

Pontifical Catholic University of Rio de Janeiro PUC-Rio

Implementation of the Principles for Responsible Management Education

Progress Report



PRME

2017



April 04, 2015

PRME Steering Committee

PRME Secretariat at United Nations Global Compact Office

Dear Secretariat,

I am pleased to present the 2017 Progress Report of PUC-Rio, and particularly of IAG Business School, on the UN Principles for Responsible Management Education. This report reaffirms our strong commitment to advance the PRME principles in our school and highlights our ongoing efforts and achievements.

At PUC-Rio, our mission is to produce and disseminate knowledge through teaching, research and extension activities based on pluralism, democratic debates, and reflection, aiming to contribute, above all, to the development and enhancement of society. At IAG Business School, we strive to form leaders that can transform the world and remain faithful to these principles. Thus, our own mission and values have the same spirit of those that have inspired the PRME initiative.

We are honored to participate in the PRME community and encourage other academic institutions to also support our shared principles.

Warmest regards,

Prof. Luiz Roberto Azevedo Cunha
Dean of Social Sciences Center
PUC-RIO

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 Pontifical Catholic University of Rio de Janeiro (PUC-Rio), created by the Catholic Church based on Christian humanistic principles, was the first private higher education institution in the country. It welcomes students, staff members, teachers, researchers and administrators of all religions, nationalities, ethnic groups and social classes. In the last listing provided by the Times Higher Education World University Rankings for BRICS and Emerging Economies (2017), PUC-Rio was the first school in Rio de Janeiro and the third nationwide. In the 6th edition of the UI - Universitas Indonesia GreenMetric World University Rankings (2016), which evaluates sustainability effort from universities around the world, PUC-Rio was the third established in the country among hundreds of universities.

PUC-Rio is a community of faculty, students and staff members united by a common interest in fostering the complete development of human beings that can act in accordance with the needs of society and the challenges of our time. The university is committed to building a society based on respect and advancement for all, especially the poor and marginalized. It is also a doctoral research institution that focuses primarily on the development of academic and scientific knowledge that supports local development and addresses the challenges of the social, political and cultural conditions in Brazil and the world.

The social programs promoted by PUC-Rio are a source of hope to improve quality of life and benefit communities and students involved with the projects; they aim to create new understandings of the world while fusing humanitarian and professional principles. These programs, which encompass scholarships, research teams which work with specific groups like low-income communities and children and adolescents with disabilities, teaching programs, assistance projects and research activities developed in the units that compose the Center for Social Sciences (to which the IAG School of Business belongs), reflect the core values of the university. The participation of students in these activities is highly valued at the university. In addition to conventional scholarships, PUC-Rio has always maintained a policy aimed at the admission of low-income students.

IAG Business School purpose is to educate and develop professionals who can make a difference through entrepreneurial action and responsible management. We believe that innovation, entrepreneurship and corporate social responsibility are core issues at the heart of modern business administration. These three themes integrate the latest efforts our school has made in terms of research and teaching initiatives, as demonstrated by the projects of our research centers, described later herein.

Principle 2 - Value

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.

Principles observed in the UN Global Compact on human rights (e.g. preventing human rights abuse), labor rights (e.g. preventing discrimination in employment and occupation), environmental protection (e.g. promoting sustainability and environmental responsibility) and anti-corruption (e.g. promoting ethical decision-making and corporate governance) initiatives are hallmarks of the research and training activities at IAG Business School, and embody the values of the university itself.

IAG works to prepare business administration majors to face the challenges of the twenty-first century by promoting their intellectual, esthetic, moral and spiritual culture in a way that is in tune with their commitment to Christian values. These values permeate the university culture in such a way that they are not mere items attached to traditional curricula, but rather entail the essence of all academic activities. At IAG, students are exposed in mandatory coursework to issues that range from anthropology to labor law.

The curriculum of the undergraduate program on business administration was recently reviewed; coursework focusing on the Christian values that have been a tradition of PUC remains in the program, but additional coursework on responsible management was also included.

Figuring in all undergraduate programs at PUC, religious culture courses such as The Human and the Religious Phenomenon have helped students to focus on historical and contemporary religious manifestations, with

an emphasis on pluralism, tolerance and the necessary interreligious dialogue, as well as on human rights in the perspective of the religions. In 2017, a new course related to the environment and ethics, Socio-Environmental Ethics and Human Rights, will be offered to all majors.

The business administration curriculum also includes two mandatory sections on ethics; Christian Ethics discusses issues founded on the value of life and human rights, while Professional Ethics focuses on the consideration of recent social transformations, the ethical crisis, regulation and codes of ethics. In these courses, the company's role and principles for ethical awareness in corporate life are addressed, as well as the concepts of corporate social responsibility, sustainable development and corporate governance.

The new curriculum contains a section on sustainable development and corporate sustainability, which includes a discussion on the social and environmental crisis and its causes and scenarios, as well as one on the environmental responsibility in public and private companies, environmental management tools, and audit instruments and dissemination of results of sustainable actions.

In addition, the IAG Business School has recently incorporated an entrepreneurship minor, a program that comprises courses on social entrepreneurship, social business and eco-business. This minor has attracted many undergraduate students from all university centers.

Principle 3 - Method

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

For many years, PUC-Rio has promoted effective learning experiences that resonate with the PRME principles. Two elements have been key to this effectiveness; first, the values cherished by PUC-Rio comprise a solid foundation which supports education that goes beyond the classroom to prepare the whole person and the responsible citizen. Second, the school's dialogic academic culture has fostered many interdisciplinary endeavors that focus on contemporary social, economic and environmental issues. The university's noteworthy number of interdisciplinary centers of research and social actions echoes PUC's cherished values and culture.

Some of the efforts of the Center for Social Science and other parts of the university to promote active learning experiences that advance responsible management include:

The Interdisciplinary Center for the Environment (NIMA)

This center hosts interdisciplinary discussions on socio-environmental issues. In addition to bringing together internal competencies, NIMA has also been carrying out projects in partnership with schools, companies, municipalities and national and international institutions. Since its conception, it has been committed to environmental ethics and has worked towards the transformation of the anthropocentric culture, believing in the possibility of creating new scenarios from the communion of mankind and the environment. The Environmental Law Division of NIMA, NIMA-Jur, aims to contribute to the training of legal professionals, which would improve the ability to combine specific technical knowledge with an ethical and interdisciplinary view of the environmental issues.

NIMA has recently published an e-book entitled “Local Management of Water Resources: A Reflection for the City of Rio de Janeiro”; this publication was presented previously at the 21st Climate Conference (COP 21), and addresses the importance of environmental education for conscious action for water conservation, the importance of geographic knowledge and the use of maps in the management of water resources, and the legal protection of water resources in Brazilian law, from a transversal and multidisciplinary perspective.

NIMA also participated in the COP 21 and composed the roundtable “Water and Life - Multiple Perspectives” during the European Panel. During this session they addressed the encyclical “Laudato Si”, which was written by Pope Francis and dedicated to the environment.

The Center of Environmental Geotechnics (NGA)

NGA, which is funded by grants from Brazilian governmental agencies, is a research group which has extensive experience in finding scientific and technological solutions for geohydro-environmental problems. It develops studies and applications ranging from environmental research to the remediation of contaminated areas, and integrates, in a pioneering way, knowledge on geotechnical engineering and microbiology.

Ethics and Current Reality (ERA)

Public and private organizations are increasingly recognizing the need to consider the dimension of ethics as part of organizational structure and functioning. ERA's main objective is to systematically bridge the research and knowledge produced on ethics with society at large through the development of processes and products that have an impact in this area and meet the existing needs. The main objectives of the center are: (a) to share knowledge and methodologies through training and dissemination actions; (b) to integrate international networks, developing relationships with entities with a specialization in ethics and social responsibility; (c) to support the formulation of communication policies in this area; and (d) to develop workshops, web-lessons and other academic productions. Corruption is a topic that has driven many of ERA's efforts. In 2016, faculty from ERA participated in several round-tables, media debates and academic conferences on corruption and its causes, and the role of education in the development of integrity as a value and a practice.

Research Centers at IAG Business School Center for Research in Energy and Infrastructure (NUPEI)

NUPEI was created to be a center of excellence in research and teaching on topics related to energy and infrastructure in Brazil. Among its objectives is research in the areas of energy finance, with an emphasis on both traditional and renewable energy sources, electric energy management, evaluation and financing of infrastructure projects and the development of optimization models, and analysis and risk management. Taking advantage of NUPEI's core competencies, IAG started offering a graduate specialization course in government management and public policies for the energy and mineral sectors in 2016, which was attended by professionals of the Brazilian Ministry of Mines and Energy.

Center for Research on Organizations, Labor Relations and Employment (NORTE)

NORTE was recently created to promote the advancement of knowledge in regards to organizations, personnel management, labor relations and current career dynamics. The center undertakes research and development services in organizations to support the definition of inclusive, balanced and fair human resource policies and to improve leadership development and managerial skills. Research groups within the center have focused on: (1) corporate history, memory and communication; (2) effective leadership; (3) safety, health and well-being at work; (4) diversity management and (5) career and job market dynamics. Taking advantage of NORTE's core competencies, IAG will offer a new program on leadership development in 2017.

Center for Research on Entrepreneurship (NUPEM)

NUPEM is also a new center at the Business School, and shares the university's new pedagogical proposal to complement the traditional professional training of students with studies in new areas of knowledge. Undergraduate and specialization programs on entrepreneurship operate with an innovative, inclusive and comprehensive emphasis based on pedagogical principles and practices that help students, regardless of their professional training or course of origin, to develop an entrepreneurial attitude and a proactive stance, and to discover opportunities for entrepreneurial professional action.

Center for Research on Innovation (MAGIS)

MAGIS, IAG newest research center, was created by faculty to promote research and partnerships on innovation management, innovation in education, development of Fintechs, innovation in energy, technological innovation, blockchain and innovation in cybersecurity and defense. The center is presently developing an R&D project for ANEEL, the Brazilian Electricity Regulatory Agency, on the structuring of digital renewable energy businesses in the blockchain, which is financed by the company Chapeco Energia.

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.

At IAG Business School, full-time faculty members dedicate a significant portion of their time to research. This commitment also establishes that all courses of IAG that confer a diploma or certificate, from undergraduate to doctoral programs, require the completion of a research project: a monograph, thesis or dissertation.

In 2016, 17 doctoral dissertations, 17 academic master's theses and 30 professional master's theses were successfully defended by graduate students at IAG Business School. Three doctoral dissertations and two professional master's theses have already been completed in 2017. In addition, last year two doctoral students finished their PhDs after spending six months abroad in sandwich programs at Texas University in Austin and the University of Illinois. A total of 174 undergraduate students presented their monographs to faculty committees in 2016, fulfilling their final requirement for graduation. **The following are examples of research projects developed on themes engaged by the aforementioned research centers:**

Silveira, E. (2016). From corporate social responsibility to the creation of shared value: an analysis of the collective Coca-Cola Brazil. Professional Master's Thesis.

Fabregas, G. (2016). Evaluation by real options of an electric energy production plant from the Açai Pit Biomass. Professional Master's Thesis.

Abelha, D. (2016). The impact of emotion displays on followers' attributions about Inauthentic leaders. Academic Master's Thesis.

Nascimento, E. (2016). Meanings of private education consumption for emerging consumers. Academic Master's Thesis.

Fontoura, C.F. (2016). Socioeconomic evaluation of projects under uncertainty: Combining the Cost-Benefit Analysis (CBA) with The Real Options Theory Analysis (ROA). Doctoral Dissertation.

In 2016, a monograph developed by a student in the field of labor relations received the Oswaldo Checchia Human Being Award from the Brazilian Association of Human Resources (ABRH). This award recognizes the best initiatives dedicated to the progress of labor relations and the development of people inside and outside organizations.

Faculty at IAG have published their research in national and international journals.

In 2016, 66 research articles and five chapters in edited books were published, and 81 research papers were presented in professional meetings and conferences. Many of these publications are a result of the research efforts conducted at the school's research centers. A significant portion of this work demonstrates the commitment of IAG's faculty and students to advancing responsible management, and adds to agendas on social, environmental and economic issues.

A brief examination of some of these publications unveils the breadth of themes addressed that are associated with PRME concerns:

- Fontoura, C.F., Brandao, L.E. & Lima, L. (2016) Elephant grass biorefineries: towards a cleaner Brazilian energy matrix? Journal of Cleaner Production.
- Cavazotte, F. & Chang, N. (2016) Internal corporate social responsibility and performance: A study of publicly traded companies. Brazilian Administration Review.
- Lima, L. & Brando, L.E. (2016) Mitigating Wind exposure with zero-cost. Renewable Energy.
- Lucena, J. & Cavazotte, F. (2016) Ethical leadership, leader-follower relationship and performance: A study in a telecommunications company. Revista de Administração Mackenzie.
- Almeida, M. F. & Melo, M. A. (2016) Sociotechnical regimes, technological innovation and corporate sustainability: from principles to action. Technology Analysis & Strategic Management.
- Lemos, A. H., Costa, A. M. & Gottlieb, L. N. (2016). Pressure, performance and prestige: Dilemmas for contemporary professionals. Organizações & Sociedade.
- Costa, A.M. & Silva, M. A. (2016) New sources, new versions: contributions from the collection of the National Commission of Truth. Revista de Administração Contemporânea.

Research conducted in other schools within the Center for Social Sciences and other units of the university should also be highlighted:

· The online Business & Etc. platform, designed during the exchange period at the University of California Irvine by a senior student of the Law School of PUC and her fellow entrepreneurs, won the Designing Solution for Poverty Award from the Blum Center for Poverty Alleviation. This is a special award offered under the Paul Merage Business Plan Competition - a competition of technology-related business plans that help in reducing poverty in developing countries.

· Two periodicals, “Social em Questão”, published by the School of Social Service, and “Contexto Internacional”, published by the School of International Relations, received financial grants on editorial calls from FAPERJ (Fundação de Amparo à Pesquisa do Estado do Rio de Janeiro).

· The Center for Studies and Research on BRICS of the International Relations Institute was selected as one of the world's best think tanks, having achieved relevant rankings in the Global Go To Think Tank Index Report, which examines the performance of 6,681 organizations. The report is produced under the Think Tanks and Civil Societies Program (TTCSP) of the University of Pennsylvania.



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. and economic value.

The IAG Business School is committed to interacting with companies and their managers while conducting teaching and research endeavors. Research Centers of IAG Business School, such as NUPEI and NORTE, promote the training of human resources in university, industries, regulatory agencies and public and private companies through postgraduate courses and in-company programs. These centers also conduct R&D and consulting services for public and private agents and organizations involved directly or indirectly in the activities pertaining to their core topics.

In addition, PUC-Rio has several units that cut across programs and schools and entail strong partnerships with business corporations, professional bodies and governmental agencies, such as:

The Brazilian Education Program for iOS Development (Bepid)

This center is a collaboration of the university's software engineering lab and Apple. In addition to teaching how to create an application, Bepid also prepares students for a collaborative, interdisciplinary environment. The project receives students from several majors, such as administration, computer science and design, who work in teams using the methodology adopted by Apple. In 2016, students from the first Bepid class and three different majors (design, information systems and chemical engineering) deployed an application to support children with diabetes, called DIAPETS.



The Innovation Agency of PUC-Rio (AGI)

AGI is a complementary unit of PUC-Rio linked to the central administration of the university through the Vice-Rector for Academic Affairs. Its objectives are to disseminate the culture of innovation in the university, promote and support innovation and technology transfer, valorize intellectual property and disseminate good practices in the management of intangible goods.

In 2016, AGI had a structuring, development, training and infrastructure project for the licensing of technologies approved by FAPERJ, within the scope of the Call for Centers of Technological Innovation (NITs). The program intends to support technological innovation centers, mainly in the commercialization of knowledge generated in universities or research and development centers in the state of Rio de Janeiro, if such knowledge is protected by any form of intellectual property protection.

The Genesis Institute

The Genesis Institute is a complementary unit of PUC-Rio whose objective is the transference of knowledge from the university to society through the formation of entrepreneurs and the generation of successful innovative ventures; the ideal goal of this endeavor would be to contribute to social inclusion, preserve culture and improve of quality of life in regions where these ventures take place. It also has a Coordination of Socio-environmental business. Since 2005, Genesis has been conducting business incubation, and it currently possesses three incubated enterprises. The Institute carries out social projects with companies such as Chevron, Vale and Natura.



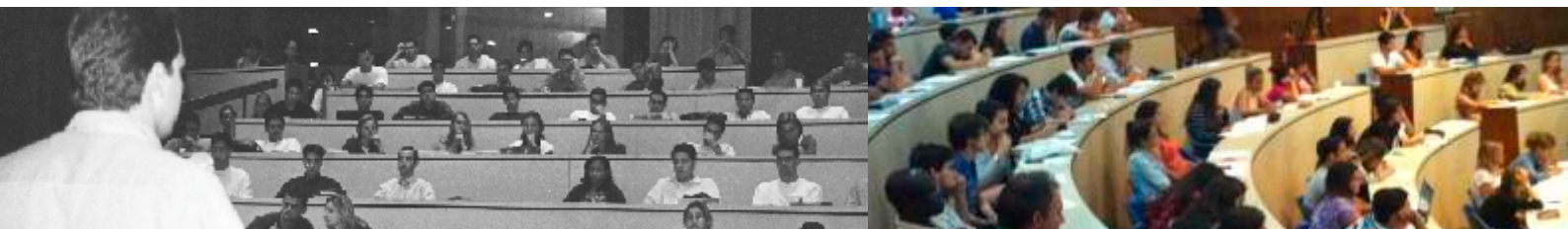
Principle 6 - Dialogue

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

PUC-Rio stands for human dignity. Over time, this value has manifested into a commitment to building a society based on respect and the advancement of all, especially the poor and the marginalized. The founding principles of PUC-Rio state that the university strives to address the challenges of the social, political and cultural conditions of Brazil and the world at large. Some ongoing and recent efforts include:

- **The XXII Environmental Week of PUC Rio.**

The theme of the last edition was "The New Social and Environmental Agenda of PUC-Rio," which focused on the discussion of new potential directions for the university's environmental values; this began the process of revising the environmental agenda of PUC. Over four days of themed activities, the group focused on the discussion of different topics and how they could be put into practice on campus.



- **Center for Conservation and Sustainability Sciences (CSRio)**

A newly created center, the CSRio seeks to converge the sciences of conservation and sustainability. The center aims at becoming an international reference center for research, training and support to the development of public policies, and stimulating discussions on nature conservation in both public and private bodies. Founded at the Department of Geography of PUC-Rio, the project creates important opportunities for debate and dialogue about the environment. CSRio has partnerships with Brazilian institutions such as the Ministry of the Environment, UFRJ, USP and Embrapa, and international institutions such as the Cambridge Conservation Initiative in England, the International Institute for Applied System Analysis (IIASA) in Austria and the International Synthesis Consortium in the USA.

▀ Laboratory of Training and Development of Prototypes (LOTDP)

The Independent Living Center of Rio de Janeiro (CVI-Rio) is a non-profit association founded in 1988 and led by people with disabilities. The CVI-Rio has a historical intersection with PUC-RIO via the Laboratory and Training and Development Workshop of Prototypes (LOTDP), currently LILD, which includes people with disabilities in social projects conducted by students. Due to its relationship with the Department of Arts and Design of PUC-RIO, projects developed in various courses of the undergraduate program and in the LILD itself are sent to CVI-Rio for advice and supervision.

▀ The Erasmus+ Program and the Social Entrepreneurship Network (RESPUC)

The PUC-Rio Social Entrepreneurship Network brings together the projects created, developed and maintained at the university or by members of its community. The Erasmus+ Program is a three-year project of Genesis and CCCI, in partnership with the School of Education and School of Social Sciences, which monitors social innovation in the university. The concept of social innovation under the Erasmus+ Program concerns initiatives aimed at solving socio-environmental issues and maintaining financial sustainability post-intervention.

