**School of Business and Economics**

**Seattle Pacific University**

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**Principles of Responsible Management Education: Sharing Information on Progress**

Table of Contents

1. [Letter of Renewed Commitment 3](#_Toc265052110)
2. [School of Business and Economics’ Distinctive Approach to Responsible Management Education 4](#_Toc265052111)
	1. [Context – University and School of Business and Economics 4](#_Toc265052112)
	2. [Context -- “Another Way of Doing Business” 5](#_Toc265052113)
	3. [Centers 6](#_Toc265052114)
		1. [Center of Applied Learning 6](#_Toc265052115)
		2. [Center for Integrity in Business 6](#_Toc265052116)
3. [Major Achievements in Relation to the Six Principles for Responsible Management Education 7](#_Toc265052117)
	1. [Curriculum – Principles 1 and 2 7](#_Toc265052118)
		1. [Specific Curriculum Examples 7](#_Toc265052119)
		2. [On-Campus Speakers 15](#_Toc265052120)
		3. [Collaboration Initiatives 16](#_Toc265052121)
	2. [New Learning Frameworks – Principle 3 16](#_Toc265052122)
		1. [Internships 16](#_Toc265052123)
		2. [Service Learning and other Community Projects 16](#_Toc265052124)
		3. [Mentor Program 16](#_Toc265052125)
		4. [Social Venture Planning Competition 17](#_Toc265052126)
	3. [Research – Principle 4 17](#_Toc265052127)
	4. [Partnerships – Principles 5 and 6 21](#_Toc265052128)
		1. [Student Clubs 21](#_Toc265052129)
		2. [Advisory Councils 21](#_Toc265052130)
		3. [Centers of Applied Learning and Integrity in Business 22](#_Toc265052131)
4. [Future Perspectives and Key Objectives 22](#_Toc265052132)
5. [Desired Support 23](#_Toc265052133)
6. [Sustainability on Campus 23](#_Toc265052134)

# Letter of Renewed Commitment

Seattle Pacific University's School of Business and Economics has committed itself to what we have called "Another Way of Doing Business." In a nutshell, this approach is built on three foundational principles: service, sustainability and support. We understand the role of business in society as a service provider; in particular, business serves society by providing goods and services that enable human flourishing and by providing opportunities for individuals to express aspects of their identity in meaningful and creative work. Business must pursue these purposes subject to the limitations of sustainability. For us "sustainability" is to be broadly construed and includes the need to sustain financial, social, communal, and environmental "capital." Finally, business operates alongside a host of other institutions including governments, NGOs, educational institutions and other members of the civil society. Collectively these institutions are to work for the common good and business must support and enhance the work of other institutions as it pursues its unique contribution to this joint endeavor.

This business philosophy infuses our teaching, our research and our writing. We find it wholly congruent with the six Principles of Responsible Management Education and have, accordingly, embraced these Principles as a key feature of our school's work. We are committed to engaging in a continuous process of improvement in the application of these Principles and in reporting on our progress to all stakeholders. We seek to learn from and contribute to the exchange of effective practices with other academic institutions. We also seek to model these principles in our own organizational practices.

It is my very great privilege to present a brief summary of some of the work we have done to date in giving expression to these Principles. I hope what follows will contribute to the global conversation and be of assistance other academic institutions who are similarly committed to this approach.

Very truly yours,

Jeff Van Duzer

Dean, School of Business and Economics

Seattle Pacific University

# School of Business and Economics’ Distinctive Approach to Responsible Management Education

# Context – University and School of Business and Economics

Seattle Pacific University is highly mission driven. All of its programs, both curricular and extra-curricular are expressions of its vision “to engage the culture and change the world with the gospel of Jesus Christ.” Approximately 3000 undergraduate and 1000 graduate students are enrolled each year at SPU. The mission of Seattle Pacific University is to graduate students of competence and character, who are prepared to engage the culture and change the world. Further, as a Christian institution, SPU views sustainability as both a stewardship and justice issue. Sustainability education certainly fits into our goal of graduating knowledgeable and compassionate students. With this in mind, the University has recently added sustainability-focused programs such as the Appropriate and Sustainable Engineering concentration and the Global Development Studies major. In addition, plans are currently under way for a thorough inventory of all sustainability-focused and –related courses.

The School of Business and Economics (SBE) seeks

* To prepare students for service and leadership in business and society by developing their professional competence and integrity in the context of Christian faith and values.
* To develop an academically and theologically rigorous understanding of business and economics and to effectively promote this understanding through teaching, pursuit of scholarship, and engagement with the broader business community.

SBE has been AACSB accredited since 2000 and is home to three undergraduate majors: economics, accounting and business administration. Students majoring in business administration may (but are not required to) concentrate in one or two of the following fields: economics, finance, information systems, international business, management, marketing and social enterprise. SBE also offers minors in business administration, entrepreneurship and economics. At the graduate level SBE offers two degrees in a part-time evening format: an MBA and an MS-ISM. Further, in 2011 SBE began offering an M.A. in Management with a specialization in Social and Sustainable Management (MASSM) which is an 11-month intensive program. SBE is home to 24 faculty members. More students major in business and accounting than any other major on campus and more students minor in business than any other minor. Because of its popularity and the limits on available faculty resources, admission to the business and accounting majors is selective with the school admitting approximately 100 undergraduate students each year. There are also currently approximately 150-175 students enrolled in SBE graduate programs with the significant majority of them choosing to pursue an MBA degree.

# Context -- “Another Way of Doing Business”

As part of the mission of SBE, the school has been developing different perspectives on the role and purpose of business in society. This endeavor grew out of the school’s Christian faith tradition and in its earliest expression was cast as an explicit "theology of business.” Much work continues on the development of a richer and explicit understanding of the intersection of faith and business but the initiative has drawn the school into several larger conversations taking place in the academy and in the broader business community. SBE has introduced more elements of corporate social responsibility into its curriculum. It has participated in Aspen Institute’s Beyond Gray Pinstripes survey and was the first Northwest College or university to adopt the United Nations’ Principles for Responsible Management Education (PRME). "Another Way of Doing Business" has also found expression in the school’s growing emphasis on social enterprise. This has been manifested in several new classes (including one of the first ever business school undergraduate courses in microfinance), a new undergraduate concentration in "social enterprise," participation in an interdisciplinary Global Development major, a social venture business plan competition, classes in sustainability, a large Microfinance Summit and hosting a conference called “Bottom Billions/Bottom Line: The role of Business in Ending Global Poverty.”

The School of Business and Economics is dedicated to promoting “another way of business” which is a responsible, stewardship model of business, i.e., a model that understands the principal purpose of business as service to customers, to employees and to the broader community. In this model, profit is understood as a means to an end rather than as an end in and of itself; profit attracts the capital that enables a business to serve. In addition, long before it was popular (or required), SBE was noted for its emphasis on ethics and values. At the undergraduate level, the capstone course for the majors (and minors) is business ethics. At the graduate level, all students are required to take two ethics and values courses. Using texts from a variety of traditions and different pedagogical methods (including traditional case studies) these classes allow for a consideration of business at both a macro and micro level. The curriculum covers alternate worldviews and examines how these lead to different approaches to business. Students are also asked to wrestle with specific stewardship and sustainability issues relevant to customers, employees, the environment and the broader community. In addition, in both the undergraduate and graduate programs, faculty are expected to integrate issues of ethics, sustainability and values throughout their curriculum and do so utilizing a variety of approaches including class discussions, case studies, research papers, reflective essays, and on-line discussion boards. Students are asked to assess their professor’s effectiveness in responding to this charge at the end of each quarter. Issues of ethics, integrity and sustainability are deeply ingrained in the school’s DNA. Orientation sessions and a regular speaker series are also designed to continually emphasize the theme of "business as service."

# Centers

# Center of Applied Learning

The Center for Applied Learning operates a highly customized mentor program open to both undergraduate and graduate students. Students can select from one-on-one mentoring, job shadowing, or so-called Career 360 experiences. The mentor program now makes 250 individual placements every year (participation is capped at this level due to staffing constraints.) Numerous students are placed each year with mentors in companies with significant sustainability and CSR initiatives (e.g. Starbucks) and companies who are engaged in fair trade/fair wage initiatives or who are targeting consumers at the bottom of the economic pyramid (e.g. Philips). Many SBE students also request mentors with not-for-profit or social enterprise organizations (e.g. World Vision, Pioneer Human Services).

Each year, the Center for Applied Learning also hosts an on-campus Social Venture Plan Competition (SVPC). Student teams from within SBE and from across campus are invited to (1) identify a social need; (2) identify a potential revenue stream that could be generated from related business activities and that could fund efforts to meet that need; and (3) prepare a complete business plan in support of the identified social venture. Many of the plans are directly focused on sustainability, fair wage or fair trade issues or with dealing with issues of poverty both in the US and globally.

SBE offers business-based study abroad trips. These trips have included trips to Oxford/London, Vienna, and, in recent years, several cities in China and India. Students in the China program spend one quarter at Sichuan University in Chengdu and in the past, the students have visited Wokai, a leading microfinance lender in rural China and also tackle issues around climate change, outsourcing and global sustainability issues. Our latest addition to the study abroad programs is Guatemala, which includes an internship at a service site around Antigua, the town of Magdalena, or the refugee community of El Gorrión. The internship sites include work in: microfinance, agriculture, appropriate technology, health care, education, art, media, and social services.

# Center for Integrity in Business

In 2003, SBE opened the Center for Integrity in Business. The mission of the Center is to support scholarly research around the school’s “another way of doing business” (AWDB) and to promote AWDB to the academy and the broader business community. The Center publishes the bi-monthly journal, *Ethix*, has hosted roundtable discussions to address particular approaches to business, offers grants to encourage empirical research in support of AWDB, has sponsored conferences that bring faculty and business leaders together around topics of business purpose and ethics, maintains what is believed to be the largest and most complete library of marketplace ministry materials in the United States; and has sponsored a large, multi-agency microfinance summit. The summit examined issues of global poverty and the role of business and in 2011, CIB, continued this theme by hosting the conference “Bottom/Billions Bottom Line.”

# Major Achievements in Relation to the Six Principles for Responsible Management Education

#  Curriculum – Principles 1 and 2

*“Principle 1-- Purpose: We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.”*

 *“Principle 2 – Values: We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.”*

During the last two years, in response to student demand, perceived needs, the changing nature of business, and our distinctive “another way of doing business”, SBE has made a number of curricular changes. These curriculum changes are aligned with PRME principles, and PRME principles have been an important consideration in new curriculum initiatives. At the graduate level this has included the development of a stand-alone sustainability course and new international business courses including a course focusing on business in the developing world. At the undergraduate level, SBE has added a series of one-unit spirituality and business courses (many of which focus on creation care and stewardship management), a new social enterprise concentration (including new courses in social ventures, microfinance and community development) and an entrepreneurship minor. Generally SBE has infused across the curriculum PRME principles of sustainability, values, and stewardship/responsible management.

# Specific Curriculum Examples

*Designing Organizations*

This organizational theory course considers the range of internal and external factors that shape organizational structure and strategy.  Included in this are social, environmental and ethical issues.  Specifically, the disparate demands across the spectrum of stakeholders raise many facets of what is commonly called “corporate social responsibility.”  Beyond crafting a workable coalition of stakeholders, CSR concerns influence the shape of the institutional pressures felt by organizations.  The recent, and on-going, corporate scandals make considerations of ethical codes, structures and personnel pertinent topics for discussion.  How do companies establish and nurture corporate cultures supportive of strong ethics?  What innovative practices are companies employing toward this end?  How much of the recent activity done in the name of ethics is mere “window-dressing” designed to send the expected ethical signal? Environmental concerns and costs are becoming increasingly “front-burner” issues for senior managers.  Therefore we discuss how cradle-to-cradle manufacturing and design principles are impacting the operational and supply-chain structure of firms.  How does being “green” confer competitive advantages and what structures are required to deliver on this objective?

*Managerial Finance*

1.  Profit Motive.  The class discusses various corporate goals and motives and discusses how a single-minded focus on profit maximization can harm the long-term viability of the firm.  In a related matter, they look at the ethics of the pure profit motive in light of the social and environmental problems faced in our world and the assumed ability of corporations to remedy some of these problems.

2.  Capital Structure and Debt.  Students discuss the ethical issues of debt and leverage with regards to the harm excessive debt can do to firms.  They look at the ethics of owing money to another party and not meeting the contractual obligations of that debt.  In a related matter, they discuss the causes of the greed that underlies and perpetuates much of the financial distress faced by both individuals and corporations.

*Financial Analysis*

This class involves evaluating a company’s financial health and capital budgeting. Cases, case discussions, and lectures/Q&A on theory and practice are used. In examining financial health, the class discusses the company’s relationship with its creditors and stockholders particularly at the time when turnaround management becomes necessary. Crisis situations create special opportunities to introduce discussion material about the need for ethical behavior. On occasion, the role of the firm in society in general is considered. Valuation lectures and cases stress shareholder wealth maximization. To balance this, a class period is set aside for an explicit discussion of “Another Way of Doing Business.” The conversation ranges from profit optimization to stakeholder optimization.

*International Finance*

This class provides a good opportunity to talk about the effects of destructive and constructive government policies and social mores on foreign direct investment and trade—trade, monetary and fiscal policies, the rule of law, property rights, taxation, terrorism and corruption. Thirty percent of the class has content related to social, environmental, or ethical issues.

*Entrepreneurial Management*

This class is devoted to the creation of a complete business plans for new ventures by individuals or teams. Many of these ventures are for non-profit organizations or social ventures. Students are encouraged to enter the Social Venture Plan Competition sponsored by the Center for Applied Learning at the School of Business and Economics. In their plans, students must address the relevant social and environmental impacts of their ventures.

*Leadership*

This course concentrates on the knowledge and skills that managers need to lead effectively in today's dynamic business environment. The course examines what it takes to be an outstanding leader, an inspired leader, an ethical and responsible leader, under a variety of circumstances. Participants will develop a greater understanding of how change impacts individuals, teams, and organizations. The course shows how important it is for managers to understand the various dimensions of organizations, especially people – and how all those factors fit together to sustain organizations so they grow and prosper. The course illustrates ways organizations are influenced, changed, and improved.

*Business Ethics*

*Business Ethics* addresses two questions: First, how will we live through our work/comportment in business? Second, what are the responsibilities of business organizations in society today? Our approach to teaching *Business Ethics* is to immerse students in management situations, as much as possible, using the analysis of business cases, a thought-provoking personal position paper, classroom discussion, and a team project that examines the values of a real-life organization. This course challenges students not only to master the assigned materials, but also to probe their beliefs concerning ethics, personal responsibility, commerce, and society.

*Management Issues*

This is an intensive three-part program, which explores what it takes to move organizations to higher levels of performance. The course examines the critical role of instigating, guiding, and implementing change and helps students build skills to lead change successfully. Section 1, *Organizational Change in Our Complex World* concentrates on the tides that are buffeting organizations today, how to recognize the need for change, and what it takes to be an effective leader of change. Section 2, *Establishing the Business Case for Change*” examines both major change (mergers, reorganizations, downsizings, etc.) and lesser change (department reorganizations, installing new technology, etc.). Session two lays out how to determine what needs to be changed, how to communicate the change, and how to bring essential stakeholders onboard. This seminar differentiates between how to create change (process) and what should be changed (content) and studies each in detail. In Session 3, *Building Support of the Stakeholders*, the multidimensional effect of change is explored. Many people in (and outside of) an organization going through change have a vested interest in its success. No matter how badly needed the change is, it will fail unless stakeholders are behind the effort. This session focuses on how those stakeholders are brought into the process and help drive it deep into the organization.

*Legal Environment of Business*

The learning objectives of this course in the overall curriculum are to teach the substantive material of law as applicable to business, but also to teach the skills of critical reasoning. Therefore, the pedagogical structure of the course requires a critical inquiry into the policy basis for the current legal regime and the social, economic, environmental and ethical implications of that regime. The course consistently looks at the marginal implications of legislation and challenge assumptions that might preclude advancements through alternatives. The objective for this course, in addition to teaching the substantive material, is to develop a habit in the students of always thinking about potential implications of their actions. The leaders of tomorrow must thoughtfully consider their actions beyond the legal implications to avoid exploitation of individuals, the environment and the economy.

*Financial Accounting*

In this course, a number of class sessions are devoted to broader understandings of the corporation and CSR and the issues of accounting for this broader understanding (such as Triple Bottom Line Reporting).

*Strategic Policy and Planning*

Approximately 15 % of this course is devoted to sustainable development and corporate social responsibility.  The course covers the defined meanings of both and the strategy of having these in the business model. It also utilizes 2 to 3 cases that deal with these items.

*Community Economic Development*

This class provides an introduction to development economics; a subject that studies the economic transformation of developing countries and communities. Challenges to development addressed may include the absence of markets, market failure, health and credit constraints, human development, income distribution and inequality, population and migration, and human rights, as well as challenges unique to urban versus rural economics. Macroeconomic theories of growth and economic development will be introduced and analyzed as sustainable conduits for economic development.

*Managerial Economics*

Students explain and give examples of market failures including monopoly power, pollution, and asymmetric information, describe government and private responses to these market failures and explain the economic effects of these responses. They also learn the basic features and effects of the Clean Air Act of 1990 as applied to the tradable pollution permit process for SO2 emissions. The course also explores the following themes and questions during class discussions and students incorporate one or more of the themes in a research project where they study the supply for and demand of a particular product.

* Stewardship of resources.
* What is a steward?
* What resources do business leaders have responsibility to manage?
* What can individuals and business leaders do to promote stewardship of resources?
* Economic justice for the poor.
* Who are the vulnerable poor in our world today?
* How are people expected to treat poor persons? Why?
* What responsibilities do leaders in business, government, and the Church have towards the vulnerable poor?
* Material wealth.
* What are advantages and disadvantages of the profit motive or pursuing financial/material success?
* What is the proper attitude to have towards material wealth?
* What responsibilities do people have in using their wealth?
* Work and rest.
* Why is rest important?
* What are purposes and benefits of working? In what ways is work difficult and toilsome?
* What values and attitudes should guide our work?

*Technology Management*

While this class is technical in nature (putting an enterprise system into a company and connecting all of their processes and data), there is a strong flavor of ethics.  For example, in one class an hour is spent on *Seven Factors related to the Failure of Most Large-Scale Systems Projects*, and most of these are not technical issues. Rather, they deal with helping people work through change, valuing and supporting people, ethical strategies for reducing staff due to the cost savings that result from the enterprise system, etc.  Ethical leadership is the one big factor in the success of such systems.

*Managerial accounting*

This course focuses on accounting information and evaluation tools and analysis that are useful to enterprise managers in making decisions related to the managerial processes of planning and control. Because the focus is on decision making, behavioral and ethical considerations are a key component in discussions. The course is primarily case- based and each case requires analysis and decision making. As a result, a majority of the coursework has ethical, behavioral and/or social implications. The following related topics are covered at length.

* Framework for ethical decision making
* Institute of Management Accountants Statement of Ethical Conduct
* Sarbanes Oxley Act
* Outsourcing
* Performance measurements (e.g., Variance analysis, ROI, Residual Income, EVA)

The course also examines implications for earnings management, agency issues and costs, suboptimal decisions, under or overinvestment or other unintended behaviors outcomes.

*Information Systems Management*

This class has a major ethics component within its curriculum.  First there is one week (10% of the class) focused on ethics.  Second there is a required Social/Ethical research paper where students conduct research on the use of information technology in one of the following areas: Christian faith in a high tech world, e-Government (better service or invasion of privacy), Information ethics, electronic privacy (or a similar topic), computer security, piracy, hacking (or a similar topic.)

*Operations Management*

This course is designed to introduce students to the concepts of operations management by focusing on the impact of operations decisions and emphasizing cross-functional decision making.  Upon completion of this course, students understand the interactive roles of the organization's external environment including competition and customer needs with its internal organizational structure, processes and employees' needs.  The course spends approximately one fifth of the class time defining the changing role of organizations in producing products that are green and providing services that enhance environmental responsibility. One of the cases that is worth 10% of the final grade requires either an ethical dilemma or re-engineering an organizations process to enhance the strategic approach to environmental responsibility. The following video cases are reviewed, discussed and analyzed for their impact on environment issues.

* BP Greenhouse Gas reduction 15 minute case
* 30 minute team discussion and a 45 minute total class discussion
* Honda Green products Design

*Advanced Negotiations*

This highly interactive symposium explores the ways that people negotiate to create value and resolve disputes. Designed both to improve understanding of the negotiation process and to build negotiation skills, the curriculum integrates negotiation research from several academic fields with experiential learning exercises. Participants engage in a series of hands-on simulations set in operational contexts, building from simple two-party encounters to complex multiparty scenarios. Some of the exercises emphasize psychological aspects of bargaining, value creation and distribution, coalition dynamics, and intra-team negotiation, with a special focus on organized preparation and process analysis. Participants should finish the class as more effective and reflective negotiators.

In the past two years the class has expanded discussion of the ethical issues that are inherent in negotiations. The course now devotes approximately 25%-30% of the negotiations exercise to dealing with ethical issues.  The course includes a role play that highlights an environmental issue and reduction in force situation--combining social responsibility, environmental impact and ethical dilemmas.

*Compensation and Benefits*

Total compensation provides a significant amount of power to the employer, while it instills in the employee a sense of powerlessness.  To create a degree of balance between these two sensitive, emotional views, those involved in designing, approving, and implementing compensation schemes must handle with care this potentially explosive process. The major challenge facing compensation professionals is aligning an organization’s pay system with the organization’s strategic direction. The focus of this course is to identify the choices to be made in order to develop and implement a strategically-designed reward system. This course spends 15-20 % of the reading, discussion and exercises on ethical issues.  The following areas are addressed from an ethical dilemma standpoint.

* Compensation philosophy
* Designing a compensation structure
* Implementing the compensation system
* Communicating the organization’s compensation philosophy
* Industry standards
* The role of pay in job negotiations from the standpoint of the employer as well as the employee or candidates.  Is it ethical to misrepresent your current salary in the hopes of obtaining a higher starting salary?

*Global Political Economics*

This class explores the role of MNCs (multinational corporations) in a global economy. Students consider the ethical issues associated with employment practices abroad and the social responsibility of foreign multinational when operating in a country where basic human rights are violated. The students also consider the geopolitics of oil and discuss alternative sources of energy and facing limited natural resources.

*Macroeconomics for Management*

This course integrates a biblical perspective on scarcity, money, short-term economic fluctuation and inflation. It includes a detailed discussion of the social and ethical implications of the growing disparity of wealth in the United States.

*Leadership in Organizations*

Roughly one quarter of the class is allocated in some way to the social or ethical implications of leadership concepts. Nearly every topic in a leadership class has some ethical dimension. The following list provides some examples.

* *Individual Differences*: We discuss human nature (e.g., Theory X/Y), and implications for leadership, motivation, and group dynamics, including ways that work can be made more meaningful to those engaging in it.
* *Decision Making*: How decision heuristics can shortchange a full evaluation of the ethical or moral implications of business decisions.
* *Communication & Conflict Management*: The importance of understanding and valuing all stakeholders’ perspectives (including employees, customers, community members) in dealing creatively with conflict situations.
* *Group Dynamics*: How social pressures can influence decisions, and create unethical decision making on the part of otherwise good people.
* *Motivation*: How/why some people engage in Organizational Citizenship Behaviors, and how these behaviors can be cultivated through connections with trust, meaning, and culture, etc.

*Human Resources Management*

Because all HR functions impact people, by definition there are many intersections between HR topics and ethical or social issues. Some examples are listed here.

* *Legal issues in HR*: Legal and ethical components of HR processes are explored. Discussions relate to the importance of valuing diverse aspects of the human experience, especially as connected with protected and non-protected class characteristics.
* *Selection, Retention, Downsizing, Outsourcing, Offshoring* – ethical and social aspects of each of these topics is explored. In a case study context, students argue for and against positions, each of which has related potential moral implications.

*Marketing Analysis*

The Marketing Analysis course explores issues related to understanding market opportunities, marketing strategies and marketing management through case study and a live-case project involving an assessment of a new market opportunity.  Marketing ethics and contributing to the common good are discussed in the various industries, and problem contexts portrayed in the cases and the marketing opportunity projects.   Past live-case projects have included renewable/alternative fuels, hazardous waste treatment/recycling, disease treatments/prevention, carbon credits and electric/green lawn care equipment projects.

*International Marketing*

This course examines the theory and application of international marketing from a global, rather than a U.S.-centered viewpoint. International management issues are examined both from the perspective of small and midsized businesses, as well as multinational firms. The course also focuses on ethical issues concerning the global diversity of customs and morals, environmental issues, and the impact of trade.

*International Organizational Behavior*

This course offers an introduction to theory, research, and practice related to the management of human behavior in a global context. Course topics include individual characteristics, culture, motivation, communication, leadership, decision making, group dynamics, cultural diversity, conflict, and power—all examined in a cross-cultural setting.

*Social Enterprise*

*Social Enterprise* examines "blended value" businesses designed to achieve both financial return and social benefit. It incorporates lectures, case studies, guest speakers, and preparation of a social enterprise business plan to study commercial ventures operated by nonprofit or for-profit organizations. The course emphasizes the unique rewards and cultural, human resource, legal, and financial challenges of earned-income ventures within mission-based organizations.

*Social Venture Planning*

A social venture provides a social service that is funded by a revenue-generating "engine." In this course, students develop a business plan for a social venture that either enhances the revenue-generating capabilities of a social service agency, connects a social venture with a for-profit company's revenue stream, or creates a social venture start-up. Students learn the components of a successful venture plan including market research, developing an operations strategy, creating financials and pitching their idea to potential donors and investors.

*Microfinance*

This course examines microfinance as a business-oriented tool to alleviate global poverty. Topics include lending methodologies, products, cultural and regulatory environments, financial analysis, and performance improvement of microfinance institutions, along with limitations and controversies surrounding the practice. The content is grounded in Christian theological understandings of development and human well-being.

*Managing Systems*

This management course is a problem-focused look at organizational systems. Building upon a systems-theory model the class explores the macro-level issues and dynamics of whole organizations. Topics will include organization structure, technology, culture, context, power and politics, effectiveness, innovation, learning, and change. This is an applications-oriented course, in which analysis of companies will be informed by theory and grounded in practice.

# On-Campus Speakers

SBE recognizes the importance of role models and encourages faculty to include professionals as guest speakers in class. The highlight of our efforts in this area is the Association for Washington Business Luncheon, most often held during fall quarter. Speakers are typically high profile leaders who address a host of leadership/management topics, including issues of business ethics, social impact, and sustainable enterprise. Examples of recent speakers include John W. Stanton, Chairman of the Board, Trilogy International Partners; Phyllis J Champbell, Chairman Pacific NW, JP Morgan Chase & Co.; Bonnie Wurzbacher, Senior Vice President, Global Customer Leadership at The Coca-Cola Company; Sally Jewell, CEO of REI; and Bob Bunting, Deputy Chairman, International Federation of Accountants.

SBE periodically hosts a speaker on Faith in the Marketplace. The focus of these events is to highlight to our graduate student community examples of business leaders who have integrated their Christian faith into the practice of business. Topics such as transparency, environmental sustainability, personal and institutional ethics, corporate philanthropy, global impact and economic development are discussed. Recent Faith in the Marketplace speakers included Gideon Strauss, Executive Director of the DePree Center for Leadership at Fuller Seminary; Gloria Nelund, CEO and Founder of TriLinc Global; Laura Nash, Managing Partner of Piper Cove Asset Management LLC.; David Grieger, former Chief Marketing Officer for Russell Investments; Steve Brock, CEO of High Point Solutions; and Pete Hammond, former VP, Intervarsity Christian Fellowship.

SBE has also established the Dean's Speaker Series, which invites prominent regional leaders to the school each quarter. Recent Dean’s Speakers were: Sharelle Klaus, Founder & CEO, Dry Soda Co.; Atul Tandon, Founder & CEO, Tandon Institute; Brandon Pedersen, CFO, Alaska Air Group; Bill Chapin, Director of Marketing & partnership Development for the Seattle Seahawks & Sounder FC; Karen Turner Lee, CEO, Pioneer Human Services; Ray Davis, President & CEO of Umpqua Holdings Corp.; Elisabeth James, General Manager of The Westin Seattle; Junki Yoshida, Chairman & CEO, The Yoshida Group, Portland, Oregon; Dan Brettler, Founder & CEO, Car Toys, Seattle, Washington and Carolyn Kelly, President & COO, The Seattle Times, Seattle, Washington. These speakers address a wide range of leadership topics, including issues related to environmental sustainability, business ethics and responsible management, transparency, and corporate philanthropy.

# Collaboration Initiatives

SBE provides important core curriculum for the new undergraduate Global Development Studies major started in 2008. Students take microeconomics, macroeconomics, microfinance, social enterprise and social venture planning. Issues of sustainability, economic and community development, and business solutions to alleviating poverty are addressed. At the graduate level, SBE provides a business and applied theology track to a new MA in Theology degree. Courses offered (among others) are *Responsible Business and Leadership*, *Stewardship & Global Sustainability*, *Business as Community of Work*, *Microfinance & Community Economic Development*, *Social Enterprise*, and *Spirituality in Management*. There is also MBA/M. Divinity degree recently launched jointly with the School of Theology.

# New Learning Frameworks – Principle 3

*“Principle 3 – Method: We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.”*

# Internships

Undergraduate business students are required to fulfill an internship as part of their academic experience at SBE. This academic year 78 students served internships with 72 businesses, organizations and agencies. Students served at organizations such as Global Visionaries, Pioneer Human Services, Seattle Biomedical Research Institute and World Vision.

# Service Learning and other Community Projects

Service learning is an integral part of SBE course offerings. Students in organizational behavior, marketing, information systems and operations management courses complete volunteer projects with non-profit and for-profit organizations. Projects are diverse, allowing students to practice what they are learning in a particular course and to integrate the business disciplines. Business solutions were provided for organizations such as the Catholic Social Services, Farestart, World Vision and Food Lifeline.

# Mentor Program

SBE's Center for Applied Learning offers a wide array of mentoring opportunities for undergraduate and graduate students alike. 250 students were accepted into the Mentor Program and matched with mentors, lead mentors or job-shadow hosts during 2010-11 and 2011-12. Most of these students are undergraduates, but the program is available and offered to MBA and other graduate students as well. The quality and diversity of mentors contributes greatly to the success of this program. For example, in 2010-11 the program utilized 240 unique mentors. These mentors came from 174 organizations of all sizes and types, from corporate names (Google, KPMG, Nordstrom, Sheraton) to government-run agencies and facilities (DSHS, FBI, UW Medicine) to non-profit organizations (Community Kitchens Northwest, Lumana, Seattle Cancer Care Alliance, Union Gospel Mission) to entrepreneurial and specialty businesses (Big Fish Games, Ipanema Brazilian Grill, Rocket Dog Communications). Many students are placed in companies with significant sustainability and CSR initiatives (e.g. REI) and companies who are engaged in fair trade/fair wage initiatives (e.g. Costco).

# Social Venture Planning Competition

Student teams developed detailed plans for social ventures—enterprises that address two bottom lines: financial and social. Social ventures are projects, organizations or business entities that address a specific social need and provide sustainable funding through a profit-generating “engine.” Recent projects included plans that tackled issues such as providing jobs and economic opportunity for women suffering from obstetric fistula in Ethiopia, eliminating urban “food desserts” through the use of mobile food trucks, reducing waste by gathering and selling recyclables in dirty communities in developing countries, selling decorative facial scarves to reduce airborne illness and pollution in crowded Asian cities, and uniting musicians and audience members in funding clean water projects around the world. The plans captured the interests and aspirations of SPU students to make the world a better place, both locally and abroad.

# Research – Principle 4

*“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.”*

Scholarship and research is an important part of SBE’s distinctive approach to responsible business. In-house conferences addressing “another way of doing business” have been held to discuss faculty research. Research has been presented and published in the broader academy and SBE has organized research colloquium with visiting academics engaged in responsible management research. There is also dedicated funding for faculty pursuing such research through research grants and resources for visiting academics to visit SBE and engage in collaborative research with SBE faculty. SBE is also developing an extensive array of library resources with the “ Hammond Memorial Collection” of works on the integration of business and theology. The following are examples of research in responsible management:

Hess, Dan. "The Impact of Religiosity on Personal Financial Decisions." The Journal of Religion and Society 14 (2012): 1-13.

Karns, G. (2011). "Stewardship: A New Vision for the Purpose of Business." Corporate Governance Journal. 11:4.

Ly, Pierre, and Geri Mason. "Individual Preferences over Development Projects: Evidence from Microlending on Kiva." Voluntas: International Journal of Voluntary and Nonprofit Organizations forthcoming 2012.

Ly, Pierre, and Geri Mason. "Competition Between Microfinance NGOs: Evidence from Kiva." World Development 40 (3) (2012): 643–655.

Mason, Geri. "Sustainability, Experimentation, and Microfinance in China." 8th International Conference on Environmental, Cultural, Economic, and Social Sustainability . Vancouver, British Columbia . 2012.

Randal S. Franz, Henry L. Petersen, (2012) "Role of business: a portfolio model of corporate social responsibility", Journal of Global Responsibility, Vol. 3 Iss: 1, pp.83 – 110.

Bailey, W. and K. Sawers. (2012) In GAAP We Trust: Examining how trust influences nonprofessional investor decision under rule-based and principle-based standards. (Submitted: *Behavioral Research in Accounting,* Winter 2012, Volume 24, Issue 1.

Sawers, K. & W. Liao. “An experimental examination of perceptions of fairness on transfer pricing decisions and firm profit.” Managerial Accounting Section 2012 Midyear Meeting, Houston, Texas, January 2012.

Blay, A., K. Kadous and K. Sawers. (2012) The influence of risk and affect on information search in simple and complex tasks. *Organizational Behavior and Human Decision Processes, January 2012, Volume 117, Issue 1.*

Sawers, K., A. Wright and V. Zamora. (2011) Does greater risk-bearing in stock option compensation reduce the influence of problem framing on managerial risk-taking behavior? *Behavioral Research in Accounting,* Winter 2011, Volume 23, Issue 1.

J. Terrill and K.Wong, “Serving our Work and Neighbors: Which Comes First?”  Comment (online edition), September 5, 2011.

K. Wong, “Why Microfinance can Still Work,” ThinkChristian, July, 2011

K. Wong, J. Terrill and J. Keenan, “Capitalizing with the Poor.” Q: Ideas for the Common Good, July, 2011

K. Wong, "Feeling Sorry for the Super Rich,” ThinkChristian, April, 2011

B. Dyck and K. Wong, “Corporate Spiritual Disciplines and the Quest for Organizational Virtue,” *Journal of Management, Spirituality & Religion*, March, 2010

Alessandra M. Virzi, Katrin R. Harich, and Regina P. Schlee, “Green Consumerism and the Influence of Environmental Attitides on the Purchasing Decisions of College Sudents,” *Journal of Marketing Education*, 2010.

Gerhard Steinke & Jim Nindel-Edwards , “Integrating Human Computer Interaction Testing into the Medical Device Approval Process,” *Communications of the IIMA.* 2009, (Analyzes the use of human computer interaction testing of medical devices which can improve device quality and user experience, and most importantly, has the potential to reduce serious health care outcomes).

Diddams, M. & Daniels, D. (2008). Good work with toil. A paradigm for redeemed work. *Christian Scholar’s Review, 38(1)*. (ISSN 0017-2251).

B. Dyck, M. Neubert and K.Wong, "Unchaining Weber's Iron Cage: A Look at What Managers can Do" *Christian Scholars Review*, Fall, 2008, pp. 41-60, (Describes the what the four functions of management—controlling, leading, planning, and organizing—might look if managers were liberated from the iron cage thinking).

LaBrie, Ryan C. and Steinke, Gerhard, (2008), “Another Way of Teaching Management Information Systems,” *2008 Christian Business Faculty Association (CBFA) Conference Proceedings*, Indianapolis, IN, November 6-8, 2008.

Cazier, Joseph A., LaBrie, Ryan C. (2007) “Ethical Dilemmas in Data Mining and Warehousing.” *Encyclopedia of Information Ethics and Security,* Vol. 1, pp. 221-228.

Randy Franz, “Role Expectations for Business: Implication for Social Responsibility” Paper presentation at the CBFA annual meetings, Seattle, WA. October, 2007. (co-authored with Henry Petersen)

Randy Franz, “360° CSR: Responsibility is in the Eye of the Beholder—Preliminary Results”Presentation at the EABIS annual conference, Barcelona, Spain.  September, 2007 (co-authored with Henry Petersen)

Dan Hess, “Ethical Behavior and Corporate Financial Performance”  *Business Management Review*, December 2007, Vol 3, Number 3, ISSN: 1813-0534.

Ross Stewart (with Jill Hooks), *Accounting Historians Journal*, Vol.34, Number 2, December 2007, The Geography and Ideology of Accounting: A Case Study of Domination and Accounting in a Sugar Refinery in Australasia, 1900 -1920, (Accounting for the trade-offs between labor and shareholders when distributing economic surplus).

Jeff Van Duzer, R. Franz, G. Karns, K. Wong, and D. Daniels. It’s Not Your Business:  A Christian Reflection on Stewardship and Business. *Journal of Management Spirituality and Religion*. 4 (1): 2007. 99-122.

S. Vortman, H. Kierulff, R. Schlee, M. Oppenlander and Ross Stewart, “Social Venture Competition in a Smaller University Context” presented at the CBFA Annual Conference, Seattle, 2007.

Randy Franz, “Holistic Capitalism”  Interactive session paper at the 2006 Business as an Agent of World Benefit conference, Cleveland, OH. October, 2006.

Randy Franz, “360-Degree CSR: Responsibility is in the Eye of the Beholder”  Presentation at the EABIS annual conference, Milan, Italy. September, 2006 (co-authored with Henry Petersen)

Joireman, J.A., Kamdar, D., Daniels, D. & Duell, B. (2006). Good citizens to the end? It depends: Empathy and concern with future consequences moderate the impact of a short-term time horizon on OCBs. *Journal of Applied Psychology, 91(6),* 1307-1320. (ISSN 0021-9010)

Joireman, J. A., Daniels, D., George-Falvy, J., & Kamdar, D. (2006). Organizational citizenship behaviors as a function of empathy, consideration of future consequences, and employee time horizon: An initial exploration using an in-basket simulation of OCBs. *Journal of Applied Social Psychology,* Vol. 36(9),p. 2266-2292. (ISSN: 0021- 9029)

Daniels, D., Joireman, J., & Kamdar, D. (2005). Organizational citizenship behaviors as social dilemmas: Theoretical and methodological developments. In D. Turnipseed (ed.) *A Handbook on Organizational Citizenship Behavior: A Review of ‘Good Soldier’ Activity in Organizations,* p. 79-106. Nova Science Publishing, (ISBN 1-59454-106-x), (The primary thesis of this chapter is that the decision to engage in OCBs can be viewed as a trade-off between short-term individual interests and long-term collective interests – a type of trade-off broadly known as a social dilemma).

Erisman, A., Daniels, D., Wong, K. & Franz, R. (2004). Analyzing and responding to different Christian views of the corporation. *Business and Professional Ethics Journal*, Vol. 23 (4), 93-114. (ISSN 0277-2027)

Diddams, M., Surdyk, L., Daniels, D. & Van Duzer, J. (2004). Implications of Biblical Principles of Rhythm and Rest for Organizational Practices. *Christian Scholars Review,* Vol. 33(3), 311-332. (ISSN 0017-2250)

Diddams, M., Surdyk, L., & Daniels, D. (2004). Rediscovering models of Sabbath keeping: Implications for psychological well-being. *Journal of Psychology and Theology,* Vol. 32(1), 3-11. (ISSN: 0091-6471)

Cazier, Joseph A. and LaBrie, Ryan C., (2003), “7 Myths of Common Data Warehousing Practices: An Examination of Consumer, Business, and Societal Values,” *ISOneWorld Conference Proceedings*, Las Vegas, NV, April 23-25, 2003.

Daniels, D., Franz, R, & Wong, K (2000). A classroom with a worldview: Making spiritual assumptions explicit in management education. *Journal of Management Education,* Vol. 24(5), 540-561. (ISSN 1052-5629)

Mitchell, T.R., Hopper, H., Daniels, D., George-Falvy, J., & Ferris, G.R. (1998). Power, accountability, and inappropriate actions. *Applied Psychology: An International Review,* Vol. 47(4), 497-517. (ISSN: 0269-994X)

Mitchell, T.R., Daniels, D., Hopper, H., & George-Falvy, J., (1996). Contextual correlates of illegal behavior in organizations. *Journal of Business Ethics*, Vol 15(4), 439-455.

# Partnerships – Principles 5 and 6

*“Principle 5 – Partnership: We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.”*

*“Principle 6 – Dialogue: We will facilitate and support dialog and debate among educators, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.”*

# Student Clubs

Student clubs are active in inviting business executives and civil society organizations on campus. The students have participated in conferences on issues of social and environmental responsibilities and attended the various speaker events run on campus. Recently two student clubs hosted a common day of learning on campus, exploring vocations and how they as members of civil society and global citizens should think about their next steps as responsible stewards of their giftedness.

# Advisory Councils

The activities of the school are supported by an Executive Advisory Council of 50 leaders from the local business community. The EAC meets as a whole group twice a year but individual EAC members are regularly asked to host student events, serve as mentors, give guest lectures and support the school in the community. A number of the EAC members also serve on school task forces or advisory groups for the Centers. Approximately 10-15 EAC members serve on the school’s Executive Committee which meets at least quarterly and advises the dean with respect to particular policies and strategic initiatives. They have provided important feedback on our alternative approach to business and issues of sustainability, values and business solutions to issues of poverty.

# Centers for Applied Learning and Integrity in Business

SBE’s two centers are focused on providing opportunities for students and faculty to interact with business organizations and facilitate dialog between faculty, students and society. The Center for Applied Learning’s flagship programs bring students into direct interaction with community partners. The success of the mentoring program and the social venture plan competition is due to the community partners sharing with students around issues of sustainability, the global reach of business and the role of business at it partners with the other institutions of society. The Center for Integrity in Business has created opportunities for discussion centered around business solutions for alleviating poverty globally. The recent microfinance conference attracted over 250 participants and key organizations like Wokai, Agros, World Vision, Kiva and the Gates Foundation. In April 2011, CIB hosted a second conference called The Bottom Billions/Bottom Line. The goal was to explore ways in which we all can change how business does business and how it can contribute to human flourishing. SBE has also consulted the community partners in the development of curriculum in sustainability. The Center for Integrity in Business also maintains a website which publishes thoughtful pieces on the role and purpose of business (<http://www.spu.edu/depts/sbe/cib/>). In addition it also sponsors *Ethix Magazine,* an online journal*.*  One of the hallmarks of *Ethix* is thoughtful interviews with top business leaders on ethical issues that arise in their businesses. For example, Al Erisman, the editor of the journal, interviews Alan Mulally CEO of Ford Motor Co. in a recent issue (<http://ethix.org/>). SBE faculty regularly consult with businesses in the areas of leadership training, ethics and executive training.

# Future Perspectives and Key Objectives

Our distinctive approach of “another way of doing business” frames how we think of future initiatives at SBE. This approach views business as service. It sees business working with stakeholders to enhance the common good. Our initiatives, moving forward, will address the curriculum, the community and our alumni. Curriculum initiatives will center around our graduate programs. Our new Social Enterprise concentration in our MBA program, and our Masters of Responsible/Sustainable Business designed for recent undergraduates were launched in 2011. These programs are still in their infancy and will continue to be a future focus.

Community events and initiatives are being planned around executive training in responsible business highlighting “another way of doing business” and the theological foundations to serving the common good. For example, the Center for Integrity in Business has recently hosted a conference entitled “The Digital Society: Rethinking the Christian Commentary of Technology for the 21st Century.” In addition, CIB will host a Business Track at [Urbana 12](http://www.urbana.org/urbana-12) which will explore the idea of business as stewardship in both North America and internationally — enabling people to serve across cultures.

The Social Venture Competition is currently primarily for SPU students, however, visiting schools have participated and we have convened a social venture colloquia for faculty from schools primarily in the Pacific Northwest. SPU is working with a small coalition of partners to find funding for and initiate a regional competition that would pit the winners of campus-level competitions against each other in a “play-off” round. Ideally, this second-tier competition would be for students serious about launching their social venture businesses and the judges would include local venture capitalists and angel investors.

Alumni initiatives are planned to examine issues of sustainability and business purpose of service and the common good. Finally, SBE faculty will continue to explore sustainability issues through their scholarship and teaching. For example, this spring [Dr. Kenman Wong](http://www.spu.edu/depts/sbe/faculty/fac_wong.asp) received a Free Market Economics grant from the Council for Christian Colleges and Universities to develop an undergraduate course, Market Based Solutions to Global Poverty, that will explore economically sustainable (non-charitable) based methods of poverty alleviation. The new curriculum will be made available for use to the 185 institutions world-wide that comprise the CCCU.

# Desired Support

Seattle Pacific University’s School of Business reaffirms its commitment to the Principle of Responsible Management Education. The emphasis on sustainability and business enhancing and contributing to the common good is at the heart of our curricula, teaching, research and community initiatives. We look to PRME to continue to be a catalyst for some of our thinking and initiatives in the future. Our hope is that PRME will continue to reflect best practices. Our faculty appreciate the opportunities to join PRME Working Groups, and the website is proving to be a good clearing house for events and resources. We also anticipate more collaboration with other member universities.

# Sustainability on Campus

* Sustainability is a community’s ability to meet its needs without hurting future generations' ability to do the same thing. For Seattle Pacific University, that means making decisions with these “three E’s” in mind: environment, economy, and equity. Though responsible stewardship of the University’s physical resources has long been the mission of the Facilities Department, recent years have seen an increased push toward environmental stewardship. A multi-faceted sustainability assessment was conducted in late 2007; it resulted in [utility consumption profiles](http://www.spu.edu/depts/facman/sustainability/pdfs/Utilities-use.pdf) for the past five years, a [draft carbon footprint](http://www.spu.edu/depts/facman/sustainability/pdfs/emissions-chart.pdf), and an [inventory](http://www.spu.edu/depts/facman/sustainability/pdfs/Inventory-Compilation-2008-update.pdf) of sustainable practices on campus. On March 26, 2008, [President Philip Eaton](http://www.spu.edu/info/president/) signed the [American College and University Presidents’ Climate Commitment](http://www.presidentsclimatecommitment.org/) (ACUPCC), pledging SPU to pursue eventual carbon neutrality. The University’s first sustainability coordinator was hired in June 2008, and a campus wide Sustainability Committee formed in September 2008. The university is heavily invested in an ecovive recycling program and celebrates Earth Week with various programming.
* June 2010: SPU adopts climate action plan, 2036 climate neutrality goal [<http://rs.acupcc.org/cap/646/>]
* Summer 2010: student-designed solar photovoltaic system installed on roof of Otto Miller Hall
	+ Part of University Scholars // senior engineering project
	+ Installer is company founded by SPU alum
	+ System supplies the grid with an amount of electricity equal to that consumed by Facilities electric vehicle fleet
* 2011-present: multi-year energy reduction project aimed at reducing SPU’s natural gas consumption by ~15%
	+ Real-time building energy monitoring
	+ Networked building climate controls
	+ Building retro commissioning
* Fall 2011: Composting program introduced to campus apartments (a May 2011 waste audit indicated that roughly 60% of apartment garbage could be composted)
* 2011: Cremona Classroom Building project built to LEED Silver standard for new construction
	+ June 2012: Cremona Classroom Building achieves LEED Silver certification