

PRME

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

Sharing Information on Progress (SIP) Report 2020



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1. Renewal of commitment to PRME

ESMT Berlin is firmly committed to upholding the Principles for Responsible Management Education (PRME), which are central to our research, teaching, as well as student and stakeholder engagement.

At ESMT, high-quality research and effective teaching are intertwined objectives. We are convinced that faculty members who are intellectually engaged help develop students who are likewise intellectually engaged. Therefore, ESMT continues to support and encourage research with a strong belief that it enriches the learning experience for all students. When program participants learn and work directly with faculty who create the knowledge published in leading journals, they are learning the most recent insights. When students engage with faculty who are masters of critical thinking and creative problem-solving they learn from them skills that are highly demanded on the job market.

Since our founding, we have made ethics and responsible business practices core to our curriculum, and encouraged the experiential learning that enables our students to put their values into practice as they meet both economic and societal challenges. We continue to concentrate on the teaching and exploration of ethics, responsibility, and sustainability issues with our students. Our researchers are strongly driven by a priority to undertake research that matters to our stakeholders and that is of positive social value. The innovative research conducted by ESMT faculty members makes them a valuable resource for business, organizations, and government. The school engages with these groups and shares its research insights through chairs, centers, institutes, executive education, and degree programs as well as research projects that address the true needs of real companies.

At ESMT, responsible management means striving to balance the interests of various stakeholders, fostering a culture of discourse and collaboration, and actively participating in building a future where both people and planet can flourish. The ongoing commitment of ESMT to the PRME initiative aligns well with both our vision and our mission and serves as a lens through which to critique our progress and as an avenue to connect with our peers to share knowledge and ideas.

We are delighted to share the progress we have made towards achieving these aims over the last two years, as well as the challenges we are working to overcome, with you.



Jörg Rocholl



Jörg Rocholl, President, Professor of Finance

2. Progress report on principles

Principle 1 | Purpose

ESMT is a member of:



ESMT is accredited by:



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.

At ESMT, we are committed to developing entrepreneurial leaders who think globally and act responsibly. Our purpose reflects the “why” of what we do: Empowering people to create a better tomorrow. Our shared values guide us in “how” we work: through community, curiosity, courage, and rigor. We strive to bring the highest quality, most relevant and global management education and research to the world with the strategic ambition to educate graduates who will make a continuous impact on society by being responsible professionals.

The primary tasks of ESMT as a school are education and research. Education aims to prepare students for successful entrepreneurial endeavors and careers in the corporate world, in national and international public policy-making, or in research. To achieve this, ESMT offers high-quality degree programs and executive education.

ESMT fosters research with high academic and societal impact, and high visibility in the corporate world. The ambition is to be the leading learning and research community Germany and to excel in the different research subfields the school hosts, thereby deserving its high rank among the top of European schools of economics and business.

To achieve these twin primary objectives, ESMT wants to develop a stimulating environment for staff and students, in which they feel free to develop their innovative, ethical, and entrepreneurial expertise in education, research, and business, whilst emphasizing the role of economic policy and business in the greater society and keeping a global focus through international exchanges and cooperation.

The mission of ESMT reflects the need to educate current and future leaders who are capable of mastering the demands of an increasingly integrated, diverse, and volatile world; who understand the value of an integrated Europe in addressing these demands, in Europe and beyond; who possess the leadership and analytical skills to advance innovation and technology in a sustainable and inclusive way; who can navigate the growing complexities of the interplay between business, policymakers, society, and other stakeholders on a global scale; and who can create responsible, entrepreneurial, and impactful solutions to the most pressing challenges of today.

The vision of the school is to train business leaders so that they are not only focused on their own business, but also take into account social context on a global level, and who operate in a sustainable and socially responsible manner. Moreover, research should generate new knowledge for the purpose of boosting sustainable growth. This newly generated knowledge should also be transferred into society. This vision implies that a company should not solely be viewed in the traditional economic sense, but also from a societal perspective.

Therefore, one of the key elements of ESMT in research and teaching is the connection of the business perspective and an overall economic perspective. Modern managers should be able to understand complex business relationships in their respective markets and assess economic development, regulation, policymaking, and environmental as well as social acceptance issues. Suitable regulation of companies and markets therefore requires a detailed understanding of how such regulations affect business activities and processes within companies. Business insights gained, for example from studies about the determinants of innovation activities in companies, consequently have a significant meaning for economic issues, such as the optimal design of patent systems. ESMT utilizes the synergies of faculty members' economic and business skills in their research on these topics.

Overall, ESMT is pragmatic about the impact it can have on the value systems of graduate students studying for one or two years at the school. There is little talk about "creating leaders" or "transforming people." The philosophy of the school is more focused on enabling people to improve themselves by raising their own levels of self-awareness through personal coaching and feedback, identifying future drivers for career success and personal happiness, and focusing on behavioral interventions that can best prepare graduates to achieve their goals.

ESMT is amongst an elite group of schools worldwide which hold the prestigious trio of accreditations; EQUIS, AACSB and AMBA. This triple accreditation is evidence of our strong connections with businesses and communities, our role as an ethical and globally engaged institution, and our contribution to a sustainable future

ESMT defines values for the school and tries to live by these as an example to the students, but it does not attempt to prevent students from forming their own sets of values and priorities as they navigate the world around them. The school sees its job as sensitizing students to their responsibilities as managers and presenting the complexities that they will face as future business leaders as well as equipping them with the skills to deal with these responsibilities in a multicultural environment. Two examples of specific initiatives that support the values of ESMT are the Responsible Leaders Fellowship Program (see page 13) available to graduates of the MBA program) and the seven-week Social Impact Project (see page 4), which has been designed into the MIM program.

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.

ESMT offers a full-time MBA, an executive MBA, a part-time blended MBA, a master's in management (MiM), and a PhD program (in cooperation with Berlin School of Economics), as well as executive education on its campus in Berlin, in locations around the world, and in an online blended format. A lot the courses taught in these programs are in direct relation to UN Global Compact.



Part-time MBA class 2020



Master's in Management students

Ethics and social responsibility are a feature of program design and positioning at ESMT. They have been a part of the MBA and EMBA curricula since the beginning, mainly in the form of standalone courses:

- Responsible and Ethical Leadership (Full-time MBA)
- Ethics and Responsibility (Part-time MBA)
- Sustainable Energy Future (Executive MBA)
- Creating a Better World (Executive MBA)
- Managing Business Integrity (Executive MBA)

These topics have also been prominently placed in the curriculum of the MiM with the Social Impact Project. More recently, in the context of improving the overall curricula, topics of sustainability and responsibility became part of each course (irrespective of the specific discipline or field). For example, a mandatory course on Strategic International Management in the MiM program directly addresses several learning objectives of the program, particularly with respect to applying an appropriate body of knowledge, frameworks and techniques, identifying critical information and issues in complex situations, and integrating long-term sustainability and ethical considerations into written and oral presentations. In particular, two sessions – International expansion and corruption and Ethical dilemmas in international supply chains – help students to anticipate ethical dilemmas that derive from differences in practices and moral norms. A core MBA course Operations and Supply Chain ends with two sessions on Sustainability and Operations that offer an investigation on how business operations impact sustainability and a critical examination of the circular economy initiative aimed at closing the loop on product lifecycles and reducing waste.

The Social Impact Project

The Social Impact Project is an integral part of the ESMT Master's in Management curriculum, in which teams of three to eight students act as economic or management consultants for an organization with specific social objectives, such as a non-profit organization, a CSR department, a development agency, a social entrepreneurship venture, or a social impact project of a for-profit organization. The project objective can include supporting economic or financial pillars of an organization engaged in social good or environmental initiatives. It helps students develop skills in initiative-taking, problem-solving, and project management that are difficult to acquire without guided practice. Unique to ESMT, students are required to use these skills to benefit society as a whole, which is a cornerstone of ESMT's mission. The Social Impact Project is therefore applied fieldwork with the goal of developing well-rounded, socially conscious graduates. Host organizations include GIZ, UN WFP, street football world and others. In the last two years, students were involved in the following projects:

- Market analysis for a social enterprise in Colombia allowing for identification of new customer verticals and target groups.
- Creation of an eco-tourism business plan for conservation center in Nicaragua looking to be financially self-sustaining.



Agriculture as a livelihood for street children and their families

Practice project by Andreas Brambilla, Laith Al-Yacoub, and Ivan Ripamonti, MiM class 2017-2019

- Identification and acquisition of user groups for COVID-19 response related platform in Germany.
- Creation of business plan for energy kiosks to improve energy access in Uganda.
- Analysis of pricing model and creation of new client pricing quote system for social startup in Ethiopia.

Student clubs

ESMT has several student clubs that are student initiatives that begin with a desire to get directly involved, where theory meets practice. Each club at ESMT was formed by students' proposals and a desire to create something new and productive for future ESMT students. Through each club's contacts, students have a unique opportunity to complement and develop their academic experience.

- Agriculture Club
- Consulting Club
- Entrepreneurship Club
- Innovation & Technology Club
- Investment Club
- Marketing Club
- Net Impact Club
- Query Club
- Women in Leadership Club

The clubs also host an assortment of speakers and guests to share their knowledge with ESMT students and provide opportunities for future collaboration.

Student initiatives

Some of the student initiatives are directly linked to the UN Global Compact Principles on environmental and social issues. ESMT is proud to host the first and only **Net Impact chapter** in Germany. We are dedicated to improving the world around us through our mission: "to drive sustainable business practices and social responsibility by leveraging technology and collaboration". The focus is on delivering key initiatives that have a positive impact on society. Our current key initiative is creating the world's first open-source carbon accounting system by co-organizing hackathons around the world with Yale OpenLab, among many other partners.

Another example is the **Zero Waste Initiative** that aims to transform ESMT Berlin into a more sustainable and environmentally-friendly campus. The goal is to create a platform where students, faculty, and staff can educate themselves and bring sustainability initiatives to life. There are multiple initiatives aimed at raising sustainability awareness and incorporating sustainable choices into everyday life and drive long-term change. Here are some examples:



The **Agriculture Club** visited Gut&Bösel, where Bendikt Bösel, head of the German AgTech Platform, presented his current projects on sustainable farming

- Introduction of a 3-bin recycling system on Campus and respective recycling training
- Introduction of recyclable coffee mugs on Campus
- Informational stickers and posters around Campus that promote sustainable choices
- Annual sustainability survey
- Book recycling system.

Principle 3 | Method

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

In accordance with Principle 3, ESMT is deeply cognizant of the necessity of creating a learning environment conducive to effectively instituting the curricular changes deriving from the Principles of Responsible Management Education. Perhaps most importantly, the work of fostering that environment begins with the creation of a community, including recruitment and support of students, faculty, and staff. ESMT has worked hard to build an “intentionally diverse community,” that is, a diverse, inclusive community that transcends the homogeneity of its organic geographic location by strong efforts to recruit and support diverse students, staff, and faculty.

Until December 2019, two large initiatives had been created to promote inclusion at ESMT. First, at the networking level, with the introduction of the Inclusive Leadership Roundtable (ILRT), and second, at the organization practice level, by incorporating social responsibility and ethics as a feature of all teaching programs.

The Inclusive Leadership Roundtable

This internal network is dedicated to push forward the development of diversity and inclusion goals and to ensure that all programs, policies, output, and operations of the school are designed, implemented, and evaluated accordingly. The roundtable is coordinated jointly by ESMT degree students, administrative staff representatives, and a faculty member. It is an effort of its students, staff, faculty, and administrators to prioritize the values and practices of diversity, equity, and inclusion within the school and to champion the same in academia and the business community. The ILRT seeks to right what is wrong in the underrepresentation of women and marginalized groups in positions of socioeconomic power and to build paths to equity and equality as an influencer and collaborator on the global stage.

Encouraged by a student-led initiative, the then Executive Management Committee (EMC) of ESMT Berlin proposed the creation of the ILRT at its meeting in 2017. The EMC subsequently formalized the role of the ILRT as an advisory body to the EMC in 2020. With this, the ILRT assumed the mandate to provide, propose, and pursue methods and approaches for achieving diversity, equity, and inclusion goals at ESMT within the framework of its official charter and its ongoing strategic planning and with the approval, cooperation, and financial and administrative supports of the Management Committee and additional ESMT leadership.



Virtual discussion: How can leaders support and ensure diversity and inclusion.

Led by Catalina Stefanescu-Cuntze, Professor of Management Science and Deutsche Post DHL Chair (upper right photo)

Membership in the ILRT is open to all ESMT degree students, faculty and staff, and alumni, whose representatives serve as the ILRT Steering Group. Diversity of age, sex and gender representation, race, ethnicity, physical ability, religion, sexual orientation will be honored in ILRT composition and recruitment.

As the ambassador to the internal stakeholders of ESMT, the ILRT Steering Group will contribute to the development of diversity and inclusion goals and collaborate to ensure that all programs, policies, output, and operations of the school are designed, implemented, and evaluated accordingly. This includes affirmative action for the recruitment and retention of women and marginalized groups in ESMT leadership, faculty, and student bodies.

During 2020, progress was also achieved in this area through the appointment of a **Gender Equality Officer** for the next four years. This position seeks to contribute to the development and implementation of a Gender Equality Plan, as well as to work towards generally establishing equal opportunities of professional development for women and men at ESMT, by developing policy, strategies, and actions that ensure gender equality and inclusivity at the school. The Gender Equality Officer for this project presents and acts as an advocate for the needs of members of ethnic minority groups, the LGBTQ+ community, and those affected by age or disability.



Women in Leadership Club event

Guidelines and policies

ESMT encourages ethical behavior among its participants and has developed several policies to emphasize the importance of responsible thinking. These policies aim at creating and ensuring equal opportunities for men and women at ESMT. They cover areas related to recruitment and career progression. Recruitment policies that support equality include the creation of scholarships for females with outstanding performance who wish to pursue postgraduate education.

In 2019, ESMT developed a **code of conduct** and a sexual harassment policy that aim at defining sexual harassment and discrimination in the workplace as well as the procedures and actions that will be taken by the school when dealing with a complaint. It establishes measures for receiving complaints, offering information, and obtaining support. The code of conduct was updated in March 2020. A sexual harassment policy is included as part of the code of conduct. It provides the definition and the steps that a member of the community can take to report a complaint. During 2020, ESMT appointed an ombudsperson for cases of discrimination and harassment. Also, new MIM students participated in a workshop concerning issues of sexual harassment and assault during their orientation week.

ESMT acts according to German law and is committed to an environment in which diversity and equality are fundamental values. ESMT also goes beyond the requirements of the law to promote excellence through diversity and favors equal opportunities for all, from the recruitment process onward. From the twenty policies promoting gender equality that have been incorporated at ESMT, only six (30%) are required by law. The other policies have been developed as part of the school's commitment to ensure inclusion, equal opportunities, a work-life balance, and a discrimination- and harassment-free environment.

Students of degree programs are required to sign a study contract stipulating that, in addition to the academic obligations resulting from the Examination Rules and the

Study Books, they adhere to the terms of good academic practice. In the case of a severe violation of these terms, ESMT may terminate the study contract without prior notice, especially in cases that have adverse effects on teaching, study, and/or research activities and create a disadvantage for other members of the school or third parties.

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.

ESMT positions itself as a research-focused institution and strives to generate relevant and innovative knowledge for managers and policymakers through the integration of world-class research with a practice-oriented approach. As a result, research plays an important role in the recruitment, development, and promotion of the faculty. Research activities focused specifically on mission-related areas of interest have been facilitated through the establishment of relevant research chairs, centers, and institutes. ESMT is home to research centers, which focus on topics related to sustainability, ethics, and related themes and facilitate research, collaboration, and discussions on these topics:



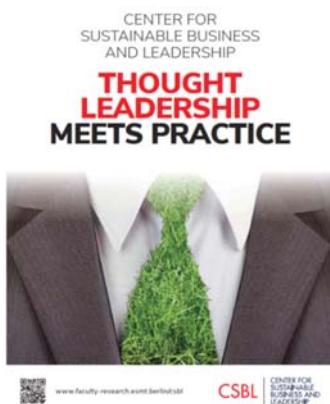
Linus Dahlander, Professor of Strategy, Lufthansa Group Chair in Innovation, and Director of Research

Center for Sustainable Business and Leadership (CSBL)

In line with the school's mission, the CSBL brings together the three areas of sustainable business, leadership, and business and society in one center. It concentrates research and thought leadership initiatives.

In the new center, the three areas of sustainable business, leadership, and business and society each have academic leaders and flagship initiatives:

- The academic leader for the leadership pillar is **Matt Bothner**, Deutsche Telekom Chair in Leadership and HR Development. There are several initiatives in this pillar led by ESMT Faculty, including the Coaching Colloquium led by Konstantin Korotov. The Coaching Colloquium is an opportunity for academics, practicing leadership coaches, human resources and learning and development professionals, and management consultants to enhance their knowledge, skills, and networks; through intensive collaboration and peer-consultation on challenging or unusual cases in the practice of executive coaching.
- The academic leader for the sustainable business pillar is **Tamer Boyaci**, Michael Diekmann Chair in Management Science. The flagship initiative is the Sustainable Business Roundtable, a peer-to-peer learning network of international companies meeting at ESMT twice a year to discuss different sustainability challenges and opportunities.
- The academic leader for the business and society pillar is **Gianluca Carnabuci**, Ingrid and Manfred Gentz Chair in Business and Society. The flagship initiative is the Advisory Board, an initiative addressing a wide range of issues concerning the relationships between business and society.



Center for Decisions, Models, and Data (DMD)

In 2020, the DMD Center was founded under the leadership of **Francis de Véricourt**, Professor of Management Science and President's Chair. The DMD center enables interdisciplinary research on models to help leaders and their organizations better interpret data, uncover new possibilities and improve their decision making. The abundance of data and the increasing adoption of intelligent machines raise questions about the future role of human-based decisions in organizations. At the same time, the profound crises the world is experiencing today have highlighted the limits of data-driven predictions and the need to decide even when data are scarce. The DMD center explores how individuals and organizations can create and apply better models, and how data-driven technologies complement – or hinder – humans' ability to represent.

Publications

One of the key research elements of the school is the connection of the business perspective with an overall economic perspective. Research conducted at ESMT aims at having a significant impact at the highest academic levels, generating new knowledge, and boosting sustainable growth. ESMT's research findings aspire to enlighten the judgment of business leaders and policy makers, thereby improving human societies and organizations. The research output from ESMT's faculty is published in international academic journals, which are first-class in their respective fields. These research findings also provide cutting-edge and profound insights for the business community as well as the classroom through managerial publications and case studies.

Faculty members, active in these areas, address important challenges that emerge especially in the context of sustainability transitions (**Henry Sauermann**, Katrin Vohland, Vyron Antoniou, Bálint Balázs, Claudia Göbel, Kostas Karatzas, Peter Mooney et al. (2020), forthcoming); present an analytical framework of the product take back legislation in the context of product reuse, while characterizing existing and proposed forms of E-waste legislation and comparing their environmental and economic performance (Shumail Mazahir, Vedat Verter, **Tamer Boyaci**, Luk N. Van Wassenhove (2019)); look at the question of the persistent failure of organizations to engage diversity and to employ a diverse workforce and fully realize its potential (**Chengwei Liu**, forthcoming).

Extant research has shown that gender-diverse organizations tend to be more innovative than gender homogenous ones but has left unaddressed the question of who, among an organization's workforce, becomes more innovative as gender diversity increases. This question is addressed by **Gianluca Carnabuci** in the Academy of Management Proceedings. Together with Carla Carolina Rúa Gómez, he examines how gender diversity affects individual-level innovative performance, measured through patent-based indicators, within the R&D labs of the 40 largest pharmaceutical companies over the period 1985-2010. By demonstrating that gender diversity has a heterogeneous effect across different segments of an organization's workforce, these results both deepen and qualify current understandings of how gender diversity affects innovation within organizations. A key implication of their proposed argument is that gender diversity does not only affect the overall performance of the organization; it also affects how performance



Gianluca Carnabuci, Professor of Organizational Behavior and Ingrid and Manfred Gentz Chair in Business and Society

(and hence the material and symbolic resources associated with it) are distributed within the organization.

Konstantin Korotov conducts research on leadership development, leadership coaching, careers, and executive education. He has authored, co-authored and co-edited seven books and multiple academic and practitioner articles, business cases, and book chapters on leadership development and executive coaching. He has won several awards for his case studies, articles, and teaching excellence. In his latest case study, **Konstantin Korotov** compiled a set of six vignettes (presented in a paper version and in a video version) designed to help undergraduate and graduate students, as well as participants in executive education programs recognize the differences between six leadership styles. The vignettes present employee descriptions of their superior's behaviors that are indicative of one of the six leadership styles: directive, visionary, affiliative, participative, pacesetter, and coaching. The vignettes, each describing a typical application of a particular style, can be used in class for the purpose of developing students' leadership style diagnostic skills, as a group discussion material, or as test material for post-class examination.



Matthew Bothner, Professor of Strategy and Deutsche Telekom Chair in Leadership and HR Development

Matthew Bothner and his PhD students developed a novel method that integrates techniques from machine learning with canonical concepts from network analysis in order to examine how the meaning of leadership has evolved over time. Using articles in Harvard Business Review from 1990 through 2019, they induced yearly semantic networks comprised of roles structurally equivalent to the role of leader. Such roles, from which leader derives meaning, vary in content from coach and colleague to commander and dictator. Yearly shifts in the structural equivalence of leader to clusters of thematically-linked roles reveals a decline in the degree to which leadership is associated with consultative activities and a corresponding rise in the extent to which a leader is understood to occupy a hierarchical position. Their analyses further revealed that the role of leader comes to eclipse the role of manager, measured through changes in pagerank centrality as well as betweenness centrality over the course of the panel.

One of the latest publications of **Francis de Véricourt** – awarded the POMS HOCM Best Paper Award – deals with a challenging topic of a public agency's problem of designing warning policies to mitigate potential disasters that occur with advance notice.

Research grants

In the years 2014 to 2020, ESMT was granted a total of €8,500,000 in third-party funding. In 2020, eight new third-party projects were approved for ESMT, including two new DFG grants, funding from the European Commission for Erasmus+ mobility with program countries, and a research project funded by the German Federal Ministry of Education and Research. Currently, 12 proposals with a total requested amount of €4.1 million are still under review.

In order to provide the best possible support for the funded projects and to support new proposal submissions, the department for third-party funding management and research funding, which was newly established in 2018, has grown to three

employees. The new part-time employee supports the research project started this year within the framework of an ERC Starting Grant.

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.

The distinctiveness of ESMT in comparison to other international business schools lies in its access to the founding companies and its strong corporate connections. As a school created by major global corporations and employer associations, the corporate dimension is integrated very closely into the governance, strategy, and culture of the school. The formal representation of executives from the founding companies – on the Board of Trustees of the ESMT Foundation, the Supervisory Board (SB), the International Advisory Council (IAC), and the Corporate Clients Council (CCC) – strengthens this integration. Consequently, ESMT has excellent national corporate links with major global companies. In addition, the foundation – established by the founding companies – guarantees the economic sustainability of the school. On various occasions, ESMT has been commended for the way it has engaged with a wide range of corporate partners and clients in developing research projects by using the expertise of its faculty. The activities of the school in providing numerous seminars, MasterClasses, the Annual Forum, and memberships in the Sustainable Business Roundtable (SBRT) serve as indicators of these strong relationships. ESMT brings together a diverse student body and a renowned faculty via strong international academic networks and initiatives to deliver a positive, global, and sustainable impact on society at all levels.

Sustainable Business Roundtable (SBRT)

The SBRT, inaugurated in June 2011, is a peer-to-peer learning network of 20 international companies. It combines innovative academic insight with open discussions on best practices and potential challenges and opportunities that companies encounter in their strive to embed sustainability. With key departure from other forums of this kind, the SBRT hosts biannual meetings that bring together sustainability managers from leading companies with their colleagues from other departments (e.g., HR, investor relations, marketing, etc.).



SBRT member companies

“The Roundtable is a great opportunity for companies to get together and to exchange views. Each company has its own unique position in this but the overall question of sustainability or what does that mean for the business is something that all the companies are wrestling with, and that is why we are here. So if we have an opportunity to spark ideas of each other and learn from each other it is really good.”

Steve Pain, Global VP Communications, Unilever

By joining the SBRT, companies can learn how triple bottom line strategies create value for different functional areas within companies; discuss best practices, opportunities, and challenges of implementing sustainability strategies with other world class companies; formulate and implement strategies that maximize both business and societal value; set up joint research projects with ESMT Berlin.

In the period 2018-2020 six roundtables took place:

2020

October 21-22: “Impact Valuation”

May 14: “Decarbonization: Business Case, Innovations & Corporate Strategies”

2019

October 30-31: “Driving Circular Economy Goals: Business Models, Design, and Collaboration”

April 11-12: “Digital Innovations and Startups Driving Sustainability”

2018

November 14-15, 2018: “Sustainable Policy, Regulation, and Compliance”

April 26-27, 2018: “Implementing Sustainability Across the Company”

Academic partners

ESMT Berlin collaborates with international business schools to bring its Executive MBA and executive education certificate programs to leaders and learners around the world:

- Sao Paulo Escola de Negócios: Offering the joint Executive MBA in Leadership since May 2016
- Cheung Kong Graduate School of Business (CKGSB): Offering the “Bringing Technology to Market” Executive Education program
- China Executive Leadership Academy in Pudong (CELAP): Offering the “Bringing Technology to Market” Executive Education program
- Darden School of Business, University of Virginia: Offering the second module of the “Bringing Technology to Market” Executive Education program
- Guanghua School of Management, Beijing University Business School: Offering a post-MBA exchange program
- SKK Graduate School of Business (Seoul): Offering qualified students a 50% tuition discount on the MBA program.

Friends of ESMT

Friends of ESMT work to develop and promote the principles of responsible leadership. This includes the support of teaching, program development, and research at ESMT Berlin as well as collaboration with sponsoring institutions and programs.

Responsible Leaders Fellowship Program

Friends of ESMT promote the Responsible Leaders Fellowship Program for graduates of the ESMT MBA program. The six-month fellowship starts immediately after graduation and takes the graduate to emerging areas of Africa or Asia, where they contribute their knowledge and capabilities and gain real-world business experiences.

The Industry Immersion Program (IIP)

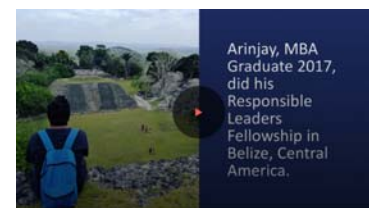
The IIP was launched at the African Institute for Mathematical Sciences (AIMS) in South Africa in July 2017 as a post-graduate certificate program for African mathematical scientists. It runs in partnership with the Southern African German Chamber of Commerce and Industry, and with funding support from the German Federal Ministry for Economic Cooperation (BMZ) through the German Academic Exchange Service (DAAD). The program seeks to strengthen the employability of graduates of the MSc in mathematics program from the six campuses of AIMS across Africa. It provides a hands-on supplementary curriculum to those seeking a career in industry or in business.

This year, the IIP serves students at new locations in Kigali, Rwanda and Accra, Ghana, in addition to its original location in Cape Town, South Africa. Due to COVID-19, teaching moved to a blended format, with students following online seminars from their respective campuses accompanied by local work readiness and skills programs. The IIP is an important contribution to sustainable industrial development and new job opportunities in Africa, which is particularly relevant in the face of the current economic crisis. Due to their heavy reliance on the export of raw materials, many African economies suffer greatly from the current global recession and shrinking demand.

The current crisis is an enormous challenge for education providers worldwide, but it is also a catalyst for innovation and pragmatic solutions. I am happy that we were able to not only implement the program this year, but even to expand delivery from one to three locations simultaneously, serving more students than ever before.

While the IIP had seen around 25 participants each year previously, the current three intakes have 45 students altogether – 15 at each location – with 53 percent of them being female. Over the course of two months, the students attend courses on topics such as general management, data analytics, and entrepreneurial strategy. The online units, delivered via ESMT's digital learning platform The Hub, are accompanied by live video lectures and class discussions. In addition, the students follow a comprehensive industry-linked skills development program delivered by the AIMS teams on the ground. The academic module is followed by a three- to six-month internship with industry partners in Africa, including renowned German companies such as Siemens, B. Braun, and Bosch.

The first three years of the IIP have been successful. Of the 78 alumni, 80 percent gained employment in industry and ten percent a position in academia after program completion. The pilot program is supported with funding from the German Federal Ministry for Economic Cooperation and Development (BMZ) via the German Academic Exchange Service (DAAD).



Responsible leadership program



In 2020, the IIP opened new locations and moved virtual

International networks

EQUAL4EUROPE

EQUAL4Europe is a project launched by researchers, lecturers, and experts in gender equality from various international universities and business schools to promote gender equality at academic institutions. ESMT is participating in the project, which is funded by the European Commission.

Erasmus+

ESMT Berlin has been awarded the Erasmus Charter for Higher Education (ECHE), the prerequisite for participation in the EU's Erasmus+ program. With an overall budget of €14.7 billion, the program financially supports people in Europe with studying, training, and working, providing them with the opportunity to gain international experience. Once the mobility program is set up at ESMT, students will be able to apply for living cost stipends for exchange semesters at partner institutions and internships in Erasmus+ countries.

Global Network for Advanced Management (GNAM)

ESMT Berlin is the German network partner of the GNAM. Founded by Yale School of Management in 2012, the network consists of 32 business schools worldwide that collaborate in academic exchange, research, and student exchange. Master's in management, MBA, and executive MBA students work together in open and custom programs, discuss major business trends, and create research and data-collection projects to shape the future of business.

UNICON

UNICON is a global consortium of business-school-based executive education organizations. Its member organizations are engaged in accelerating the education development of leaders and managers, thereby enhancing performance in public and private organizations globally. Its primary activities include conferences, research, best practice exchange, and member networking within the business and practice of executive education. ESMT joined UNICON in 2016.

Future of Management Education Alliance (FOME)

ESMT is a founding member of the FOME, a knowledge and platform alliance. This was an important step in the internationalization of teaching and learning strategy at ESMT. The alliance consists of like-minded business schools who share the firm idea that online learning should have the same transformational impact as the very best face-to-face courses. At its center is a custom-built education platform, designed and provided by technology enterprise Insendi, a company founded by EdTech experts at Imperial College Business School. The platform can be tailored to meet the requirements of each member school, enabling them to redefine, customize, and digitize their portfolio of programs. Further members are Imperial College Business School, EDHEC Business School, BI Norwegian Business School, Lee Kong Chian School of Business, Melbourne Business School, and Ivey Business School. The output of the collaboration are new insights, pedagogical models, technologies, and a range of innovative, high quality online courses and degree programs. The objective of the alliance is to act as a catalyst for extraordinary



Raji Jayaraman, Associate Professor of Economics, teaching an online session

innovation and to be an enabler of digital transformation at each of the partner schools.

ESMT's experienced, in-house Edtech team works to ensure a seamless study experience on the world's most innovative learning platform. We liaise closely with professors and the Future of Management Education (FOME) partnership to keep updated with the latest knowledge, new learning models and techniques, and the right technologies to deliver a high-quality and impactful educational experience.

Through this collaboration, ESMT has been able to move rapidly from late adopter to pioneer in the blended learning space. By using a common technology platform and an open innovation approach, we are now able to bring new program formats to the market with our partners and at speed.

At the 2019 Reimagine Education Awards & Conference, the FOME Alliance won the Gold and Silver awards in the business education and e-learning categories, respectively. Reimagine Education is a global conference and competition. It brings together educational technology (EdTech) startups, academic faculty, university leaders, teachers, and other stakeholders in the future of teaching and learning. The Reimagine Education Awards – known as the “Oscars of Education” – reward innovative approaches that enhance student learning outcomes and employability.



Reimagine Education Awards & Conference 2019

Principle 6 | Dialog

We will facilitate and support dialog 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.

As an institution, ESMT and its students are engaged with diverse communities in several ways.

Engagement with business

ESMT has always been close to practice, which has intensified through the establishment of the centers and institutes of the school. For example, with the Center for Financial Reporting and Auditing (CFRA), ESMT established a communication channel between the academic world and practice about research issues in financial reporting and auditing. The Digital Society Institute (DSI) has been bridging technology and society through research that places security and privacy at the center while considering social, business, legal and economic needs. In the last four years, DSI has become a trusted source for guidance on technological growth, ethics, and tech forecasting. The DSI aggregates and develops basic research using methodological approaches and theories, combining them with an application-oriented and holistic viewpoint, and providing metrics and frameworks to measure, understand, and predict the digital world.

In 2016 ESMT established the initiative of Executives in Residence, which offers a valuable link between corporate partners and the school. Executives and entrepreneurs in residence volunteer to share a wide range of experiences and expertise with students and other members of the ESMT Berlin community.



Per Olsson, Professor of Accounting and Director of the Center for Financial Reporting and Auditing

The ESMT Annual Forum is the school's premier event, providing corporate, political, and academic leaders a platform for in-depth discussions of current global business issues. Additionally, breakout sessions led by ESMT faculty and external experts invited participants to focus on specific outcomes of technology implementation in business.

The ESMT Open Lectures showcase speakers, who through their achievements and expertise are recognized leaders in their fields. The lectures cover a wide spectrum of fields ranging from business, economics, politics, and philosophy to the arts. Esteemed speakers not only provide detailed knowledge on their specialized topics, but also provocative insights that have broad relevance and wide-range application. The lectures provide a forum in which their ideas can be communicated to and debated with a wider audience. Renowned speakers from previous open lectures include:

- Christine Lagarde, Managing director, International Monetary Fund
- Mikhail Khodorkovsky, founder of the Open Russia movement, former head of Yukos
- Oliver E. Williamson, professor at the University of California, Berkeley, and recipient of the 2009 Nobel Memorial Prize in Economic Science.
- Niall Ferguson, Laurence A. Tisch Professor of History, Harvard University, and Trustee, American Academy in Berlin
- Hal Varian, Chief Economist, Google
- Simone Menne, CFO at Boehringer Ingelheim.

Engagement across disciplines

Coaching Colloquium

Since 2009, the annual Coaching Colloquium has served as an opportunity for academics; practicing leadership coaches; human resources as well as learning and development professionals; and management consultants to enhance their knowledge, skills, and networks through intensive collaboration and peer-consultation on challenging or unusual cases in the practice of executive coaching.

Throughout the years, hundreds of cases of challenging coaching situations from the perspective of the coach have been explored. Each time the discussion was set within a broad topic of importance to society, organizations, or the coaching profession.

The power of the Colloquium has always been in the willingness of the participants to bring their difficult experiences to the analysis by the others, and to bring themselves as tools for working on the questions of interest. During the colloquium, participants are working with real cases presented by real coaches, faculty, and learning and development managers and commented upon by fellow professionals.

The broad topic this year was about humiliation and the reflection of this phenomenon in executive coaching practice. Dictionaries define 'humiliation' as a state of feeling ashamed or losing respect for oneself, or the actions causing such feelings or loss in others.

Institute for Endowment Management and Entrepreneurial Finance (IFEE)

The IFEE at ESMT Berlin integrates activities at the intersection of the fields of entrepreneurship and finance in a unique way. These activities span research, teaching, as well as interactions with practitioners. The IFEE is led by the POK Pühringer PS Chair for Entrepreneurship and also encompasses a visiting professorship in Finance and Endowment Management position. It also supports the Portfolio Management Program (PMP), which is an optional two-year elective, during the MIM program, wherein selected students actively manage a real-money portfolio - €1 million per group with a total portfolio value of €3 million. The concept of the PMP enables participants to combine theory and practice to develop real trading strategies on the open market. PMP students learn how to cope with the positive and negative dynamics of active investing and how to develop their own strategies in global markets.

Engagement with diverse communities

DigitalFuture Summit

Since 2017, talented and tech-savvy students of ESMT have engaged with leading global companies and innovative startups at the DigitalFuture Summits. The international conference, organized by ESMT Berlin students, takes place in the summer. Participants of this event who apply and get accepted to this or next year's Master's in Management (MIM) at ESMT, have the chance to be awarded with a €10,000 scholarship.

The DigitalFuture Summit connects students with an interest in digitalization with business leaders and potential employers to foster knowledge exchange and help students expand their network. All keynote lectures, panel discussions, workshops, and master classes focus on four main clusters: connectivity, mobility, creativity, and sustainability.

Scholarships

ESMT offer several scholarships that are merit-based and open to all applicants, but especially to women and prospective students with a very good academic background or relevant work experience of several years in non-profit organizations. One of such scholarships is the 30 percent club/ESMT Scholarship. It was established to encourage and support outstanding women who are aspiring toward more senior leadership roles. ESMT and the 30 percent club are committed to addressing gender imbalance and to helping more women reach influential positions.

In its goal to attract the best students, the Net Impact @ESMT Berlin has been offering scholarships to future MIM students who have been highly committed to the cause of sustainability, such as climate change, healthcare, and non-profit - initiatives geared towards global poverty and global health.



Kick-off of the DigitalFuture Summit 2019



3. Future perspectives

The strategy of ESMT up to 2025 focuses on the further enhancement of its reputation for academic excellence and maintaining its financial stability.

Core elements of our vision are to engage every student in a life-changing experience, to deliver globally-recognized research and innovative solutions that improve society, to lead in sustainability, and to keep our position as one of the Europe's leading business schools. The main strategic goals of the school continue to be

- a premier school committed to excellence; a national leader within the scope of business education, as deemed by foreign peers;
- culturally rooted, globally minded: the most German international business school and the most international German business school, capitalizing on its location and roots in the heart of Europe, deriving value from — and providing value through — being truly entrepreneurial and international, with a particular focus on delivering value for society at large rather than a strict shareholder focus;
- a leading school that is known for impact in select areas of ideas and
- Within the mission of ESMT, three key pillars form the guiding principles of the school, from research through teaching to practical application: leadership, innovation, and analytics.

The strategic direction of the school centers on the following core themes:

- continuous growth of faculty, and research, degree, and executive education areas;
- internationalization and diversity of markets, partnerships, and delivery modes (e.g., blended learning);
- increase of income through fundraising, grants, and commercial income streams;
- a specific focus on providing opportunities for program participants to create social value.

Overall, the mission of ESMT is entirely congruent with the UN PRME principles. The school strongly supports the aims of the PRME. ESMT continues its commitment to long-term adherence to and support for the Principles. However, ESMT would prefer to prove itself by its actions rather than its promises.

4. In conclusion

We are committed to delivering an impactful and high-quality learning experience, be it face-to-face, online, or in a hybrid format. We recognized the importance of digitalization in education and society as a whole long before the coronavirus made face-to-face teaching impossible. In 2019, we invested heavily in digital learning. This investment, along with our experience as a part of the Future of Management Education Alliance, has given us a tremendous advantage. We not only have the capability and expertise to deliver the highest quality of online and blended programs, but we also have access to faculty networks across leading business schools in Europe, APAC, and the Americas.

This year, in the midst of the ongoing Covid-19 pandemic, the wellbeing and needs of our students, faculty, and staff have been at the forefront of our planning and actions. Of primary importance is ensuring that students can continue their learning and complete their qualification. We have implemented a move to blended learning, with new content to ensure that our teaching continues to prepare our graduates for a post Covid-19 world.

5. About ESMT



ESMT Berlin is a state-accredited, private business school with the right to grant PhDs. Founded in 2002 by 25 leading global companies, we have made a name for ourselves as the most successful business school in Germany. ESMT is the first and only German business school in the European Top 10. We offer a full-time MBA, an executive MBA, a part-time blended MBA, and a master's in management, as well as executive education. Located at the historic Schlossplatz, in the center of the German capital and opposite Berlin's most exclusive location, the newly built Humboldt Forum, ESMT acts as an interdisciplinary platform for discourse between politics, business, and academia.

ESMT grooms new talent for Germany – as the center of economy – and Europe. We develop entrepreneurial leaders who think globally and act responsibly. Our 9,000 international alumni are in high demand worldwide as entrepreneurs and executives. Researchers at ESMT have been among the most productive driving forces of innovation and knowledge at the interface of management and technology, in alignment with the three pillars of the school: leadership, innovation, and analytics. ESMT ranks highest in Germany in terms of research publications. Our researchers and programs have won renowned awards and prestigious grants, such as the grant of the European Research Council (ERC) or the Excellence in Practice Award for Executive Education.

ESMT is consciously interdisciplinary and practice-oriented. We are convinced that we can therefore make a meaningful contribution in view of today's societal challenges. Both in research and teaching, the focus is on climate change, sustainability, digitization, artificial intelligence, health, and diversity. ESMT has been at the forefront of digital and lifelong learning for years, so we are in an ideal position to build on our leading role in these areas.

www.esmt.org

ESMT Berlin
European School of Management and Technology
Schlossplatz 1
10178 Berlin
Germany
Valentina Werner, Associate Dean of Academic Affairs
Phone: +49 (0) 30 21231-1065
valentina.werner@esmt.org
www.esmt.org