



**EGADE Business School**  
Tecnológico de Monterrey



## Sharing Information on Progress 2014

**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 2014**



## EGADE Business School

### Tecnológico de Monterrey

#### About EGADE Business School

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

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. The school also has more than 55 international academic agreements with universities and business schools for double-degree and joint-degree program, international professional certification and possibilities for study in 4 continents.

EGADE Business School has developed a solid reputation based on the quality of its graduates, its innovative educational model, high-quality instruction and research achievements, and the global nature of its academic programs.

During 2014, EGADE Business School re-structured and offered diverse and new graduate programs in business such as the following:

#### *EGADE Business School Graduate Programs*

- *EGADE MBA Program* is an innovative full-time or part-time program developed for future leaders from a wide range of fields and designed to prepare them for business and organizational leadership. The EGADE MBA program develops competencies in executives looking to consolidate their management experience and to grow within their organization, and fosters their ability to manage organizational transformation and define business strategies that help create sustainable competitive advantage.

- *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. The program prepares executives to practice in a multi-cultural environment with the capacity to define and implement business strategies, which generate competitive advantages in international organizations.
- *One-MBA*, 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.
- *EGADE- Texas Executive MBA*, which provides a double degree with McCombs School of Business at The University of Texas at Austin, US. The program develops leaders of influence who are fully prepared to meet the incredible challenges and exciting opportunities of the new global economy.
- *Master In Finance* is a highly specialized and technical program for students with previous or no financial experience, who wish to deepen their financial knowledge and seek creative ways to obtain value and improve their skills and techniques in financial practices.
- *Graduate Degree Certificate in Energy Management*, is a program designed for professionals in the energy sector and businesses related to energy; it brings together the know-how and abilities in the energy sector with the administrative aptitudes and skills used in business models.
- *Ph.D. in Business Administration* seeks to train young researchers during a 4.5-year full-time period. This full-time research program offers six areas of concentration: Entrepreneurship, Business Strategy, International Competitiveness, Leadership and Organizational Behavior, Organizational Economics, and Marketing.
- *Ph.D. in Financial Science* has a focus on Financial Risk Management and Corporate Finance, thus meeting existing and emerging needs for research in academic and applicable solutions in the financial sector.



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 exclusive group of global schools, 1% in the world, which counts with the “Triple crown” of international accreditations.

At EGADE Business School, we educate for change-mindful that change, and the challenge and opportunity it brings is the only motivator for all progress. We are a community dedicated to a powerful idea: Minds igniting change.

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 2014 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 aligned to these important values.

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.

This year was very important for EGADE Business School regarding our involvement and commitment to PRME. During June 2014, the 3<sup>rd</sup> PRME Regional Meeting in Latin America and the Caribbean (LAC) was organized by and celebrated at EGADE Business School Santa Fe in Mexico City. In this report we will give more details about this important event and the agreements achieved by all business schools and universities of the region.

In this Sharing Information on Progress 2014 we also want to communicate the activities and projects that we have been working altogether with SUSTENTUS, which is our center dedicated to the study and application of sustainability through 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.

EGADE Business School along with SUSTENTUS keep developing and improving the application of responsible management principles through a wide variety of activities, programs and initiatives. We will discuss this in detail through the present report.

## PRME Chapter in Latin America and the Caribbean (LAC)

PRME Chapters were officially approved during the 3<sup>rd</sup> Global Forum for Responsible Management Education celebrated at Rio de Janeiro, Brazil in 2012. These chapters are considered as regional platforms to advance PRME and its principles within a certain geographical context. The chapters help to promote and implement PRME initiative within the business schools and universities of a particular region.

During June 2014, the PRME Chapter in Latin America and the Caribbean (LAC) was officially established as part of the agreements achieved in the 3<sup>rd</sup> PRME Regional Meeting in Latin America and the Caribbean (LAC): “Ethics, Transparency and Sustainability: Pillars for Business Competitiveness”, which was organized by EGADE Business School and celebrated in EGADE Business School Santa Fe in Mexico City. This 3<sup>rd</sup> PRME Regional Meeting was a very important event because it reunited more than 80 participants from 33 business schools in Mexico and in Latin America. This meeting was a space to share best practices in the fulfillment and application of PRME principles among the region. During the meeting, there was also the opportunity to discuss about relevant topics and issues for business schools, educators, business sector, non-governmental sector and governmental sector. Among these topics we can mention: ethics, sustainability and transparency applied to management education.



Assistants to 3rd PRME Regional Meeting, June 2014, EGADE Business School, Santa Fe, Mexico City

During the 3<sup>rd</sup> PRME Regional Meeting, we welcomed four new signatories to PRME. All of them are Mexican business schools and universities:

1. Centro Universitario de Ciencias Económico Administrativas, Universidad de Guadalajara.
2. School of Business and Economics, Universidad Panamericana Campus Bonaterra.
3. Universidad del Valle de Atemajac, UNIVA.
4. Universidad de Occidente.



New PRME signatories in Mexico

## Agreements and Achievements of PRME Chapter LAC

The PRME Chapter in Latin America and the Caribbean was created in June 2014 during the 3<sup>rd</sup> PRME Regional Meeting in Latin America and the Caribbean (LAC) in Mexico City. In this occasion, we agreed that PRME Chapter LAC has among its basic functions and activities the following:

1. Increase visibility of PRME and its signatories in Latin America and the Caribbean and to promote responsible management education, research and leadership.
2. Provide a platform for dialogue, learning and action among business schools in LAC region and other local networks of the Global Compact and its stakeholders.
3. Adapt the Six PRME Principles in local contexts and develop and promote activities aligned to these principles.
4. Organize at least one annual event for organizational purposes of the Chapter and at least one activity related to a substantial topic in order to invite all members of the Chapter.

As PRME Chapter LAC we have already achieved some of our agreements made in the 3<sup>rd</sup> PRME Regional Meeting:

1. Creation of the PRME Chapter LAC website. As an established PRME Chapter we considered the need of an online platform of information in order to interact between all members of the PRME Chapter in Latin America and the Caribbean and invite all those business schools in the region interested in joining PRME initiative. The website can be accessed at the following link: <http://www2.csf.itesm.mx/egade/prme/index.html>
2. Creation of the Research Network of PRME Chapter LAC, which is divided into five major areas: 1. Corruption, ethics and transparency, 2. Governance, 3. Sustainability, 4. Entrepreneurship and 5. University Social Responsibility. We have assigned leaders per topic and also we have created work groups of members from different business schools of the region for each major area. In



that way we can start activities and assume responsibilities as soon as possible.

For more details, please consult the following link:

[http://www2.csf.itesm.mx/egade/prme/red\\_investigacion.html](http://www2.csf.itesm.mx/egade/prme/red_investigacion.html)



**PRME** Principles for Responsible Management Education



Members of PRME Chapter LAC



## 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 and all of our actions:

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.

In 2014, we maintained our institutional Code of Ethics, which is signed by all faculty members, directors, and employees at EGADE Business School. This Code of Ethics is founded on institutional values such as human sense, integrity, equity and transparency.

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. Our objective is to make understand to the student that corporate social responsibility is a new way to do business taking into account the society and the environment in all decision-making. This course was offered during all 2014 in Monterrey city and 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, new trends in the study of CSR and recently we have included an introduction to PRME Initiative and Global Compact.

This course has demonstrated to be very enriching to our students. André De Sousa testified as a student from the MBA in Global Business & Strategy:

*“Ethics is not just a word, social responsibility is more than good intentions. The business policy is a powerful tool to solve some of the major problems in modern societies, today and in the future, with the power to generate sustainable value at each step”.*

*–André De Sousa, MBA in Global Business & Strategy*

During all 2014, professors from EGADE Business School continue to offer the course “Social responsibility and corporate sustainability” to bachelor students from the program of Engineering in Sustainable Development at Tecnológico de Monterrey, Campus Monterrey. This year, the course was given to 39 students in a total of 96 hours.

In order to continue contributing to the reflection about ethics and its applications in business, EGADE Business School developed the second edition of the ethics essay contest called “Ethical Practices in my Company”. This is an opportunity for students to analyze business practices from an ethical perspective. The contest promotes ethical awareness for decision-making in companies and the analysis of ethical practices in students’ enterprises and workplaces. In this occasion, eleven students sent their essays electronically to a jury of 13 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 our method and educational materials to support the responsible management education and our conceptual and empirical research, the academics Mario C. Dávila and Gerardo Lozano, both of EGADE Business School, Thomas S. Lyons, of the Baruch College of The City University of New York; and Lisa M. Hanley, of Zeppelin University, published the academic article titled "Leveraging low income farmers' performance through empowerment: Analysis of a sustainable initiative in Mexico" in the Management & Marketing journal.

Mario Dávila, Francisco Layrisse and Gerardo Lozano, the three academics from EGADE Business School, together with Erika Riojas and Hector Urbina, collaborated with the Institute of Entrepreneurship Eugenio Garza Lagüera of Tecnológico de Monterrey for the development of the research "The main causes of failure business in Mexico" published in the book "The failure" in September 2014.

Additionally, 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" (2012): It is about the Rehabilitation Institute of Puebla Civil Association (IPODERAC) and its efforts to achieve self-sustainability as a non-governmental organization.
- Case. "Tourist Inn at Huatulco, a new type of accommodation with environmental conscious".

## Regarding Principle 5 and 6:

Regarding our collaboration and dialogue principle, 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 offered to all publics including business sector and NGO's.

### BUSINESS SECTOR:

During 2014, EGADE Business School has provided seminars, certifications and consulting to the private sector with the objective to develop sustainable competitiveness and influence into the practice of responsible management. As an example of this, professors from EGADE Business School gave the Module 8. "Ethics and Corporate Social Responsibility" as part of a training program oriented to management advisors, CEOs and senior managers from the highest levels of the business sector in Mexico. This program is offered by the Center for Best Business Practices and Corporate Governance of Executive Education of EGADE Business School.

Among other activities to enforce responsible management and PRME principles to the private sector, EGADE Business School has contributed with conferences about social responsibility, trainings in transversal ethics and consulting in topics such as organizational image perception and gender equity through diagnoses, recommendations and strategies' implementation.

## 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 behavior, but also with better performance for the firms. In this sense, Humanistic and Management in Organizations Research Chair has a model called “The five dimensional model of sustainability for firms “(MOPSE as its Spanish acronym). MOPSE 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 ends 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 2014, the team is still collecting data of the Mexican states of Jalisco, Chihuahua and Baja California for the research.

### CLINIC 0-19: BUSINESS MODEL AND SUPPORT

The Clinic 0-19 is a social enterprise that offers consultation services, chemotherapy and outpatient procedures to children and youth under age 19. Its problem was the need for an increase in its flow of private patients, to have greater resources for continue to support civil association AMANEC.

During the quarter April-July 2014, David Octavio Rivera Milán, a master student of EGADE Business School, created the field project called "Clinic 0-19: Business Model and Support" with PhD Laura Zapata as a professor advisor. In this project, mechanisms were designed to the dissemination of offered services to attract patients, for the improvement of the interaction with stakeholders and for the use of the capacity of the clinic.

### "EDUCATION FOR SUSTAINABLE CULTURE" PROGRAM

During 2014, SUSTENTUS continued the work of the executive education program online "Education for Sustainable Culture". In order to evaluate the implementation of the program, pilot tests were conducted with 40 participants for five business units of FEMSA and 29 participants from Monterrey EGADE Business School. The 94% and 100% of participants, respectively, considered that the program enables them to work in a sustainable way.

### + TALENTO

In August 2014 was the first edition of the diploma course called "+ Talento" aimed at companies interested in developing a project of integration of persons with disabilities in agreement with the Congruence Movement initiative. Among the participating enterprises are Arca Continental, Cemex, Metalsa, Nemark, Grupo Aeroportuario Del Centro Norte, PepsiCo Internacional México, Proeza, Comnor Sigma Foodservices, Vector Casa De Bolsa and Xignux.

Some of the topics covered in the diploma course were the inclusion of disabled people in the enterprise, design of inclusion projects, organizational culture, policy framework, accessibility for inclusion and process of inclusive recruitment.

## 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.

EGADE Business School participated again as an ally of BBVA Bancomer and New Ventures Mexico to lead the second Mexican edition of “Momentum Project” in 2014. In this alliance PricewaterhouseCoopers (PwC) was added as a special participant.

Of the 167 registered enterprises or projects, 9 were selected. In this edition, the participation of EGADE Business School extended to all phases of the project. The team included 9 professors of EGADE Business School and 11 mentors of BBVA Bancomer. 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 were 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.

During 2014, Mesac Aziakpono and Alfred M. Mthimkhulu, both professors of University of Stellenbosch Business School and members of IRENE SEE too, visited the headquarters in Monterrey of EGADE Business School with the aim of exchanging best practices in social entrepreneurship, analyze which of these best practices can be replicated in other regions and assess the possibility of carrying out cooperation agreements between these universities.



On November 24, 2014, members of the IRENE SEE met in Mexico City to carry out officially closing activities of the research network as part of the framework of the "Global Social Business Summit" performed on subsequent days. At that meeting, the final results of the research performed by doctoral students who benefited from August 2011 to December 2014 were presented. Mario Dávila has been the doctoral candidate selected of EGADE Business School, and with the title of PhD in Business Administration, also participated in the panel entitled "Empowerment through Social Entrepreneurship".

### NATIONAL AND INTERNATIONAL CONGRESSES

Professors of EGADE Business School participated in national and international conferences on issues of Sustainability and Social Responsibility, such as the congresses of CSR both in Chihuahua and Sinaloa, the Congress of Humanism and Management in Veracruz and the XLIX Annual Meeting of CLADEA: "Leading in a global world Latin America and Europe, new connections" in Spain.

A meeting between groups from Canada and from elsewhere in the world was made in the Congress of Humanism and Management. Research projects of the SEKN network and participating universities and trends of higher education schools were presented at the XLIX Annual Meeting of CLADEA. The theme of that meeting emphasized the importance of building bridges of cooperation, taking advantage of the globalization process to establish stronger links between institutions and strengthen them, so that these can develop and acquire skills to grow in an increasingly global world and can better serve their communities.

### OPINION ARTICLES IN EXPOK

As part of the transfer of knowledge of the issues of corporate sustainability and social entrepreneurship during 2014, SUSTENTUS of EGADE Business School published 20 opinion articles in the news portal of Expok Company. Two of the twenty titles of these articles were "Is it possible to be a zero emissions enterprise?" and "The integration of persons with a disability contributes to competitiveness".

### NON-GOVERNMENTAL SECTOR:

During 2014, 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. The 4th edition of the "EGADE Business School promoting the development of non-governmental organizations" had 8 courses about topics such as finance for non-financial, negotiation and conflict resolution, Leadership in Social Management and Analysis of strategic networks by seven professors from EGADE Business School and one professor from Tecnológico de Monterrey. This program benefited 57 participants from 32 non-governmental organizations. Further, PhD Consuelo García de la Torre, a professor of EGADE Business School, provided training on the development of projects based on the Logical Framework Approach to 46 participants from 36 non-governmental organizations.

## OBJECTIVES FOR 2015

Some of our objectives for 2015 are:

Education and transference:

- Expand the online training program "Education for Sustainable Culture" to 10 enterprises at local level.
- Develop the second edition of the Diploma "+ Talento" on labor inclusion altogether with Congruence Movement, an association. Expand the Diploma to at least 11 enterprises.
- Continue with the academic training program of social leaders for non-governmental organizations together with SEDESOL.
- The elaboration of the third edition of the contest on ethics.
- Continue the teaching of the course "Business Policy, Ethics, Corporate Social Responsibility and Sustainability" in EGADE Business School for master students.
- Continue the teaching of the course "Social responsibility and corporate sustainability" to bachelor students from the program of Engineering in Sustainable Development at Tecnológico de Monterrey, Campus Monterrey.
- Continue the publishing of articles on Corporate Sustainability topics in the CSR magazine "Expok".

Research area:

- Strengthen the research and academic activities of our Research Group on Social Innovation at EGADE Business School, Monterrey City.
- Publication of more study cases related to sustainability issues in different industries such as food industry and manufacturing.
- Publication of academic articles related to culture of legality in Mexican enterprises. A team of professors from EGADE Business School with the participation of a Canadian doctoral student will elaborate this research.
- Document the program "Hagámoslo Bien" as best practices in our school.
- Publication of more study cases related to social entrepreneurship and social businesses in different industries such as food industry and manufacturing.

- Continue with the research about the main causes of failure for entrepreneurs in Mexico. Advance with the data analysis and elaborate academic articles in order to present results in conferences.
- Publication of a casebook from study cases developed by students who took the *Business Policy, Ethics, Corporate Social Responsibility and Sustainability* course.
- Research about ethic students' assessments in the last four years.

#### Executive training and diffusion to non-profitable sector:

- Development and delivery of more courses from EGADE professors to non-profitable organizations.
- Development and implementation of the fifth edition of the program “EGADE Business School promoting the development of NGO’s” together with the Secretary of Social Development in Nuevo León.
- Development and implementation of two field projects with master students from EGADE Business School to non-governmental organizations of Nuevo León.

#### Sustainable Campus:

- Implementation of the project “Sustainable EGADE Business School” with the objective to become the school in a more sustainable campus by reducing energy and water consumption, the emission of greenhouse gases and increasing the community involvement.