

Communication on Progress

About Business School Lausanne

Business School Lausanne Rte de la Maladière 21 P.O. Box 73 CH-1022, Chavannes-près-Renens, Lausanne, Switzerland Tel: +41 21 619 06 06 Fax: +41 21 619 06 00 <u>info@bsl-lausanne.ch</u> www.bsl-lausanne.ch

Business School Lausanne is a leading innovator in business education and ranks 3rd in Switzerland (QS 2010-11 Top 200 Global Business Schools). The school's ACBSP accredited degree programs include BBA and Specialized Masters, full-time modular MBA, Executive MBA and DBA programs. BSL takes a pragmatic approach to learning by applying theory to practice and is backed by a multidisciplinary faculty of business professionals. BSL attracts students from around the world, creating a multicultural environment of more than 40 nationalities. Established in 1987, BSL is a co-founder of the World Business School Council of Sustainable Business (www.wbscsb.com).

History of Business School Lausanne

- 1987: Foundation by Dr John Hobbs
- 1994: Appointment of Dr Trevor Johnson as Dean
- 1996: Award of accreditation by ACBSP (Accreditation Council of Business Schools and Programs) for BBA and MBA programs
- 1996: Launch of the Executive MBA program
- 1997: BSL becomes member of the Lemania Group of Swiss Private Schools
- 2001: ACBSP accreditation for the Executive MBA in French at ESM
- 2003: Appointment of Dr Charles Dufault as Associate Dean
- 2004: ISO 9001 Certification
- 2006: Reaffirmation of ACBSP accreditation for BBA, MBA and DBA
- 2006: Start of collaboration with Ambition Academy in the Netherlands
- 2006: Commitment to UN Global Compact ten principles
- 2007: BSL celebrates 20 years in quality business education
- 2007: Entry into the Swiss Private School Register
- 2007: Launch of a BSL Alumni website
- 2008: Appointment of Dr. Katrin Muff as Dean
- 2008: Membership of Delta Mu Delta
- 2009: BSL restructures the MBA programs, begins online collaboration with Harvard, offers seminars for business professionals
- 2009: BSL's MBA program is ranked 40 among top European Business Schools
- 2010: BSL becomes member of EFMD (European Foundation for Management Development)
- 2010: Appointment of Georges Knell as Associate Dean
- 2010: BSL is co-founder of the World Business School Council of Sustainable Business (WBSCSB)
- 2010: BSL launches new Specialized Masters programs and becomes affiliated to C.M.I. and C.F.A.
- 2011: BSL joins the Principles of Responsible Management Education (PRME) initative of the U.N.
- 2011: BSL and University of St Gallen join forces to offer a joint executive degree in Sustainable Business

Total Number of Graduates from Foundation (December 2010)

| BBA: | 337 |
|---------------------------------------|------|
| MBA: | 273 |
| Executive MBA | 221 |
| MBA from the French-speaking program: | 168 |
| DBA: | 41 |
| | |
| Total: | 1040 |

Statement from Philippe Du Pasquier, President of BSL



In 2006 Business School Lausanne decided to join the UN Global Compact, a program launched a few years earlier by Mr. Kofi Annan, the then Secretary General of United Nations. The UN Global Compact aims to promote through ten principles (**see Appendix 1**) the respect of human rights, fair labor regulations, the preservation of the environment and the fight against bribery worldwide. I strongly felt that such a program deserved to be supported. I also thought that the idea to ask for commitment from companies would help accelerate the work done on a governmental level in the different international organizations or inside the different countries. Obviously, the decision processes to make a change are quicker in companies and in particular in SME's than at the political level, where ratification by Parliaments or citizens has to occur before regulations are enforced. In addition, as a business school, we felt a strong responsibility in instilling these values into our students, the future leaders of tomorrow.

Here are some of the actions we have taken at BSL with relation to our commitment.

- In the BSL Newsletter sent to all alumni, current students and members of our Faculty in December 2006, I wrote: "I take the opportunity to inform you that BSL has recently committed to the UN Global Compact, a program launched by the Secretary General of United Nations, Mr. Kofi Annan, and aiming to promote the respect of human rights, the preservation of the environment, and to fight against bribery worldwide. I really think that such a program deserves to be supported by all the people aware of today's world challenges."
- The logo of UN Global Compact and a link to the UN Global Compact website were featured on our website. In addition, the page BSL Values & Vision contains a link to a page entitled BSL & the UN Global Compact, on which the current COP is available in PDF format.
- In October 2008, Dr. Katrin Muff, new Dean of BSL, wrote an article entitled "BSL Responds to the Financial Crisis" (See Press Release: Appendix 2)
- Since February 2009, I personally participate regularly in the meetings of the UN Global Compact Swiss Network in Zurich.
- In April 2009, BSL reemphasized UNGC membership in the QS e-guide for students (Appendix 3)
- In Summer 2009, BSL values were discussed with the MBA Faculty and a document was issued summarizing our Vision, Mission and Values (See Appendix 4). Since then this document is distributed to the incoming MBA and EMBA students and discussed with them in a kick-off meeting at the beginning of their first term.
- In November 2009, BSL hosted Mikkel Vestergaard Frandsen, a guest speaker in the MBA module "Finance for Entrepreneurs." He explained how his company is successful through helping the population in developing countries in different ways.

- In the Spring Term 2010, a new BBA course was launched: "CSR & Sustainability in Business," taught by Mr. Gianluca Galdenzi, Head of Partnerships and Public Affairs at UNICEF Switzerland.
- On May 6, 2010, Professor Galdenzi and Dr. Muff, Dean of BSL, took part in the Y-CSR Forum, a one-day working conference at the Ecole Hôtelière de Lausanne. Their presentation was entitled: "Call for a stronger role of private entrepreneurs in shaping CSR & Sustainability."
- A link to the Global Business Oath, initiated by the Forum of Young Global Leaders and the World Economic Forum, is now available on the BSL web page Dean's Corner. The BSL community is encouraged to commit to a business behavior aligned with the Principles of the UN Global Compact. In addition, our students are regularly offered the possibility to pledge on a voluntary basis.
- In August 2010, BSL was a co-founder of the World Business School Council for Sustainable Business (See www.wbscsb.com) in Montreal.
- On March 2, 2011, we had the great honor to welcome at BSL Dr. Joseph Deiss, former President of the Swiss Confederation, current President of UN General Assembly and Dr. H.C. of BSL for a conference on Challenges and Opportunities of World Governance in the Coming Decade. This was followed by a debate with faculty, students, alumni and selected guests.



Philippe Du Pasquier and Dr. Joseph Deiss

• We are currently launching a new Diploma in Sustainable Business in collaboration with the University of St. Gallen.

In view of the significant challenges our world is currently facing, I am convinced that responsible people can't rest on one's laurels, and I'm looking forward to report next year on new, exciting achievements of Business School Lausanne.

How Business School Lausanne defines its position regarding the 10 principles?

Human Rights (Principles 1 and 2)

BSL is active in Switzerland exclusively, a country where human rights are largely respected, hence is not directly faced with HR issues

A large percentage of BSL students come from the four corners of the world; some of them from countries where human rights may be violated.

Knowing this BSL has responded by

- Teaching Ethics at the BBA level for many years.
- It is more and more recommended by academics worldwide that ethical concerns are integrated into a wide range of business courses. This has been done by BSL for many years. In many courses, ethical issues are addressed.
- A course called Business, Society and the Environment was taught by Dr. Charles Dufault in the MBA program from 1993 to 2009.
- Dr. Galdenzi, UNICEF, was invited several times in the MBA program to talk about NGO concerns, and eventually succeeded to Dr. Dufault, teaching a course called: CSR and Sustainability in Business.
- In 2009 a second guest lecturer, Mrs. Batruch, Corporate Responsibility Manager of Lundin Petroleum, was invited in the MBA program: she explained how her company addressed problems related to human rights in a civil war situation in Sudan.

Labour Standards (Principles 3,4,5 and 6)

As a member of AVDEP (Association Vaudoise des Ecoles Privées), BSL complies to a collective contract (Convention Collective de Travail) valid for all BSL professors. In this way, it is complying to Principle 3. All BSL employees enjoy good working conditions and salaries, according to the standards of an SME in Canton de Vaud. Empowerment is in force and development of employees is a permanent concern of the management.

Principles 4 and 5 are not real issues in the Swiss labor market. As most of our suppliers are Swiss companies, it is not an issue even indirectly.

Regarding principle 6, BSL refrains from any discrimination with respect to employment and occupation and pays equal salaries to male and female employees.

Environment (Principles 7,8 and 9)

As an educational institution, BSL does not have a big impact on the environment like an industrial company.

Nevertheless, sustainable development has always been a concern for BSL and we have implemented the following:

- Preference given to local suppliers (diminishing the "grey" energy consumption)
- Separation of recyclable materials
- CFF half-tax subscriptions offered for management, encouraging them to use public transportation
- In 2009, BSL decided to use FSC paper for its stationary and photocopies.
- Shift to electronic treatment of inquiries, reducing drastically the number of brochures printed and suppressing their postage.
- In 2010, BSL moved to a new building and installed fountains for drinkable water from the taps, consequently eliminating the purchase of bottled mineral water.

Anti-Corruption (Principle 10)

Principle 10 is not a major issue in Switzerland; nevertheless BSL upholds a strict set of values and measures in its student management to ensure just treatment and avoidance of any corruptive behavior.

Conclusion

Business School Lausanne fully supports the UN Global Compact ten principles and complies to them in all its activities. Our responses to the ten principles are factual, realistic, but qualitative rather than quantitative.

It would be very difficult and costly for a small size company like BSL (9 Directors and staff members + 25 to 35 part-time professors) to publish metrics for the ten principles.

The current document is made available through our submission to the UN Global Compact and BSL website.

Appendix 1

The Ten Principles

The UN Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption enjoy universal consensus and are derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment, and anti-corruption:

Human Rights

- <u>Principle 1</u>: Businesses should support and respect the protection of internationally proclaimed human rights; and
- <u>Principle 2:</u> make sure that they are not complicit in human rights abuses.

Labour Standards

- <u>Principle 3</u>: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- <u>Principle 4</u>: the elimination of all forms of forced and compulsory labour;
- <u>Principle 5</u>: the effective abolition of child labour; and
- <u>Principle 6</u>: the elimination of discrimination in respect of employment and occupation.

Environment

- <u>Principle 7</u>: Businesses should support a precautionary approach to environmental challenges;
- <u>Principle 8</u>: undertake initiatives to promote greater environmental responsibility; and
- <u>Principle 9</u>: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

• <u>Principle 10</u>: Businesses should work against corruption in all its forms, including extortion and bribery.

(source: www.unglobalcompact.org)

Appendix 2

Press Release

BSL Responds to the Financial Crisis

"We must all assume our responsibility!"

Lausanne, 27 October 2008 – Katrin Muff, the new Dean of Business School Lausanne (BSL), relates her vision of BSL to the current financial crisis.

"There are two root causes behind the current crisis", she says, "the unsustainable hunger for growth which seduced us all by and a lack of concrete, pragmatic corporate governance as well as appropriate risk evaluation".

BSL, together with IMD and EHL, is one of the cornerstones which make Lausanne a leading location in management education. Founded in 1987, BSL was the first business school in Europe to be accredited by ACBSP and was recently named the only Swiss university to be part of Delta Mu Delta, the world's top honor society in business education.

"We must all assume our responsibility, whatever our position or role", claims Dr. Muff. "For us at BSL, this means that we have to rethink how to better prepare future business leaders for the challenges they face." Historically, BSL has focused on providing higher education to young entrepreneurs and family business owners. The new Dean now challenges the school to reinforce that strategy. She has announced a revision of all courses from the bachelor, master to the doctoral programs to ensure that BSL remains a leading innovator in providing a practical, relevant education to future business leaders.

The demographic shift in the top three world economies has long been predicted to cause a slowdown in consumption and spending power. U.S. consumers in particular have been enticed to live beyond their means for too long. The sub-prime crisis is a direct result of zero-down low-interest loans of the past decade. *"It is high time to develop a business model that isn't growth dependent"*, demands Katrin Muff. *"Businesses and individuals need to come to terms with the new realities we are facing after 50 years of high growth. We need to learn to value improvement differently than by increasing financial wealth."* Qualitative growth needs to replace quantitative growth. Sustainability is a critical element of new solutions for business to continue their evolution.

Regarding corporate governance, she expects board members to assume their responsibility to ensure that the company operates ethically and bases its future on sustainable strategies rather than wild opportunism. *"Visions and strategies need to be translated into measurable plans for which leaders are held responsible"*, she claims. *"This requires transparency and the courage to ask questions nobody has been asking."*



April 2009

BSL Continues Partnership with QS TopMBA

At BSL, our priority rests in educating our students for future success. With this in mind we are pleased to continue our partnership with QS TopMBA Careers, a service providing quality information on career development topics. Two times per year, TopMBA presents us with an editorial E-Guide; the first for 2009 we gladly present in the following pages.

Additionally, as previous communicated, our partnership with TopMBA allows our students access to their substantial database of career opportunities. To search through current listings, logon to BSL's linked page. For students who have not already done so, please note that the site requires initial setup of a user name and password.

Opportunity to Achieve Delta Mu Delta at BSL

BSL's accreditation, quality professors and successful students have merited the creation of a BSL Chapter of Delta Mu Delta. Our recent induction into this International Honor Society in Business makes us the first business school in Switzerland to provide students with an opportunity to attain membership. We are the 275th chapter of Delta Mu Delta and award the top 20% of BSL graduates.



The name Delta Mu Delta stands for the Greek phrase - Dia Matheseos Dunamis which literally translated, means - through knowledge, power. The honor society was

founded in 1913 in order to recognize exceptional students in the field of business. Today, membership to Delta Mu Delta represents the highest international recognition a business student can earn and provides a significant differentiation factor on CVs. We encourage all BSL students to aim to achieve this honor, which is earned through persistent and serious application to scholastic work.

BSL's Commitment to Ethical Business Practices

As financial crisis and corporate scandal continue make to headlines, BSL remains strongly committed to developing and preparing responsible business leaders. Not only do we instill principles of corporate responsibility and risk evaluation into our teaching practices, we are part

For us at BSL, we have to rethink how to better prepare future business leaders for the challenges they face. – Dr. Katrin Muff 🧕 of the United Nations Global Compact, a platform aligned in favor of human rights, labor standards, environ-

We need business to give practical meaning and reach to the values and principles that connect cultures and people everywhere. - Ban Ki-moon, Secretary-General of the United Nations 99

ment, and anti-corruption. In providing our students with the highest value of education, BSL has worked hard to be widely recognized by many organizations. Our involvement with the UN Global Compact further places emphasis on our commitment to ethical business practices, both in and out of the classroom. Please visit our website for a complete list of our affiliations.

BSL Proudly Welcomes Our New Students

MBA Students

Sevcan KARAN SAHIN Lena KOROPEY Marion LINDSAY (EMBA) Natalia MILIBAEVA Ankit MADAN Dipak NIRMALKUMAR Samantha ZAKLAMA

BBA Students Fabrice AMANY Essam GHAZAWEI Petar IVANCHEV Andrea VON SURY Fares ZOUARI

Appendix 4



Vision

BSL is a leading innovator in business education.

Common identity

We are professional partners in learning and innovation.

Guiding principle

By creating a powerful and safe learning environment, we are dedicated to bringing out the best in our partners* and ourselves.

* We consider our students, clients and suppliers; our faculty, guest speakers and staff; entrepreneurs and corporate executives, partner companies and associated universities; our parent and sister organizations; the press and anybody else we work with as our partners.

Values

<u>Learning</u> "The day we stop learning, we start dying." Unknown We welcome change and discovery. We appreciate what is new and different. We are willing to change our thinking and behavior. We transform every difference of opinion into a source for growth.

Professionalism

We keep our agreements. We deliver consistent high quality results based on a systematic and relevant approach. We demand the best of ourselves and others. We are prepared and on time.

Partnership

Together, we work towards common values and goals. We respect and build on diversity of thought, culture and approach. We acknowledge the contribution of each other and help each other grow.

<u>Courageous leadership</u> "If you don't risk anything, you risk even more." Erika Jong We create an environment of trust and respect. We do what we say. To improve, we encourage each other to dare to think differently and to find new ways of doing things, including making mistakes.

<u>Entrepreneurship</u> "It is better to ask for forgiveness than for permission." Ignacio de Loyola Each of us takes ownership of our part in BSL. We explore new horizons by asking why, what for and why not. We are flexible. We overcome difficulties and challenges. We make new things happen.

Responsibility

We listen and respond with solution-oriented ideas and action. We care for the world we live in. No matter what happens, we ask ourselves: what is my role in this and what can I do now?

How we live our values

| BSL's shared values Learning attitude | Observable behaviors | |
|---------------------------------------|--|---------|
| | 1. Being present and listening | |
| | 2. Understanding somebody else's perspective through questions | |
| | 3. Accepting and offering challenge | |
| | 4. Willingness to revise my point of view or my behavior | |
| | 5. Not taking things personally (we are not under attack) | |
| | 6. Not taking ourselves (= our current perspective of reality) too set | riously |
| | 7. Being curious and open to change and discovery | |
| Professionalism | 1. Consistent delivery of repeatable high quality work | |
| | 2. Respecting rules and regulations | |
| | 3. Completing tasks on time and according to agreed standards | |
| | 4. Responding to a request and engaging in a dialogue | |
| | 5. Being up-to-date and current in our domain | |
| | 6. Expressing knowledge through tools and standards | |
| | 7. A high level of empathy for our partners | |
| Partnership | 1. Working together towards a common goal, based on shared valu | les |
| | 2. Accepting interdependence (helping and supporting each other) | |
| | 3. Using each other where each one is good or strong | |
| | 4. Helping each other grow | |
| | 5. Being clear on common values, goals and vision | |
| | 6. Transforming differences of opinion into a source for growth | |
| | 7. Valuing diversity (of thought and culture) and building on it | |
| Courageous leadership | 1. Making teaching a learning experience | |
| | 2. Inspiring others through modeling (self example) | |
| | 3. Challenging myself and others | |
| | 4. Sharing my experiences, successes, doubts and mistakes | |
| | 5. Willingness to question myself | |
| | 6. Inspiring others to do their best | |
| | 7. Taking decisions in the interest of future generations and this wo | orld |
| Entrepreneurship | 1. Being pragmatic | |
| | 2. Being flexible and adaptable to change | |
| | 3. Goal and result oriented: making things happen | |
| | 4. Taking ownership and (reasonable) risks | |
| | 5. Finding different solutions and breaking new ground | |
| | 6. Not giving up in face of difficulties | |
| | Encouraging innovation in everything we do | |