first is to grow the faculty in certain key areas, which include entrepreneurship, data analytics, and sustainable business. I also want to further integrate Haas into the UC Berkeley community by increasing the number of cross-school programs that we offer. The third priority is increasing the diversity of the student body and the faculty. We have put together a new DEI action plan, which will allow us to increase the diversity of our full-time MBA program. And we are taking immediate action. In the two years since I joined the Haas School of Business, we have made tremendous progress. In the face of COVID, we have enhanced our instructional resilience and provided support to our community of students.

I have great hopes for the future, and I am heartened by the progress we have already made with regard to Berkeley Haas' top three priorities -- entrepreneurship and innovation; diversity, equity, and inclusion; and sustainability. As the third Dean to uphold Berkeley Haas' progress report to the UN Principles for Responsible Management Education, we are more committed than ever to producing leaders who will foster a sustainable, equitable, and resilient society through business.

We are honored to participate within the circle of UN PRME schools in advancing this important work.

Warm regards,

Bon E. Harrison

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Principle 1: Purpose

We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.



THE 10TH ANNIVERSARY OF THE BERKELEY HAAS DEFINING LEADERSHIP PRINCIPLES

It is nearly impossible to think about Berkeley Haas without one, if not all, of the school's notable Defining Leadership Principles (DLPs) coming to mind. First established by Former Dean Rich Lyons, BS '82, the principles codify a management style that has been deeply ingrained in Berkeley Haas' teaching since its founding.

In Lyons' own words: "We codified the culture of Berkeley Haas—which had been latent in the school for generations." While in the process of developing the principles, the team realized that their origin came from three things: "Place, People, and Culture." These represent being part of the greater university and Bay Area, part of a broader group of people bringing fresh ideas to the table, and part of a culture where students committed themselves to bigger causes. This ideation and brainstorming brought them to the final form of the DLPs: Question the Status Quo, Confidence without Attitude, Students Always, and Beyond Yourself.

Now, 10 years later, 75% of students across all MBA programs and the undergraduate program cite the Defining Leadership Principles as a strong reason they chose Haas, and two academic case studies have been authored specifically about them. In 2020, we reflected on the impact and importance of the Defining Leadership Principles, and used them to guide our strategic planning for the future - guided by the mission of helping extraordinary people achieve extraordinary things.

PROGRESS ON THE 2016-2021 STRATEGIC BUSINESS PLAN

Five years ago, Berkeley Haas adopted its Strategic Business Plan, a roadmap to further the school's mission. Designed to transform strategies into actions, the plan is based on an underlying financial model that will ensure our school stays operationally strong and competitive. It builds on our deep assets: people, place, and culture. The plan combines specific goals turning strategies into action, as well as a financial model to ensure the school remains competitive.

In 2018, the Management Team and Strategic Leadership Team reviewed the plan in detail, and made some adjustments to ensure Berkeley Haas meets its goals. The reputation strength goal was revised to include more detail on key drivers that affect this metric, and the overarching strategy and tactics were further refined to best reflect the initiatives that will lead Berkeley Haas toward achieving the goals initially set out in the Strategic Business Plan. Thanks to the rigorous review and foresight of Haas leadership, the school was well positioned to weather the economic impacts brought on by the global pandemic in 2020.

NEW LEADERSHIP OF THE INSTITUTE FOR BUSINESS AND SOCIAL IMPACT (IBSI)

In 2020, Berkeley Haas welcomed Professor Paul Gertler as the new Faculty Director for the Institute for Business and Social Impact (IBSI). Professor Gertler brings expertise in research, impact evaluation, and developing programs that fight poverty and improve public health around the world. He previously served as the chief economist of the Human Development Network at the World Bank from 2004 to 2007 and has been a member of Haas faculty since 1996.

Former Dean Laura Tyson launched the Institute in 2013 and has served as the Faculty Director since its inception, driving IBSI's mission to look beyond shareholder value as the primary purpose of business. As Professor Tyson notes, over the past seven years "IBSI has secured the reputation of Berkeley Haas as a leader among top-ranked business schools in the social impact space." She will retain her role as a professor at Haas and continue to work out of the Blum Center for Developing Economies.

With the institutionalization of IBSI came innovation in three significant initiatives:

- 1. Berkeley Haas Blockchain Initiative continues to advance academic research and student engagement on the topics of blockchain, cryptocurrency, and digital payments.
- 2. The Sustainable and Impact Finance initiative was revamped in 2019 and became an official Area of Emphasis for students to pursue.
- 3. The proposal of a Berkeley Fintech and Financial Inclusion Initiative (FFII) to generate research, provide opportunities for experiential learning, and build a community of innovators focused on the pressing issue of access to financial services.

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.



LAUNCH OF THE SUSTAINABLE AND IMPACT FINANCE INITIATIVE

The revamped Sustainable and Impact Finance Initiative (SAIF), launched in 2019, formalizes Haas' offerings and better positions students aiming to work in sustainable and impact finance. Building on a strong foundation of existing courses and activities, SAIF enables Haas to continue acting as a thought leader in this area and prepare students for careers as public fund managers, private equity investors, and beyond. As of Fall 2020, Sustainable and Impact Finance is an official Area of Emphasis at Haas, enabling students to pursue a more directed course of study related to sustainable finance.

SAIF curriculum currently has three main components: Haas Impact Fund, Impact Investing Curriculum, and Sustainable Investment Fund.

1. The *Haas Impact Fund* invests in early-stage impact-oriented startups and provides Student Venture Partners with experience sourcing, diligence, and portfolio stewardship of early-stage social enterprises. Startups fall into the following categories: Workforce and Financial Inclusion; Health and Wellbeing;

Renewable Energy; Food and Water; and Sustainable Products. The investments made by the fund align with SDG 6 (Clean Water and Sanitation); SDG 7 (Affordable and Clean Energy); SDG 8 (Decent Worth and Economic Growth); and SDG 13 (Climate Action).

- 2. The *Impact Investing Practicum* pairs teams of MBA students with impact investing firms and organizations for an 8-week project. This course directly creates value for clients by leveraging the financial and social backgrounds of students to develop creative solutions for impact investing firms.
- 3. The student-managed *Sustainable Investment Fund* (formerly known as the Haas Socially Responsible Fund) is the first and largest student-led SRI fund within a leading business school. Since its inception in 2008, student principals have more than doubled the initial investment to +\$3M USD.

Additionally, SAIF launched its inaugural <u>Student Advisory Board</u> in 2020, providing another opportunity for students to build networks with industry-leading advisors and play a pivotal role in shaping future programming. Six students with extensive backgrounds in finance and social impact were selected as founding advisory board members to promote impact investing and sustainable finance on campus.

EQUITY FLUENT LEADERSHIP ON CAMPUS AND IN THE COMMUNITY

Launched in 2017, the Center for Equity, Gender, and Leadership (EGAL) continues to drive its mission of "educating Equity Fluent Leaders to ignite and accelerate change." SDG 5 (Gender Equality). Over the past two years, EGAL has evolved to focus on four key areas of impact:

- 1. Educating future business leaders, through course content and experiential learning opportunities
- 2. Educating current business leaders, by creating resources that accelerate industry change
- 3. Supporting academic research, to advance cutting-edge developments in diversity, equity, and inclusion
- 4. Storytelling, by hosting events and developing through leadership that amplify stories of Equity Fluent Leadership

Educating future business leaders

In 2019, EGAL converted its original course offering the "Business Case for Investing in Women" to its current format. Now titled "Equity Fluent Leadership", the course is offered to both undergraduates and graduate students and also provides them with real-life consulting experience. Each semester, teams of Haas students partner with 10-12 companies to complete a consulting project focused on critical DEI issues they are currently facing. Recent projects include implementing a diversity and inclusion program for 20,000 employees; designing a talent pipeline and training program for crucial roles in engineering and sales; and developing a comprehensive DEI strategy guide for start-ups.

EGAL also developed a <u>Case Compendium</u> after conversations with students who weren't seeing themselves reflected in the most popular business school cases. The compendium aims to support professors at Haas, and business schools globally, by collecting and vetting cases with diverse protagonists and/or that build "equity fluency" around DEI-related issues. After the June 2020 rollout of the compendium, EGAL also hired an alum to hold conversations with faculty members about how to best adapt their courses to diversify the cases taught.

Educating current business leaders

EGAL publishes industry-focused Playbooks as tools for business leaders to advance diversity, equity, and inclusion in their companies and industries. Serving as a bridge between academia and industry, each Playbook takes academic research on a salient topic and translates it into a tool that is easily digestible and includes strategies that can be effectively implemented in an organization. Each publication emphasizes the importance of social responsibility for business. Over the past two years, EGAL has published Playbooks on the following topics:

- Supporting dual career couples
- Mitigating bias in artificial intelligence
- Transforming business beyond COVID-19

Additionally, EGAL's "Business Case for Investing in Women" and "Equity Fluent Glossary of Key Terms" provide supplementary information for business leaders looking for research on business impacts of gender equity initiatives and for useful language in building equity fluency.

DIVERSITY, EQUITY, AND INCLUSION AT HAAS – UPDATE ON ACTION PLAN

In October 2018, Haas launched its first Diversity, Equity, and Inclusion (DEI) Action Plan that was subsequently achieved in May 2019, with a few action items that will continue to be monitored through conclusion. The February 2020 update on the DEI Action Plan aligns with SDG 10 (Reduced Inequalities).

With the action plan, Haas achieved many equity-related milestones and made significant strides in advancing DEI on campus. Notably, as the management and admissions teams have expanded over the past few years, many positions created focus on diversity and inclusion. Dr. David Porter, hired as Haas' first ever Chief Diversity, Equity, and Inclusion Officer, brought decades of experience addressing challenges to increasing diversity in academia and the media industry and led DEI efforts on campus for 18 months. Additionally, Élida Bautista joined the Haas team in the role of Director of Diversity & Inclusion and Marco Lindsey (EE '13) transitioned to a new role of Associate Director of Diversity, Equity, and Inclusion. On the admissions side, Om Chitale (MBA '18) holds the newly created position of Director of Diversity Admissions, a position focused on diversity outreach to prospective students.

Additional select highlights:

- Hiring processes established to assess potential bias in job posting locations, position descriptions, candidate outreach, and hiring protocols
- Built-in DEI training, led by Élida Bautista, for each degree program during Week Zero (Berkeley Haas Orientation), including for the PhD program
- Piloted DEI Summer Institute, consisting of a 4-week pre-term session offered to incoming FTMBA students in 2020; initial program had ~100 students participate
- Full-time MBA Program interview now asks prospective students to discuss their involvement and leadership in diversity, equity, and inclusion. Specifically, they ask students: "Can you please describe any experience you have in the area of diversity, equity, and inclusion, whether in the workplace or through community organizations that will enhance your contributions to the Berkeley Haas community?"
- Full-time and part-time program applications ask optional essays around Distance Traveled (full-time) and Hardships Overcome (part-time)

INSTITUTIONALIZATION OF THE BERKELEY HAAS SUSTAINABLE FOOD INITIATIVE

In spring of 2018, the Center for Responsible Business launched the Sustainable Food Initiative (SFI). Sustainable food has long been one of the Center for Responsible Business' underlying areas of expertise, and has targeted resources in this area to build on our strengths as part of UC Berkeley including: course development, events, case studies, and alumni engagement.

Since its inception, the Sustainable Food Initiative has become a core offering and a foundational part of why so many outstanding students choose to come to Haas. With the support of the SFI advisory board, the Initiative identified three sub-themes for which Haas and UC Berkeley have unique strengths:

- 1. Food Tech + Entrepreneurship: We bring together students and real-world opportunities to identify, define, and solve novel and pressing challenges and unmet needs in the broader food-system.
- 2. Regenerative Agriculture + Responsible Protein: We draw from our community of partners defining best practices in the regenerative space and connect them with passionate students who are future leaders of the industry.
- 3. Capital Structures + Culture: We build on Haas' leadership in sustainable finance to define what innovative and impactful capital structures might look like to serve resilient and sustainable food systems.

Cutting-edge Case Studies

Working with the Berkeley Haas Case Series, we are building the foundation of a series of sustainable food case studies suitable for inclusion into the general business school curriculum. Our first case of the series was published in partnership with General Mills, <u>Driving Food Systems Change through Regenerative Agriculture</u>. The case explores:

- 1) How an acquired impact-minded brand influences a larger parent company,
- 2) Company strategy in an environment of multiple external business pressures, and
- 3) The role of CPG companies in the larger food system and the benefits and challenges of regenerative agriculture.

Additionally, the 2020 Best Case Award was granted to <u>Patagonia</u>: <u>Closing the Loop on Packaging Pollution</u> (2019) by the Berkeley Haas Case Series. Written by a multidisciplinary team at the Berkeley Haas CRB in collaboration with Patagonia, the case demonstrates how Patagonia and other companies are actively seeking solutions to mitigate the single-use packaging crisis. The SFI's next case project was developed in partnership with Purpose Foundation and Organically Grown Company, and will provide key learnings in the discussion of what responsible corporate governance can look like. This case is particularly relevant for the sustainable food and beverage industry, given the growing private equity investment and acquisitions by large corporations in the space in recent years.

Edible Education 101 Virtual Expansion

The 'Edible Education 101' course saw a record number of participants as the course expanded virtually. After several years of sharing class recordings online via YouTube, in 2019 the class was also live-streamed for the first time as a result of the support of the SFI. This allowed not only students, but broader community members to tune in for talks from the likes of José Andrés, Carla Vernon, and Michael Pollan. The course hosted over 500 people virtually for the José Andrés lecture and reached maximum capacity for almost all classes. For the first time, SFI faculty advisor Will Rosenzweig offered a graduate section for the course which enabled dynamic discussion among graduate students in different programs driven by a shared vision for a sustainable global food system.

Launching Student Careers in Food

Supporting students in their career search through networking and events is a key pillar of the Sustainable Food Initiative. Each year, the SFI partners with the Haas Career Management Group and the student-run club Food@Haas to host the Food Career Summit. The summit includes a week of discovery and reflection as the first industry-specific program held during Career Week – the designated time for first-year MBA students to delve into their career search. To broaden students' knowledge and networks, SFI events focus on bringing industry leaders in corporate responsibility and sustainability to campus through the Peterson Speaker Series and fireside career chats. Recent participants include Viviana Alvarez formerly of Unilever North America, Maria Olide of Farmer's Business Network, and Carla Vernon formerly of General Mills.

Principle 3: Method

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.



INTERDISCIPLINARY PROGRAMS AND DUAL-DEGREE OFFERINGS

Haas offers multiple concurrent degree programs and academic offerings to provide students with the tools to pursue roles in cross-sector innovation that require an interdisciplinary skillset.

In Fall 2020, Berkeley welcomed its inaugural class for the new dual MBA and Masters in Engineering (MBA/MEng) program designed to address the need for leaders who possess both technical skills and business acumen. Separately, each degree program is ranked among the highest in the world and with this initiative students will be able to complete both within the timeframe of a typical MBA program. Engaging in challenging interdisciplinary projects, graduates will go on to become leaders in technological innovation in an array of different industries. For example, in aligning with SDG 11 (Sustainable Cities and Communities), several UC Berkeley faculty members have been working with the City of Oakland to retrofit full city blocks with ecofriendly features such as a solar farm and water reclamation. Through the MBA/MEng program, student teams combine knowledge of eco-friendly technology with finance to make recommendations that will significantly speed up these types of projects.

CHOU HALL - U.S.'S GREENEST ACADEMIC BUILDING



After its first two years of operations, Chou Hall is officially the country's greenest academic building having earned a trifecta of green building credentials: TRUE Zero Waste certification, LEED Platinum certification, and WELL certification. The development and operation of this building demonstrates alignment with SDG 13 (Climate Action).

The TRUE Platinum Zero Waste certification came after more than a year of dedicated waste sorting, composting, and other efforts to divert over 90 percent of Chou Hall's landfill waste. The official notice came from Green Business

Certification Inc. (GBSI) following an on-site audit by the U.S. Green Building Council. To achieve TRUE Platinum, the Chou team earned 69 out of the 70 credits that they applied for, providing a narrative and evidence for each credit. Credits included everything from composting food scraps to tracking the purchase of environmentally preferred products to providing employees with access to zero-waste training to reducing the use of hazardous waste chemicals.

Separately, GBCI also announced that Chou received LEED Platinum certification for its architectural design, construction, and functioning of the building, earning 85 points—well above the 80 points required for the Platinum rating. Points are allotted in areas such as water efficiency, energy use, construction materials used, indoor environmental quality, and design innovation.

The third credential, WELL certification, recognizes the "strong commitment to supporting human health, well-being, and comfort" in the building's design and function. WELL Certified spaces are designed to improve the overall health of the people who use the building by addressing areas such as nutrition, fitness, mood, sleep patterns, and performance of the building occupants. Design details include everything from the solar panels that provide energy to the funneling of maximum outside air into the building's interior. Not only is Chou Hall the greenest academic building in the country, it is also the first academic building to be WELL certified.

The Chou Hall Zero Waste Initiative is a joint effort led by a multidisciplinary team of graduate and undergraduate students working closely with Cal Zero Waste, Haas faculty and staff, facilities management, and building vendors to ensure that building operations are designed for successful waste diversion.

SUSTAINABILITY SKILLS SURVEY & COURSE RECOMMENDATIONS

The CRB launched a continuing effort to quantify career pathing within impact-oriented roles. Leading companies across a variety of industries were surveyed on their sustainability roles and the top skills they look for in applicants.

From this qualitative data, a <u>guide</u> for MBAs was built that pairs UC Berkeley courses to the development of key skills and focus areas. This includes themes such as impact measurement and management, coalition building, systems thinking, DEI, and internal selling. Identifying courses that fit these skills shows the translation of academic rigor students pursue to the roles they land at the end of their time at Berkeley.

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.



LEADING THE WAY IN GENDER EQUITY RESEARCH

Haas continues to be a leader in bridging the gap between research and industry practices, especially in the area of gender equity in the workplace. In 2019, EGAL formally launched a research grants program to support additional academic research and continues to feature gender- and race-focused inquiries by grantees and affiliated faculty. This aligns directly with SDG 5 (Gender Equality) and SDG 10 (Reduced Inequalities).

Selected highlights of the 2019-2020 grantee cohort:



Ming Hsu (Faculty)
Predicting Unequal Treatment in the Field

Disparities in outcomes across social groups pervade human societies; how people treat others depends on a multitude of factors including others' gender, ethnicity, and age. This project proposes to explain and predict instances of unequal treatment documented in field settings by integrating psychological frameworks of how people see others (social perception) with behavioral economic models of how people value others' outcomes (social valuation).



Przemyslaw Jeziorski (Faculty)

Evaluating the Impact of Training and Credit on Retail Performance

This project aims at identifying the impact of wholesale credit and training availability on the performance of small entrepreneurs. In collaboration with MasterCard and Unilever, we developed a large-scale field experiment in rural Kenya in which access to credit and training is randomly allocated amongst more than 900 retail owners. The hypothesis is that extra credit and training would improve the performance of small business owners. Moreover, we plan to measure the degree of interaction between the

availability of training and credit adoption, as well as efficiency of its utilization. In our credit program, the credit allocation decision does not depend on recipient demographics, such as gender, and it does not rely on the availability of co-signers. This is in comparison to other credit initiatives available in the market. For this reason, our credit program may be considered more inclusive than competing credit streams. To investigate that possibility, we intend to measure the effect of this program on women and minorities by combining the data of credit adoption and utilization with the data from unique field surveys.



Sonya Mishra (PhD)
Escaping Backlash: How Status-Seeking Women Can Gain Influence Without Incurring Backlash

As women are increasing in representation in the workforce but remain underrepresented in C-suite positions, understanding how women may position themselves to gain influence in the workplace is crucial. The traditional methods of gaining influence are through power (control of resources) or status (respect in the eyes of others). While women who use power-seeking tactics to gain influence often face backlash and are perceived more negatively, I posit that women who use status-seeking tactics to gain influence may be able to escape that backlash due to the fact

that status-seeking behavior is stereotypically consistent with women's gender roles. By testing whether status-seeking women are perceived to be less norm violating and exploring the broader impressions of status-seeking women, this research can provide prescriptive advice to women who are seeking positions of influence, but do not want to face the backlash associated with power-seeking behaviors.



Gauri Subramani (PhD)

Try, Try, Try Again? Persistence and the Gender Innovation Gap

Innovation plays an important role in the United States' economy and society, but inventors are not representative of the population at large; in 2010, only 18.8% of patents had at least one female inventor, and only 8% of all patents had a woman listed as primary inventor. In this project, we examine the drivers of the gender gap in innovation as measured by patent outcomes. We document the gender disparities in innovation as measured by differential patent application and patent receipt rates, and

evaluate the role of persistence in driving gender disparities in patent outcomes. We further examine how organizations and resource availability can mediate the gender effects of persistence.

In addition to academic research grants, EGAL partners with professional research organizations to elevate discussion around critical DEI topics. EGAL hosts a Research Lunch series where UC Berkeley Faculty, PhD Students, and Postdoctoral-Fellows share their latest findings around DEI topics. In October 2020, EGAL partnered with the Science of Diversity and Inclusion Initiative (SODI) and BlackRock to convene 92 behavioral scientists and DEI leaders to work together on finding ways to bring racial equity into the workplace.

FACULTY RESEARCH & AWARDS

Haas continues to be a leader in faculty research on business innovation, equity, social responsibility, and policy, as evidenced by extensive publications and numerous awards each year.

Innovation and Entrepreneurship



In 2019, Henry Chesbrough followed up on his past research about open innovation and bringing new technologies to market. His new book, *Open Innovation Results: Going Beyond the Hype and Getting Down to Business* "provides a roadmap to restore productivity and economic growth for society as a whole - in the U.S. and globally." Professor Chesbrough's research on open innovation demonstrates the power of using external ideas and sharing internal innovations through licensing, sales, partnerships, and spinoffs in order to advance research and development. Carlos Moedas, the European Union's Commissioner for Research, Science, and Innovation, calls the book a

"must-read for politicians, policy-makers, and business leaders who want to make a difference[...]."



In 2020, Professor David Teece was inducted into the <u>Thinkers50 Hall of Fame</u>, which "recognizes distinguished thinkers who have made outstanding contributions to the knowledge of management." Professor Teece plans to bring his expertise in dynamic capabilities, technological change, and innovation to public policy and international development.

Gender Pay Gap



Professor Laura Kray published cutting-edge research uncovering a new culprit of the gender pay gap: team size. Along with Margarat Lee, a postdoctoral research fellow sponsored by EGAL, they found that men not only on average oversee larger teams (10 direct reports compared to 8), but that this team size accounted for a portion of the pay gap. This research provides insights helpful to women negotiating job offers by illuminating another factor to understand when taking a new position, and helps paint a clearer picture of the persistent gender pay gap. This research gives more context to achieving SDG 5 (Gender Equality).

Public Policy and Economic Inequity





For their paper <u>Economic Losers and Political Winners: Sweden's</u>
<u>Radical Right</u>, Professors Ernesto Dal Bo and Frederico Finan won the 2019 Williamson Award at the annual Society for Institutional and Organizational Economics conference. Their research highlights sources of economic anxiety triggering radical-right mobilization and speaks to the social and political consequences of this trend, giving more context to SDG 16 (Peace, Justice, and Strong Institutions).

COVID-19 Response Policies



Haas Assistant Professor Abhishek Nagaraj, in partnership with researchers from four universities, built the <u>Reopen Mapping Project</u> website to illustrate consequences of social distancing across different locations. The interactive site provides users with one forecast view of the trade-offs between reopening policies and favoring economic stability with public health initiatives and aligns with SDG 3 (Good Health and Well-Being).

SUSTAINABILITY CASE COMPENDIUM

Authoring sustainability-minded case studies is one way the Center for Responsible Business (CRB) helps move sustainability further into the mainstream. Working with the Berkeley Haas Case Series and the California Management Review, they develop case studies suitable for inclusion into the general business school curriculum.

Growing upon this initiative, the CRB has <u>curated a suite of business cases and articles</u> that are primed to be readily integrated into core MBA curriculum. These sustainable cases encompass the broadest sense of the word to include social, environmental, and economic considerations. This list features cases and articles hosted on the Harvard Business Publishing site, published within the last 10 years that tackle pressing sustainability and responsibility challenges within the corporate space.

By providing this resource, professors can examine how to refresh content and embed new sustainability concepts into their curriculum. This provides easy access to how key environmental and social issues can be incorporated into the world of strategy, finance, economies, and more.

Principle 5: Partnerships

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



NEW PARTNERSHIPS ESTABLISHED FOR COVID-19 PANDEMIC RESPONSE

As COVID-19 impacted campus, Berkeley, and beyond, Haas faculty, staff, and students partnered with local and national leaders in business and government to support communities in need. This work aligns with both SDG 8 (Decent Work and Economic Growth) and SDG 17 (Partnerships for the Goals).

Professors Adair Morse and Laura Tyson led efforts to develop the State of California's new fund to support small businesses devastated by the coronavirus pandemic. The California Rebuilding Fund, a public-private partnership established by the Governors' Office of Business and Economic Development, uses government-backed capital to target the smallest firms and entrepreneurs from communities that have been historically disenfranchised. The two Haas professors collaborated with the UC Berkeley Law School, state task forces, the California Infrastructure and Economic Development Bank to create a program supporting small businesses with loan funding, free resources, and virtual office hours with expert lawyers. Featured in the New York Times and other publications, the rebuilding fund is providing loans that are "flexible, transparent, and designed to help sustain small businesses through these challenging economic times."

Additionally, faculty and students representing the Sustainable and Impact Finance initiative mobilized to provide direct support to small businesses in the Berkeley and Oakland communities. On the faculty side, Professors Morse and Tyson designed an "SOS" fund with the City of Berkeley that pooled private and public capital to support very low or no-interest loans for small businesses impacted by COVID-19. As Professor Morse noted, this fund is critical to ensure "that terms for repayment of debt are not so burdensome that they threaten long-term viability of our local small businesses." Berkeley Mayor Jesse Arreguín praised the program, calling it "a creative way for the city, campus, and community to come together to support one of Berkeley's most important resources, our small businesses, in this time of unprecedented need."

In Oakland, 25 Haas students also stepped up to call local businesses and share resources on SBA Loans, Paycheck Protection programs and unemployment insurance. The students worked in concert with District 6 in East Oakland (represented at the time by a Haas alum), the Black Cultural Zone and the Black Economy Rapid Response Network, the Greenlining Institute, and the Chinatown Chamber of Commerce to conduct outreach. Focused on communities disproportionately affected by COVID-19, including immigrant- and Black-owned businesses, these phone banking efforts helped individuals, families, and communities access available funds they may not have received without this support. Through these two local programs, the Haas community exemplified the notion of going beyond yourself to step up and provide critical support during a global emergency.

PARTNERING WITH ORGANIZATIONS THAT CENTER EQUITY

The initial Zendesk gift in 2017 to help launch EGAL has paved the way for Haas as a thought partner in an evolving collaboration between the school and company. The 2nd and 3rd annual Zendesk Case Competition events, held in 2019 and 2020 respectively, highlighted Haas' role in helping to shape the company's DEI efforts. In 2019, students proposed a fresh strategic approach to Employee Resource Groups and the 2020 competition focused on quantifying objectives for the company's new Global, Diversity, Equity, and Inclusion (GDEI) framework. The winning ideas put forth by student leaders influence Zendesk's role as a corporate DEI leader and are implemented across the company's global offices. In 2019, over 140 students pitched recommendations based on the written case, and 12 finalists presented in person to a team representing Zendesk, and in 2020 over 175 students across 37 teams participated.

The Center also partners with professional organizations to support alumni and women in the region. EGAL's partnership with theBoardlist, a nonprofit pioneering the drive for gender parity and more diversity in board rooms in Silicon Valley and beyond, elevates Haas alumni for open board positions. With the Women on Boards law coming into effect in late 2019, requiring all publicly held domestic or foreign corporations whose principal executive offices are located in California to have at least one female director on their boards, this partnership has taken on a significant role helping companies source qualified additions to their boards. To date, EGAL has helped 65 alumni join the platform and pursue Board opportunities, aligning with SDG 5 (Gender Equality).

Principle 6: Dialogue

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



NEW THINKING IN A PANDEMIC – BUSINESS, ECONOMICS, & INCLUSION

In response to the COVID-19 pandemic, Haas launched a twice-monthly dialogue series titled "New Thinking in a Pandemic - Business, Economics, and Inclusion". Haas' newest dialogue series brings faculty together with business leaders and researchers from across the globe to discuss how communities, businesses, and governments can innovate and move forward in the pandemic.

The kick-off event featured Kelly McElhaney, founding director of EGAL, for a discussion about the disproportionate impact the coronavirus pandemic is having on women and people of color. Discussions feature robust conversations around decision-making, the role of philanthropy and social innovation, and financial and political shifts in economies worldwide. A select list of other speakers include:

- Angela Duckworth, Professor of Psychology at the University of Pennsylvania
- Hilary Hoynes, Professor of Public Policy & Economics and Haas Distinguished Chair in Economic Disparities
- Sir Ronald Cohen, Venture Capitalist, philanthropist, and social innovator

HAAS AS A LEADER IN DEI DIALOGUE

In addition to internally transforming our approach, Haas has established itself as a leading voice in diversity, equity, and inclusion.

In August 2019, Haas became a signatory to the <u>CEO Action for Diversity & Inclusion Pledge</u>, joining 50 institutions and more than 750 CEOs in committing to "take DEI efforts to the next level" in the words of Dean Harrison. The CEO Action, launched in 2017, aims to address diversity and inclusion on behalf of groups including "African Americans, Latinx, Asians, Native Americans, LGBTQ, people with disabilities, veterans, and women" and aligns with SDG 10 (Reduced Inequalities).

In addition to continuing the AmpEquity Leadership Series, which brings business leaders to campus to share their perspectives on leadership and inclusion in the workplace, EGAL holds faculty research lunches and other events amplifying cutting edge DEI research. In 2019 and 2020, the AmpEquity Series included discussions with Jessica Bennett, Gender Editor at the New York Times; InaMarie Johnson, Chief People & Diversity Officer at Zendesk; Tony Prophet, Chief Equality Officer at Salesforce; Jonathan McBridge, Managing Director and Global Head of Inclusion and Diversity at BlackRock; and Nancy Green, President and CEO at Athleta. By amplifying these thought leaders across industries, Haas continues to emphasize equity and inclusion on campus and beyond.

In Fall 2020, EGAL hosted a series on Advancing inclusive AI, addressing the role of teams, the AI model, and corporate governance and leadership. This 3-part series brought together students with industry experts, including Maria Axente (Responsible AI & AI for Good Lead at PwC), Jill Finlayson (Director, Women in Technology Initiative at UC Berkeley), Heather Gadonniex (VP, Marketing & Strategic Partnerships, Samasource), Matissa Hollister (Fellow, Centre for the Fourth Industrial Revolution at World Economic Forum and Assistant Professor at McGill University), and Reena Jana (Head of Content Strategy, Responsible Innovation at Google).

CENTER FOR RESPONSIBLE BUSINESS CONGRESSIONAL TESTIMONY

CRB Executive Director Robert Strand was invited to testify to a U.S. Congress committee hearing on December 4, 2019 to consider issues of responsible business in American capitalism. He testified before the U.S. House Committee on Small Business at a hearing entitled <u>"Embracing Corporate Social Responsibility: Small Business Practices"</u>.

Strand's remarks centered on the benefits of stakeholder capitalism, or the view that the purpose of a firm is to provide value to its stakeholders—including employees—rather than putting shareholders above all else. He also spoke of the promise of B Corps (Benefit Corporations) such as Patagonia, and discussed the corporate governance structures embraced by the Nordic countries of Denmark, Finland, Sweden, Iceland, and Norway,

where the stakeholder view of the firm originated. This advocacy work aligns with SDG 13 (Climate Action) and SDG 17 (Partnerships for the Goals).

In follow up to his live testimony, Strand submitted a formal response to the discussion and conclusion of the hearing. The statement called for an "evolution of American capitalism" before the country is forced to face a "revolution of American capitalism". Strand looked to the 17 UN Sustainable Development Goals to address the growing challenges of climate change, growing inequalities, decent work for all, and threats to the democratic institutions of the U.S.

Looking Ahead: Future Objectives

FROM THE DEAN:

Looking ahead, we will be working on several fronts to incorporate our new strategic priorities—innovation, inclusion, and sustainability—across Haas. Being part of the world's greatest public research university inspires us to provide access to a world-class education to those who qualify and to produce ground-breaking research and thought leadership. Thanks to our location, we are at the epicenter of what's next, and the California spirit of innovation informs all that we do.

Our community is inspired by its unique culture, codified in our Defining Leadership Principles, and our vision is audacious: we aim to forge entrepreneurial leaders who will address society's biggest challenges and opportunities: innovation, inclusion, and sustainability. Innovation and entrepreneurship provide the backbone for change, progress, and wealth creation. Inclusion means that a better life is possible for all of us. Sustainability ensures that we will be able to continue to live, work, and prosper on this planet together. The three are inextricably linked.

In the near future, you will find these three priorities incorporated more intentionally across several Haas efforts:

- Starting immediately, we will signal our new priorities on our homepage with the help of a new tagline: *Berkeley Haas -- The Heart of What's Next*. And new language on About Haas will explain how this tagline links to our strategic priorities.
- In the Fall of 2021 we will roll out our MBA curriculum reform, which includes enhanced training in business communications and persuasion skills, more coursework in statistics and data analytics, and a new required course on leading diverse teams—likely a first for any business school in the United States. We will also add three new elective courses in sustainability.
- Our Senior Leadership Team is actively developing a new strategic plan that incorporates our three priorities for our school.



BerkeleyHaas

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