

Sharing Information on Progress 2015-2016



EGADE Business School
Tecnológico de Monterrey

December 2016

Monterrey, Nuevo León, México

PRME

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



December, 2016

UN Global Compact Office
United Nations

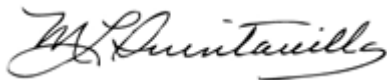
Jonas Haertle
Head PRME,

As an institution committed to the Principles for Responsible Management Education, it is a pleasure to submit our fourth “Sharing Information on Progress” report 2015-2016.

EGADE Business School of the Tecnológico de Monterrey continues the implementation of these principles and it is our desire to renew our commitment to PRME and to encourage other institutions of higher education, students, and the general community to support the recommendations made by these principles.

We will continue to look for new opportunities to keep improving our participation according to the Principles for Responsible Management Education.

I am thankful to all our academic community who had worked hard to strengthen our commitment to PRME in our everyday tasks and in our community involvement.



María de Lourdes Dieck Assad PhD.
Dean EGADE Business School
Tecnológico de Monterrey



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 entrepreneurial, innovative and ethical leaders with a global vision and a humanistic core capable of reinventing their environment and creating sustainable value.

EGADE Business School has become the leading graduate business school in Latin America. Present in two world-class cities, Mexico City and Monterrey, the school has built a solid reputation based on its innovative educational model, its teaching and research achievements and the global character of its academic programs.

Today EGADE Business School offers 6 Graduate Business Programs among which are the Master in Business Administration (MBA) programs for experienced executives and top managers; Master with Specializations and Doctoral Programs. These programs are complemented by the options of dual-degrees and alternatives for elective courses with more than 85 international universities and business schools, as well as specialization certifications by highly recognized business associations and international academies. Also, the academic curricula at EGADE Business School make a strong emphasis on models for sustainable leadership and social responsibility, which are fundamental approaches in the institution.

In addition, EGADE Business School is known for its Executive Education Programs for decision makers, business consultants and owners of family businesses. EGADE Business School was one of the first signatories' universities to United Nations Principles for Responsible Management Education. It is a pleasure to present our Sharing on Information Progress Report 2015 - 2016 and enforce our commitment to UN PRME each year.

Principles for a Responsible Management Education

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.

We at EGADE Business School have incorporated in all the curricula the GSD, transversal and with special course.

Principle 2: Values

EGADE Business School, has an ethical culture where values such as: Global vision,



Innovation, teamwork, human sense predominate. That translates to the Code of ethics that teachers, students, managers and staff in general signs each year the commitment to respect and spread in their daily behaviors. We will incorporate into our academic activities and curricula the values of 17 Goals of sustainable development, GSD and 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. We have now introduced to technological innovation in the class of ethics, governance and corporate sustainability a simulator for the solution of cases of reality, where the parameters used are:

universal principles, organizational ethics and the 17 Goals of sustainable development, GSD.

Principle 4: Research:

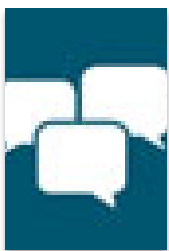
EGADE Business School, as part of the PRME Champions, presented an initiative to



carry out research on the sustainability of SMEs in the Latin American and Caribbean Region. In it are participating, 10 countries. The results of the study will be presented during the PRME's tenth anniversary Forum in New York 18 and 19 July. 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:

EGADE Business School, made an alliance with INCAE and Externado de Colombia to jointly lead research on sustainability in the Latin American and Caribbean Region. 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 factors 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.

We have been working altogether with governmental institutions such as the Secretary of Social Development in Nuevo León (SEDESOL); small, medium and big enterprises and non-governmental organizations (ONG's).

In our last Communication in Progress Report, we introduced our Center for the Integration of Sustentus, which has an important role on transforming our university into one of the most standing institutions in Latin America regarding to CSR (Corporate Social Responsibility) issues and sustainability issues.

This Center is in charge of the development and transference of knowledge for the creation of economic and social value through research, education and social programs. It was created in 2009 with the sponsorship of FEMSA (a Mexican industrial conglomerate) and the support of the Social Enterprise Knowledge Network (SEKN). Sustentus also promotes the linkage between the academia, business sector, government and non-governmental organizations through the development of joint projects.

The Humanistic Outlook and Management in Organizations Research Chair is another important actor at EGADE Business School whose main objective is to study, understand and provide management mechanisms or models in order to improve the social, economic and environmental conditions of the communities and countries where businesses are embedded.

EGADE Business School, the Center for the Integration of Economic and Social Value (CIVES) now SUSTENTUS and the Humanistic Outlook and Management in Organizations Research Chair have been working altogether to develop and improve the responsible management principles and its practice through a wide variety of activities, programs and initiatives. This is now what we have renamed the Research Group in Social Innovation. We will discuss this in detail through the present report.

Through the Social Innovation research group, we work in the field of sustainability and the Sustainable Development Objectives. Publications have been made in the field of study on poverty, the mindset on sustainability in educational institutions, as well as articles and papers about social, economic and environmental value, etc.

Regarding Principle 1 and 2:

EGADE Business School 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* change from 2015, introducing in the curriculum the concepts of the 17 GDS with the intention of being able to train students as future leaders with awareness of the importance of transferring to their lives as citizens, and as professionals in the companies where they work, including to their public and private life the concern, responsible and sustainable action. The course continues to be part of 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 should actively participate and provide their opinions and knowledge to the group. Main activities at this course are solving case studies and ethical dilemmas, plus active participation at group discussions. 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.

At the end of this course, all students are expected to be able to identify and solve ethical dilemmas through an ethical and social reasoning. Also, all the students are asked to fill a "Learning Objectives Assessment Rubric", which objective is to generate a self-evaluation of the student regarding to his comprehension of the course contents and its implementation into the professional practice. This assessment rubric consists of three main areas: 1) ability to identify all the interested stakeholders in a decision-making process, 2) ability to analyze and make decisions for ethical problems in business work and 3) ability to recognize social responsibility issues and the social impact of business decisions. The "Learning Objectives Assessment Rubric" has been implemented

since 2009; nowadays is taking course an investigation about the results and advances achieved in the last 4 years.

The course *Business Policy, Ethics, Corporate Social Responsibility and Sustainability* is constantly being redesigned to be updated into the new world challenges in human and responsible management issues. This course, since September 2015, was transformed into *Ethics and Governance and Corporate Sustainability*. These are offered to all MBA and PhD students in two modules. Ethics and Governance, at the beginning of the program and Corporate Sustainability in the end. In this case, we also have a category of corporate sustainability, which measures the knowledge, awareness and behavior change that the perspective of the Sustainable Development Objectives, generate in the student, his vision about the company and the impacts that this has on the People, prosperity, the planet, peace and justice, as well as possible alliances for a better world.

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.

In all our courses, all member (students and academia) are ask to sign a commitment to the code of ethics of our institution.

Members of the community of EGADE Business School Monterrey participated in the 2015 volunteerism that took place in the Dining Room of the Poor on October 17, 2015. A total of 101 people benefited from more than 130 articles collected in the donation. During the visit, 25 volunteers performed different activities to share with the beneficiaries: support for inventory of donations from the dining room, cleaning the garden area, serving meals to diners and reading the prayer of the day.

Students, collaborators and professors from EGADE Business School Monterrey participated in the Christmas Collection 2015, in which they donated articles to vulnerable families belonging to the six colonies that the Poor Guadalupe Dining Room serves. There were 225 articles in total that benefited more than 100 people, among which were blankets, scarves, hats, gloves, winter clothes, toys and pantries. The

donation took place on December 12, 2015 and had the participation of 12 volunteers, who attended the delivery of the donations and shared about four hours with the members of the dining room, through various activities with beneficiaries.

Regarding Principle 3 and 4:

Regarding principle 3 about the method and educational materials to support the responsible management education, several materials (specific and base on the educational model of TEC) were developed:

- Text prepared for the specific seal course
- Cases developed especially by authors from a local, national and regional perspective as well as use of those Harvard cases of the SEKN group
- A second edition of the text that incorporates ODS and Universal principles is being developed. (1st edition of a book about corporate social responsibility in 2012) The textbook of Corporate Social Responsibility is being worked by the authors, in order to be able to integrate sustainable development objectives and we will have it published in July 2017. The name of the book is Responsibility, Ethics and Sustainability.
- An integration of a simulator developed as a project (which incorporates the new technologies to education) of the institution. Through an institutional initiative, NOVUS project we were able to obtain resources to develop a simulator to solve cases, using the "gamification" technique and in a playful way give decision alternatives, which involve the Sustainable Development Objectives, Stakeholders, universal principles and Three levels of ethics. This allows them to know their results immediately, with immediate feedback, knowing what needs to be reinforced or changed and what they are doing well. The cases in class are worked on a group basis.
- During the year 2016, in the September - December quarter, in the course of Corporate Sustainability in the course program, I include as final work of the course, that the students participate in the initiative of AIM2Flourish. This reinforces and stimulates students and teachers their approach to business reality by identifying innovative initiatives that have social, economic and environmental value. Two of the four projects were published on the Flourish website.

Regarding principle 4 about conceptual and empirical research:

Development of the "Pentadimensional Model of Corporate Sustainability". It was carried out an investigation on the SME in Mexico in 6 States of the Republic, to fulfill this research, we created a network of researchers from local public universities to carry it out. The publication of a book with the results of this research is in process

During the 8 years of the seal course, a rubric was applied to measure the impact on the students (product), and an article was produced to present the results.

A database of cases developed by the students has been constructed during the current 8 years.

Sustentus presented the poster entitled "MIA, a hybrid organization building houses for the rural poor" at the ISIE Americas 2016 meeting: "Industrial Ecology and Green Transformation", held in Bogota, Colombia, on 25 and 26 May 2016. With the aim of exposing the case of MIA (Assisted Business Improvement), this case explores the development of MIA: a hybrid organization based on a sustainable business model, with the dual purpose of generating both economic and social value simultaneously.

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.

Through Sustentus, EGADE is linked to companies that wish to update their knowledge and best practices in CSR and Sustainability. SUSTENTUS has a long-term relationship with SEDESOL and periodically carries out training programs for members of CSOs in Nuevo León, and with the Secretariat of Social Development of Nuevo León, to contribute to promoting the professionalization and development of CSOs in Nuevo León. This agreement is intended to carry out volunteer programs, diagnose educational needs and generate constant training for CSOs, among other activities.

The Social Enterprise Knowledge Network (SEKN) is a collaborative network of eight of the most renowned business schools in Latin America, where EGADE Business School is the leader in Mexico.

* SEKN 2015 Annual Meeting: The universities and business schools' members of the SEKN network held their annual meeting on May 21 and 22, 2015, at the Universidad de los Andes, in Bogotá, Colombia. In this particular year, the purpose of the meeting was to conceptualize the idea of the "Sustainable Business Model", a model in which the concepts of sustainability shape the driving force of the company and its decision-making. As a result, six potential ideas were generated for papers related to the topic, which were presented at the conference of the Journal of Cleaner Production in Sitges, Spain, held from November 1 to 4, 2015.

*SEKN 2016 Annual Meeting: The annual SEKN 2016 Meeting took place at the University de los Andes on May 27 and 28. The objectives of the meeting were to review the progress of the cases and academic papers on the Sustainable Business Model, discuss the various administrative issues, and review and update the strategic map of the SEKN network (mission, vision, values and Value proposition), deliberate on the SCALA project, examine the entry of a EGADE Business School is committed to the initiative of strengthen a culture of legality since 2015.

EGADE Business School through the DEAN links and participates in the following councils, supporting the institutions:

Member of Boards and Councils

- Board Member, Federal Electricity Commission CFE. (December 2016)
- Board Member, International Advisory Board, ESCP Europe, Ecole Supérieure de Commerce, Paris, France (December 2015)
- Special Business School Guest to the United Nations Private Sector Forum 2015: Implementing the Sustainable Development Goals. New York, September 2015.
- Member of the 100th Anniversary Committee of AACSB, and the Executive Committee,
- Member of the LATAM AACSB Council of AACSB. (2015-2016)

- Member and participation on the Global Responsible Leadership Initiative (GRLI), as part of Principles for Responsible Management Education (PRME), United Nations, June 21 and 22, 2015, New York.
- Board Member of Association of MBAs (AMBA), (2015-2018). First meeting: September 2015.
- Member of the Council for Energy Sector Action of Nuevo Leon, Government of Nuevo Leon, Monterrey, Mexico. (August 12, 2014 to June 2015).
- Professional Board Member of PEMEX Petrochemicals and PEMEX Gas and Basic Petrochemicals. (July 2010 to November 2015).
- Board Member AACSB (International Association to Advance Collegiate Schools of Business); and Member of CIME (Committee on Issues in Management Education). (July 2014-2017).
- Board Member, Americas Advisory Board EFMD, European Foundation for Management Development. Brussel's, Belgic. (2014).
- Board Member, Museum of Energy and Technology, Federal Government, Mexico City, since 2013.
- Member of the World Economic Forum's Latin America's Competitiveness task force. (2013 to 2014).
- Board Member, International Advisory Board ESCP Europe, Ecole Supérieure de Commerce. París, Francia. (Since February 2014).
- Member of the International Advisory Board of the Business School of the Universidad de los Andes School of Management (UASM). (Since July 2013).
- Board member of EGADE Business School Consulting Board. (Since January 2011-2016).
- Member of Academic Consulting Council of the Institute for the Professionalization of State workers in Nuevo León, appointed by the state Governor on 22 May 2009-2013
- Member of the Scientific Board of the Global Adaptation Institute in Washington, D. C. (June 2011 to 2013).
- Board member of the Instituto de Investigación Legislativa Belisario Domínguez (Belisario Domínguez Legislative Research Institute), run by the country's Senate. (September 2008-2012).
- Active member of COMEXI, Consejo Mexicano de Asuntos Internacionales (Mexican Council of International Affairs). (Since May 2008).
- Active member of IMEF, Instituto Mexicano de Ejecutivos de Finanzas, A.C. (Mexican Institute of Executives in Finance). (Since April 2008).

- Board Member, NACTS, North American Center for Trans border Studies. Arizona State University. (February 2008-2012).

REGIONAL CHAPTER PRME LAC

EGADE Business School participated as president of the Regional Chapter PRME LAC, in the regional Meeting organized by the University of the Externado of Colombia, who took the leadership from that year 2015. It assumed the presidency the Dr. Gustavo Yepes. In the event we participate as lecturer, panelist, modeler and public listener. At the end of the meeting, the members met in a meeting to define the next venue in 2016. The Santa Maria University of Argentina was elected and through dr. Boero defined Buenos Aires as the site of the next meeting and they would lead the Regional Meeting of PRME 2016.

In September 26, 2016, the meeting was held in Buenos Aires, U. Santa Maria. Where we attend and participate in a panel of leading schools in Latin America, to present the advances in the implementation of PRME principles.

PRME CHAMPIONS

Since January 2016 EGADE Business School participates as champion of PRME. In this sense, we responded to the call to participate with a project, to carry out a research on Sustainability and SMEs in the Latin American and Caribbean region. During the year 2016, a work schedule was followed in order to achieve the objectives of the project. Participated in this, 10 universities members of PRME.

EGADE business School, participates actively in the meetings that PRME were programmed in April virtual and June New York and Ireland October 2016. In particular, the meetings were held so that the institutions that lead projects like the PRME champions report progress, modifications and adjustments. In December 2016 the members participating in the investigation reported that they were about to finish their field work.

EGADE Business School was invited to offer a course on the Global Compact Network webinar on how to implement the six principles of PRME in the universities of the Latin American region. The course was held with the participation of the Secretary of PRME - UN of NY.

SPECIAL PROJECTS FOR BUSINESS SECTOR:

MOMENTUM PROJECT MEXICO 3TH EDITION

Momentum Project is an initiative of the BBVA Bancomer Group in conjunction with New Ventures and EGADE Business School of Tecnológico de Monterrey aimed at promoting social entrepreneurship through the development of a program to consolidate and increase the impact of these ventures. The creation of an ecosystem of support for entrepreneurs. There is also the special participation of Price Waterhouse Coopers México. The objective of the program is to support companies with innovative initiatives whose priority is to create social and environmental economic value. In this way, it seeks to contribute to the development of social entrepreneurship in Mexico through a training and support program that promotes, in an additional way, the collaboration and the exchange of knowledge between entrepreneurs and mentors of high level of experience. For further information about “Momentum Project”: <http://momentum-project.org/>.

HAGAMOSLO BIEN

“Hagamoslo Bien”, it is an initiative of many sectors of society that seek to promote that all citizens are aware that living and supporting a culture of legality brings benefits for all, and that if their behavior and attitudes are in accordance with the laws, they can live best. In this way, “Hagamoslo Bien” encourages all citizens to adopt a culture of legality, denouncing when something goes wrong and participating by creating ideas to solve a problem. EGADE Business School, committed to this initiative, develops various activities with the aim of promoting a culture of legality with the interest groups that are within its reach.

ETHICS COMPETITION 2015

For the third consecutive year, the Ethics 2015 competition "A history of legality" was launched, in which students enrolled in the September-December quarter of 2015 participated to promote a culture of legality in their companies. The contest consisted in recording a video, in which the students told the principles of integrity and culture of legality that live in the companies, according to the points of the Citizen Pact of “Hagamoslo Bien”. The evaluation of the competition was carried out by a committee

of voluntary jurors made up of 15 teachers from EGADE Business School and specialists from the Culture of Legality Program of “Hagamoslo Bien”.