

Hong Kong Baptist University
School of Business

Sharing Information on Progress

June 2011 – June 2013

Submitted to:

PRME Principles for Responsible
Management Education

August 2013

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Message from the Dean

Since 1956, Hong Kong Baptist University (HKBU) has provided innovative business education to students from across the globe. The School of Business has achieved awards from the three largest and most influential business school accreditation associations: Association to Advance Collegiate Schools of Business (AACSB International), Association of MBAs (AMBA), and European Quality Improvement System (EQUIS). The School is among the 1% of the world's business schools to be triple-accredited.

We have a strong culture of excellence in both research and teaching, pursuing lines of scholarly inquiry that complement and enhance instruction. A case in point is our recent adoption of corporate sustainability as a strategic theme in order to strengthen and integrate the business ethics, corporate governance and corporate social responsibility components of our pedagogical and research agenda. In 2008, the School of Business joined the Principles for Responsible Management Education (PRME), supported by United Nations. We are the first member university in Hong Kong admitted to this global network. With the support of the *Journal of Business Ethics* and the *Asian Journal of Business Ethics*, we founded the World Business Ethics Forum (WBEF) in 2006. Hosted biennially by the School, the conference explores new approaches and ideas in the field of corporate sustainability.

The School's bachelor's, master's and doctoral programmes provide participants with the cutting-edge skills and knowledge they need for successful business careers. For example, our MBA programme is the first in Hong Kong to place a distinct emphasis on business in China, and many of our alumni have become successful mainland executives over the past decade. Our specialised master programmes including Master of Accountancy, Master of Human Resources Management, MSc in Applied Accounting and Finance, MSc in Applied Economics, MSc in Business Management, MSc in Corporate Governance and Directorship, MSc in Global Marketing Management, and MSc in Strategic Human Resources Management continue to set regional standards in these fields. Designed for senior managers and executives, our

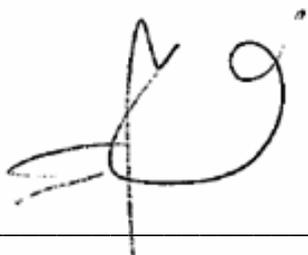
DBA programme is a uniquely designed professional doctorate programme for small cohorts. Furthermore, we offer extensive extracurricular opportunities such as overseas exchanges, business internships and service learning / language enhancement programmes to nurture students as all-round business leaders.

The School has gained international recognition for its contribution to new business knowledge, thanks in large part to its regional expertise and corporate partnerships. Our faculty conduct theoretical and applied research with significant corporate advisory and/or policy implications, and serve the private and public sectors as consultants, advisors and committee members.

Building on this solid foundation, the HKBU School of Business will continue to advance business education in order to better serve our community, our economy and our environment.

As an institution of higher education involved in the development of current and future managers we declare our willingness to progress in the implementation, within our institution, of the six PRME Principles, starting with those that are more relevant to our capacities and mission.

In this report, we recap the progress to all our stakeholders and would be delighted to exchange effective practices relating to these six principles with other academic institutions.



Professor Stephen Y L Cheung, BBS, JP
Dean, School of Business and Professor (Chair) of Finance
Hong Kong Baptist University

Sharing Information on Progress June 2011 - June 2013

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 School has actively organised and participated in a wide range of academic programmes and other activities to nurture its students' sense of the importance of sustainable development for business and society:

a. Service-Learning Programme

The School's Service-Learning Programme is meant for nurturing the servant leadership of students and exposing them to the evolving needs of the community, in keeping with the School's mission and the Whole Person Education philosophy of HKBU. Students apply their business knowledge and skills to solve operating problems of non-profit organisations, such as preparing accounts, building websites, conducting marketing research and training courses, and some of them gain academic units from the course-based projects.

Besides serving the NPOs in Hong Kong, our BBA students also received scholarships to serve the needy in mainland China cities including Beijing, Yunnan, Guizhou and Nanjing. They were involved in projects organised by Tsinghua University in Beijing (Summer Service Learning Programme) and by NGOs such as the World Vision, Amity Foundation in China and Baptist Church in China.

b. Chartered Secretaries Corporate Governance Paper Competition 2011

The School encourages its students to participate in open competitions to widen their horizons of corporate governance knowledge. In The Hong Kong Institute of Chartered Secretaries Corporate Governance Paper Competition 2011, our BBA students beat 28 teams from local universities

and won the championship.

c. PRME Leaders+20 Competition 2012

PRME Leaders+20 Competition was introduced by PRME and Aarhus University. The aim of the competition was to encourage the teams to present their ideas for how sustainability and accountability can be integrated into management-related education. The global challenge was presented to more than 100,000 students and their lecturers at universities and business schools worldwide. HKBU students formed a team to enter the contest and was one of the top 10 nominees of the Competition.

Principle 2

Values: We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.

The School emphasises whole-person business education and aims to nurture business leaders who demonstrate ethics and values, and contribute to the development of their organisations and the community as a whole. The School has incorporated business ethics, corporate governance, CSR and corporate sustainability elements into programme curricula such as the following eight courses:

a. Business Ethics and Corporate Social Responsibility:

This is a required core course of the BBA (Hons) Degree programme. It covers a wide spectrum of diverse moral decision making frameworks and discusses the pros and cons of each as applied to functional business areas such as management, human resources, accounting, marketing and finance. It also covers the practical issues that contribute to the sustainable development of organisations. Emphasis is placed on applying moral thinking to solve real business problems facing by business professionals in Hong Kong.

b. Service Learning and Community Engagement:

This elective course provides students with an opportunity for active learning and enables them to build a sense of social responsibility and commitment that are essential when they apply their business and professional skills to their careers. This is a community-based instruction course intended to promote student's civic responsibility and to strengthen their problem-solving and decision making skills by acquiring hands-on experience in community projects provided by NGOs and not-for-profit organisations in Hong Kong, mainland China and other countries. It is a reciprocally beneficial course, with meaningful service being provided to the community and meaningful learning experiences being provided to the student.

c. Corporate Governance and Ethics:

This is a course for our DBA Programme. This subject provides an understanding of the key issues of modern corporate governance and ethical operation, the basic roles and responsibilities of shareholders, directors and management, and the roles of business in society and corporate social responsibility. Student are trained to analyze and solve corporate governance and ethical issues and be familiar with the legal, social, economic, moral, and psychological issues that they may confront in the ordinary course of serving on boards. In addition, by providing a foundation in ethical theories and a framework for analysing ethical dilemmas, students are sensitised to ethical dilemmas and will be able to develop some codes or guidelines for making ethical decisions.

d. Ethics in Human Resources Management:

This is an elective course for the Master of Human Resources Management Programme and MSc in Strategic Human Resources Management Programme. This course aims to enhance students' understanding and awareness of ethical issues in the area of HRM. It examines various ethics concepts and moral decision frameworks, as well as their applications on HR practices and employment issues. Special emphasis is placed on creating and maintaining an ethical work environment.

e. Socially Responsible Marketing:

This course introduces students to the fundamental concepts of socially responsible marketing (SRM). By taking a critical reflection on the nature of marketing practice, the course explores the interrelated areas of corporate social responsibility, marketing ethics and societal marketing. Advancing socially responsible marketing is considered in terms of the roles and responsibilities of consumers, firms, and Government. The effect of marketing activities on a broad range of societal constituencies is considered, and how these marketing activities can be used in a positive way to generate advancement and well-being for the global society.

f. Ethics in Business:

This is a course designed to contribute to the General Education (GE) Programme of HKBU and is offered to non-business students. It adopts an integrated interdisciplinary approach to teach business ethics. An integrated interdisciplinary approach highlights the importance of cognitive development in which students are given ample opportunities to experience the world through a variety of perspectives. In theory, the more connections students have with a concept, the better their chance to apply the knowledge to the real world situation. It infuses business education with moral theory and moral reasoning to help students analyze and explore the ethical dimensions/dilemmas that modern managers face.

Moreover, the course presents a broad spectrum of moral decision-making frameworks and shows how they can be applied to functional business settings such as general management, human resources management, accounting, marketing and finance. Fundamental tenets for effective decision making such as morality, legality, responsibility, utilitarianism, rights and justice will be covered. The course aims to enhance students' ethical awareness and sensitivity, and to facilitate the development of a sense of moral judgment and obligation.

g. Social Entrepreneurship: Opportunities to Change the World?:

This is another GE course for non-business students. It is about encouraging the entrepreneurial intention and venture creation of students to address social issues, create effective responses to social needs and innovative solutions to social problem, suggest ways to change the community and society, and provide impacts to the global community.

The aims of this course are: (1) to introduce students to the concepts, practices, and challenges of social entrepreneurship in Hong Kong, Greater China and around the world, (2) to equip students with framework and tools that offer insights into how social value is created and how social impact can be measured, and (3) to engage students in a joint learning process with social entrepreneurs in Hong Kong so as to enable students to acquire

a strong grasp of the various forms, models and approaches that social entrepreneurs are using to attain the “triple bottom line”, that is having the greatest financial, social and environmental impact.

h. Leadership in Sustainability:

This is a new GE course to be offered in the 1st Semester in 2013-14. The course is proposed to help develop responsible business graduates who can decipher the importance of leadership practiced by sustainability leaders in the corporate world. This new course extends far beyond the classroom. It includes several teaching and learning methods including case studies, mentoring by corporate leaders, field studies, innovative problem solving, experiential learning and descriptive case writing.

The objective is to maximize students’ exposure to real leadership cases in driving sustainability. In the process, students will generate intrinsic motivation to delve into the understanding of related issues, develop the right values for ethical and responsible management and be prepared to become change agents. Corporate partnership will be sought so that students can learn about sustainability practice through first hand visits and data gathering for putting together descriptive cases of sustainable practice.

This course will facilitate self-transformation in students who will then develop a right mindset to practice responsible management with the goal in achieving sustainability for our future.

This is a curriculum that participated in the UN PRME Leaders+20 Competition 2012 and came top 10.

Principle 3

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

a. IIBD Case Competition

In order to allow our students, tomorrow's business leaders, to be better prepared to meet the challenges of a rapidly changing global business environment, the Wing Lung Bank International Institute for Business Development (IIBD) of the School of Business, HKBU has organised and hosted the IIBD Case Competition for student teams from universities worldwide since 2008. During the Competition, students have to work under pressure to solve a real world business problem, using cases to simulate business conditions such as time-critical deadlines and incomplete information, to formulate workable, action-oriented recommendations. Each student team has six hours to work on the case before presentation to a panel of judges. This annual Competition attracts an average of 33 student teams (composed of not more than 4 students per team) from 15 countries every year.

IIBD has been organising the Competition for six times. To enhance the participating teams' awareness of responsible management strategies, cases related to this theme are chosen, as follows:

Year 2009: Corporate Social Responsibility (CSR)

Year 2010: Corporate Sustainability

Year 2011: Value Creation through Branding

Year 2012: Sustainability in the Workplace

Year 2013: The Sustainability of Social Enterprises: Managing the Double Bottom Line

b. “MindXchange” – A Student Debate on Business Ethics and Corporate Sustainability

As Corporate Sustainability is the theme the School of Business has adopted to guide its initiatives and teaching emphasis, the “MindXchange” Student Forum was first created in 2010 to promote students’ active participation in free exchange of ideas on current issues especially related to the timely topics of sustainability, corporate social responsibility and business ethics.

In 2011-12 and 2012-13, “MindXchange” was launched four times with big success and popularity. Each time, the two debate teams made up of undergraduates and postgraduate students from the School of Business and other faculties/schools debated “for” and “against” the motion. After that, the audience voted to decide the winning team. “MindXchange” endeavours to further enhance student involvement in the School’s values of ethics and corporate sustainability through the floor of debates, discussions and voting.

The following motions were used for the debates:

Fall 2011: NGOs/NPOs are the main drivers of CSR advancement today

Spring 2012: Islamic banking can serve as a model for ethical and sustainable banking tomorrow

Fall 2012: A sustainable fashion industry in Asia can only be borne with government intervention

Spring 2013: Who will lead Hong Kong towards a sustainable future: corporate leaders or social entrepreneurs

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.

The School has adopted corporate sustainability as a strategic theme to guide its teaching and research development. To further promote corporate social responsibility (CSR) and sustainability in the School and community, a large-scale project called “Corporate Sustainability: A Community Dialogue” was launched in September 2009. The School and the University’s Strategic Development Fund have contributed a total of HK\$10 million to this project, which will run until October 2014.

The main thrust of this Project is to promote the understanding of corporate sustainability through activities such as seminars, conferences, competitions, research projects that will engage students, the academic community, business corporations, and the Hong Kong community at large. These activities focus on corporate governance, business ethics, corporate wellness management and work-life balance which come under the main theme of CSR.

While the School of Business acts as the hub for the project, colleagues of all other faculties and schools are invited to participate in the activities hosted by the School. In the Phase 1 of the project (September 2009 – October 2011), a total of 34 research projects in the area of corporate sustainability were funded.

In the Phase 2 of the Project, the following 16 research projects have been approved from November 2011 to April 2013:

1. Case Studies of Pacific Coffee Company, Cathay Pacific Airways, and Li & Fung Group – Corporate Sustainability and Critical Success Factors

2. Examining the Relationship between Organisational Politics and Contextual Performance through Paradigmatic Exploration and Its Impact on Corporate Sustainability
3. Corporate Sustainability and Earnings Management
4. Controlling Shareholder's Performance and the Value of Cash in China
5. Creating Corporate Sustainability through Ethical Leadership and Positive Workplace Behavior: A Moderated Mediation Model of Moral Disengagement and Moral Identity
6. Determinants of CEO Turnover: The Perspective of Upper Echelons
7. Institution, Ownership, and Accounting Conservatism in Private Firms
8. Labor Market Sustainability in China: A Study of Work and Marriage Choices of Working Women
9. Sustainable Mobility and High-Speed Railway in China - An Institutional Analysis
10. Procedural Justice, Corporate Social Responsibility and Corporate Social Performance: A Study of Transitional Economy IJVs
11. Internationalization and Corporate Social Responsibility in Emerging Marketing
12. Does Minority Shareholder Hamper Corporate Social Responsibility?
13. National Business Culture, Corporate Social Responsibility, and Bank Loan Contracting
14. Building Corporate Sustainability: Monitoring Abusive Supervision and Fostering Proactive Behavior: A Moderated Mediation Model of Social Support and Motivation
15. What Do Hong Kong Consumers Want from Their Electric Utilities?
16. Sustainable Strategy, Legitimacy and Firm Performance, a Perspective of Institutional Theory

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 School of Business has established a strong connection with the local community and different organisations in the public and private sectors in Hong Kong and Mainland China. The School is also very keen on transferring its knowledge and research findings to enhance their corporate sustainability and sense of social and environmental responsibilities. The activities hosted or jointly organised with various organisations are summarised below:

a. The 4th World Business Ethics Forum (WBEF)

The School of Business at HKBU and the Faculty of Business Administration at the University of Macau (UM) jointly organised the fourth World Business Ethics Forum (WBEF) on 16-18 December 2012. The theme for this Forum is Corporate Social Responsibility (CSR) and Sustainability. More than 150 scholars and professionals of the business sector from 16 countries and regions participated in the Forum.

HKBU and UM co-founded the WBEF in 2006 and have since hosted the Forum every two years. The WBEF aims to provide an opportunity for academics and practitioners from around the world to discuss ideas and issues on the theme of Corporate Social Responsibility and Sustainability.

b. Project on Enhancement of Church Management

Christian organisations including churches are as much in need of good management as any other organisations. This was the conviction that started a new initiative in the Institute of Enterprise Development (IED) of HKBU School of Business in 2009.

At the suggestion of a Christian brother, IED started the initiative entitled "Enhancement of Management in Christian Organisation and Churches".

The School of Business has always gone beyond engaging with business enterprises to include NGOs and more recently social enterprises. With its Christian heritage, it is well placed to engage with Christian enterprises. Because of its lack of experience in this field, IED solicited the help and involvement of Hong Kong Professional and Educational Services Limited (HKPES) in 2010. This began a partnership of the two organisations committed to designing programmes to explore leadership and management issues from management and biblical perspectives.

The first event organised was in Oct 2010, two full-day seminars on “Unleashing the Potential of Church: Leadership and Management” with keynote and panel speakers that included Carver Yu, Patrick Yuen, Cheung Tin Wo, Yip Chung Mao, Wu Chi Wai, Allan Chan, etc. Over 200 pastors, lay leaders and representatives of churches in Hong Kong attended the seminar.

In July 2011, a full-day seminar followed by a half day workshop were conducted for Christian organisations on “Exploring the Blue Ocean for Fundraising: How to Raise Funds for Christian Organisations”. Close to 100 representatives from over 40 Christian organisations in Hong Kong attended the workshop.

In 2012, IED and HKPES a new attempt was made to jointly conduct a research on “Exploratory Study on Well-being and Work of Pastors”. The findings were released in a seminar in July 2012 and later also in a pastors’ conference at The Chinese University of Hong Kong.

In 2013, a half-day seminar on “Procedural Justice in Churches and Christian Organisations” and a nine-hour course on “Conflict Management in Churches and Christian Organisations” were conducted.

These programmes were designed not only to provide the management perspective delivered by experts, the biblical perspective was equally emphasized. We have also always ensured that the programmes provide a

platform for leaders of churches and Christian organisations to come together to exchange ideas and experiences. No wonder the feedback from those who attended our programmes have been very enthusiastic and positive.

c. Corporate Social Responsibility Consultancy Project for MTR Corporation in Hong Kong

This is consultancy project for the MTR (Mass Transit Railway) Corporation, the largest transportation system in Hong Kong. Its main objective is to map out a long-term positioning for the corporation's corporate social responsibility (CSR) policy. The project team is comprised of the Dean and two faculty members of the School. The project contains four parts, including a macro study of the global CSR practice, stakeholder studies, an envisioning exercise and a final strategic proposition.

The deliverables of this project include the guiding principles for managing the CSR practice; a strategic mapping of MTR's key stakeholders; a priority matrix for better alignment of their departmental CSR focuses; and a possible strategic proposition of areas that can bring about values for shareholders as well as the community. All of these, as believed, will be strategic considerations for the development of MTR over the next ten years and beyond.

d. Community Engagement of MBA Students

The School of Business participated in the "Enhancing Self-Reliance Through District Partnership Programme" organised by Home Affairs Department of Hong Kong SAR Government by arranging groups of MBA students to provide consultancy service to several social enterprises in Hong Kong. Their main task is to act as "company doctors" to diagnose problems faced by the managers or owners, and to give advice in order to refine management practices, streamline operation procedures, devise marketing and strategic development plans for these social enterprises. This year-round project aims to improve the efficiency, business strategies and market development of social enterprises in Hong Kong.

Principle 6

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

The School of Business organises dialogue sessions and debates on global social responsibility and sustainability and invites different parties such as students, scholars, businessmen and government bodies in regular basis:

a. Dialogue Sessions on Corporate Sustainability and Business Ethics

The Institute for Enterprise Development (IED) serves as the executive development, research and consultancy arm of the School of Business, providing a linkage between the School and society.

To promote corporate sustainability and business ethics, IED organises different dialogue sessions in recent years. Some of the seminars are shown as follows:

1. *The Sustainability of Hong Kong as a Financial Centre: A Dialogue with The Hon. Ronald Arculli, GBM, GBS, JP, Chairman of Hong Kong Exchanges and Clearing Limited, and Member of the Executive Council, HKSAR (8 September 2011)*

Convened by Professor Stephen Cheung, Dean of the School of Business, the dialogue session saw an engaging discussion between Mr. Arculli and the students over a range of current issues such as Renminbi appreciation, the sustainability of Hong Kong as an international financial centre, the wealth gap, the outflow of capital from mainland China, and the future of the local economy.

2. *A Dialogue with Mr. Adrian David Li Man-kiu, JP, Deputy Chief Executive of The Bank of East Asia Limited (28 March 2012)*

Mr. Adrian David Li Man-kiu, JP, Deputy Chief Executive of The Bank of East Asia Limited was conferred Chapter Honoree of the HKBU Chapter

of the Beta Gamma Sigma Society to recognize his outstanding performance in the banking industry. Following this, a dialogue session was convened by Professor Stephen CHEUNG, in which Mr. LI shared his views on the future development of the banking industry and the outlook of the Hong Kong economy.

3. *A Dialogue with Mr. Anthony Nightingale, Director of Jardine Matheson Holdings Limited (12 September 2012)*

During the dialogue session, Mr. Anthony Nightingale, Director of Jardine Matheson Holdings Limited, discussed with the students a range of topics of interest such as the future of Hong Kong as an international financial centre, the competition from other cities in the Asia-Pacific region, and the traits that one needs in order to succeed in today's business world.

4. *The Development of Chinese Banks in Overseas Markets: A Dialogue with Mr. Zhu Qi, Managing Director and Chief Executive Officer of Wing Lung Bank (7 November 2012)*

Mr. Zhu Qi, Managing Director and Chief Executive Officer of Wing Lung Bank, delivered a speech on "The Development of Chinese Banks in Overseas Markets" to more than 80 students. Mr. Zhu also engaged in a dialogue session where he discussed with the students a range of issues of concern such as the investment of Chinese banks in overseas markets, the economic integration of Hong Kong and mainland China, the internationalisation of the Renminbi, and the potential of the wealth management market in Hong Kong.

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