



EGADE Business School
Tecnológico de Monterrey



Sharing Information on Progress 2013

EGADE Business School

Tecnológico de Monterrey

June 2015

Monterrey, Nuevo León, México

PRME

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

AGREGAR CARTA 2013



EGADE Business School

Tecnológico de Monterrey

EGADE Business School, the graduate business school of the Tecnológico de Monterrey is recognized in Mexico and Latin America for developing internationally competitive leaders with entrepreneurial spirit and human sense.

EGADE Business School has become the leading graduate business school in Latin America. It is present in Mexican cities such as Mexico City, Monterrey and Guadalajara, and it also has presence in Peru and Panama where it imparts MBA programs.

In 2013, EGADE Business School offered diverse graduate programs in business: eight masters degrees and two doctorate programs.

EGADE Business School Graduate Programs

- MBA in Global Business and Strategy, a program that gives a double degree with the Belk College of Business at The University of North Carolina at Charlotte.
- OneMBA, which gives a degree together with the consortium of the following European universities: Rotterdam School of Management, Erasmus University, the Netherlands; North America: EGADE Business School of the Tecnológico de Monterrey in Mexico, and Kenan-Flagler School of The University of North Carolina at Chapel Hill, USA; and South America: Business Escola de Administração de São Paulo da Fundação Getulio Vargas in Brazil.
- Executive MBA, which provides a double degree with McCombs School of Business at The University of Texas at Austin, US.
- Master In Finance
- Master in Marketing

- Master In Management for Manufacturing
- Master in International Business
- Doctorate in Management Sciences
- PhD in Financial Sciences

Today EGADE Business School is considered as a world-class business school. It is internationally recognized and accredited by the three globally most prestigious accrediting institutions: AACSB, AMBA and EQUIS. The school takes part of a very selective group of business schools, 0.15% in the world, which counts with the “triple crown” in international accreditations.

EGADE Business School is also recognized as one of the first signatories’ universities to join the Principles for Responsible Management Education (PRME) Initiative. It is a pleasure to present our Sharing on Information Progress Report 2013 and reinforce our commitment to UN PRME.

Principles for a Responsible Management Education (PRME)

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.

Principle 3: Method:

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

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.

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 dialogue 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.

Introduction

EGADE Business School has been working on the development of students with human value and an ethical perspective. UN PRME has been a guide to fulfill our objectives, mission and vision.

In this report, we present our advances in the fulfillment of UN PRME through research projects, academic activities, the development of new educational framework and teaching materials, and our partnerships and dialogue with important actors such as government, business sector and non-governmental organizations. Our objective is to promote responsible management principles in management and spread the knowledge on different society spheres.

During 2013, our Center for the Integration of Economic and Social Value (CIVES), created in 2009, adopted a new name due to its growth, expansion and new approaches towards the topics of sustainability and social entrepreneurship. Today this center is called SUSTENTUS.

SUSTENTUS is a center that concentrates efforts on the topic of sustainability through the research oriented to big companies and social entrepreneurship, promoting the collaboration between the academia, the business sector, the government and the civil society organizations in order to develop joint projects. SUSTENTUS counts with the sponsorship of FEMSA and the support of the Social Enterprise Knowledge Network (SEKN). Other partners and networks, which the center works with, are: SIEMENS, International Research Network on Social Economic Empowerment (IRENE SEE), NBS Network for Business Sustainability, American Chamber Mexico, Expok, ASHOKA and the Secretariat of Social Development in Nuevo León (SEDESOL).

EGADE Business School along with SUSTENTUS have been working altogether to develop and improve the responsible management principles and its practice through a wide variety of activities, programs and initiatives. We will discuss this in detail through the present report.

Regarding Principle 1 and 2:

EGADE Business School, as the graduate business school of Tecnológico de Monterrey, shares the five values that govern the institution:

1. Innovation: We generate ideas and make them a reality; we break paradigms and assume risks learning from our mistakes.
2. Global vision: We promote a global culture and diversity.
3. Teamwork: We encourage collaborative work and we seek the collective success above the individual one.
4. Human sense: We respect the human dignity and we are mutually binding.
5. Integrity: We behave ethically; we are honest, austere and consistent.

During the beginning of 2013, all faculty members, directors, and employees at Tecnológico de Monterrey and EGADE Business School signed an institutional Code of Ethics. This Code of Ethics is founded on institutional values such as human sense, integrity, equity and transparency. Through the signature of this Code of Ethics, all members of the organization are committed to guide their actions toward the common good and the transformation of our society. This Code of Ethics has to be regularly resigned and can be consulted in the following link: <http://www.itesm.mx/wps/wcm/connect/ITESM/Tecnologico+de+Monterrey/Nosotros/Formacion+que+Transforma+Vidas/Codigo+de+etica/>. There is also a Code of Ethics exclusively oriented to students as the following link shows: http://sitios.itesm.mx/va/somos/_pdf/c_etica.pdf. This Code of Ethics to students reinforces four important values: respect, academic honesty, responsibility and commitment to the community.

EGADE Business School still counts with the participation of an Ethics Committee made up of five academia members who make decisions regarding to the content of ethical, corporate social responsibility and environmental courses. Also, this Committee is on charge of training other academia members concerning this matter, and planning conferences and events, among other responsibilities.

The course *Business Policy, Ethics, Corporate Social Responsibility and Sustainability* continues to be mandatory for all our postgraduate programs (master

degrees and PhD degrees). The overall objective of this course is to integrate an ethical and social responsible reasoning in executive's decision making. The methodology of this course is to act as a learning community, in which each class member has to actively participate and provide their opinions and knowledge to the group. The course was offered during all academic periods of 2013, including one in Panama. The main subjects of this course are corporate social responsibility, individual and organizational ethics, corporate social responsibility applied to all business functional areas, sustainable behavior in organizations and new trends in the study of CSR.

During 2013, EGADE Business School invited external professors to offer speeches about transversal ethics in all the seminars and courses.

In the review of the new curriculum programs in 2013, several development axes were established, one of which includes not only ethics, but also corporate social responsibility and sustainability. Also PRME principles will be included.

In 2013, professors from EGADE Business School also started to offer the course "Social responsibility and corporate sustainability" to bachelor students from the program of Engineering in sustainable development.

During 2013, EGADE Business School also promoted profoundly the importance of business ethics among students. In order to contribute to the reflection about ethics and its applications in business, EGADE Business School developed the first essay contest called "Ethics in Business". Twenty-five students sent their essays electronically to a jury of 9 professors from EGADE Business School who are experts on the subject.

At the same time, EGADE Business School is still implementing its Sustainable Campus program, which includes activities as recycling, water saving mechanisms and other environmentally friendly behaviors. The overall objective is to reinforce a sustainable development perspective in all our students, academia members and staff.

Regarding Principle 3 and 4:

Regarding principle 3 about the method and educational materials to support the responsible management education, members from EGADE Business School have been producing and spreading educational material as case studies. Among them we can mention the following:

- Case. “IPODERAC: Towards a financial sustainability”: It is about the Rehabilitation Institute of Puebla Civil Association (IPODERAC) and its efforts to achieve self-sustainability as a non-governmental organization. It has sold 150 units.
- Case. “Tourist Inn at Huatulco, a new type of accommodation with environmental conscious”: It has sold approximately 94 units.

Regarding principle 4 about conceptual and empirical research, in November 2013, when Mario Dávila was a doctoral candidate of EGADE Business School, he presented together with Gerardo Lozano and Thomas S. Lyons, the work entitled "Leveraging Low Income Farmers' Performance Through Empowerment: Analysis Of A Sustainable Initiative In Mexico" in the 10th Annual academic conference NYU-Stern Conference on Social Entrepreneurship, which is one of the most important worldwide congresses on the subject of Social Entrepreneurship . For this academic congress, over 100 research papers from around the world were applied, of which less than 40% were selected for presentation.

José Manuel Maraboto, a doctoral student of EGADE Business School, presented the research entitled "Characteristics and distinctive features of social entrepreneurs. Application to social enterprises for profit" in the XVII International Congress of Administrative Sciences Research "Management science to the challenges of Employment and Labor Crisis World". The causal model of this research identifies the variables that influence both the identification of opportunities and the implementation and the perceived success of social enterprises for profit.

Mario Dávila finished his PhD in Management Sciences at EGADE Business School during this year contributing with the thesis “Development through Empowerment: Integration of the Low Income Sector in the value chain”. The objective

of the research was to analyze how the enterprises with sustainability initiatives can generate a better individual performance through the creation of empowerment in the low-income sector. The thesis contributes to the field of social entrepreneurship and the sustainable development in low-income communities in Mexico. Can be consulted ProQuest/UMI Dissertation Publishing.

Regarding Principle 5 and 6:

Regarding our collaboration and dialogue, EGADE Business School has been collaborating with actors such as the government, the business sector and the third sector. EGADE Business School has been spreading constant knowledge about sustainability, ethics and corporate social responsibility through different trainings, courses, certifications, opinion articles, conferences and lectures.

BUSINESS SECTOR:

SPECIAL PROJECTS FOR BUSINESS SECTOR:

MOPSE PROJECT

Since 2012, EGADE Business School contributed with the “MOPSE project” in the Inspirational Guide for the Implementation of PRME. In this guide, the reader can find a complete presentation of the actions and results derived from this project. For further information, please visit: <http://www.gseresearch.com/pages/prme.aspx>.

In EGADE, we believe that the Principles of PRME regard not just with ethical behaviour, but also with better performance for the firms. “The five dimensional model of sustainability for firms” (MOPSE as its Spanish acronym) is based on a well-developed theoretical framework about the concept of entrepreneurial sustainability and it includes transversely the values proposed by PRME. MOPSE is a model oriented to small and medium-sized enterprises (SMEs) in Mexico. This type of enterprises faces great challenges in its first years of existence, as a matter of fact; the lifespan of an SME in Mexico is three years. MOPSE is an integral model that allows these enterprises to achieve sustainability.

This model starts with diagnosing the total management of companies, continues with the competitiveness and the analysis of the company relationships and its impacts; and ending with the evaluation of its transparency and communication to different stakeholders.

On the other hand, the model also allows students to review transversely PRME principles at different organization levels: Individual, group and organizational, and to think over the impacts that may be generated from these actions.

At this time the developer team of MOPSE is engaged in a multi-regional research agreement with several universities in Mexico (UNAM, U.Veracruzana, U. de Occidente, U de Chihuahua, U. Baja California and EGADE BS) and in Colombia, Peru as well as in Trinidad and Tobago. In this 2013 the team still collect data, because the states of Jalisco, Chihuahua and Baja California were included in the research.

ETHICS AND CORPORATE SOCIAL RESPONSIBILITY

EGADE Business School provided the coordination and impartation of the module "Ethics and Corporate Social Responsibility" of the program for the training of administration counselors, benefiting 39 participants in 2013.

"EDUCATION FOR SUSTAINABLE CULTURE" PROGRAM

During 2013, SUSTENTUS continued the work of the executive education program "Education for Sustainable Culture", which will be offered in 2014. The introductory module of the program and 4 of 6 modules were completed. A special service platform for the program was hired. Furthermore, the first pilot program was conducted with a sample of 26 master degree students. Feedbacks were collected and adjustments were made on technical details.

MOMENTUM PROJECT

The main purposes of the “Momentum Project” are the development of a program to increase the impact of social enterprises and the creation of a supportive ecosystem for the social entrepreneur.

The first Mexican edition of “Momentum Project”, which is led by the alliance of BBVA Bancomer, EGADE Business School and New Ventures Mexico finished in 2013. As a second phase of this project, in February 2013, 6 professors of EGADE Business School and 1 specialist in venture capital imparted 40 hours of training in subjects such as marketing, finance, strategy and innovation, to the directors of the 10 finalist companies. In July 2013, the investment proposals of the 10 finalists were heard and the basis for the organization of the second edition of Momentum Project Mexico were established. For further information about “Momentum Project”: <http://momentum-project.org/>.

IRENE SEE

In 2011, EGADE Business School established an alliance between SUSTENTUS and the International Research Network on Social Economic Empowerment (IRENE SEE) which main purposes are to: 1) create social empowerment through business solutions to social problems, 2) give scholarships to doctorate students who focus in this topic and 3) to study the long term viability, usefulness and effects of social and economic empowerment in Africa and Latin America. We promote the research and diffusion of knowledge in CSR issues and social business through this alliance.

As part of the activities and projects of IRENE SEE during 2013, the 2014 meeting was planned and the progress of the doctoral thesis "Development through Empowerment: Integration of the Low Income Sector in the value chain" by Mario Dávila was reviewed, when he still was a doctoral student of EGADE Business School.

Mario Dávila, as a recent doctoral graduate, will continue to work with the IRENE network to deepen their studies on the phenomenon of social entrepreneurship.

OPINION ARTICLES IN EXPOK

As part of the transfer of knowledge of the issues of corporate sustainability and social entrepreneurship during this 2013, SUSTENTUS of EGADE Business School published 20 opinion articles in the news portal of Expok Company. Two of the 20 titles of these articles were "BBVA Bancomer promotes "social entrepreneurship ecosystem" to finance sustainable projects" and "Alliances between companies and CSOs, a pathway of success for the professionalization of a CSR project: Case Danone and Casa de la Amistad".

NON-GOVERNMENTAL SECTOR:

During 2013, EGADE Business School continued the collaboration with the Secretary of Social Development in Nuevo León (SEDESOL) to support the professional development of Mexican non-governmental organizations registered at SEDESOL. Seven professors from EGADE Business School and one professor from other local university, benefiting 41 participants from 39 non-governmental organizations, performed eight Courses about topics such as sustainability and resource mobilization, social marketing, strategic planning and productive projects. Further, EGADE Business School provided the coordination, the logistics and the installations of 2 training courses, benefiting 219 participants from 151 non-governmental organizations.

SUSTENTUS of EGADE Business School participated in the organization of the annual forum "Infallible events of CSR: inclusion, involvement with the community, value chain and environmental impact" and the Forum of Social Marketing: "Know, learn and contribute ... be socially responsible" in partnership with American Chamber Mexico and Caracol de Plata A.C., respectively. These forums had 120 and 66 assistants.

PhD Gerardo Lozano, a professor of EGADE Business School, participated as a moderator of the panel "How to define the success factors?" in the "First Meeting Leaders Agents of Change" of Ashoka and Fundemex. This initiative seeks to bring together senior executives on a mission to explore new types of leadership, re-imagining and designing successful businesses that meet social challenges.

OBJECTIVES FOR 2014

Some of our objectives for 2014 are:

Education and transference:

- Completion and implementation of online training program "Sustainable Culture".
- Generation and implementation of diploma course on labor inclusion together with Congruence Movement, an association.
- Continue with the academic training program of social leaders for non-governmental organizations together with SEDESOL.
- Performing a corporate sustainability forum in conjunction with AmCham and other partners.
- Development of an online course of inclusive business in conjunction with SEKN and the Vice Presidency of Online Programs of Tecnológico de Monterrey.
- The performing of the second edition of the contest of ethics essay.
- Continue the teaching of the course "Business Policy, Ethics, Corporate Social Responsibility and Sustainability" in EGADE Business School.
- Continue the teaching of the course "Social responsibility and corporate sustainability" to bachelor students from the program of Engineering in sustainable development.
- Continue the publishing of articles on Corporate Sustainability topics in Expok.

Research area:

- Publication of more study cases related to sustainability issues.
- Publication of a casebook from study cases developed by students who took the *Business Policy, Ethics, Corporate Social Responsibility and Sustainability* course. First phases of this process are the selection and evaluation of each study case according to its relevance degree.
- Publication of a monthly article in specialized sustainability media.
- Research about ethic students' assessments in the last three years.

Executive training and diffusion:

- Development and delivery of more courses from EGADE professors to non-profitable organizations.
- Development and implementation of more courses oriented to NGO's.
- Generation of a biannual forum related to sustainability issues.

Executive consulting:

- Elaboration of two field projects with master students to advise enterprises in sustainability issues.