

Communication on Engagement to the United Nations Global Compact



KAIST COLLEGE OF BUSINESS



THE TWENTIETH OF OCTOBER, TWO THOUSAND EIGHTEEN

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KAIST Commitment

Dear Mr. Secretary-General,

I am pleased to confirm that KAIST College of Business (hereafter, KCB) supports the ten principles of the Global Compact regarding human rights, labor, environment and anti-corruption. With this commitment, we express our intent to support the Global Compact advancing these principles, and will make a clear statement of this commitment to our members.

We also pledge to participate in and engage with the UN Global Compact in the following ways by promoting good governance:

- Propose and implement 10 principles of UN Global Compact into KCB's vision, mission and values.
- Promote 10 principles of UN Global Compact into KCB's curriculum and educate a variety of students about ethics and sustainability issues.
- Join the Principles of Responsible Management Education (PRME).

We recognize that a key requirement for participation in the Global Compact is the submission of a Communication of Engagement (COE) report that describes our efforts to implement ten principles and engage with UN Global Compact. We support public accountability and transparency and therefore, we would like to submit the first Communication of Engagement as below.

Sincerely,



Youngbae Kim

Dean

KAIST College of Business

KCB Mission Statement and Framework

The foundation of KCB strategic management consists of three main pillars: mission, vision and values. The KCB vision is cast in broad but clearly defined terms, reflecting the educational needs of our diverse student population and the diverse communities in which they live and work.

1) Mission

The mission of KAIST College of Business is to develop global business leaders with theory and practice in management and technology, as well as leaders capable of applying such knowledge to innovation and real world problem-solving. Therefore, our mission focuses on:

- **Commitment to Excellence in Education and Research**
- **Integration of Management and Technology Education**
- **Dedication to Initiatives Benefiting Society**

KCB shares its mission with our internal and external stakeholders through various publications and media, and our long-term and short-term strategies are developed based on our missions.

2) Vision

The vision of KCB is to become a world-class business school integrating technology and management. Specifically, KCB describes our vision as follows:

- **To become a world-class business school in terms of academic excellence**
- **To foster highly creative and caring qualified leaders with global perspectives**
- **To spearhead scientific and technological innovation towards greater global competitiveness**

In 2015, the Long-term Strategic Committee of KCB highlighted its vision to make it more concrete and actionable;

“To become the best business school in Asia and a top 20 business school in the world by 2031”

While there were a few revisions in our vision statement, the main context has remained consistent since the last AACSB visit.

3) Values

KCB values extend from global perspectives driven by market orientation, excellence in research and education, interdisciplinary teamwork, and productive alliances with business partners. The core values of KCB are the basic principles for achieving our vision, and they are embedded in the operation of our education programs, performing our research activities and serving the needs of our community.

In order to further cement the importance of our values, we created **‘SUPER TEAM’**, an acronym that stands for **‘Sustainability, Uniqueness, Pioneering, Excellence, Reliability, Teamwork, Ethics, Agility, and Motivation’**.

Our vision, mission, values and strategies are described as follows (**Figure 1**):

Figure 1. KCB Mission, Vision and Strategy



KCB also encourages various ethical initiatives in every aspect of the college system. A traditional MBA education policy is focused on improving the profitability of commercial concerns to meet the needs of the market and the company. Recently, interest in sustainability, ethical management and green business has been increasing along with the aftermath of the financial crisis. As one of the top business schools in Korea, KCB also has a critical role to play in preparing students to serve as ‘future business leaders’ with the catchphrase ‘*Beyond Knowledge*’ which succinctly provides the definition of moral and civic maturity. KCB strives to educate our students to be future managers and executives who disseminate the importance of social responsibility and practice ethics in their organizations.

To make ‘*Beyond Knowledge*’ a reality, KCB is implementing the following initiatives (Table 1):

Table 1. KCB Initiatives for ‘*Beyond Knowledge*’

Category	KCB Initiatives
Program	KCB has initiated MS and MBA programs specialized in green business and social responsibility as a part of integration of ethical responsibilities into KCB.
Curriculum	KCB offers its students in-depth academic courses on business ethics,

	energy, environment, social responsibility and sustainability.
Research	All KCB members, not only faculty members but also students, are encouraged to participate in studies and research in regards to green business, CSR, and sustainability.
Academic Activities	KCB invites experts in social responsibility, ethical management, and green business from outside the school and regularly hosts seminars.
Student Activities	KCB provides its students with the opportunity to use their education in helping the local and global community through students' activities on sustainability.

KAIST Achievement in the Implementation of PRME

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

The College is committed to respecting the rights and dignity of all persons. As such, faculty, students, staff members and others acting on behalf of the College are expected to maintain the highest ethical standard, and all KCB members, regardless of the major and current position, are required to complete 'CC020 - Ethics & Safety' course as a mandatory. 'Ethics & Safety' course includes research ethics, leadership, Ethics and Safety, and Sexual violence & sexual harassment sections and KCB members take it through online at <http://eethics.kaist.ac.kr>. For students, this course is required for graduation (Table 2) and for employees; this is an annual mandatory program.

Table 2. Course Description for 'CC020 - Ethics & Safety'

Classification	Course No.	Course Title	Credit	Semester
Mandatory	CC020	Ethics and Safety I	1AU	Spring & Fall

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

KCB adheres to all applicable national labor laws and provides staff members many opportunities. Staff training is a duty of the organization. KCB is well aware of it and employee development is a shared responsibility of management and employees and it enhances individual's ability as well as the school's value. Table 3 shows the list of staff development training last year.

Table 3. KCB's Staff Development Training

Category	Details
Work-related	· Individual job-task related training

Language Courses	<ul style="list-style-type: none"> · English conversation classes led by native English speaking lecturers · Overseas staff training · Language course tuition reimbursement
Tuition	<ul style="list-style-type: none"> · MBA course tuition support
Rules	<ul style="list-style-type: none"> · Work related rules & regulations training · Training for work related electronic document processes (e.g. ERP) · Ethics and sexual harassment prevention training (Mandatory for all staff)

Recently, KCB set the new HR policy that KCB staff members have to receive 40 hours of training per year. The goals of staff training sessions are as follows:

- To offer training internal and external education sessions to widen job scope
- To offer seminars on various topics to broad common senses and business knowledge
- To offer language classes for globalization of staff members

Table 4. The List of KCB Staff Training Sessions

Category	Courses	Credits (Hrs)
Customer Service	CS Education	3
	CS Special Lectures	2
Workability	Negotiation Strategy	10
	Leadership	8
	Business Presentation	30
	Speech Training	20
	Project Management	20
	Self-development	8
	Statistics	10
	Creative Thinking	8
IT	Word (Microsoft)	20
	Power Point	20
	Photoshop	20
	Action Learning	102
	Excel (Microsoft)	20
	SNS/Smart phone	10
English	Conversation	16
	Reading & Writing	16
	English Study Group	8
	1:1 English Tutoring	2
Electives	Special Lectures	2
	Art	16

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

a) Integration of ethics and sustainability into KCB Program

In seeking to better connect social responsibility and ethical development to the academic curriculum, KCB has established the MS in Green Business & Policy and Social Entrepreneurship MBA programs. Since September 2012, the SK Group funded the social entrepreneurship and an incubation program for social and ethical responsibility. In May 2013, the KAIST Board of Trustees approved the establishment of the new Graduate School of Green Growth in KCB along with the establishment of the Green MBA and MS in Green Business & Policy program. The government offers scholarships to MS in Green Business & Policy students to enroll for studies and research.

b) Integration of ethics and sustainability into Curriculum

KCB has strong commitment to ethics, responsibility and sustainability and KCB's curriculum reflects this spirit. Core curricula contain ERs-focused courses, such as SMB 538 'Social Entrepreneurship' and GG 570 'Green Growth Policy'. Others advocate including the ethical dimension in functional courses like finance, marketing and entrepreneurship.

c) Integration of ethics and sustainability into Research

All the members in KCB are encouraged to be actively involved in research on ethics, social responsibility and sustainability. There are four representative institutes and centers with a focus on ERs (Table 5).

Table 5. Research Centers related to ERs

No	Center	Description
1	Energy, Environment, Water and Sustainability Research Center (EEWS)	<ul style="list-style-type: none"> • Korean government funded research center to solve global problems including climate change issues • Performs annual EEWS student competition
2	Green Business and Sustainable Finance Research Center	<ul style="list-style-type: none"> • Conducts green business research on business strategy and green policies • Performs research on sustainable finance
3	SK Center for Social Entrepreneurship	<ul style="list-style-type: none"> • Promotes Korea's socially responsible management to meet global standards that suit local condition • Helps incubate social entrepreneurs in Korea
4	Center for Corporate Social Responsibility	<ul style="list-style-type: none"> • Promotes Korean firms' sustainable growth and innovation by developing appropriate innovation management, entrepreneurial management and corporate culture

Also, KCB faculty members have published a number of research papers and case studies on ERs.

d) Integration of ethics and sustainability into Academic Activities

From September 2015 to July 2018, KCB hosted about 87 seminars on ethics and sustainability with external speakers. Many lecturers from the government, academic institutions and the private sector deliver special lectures regarding ethics, social responsibility, green business and sustainable finance. **Seminars and conferences** are open to not only students but also to the public interested in ER.

e) Integration of ethics and sustainability into Student Activities

KCB provides its students with case study opportunities to develop their understanding of social responsibility and ethical management (Table 6). Students of KCB have also participated in various competitions involving social, CSR, environmental issues. Students have not only participated but also have earned awards from various contests.

Table 6. List of Student Activities related to Ethics and Sustainability

No	Category	Main Institution	No. of Participant	Task/Description	Period/Date
1	Competition	KAIST EEWS Business Competitio	.	Annual KAIST-EEWS Business	2012-Present
2	Consultin g Project	KAIST Academy for Sustainable Society	3	KASS (KAIST Academy for Sustainable Society) students participate in consulting projects regarding social	2012.09-2013.02
3		KAIST- SK Center for Social	15	Case Platforms	2013.06-Present
4			15	Venture firm Process Platform	

f) Integration of ethics and sustainability into Corporate Connections

KCB provides its students with internship opportunities in working with global ethics and sustainability related companies and some of them map out their career paths by having a job in sustainability or green-energy related companies.

C. Contribution to the Community

KCB believes that one small act can change the world, and encourages its students to take the opportunity to use their education to help the local and global community through volunteering activities involving social responsibility and ethical management. Students of KCB have been involved in many activities to contribute to local and global communities. **Table 7** provides details of KCB students' social responsibility activities, from a volunteer tutoring program for underprivileged neighborhood children to the Himalaya expedition project.

Table 7. KCB Students' Social Responsibility Activities

No	Title	Activities	Period
1	After School Library	Tutoring program for low-income neighborhood children in Math and English as well as some other skills. [Advisory professor: Prof. Kwangwoo Park]	2007.03-Present

2	MITU (Model ITU*)	ITU (<i>International Telecommunication Union*</i>) is an organization which devotes itself to social contribution and technological collaboration. KAIST MITU holds a model conference for developing nations through dissemination of IT.	2013.02-Present
3	KAIST Entrepreneurs	This group helps venture companies including profit, non-profit, and social related enterprises to build partnerships and networks both inside and outside KAIST.	2013.02-Present
4	Year-end Charity Service	Every year, KCB students host a charity event for underprivileged neighbors by supporting food and delivering gifts to the underprivileged children.	2012.12-Present
5	Habitat for Humanity	As part of the worldwide social movement, KCB students participated in building houses in <i>Jinjoo</i> , Southern part of Korea, for people who do not have homes.	2013.05-Present
6	KAIST Creativity Camp	Children from multi-cultural families are introduced to KAIST technology and science by using the funds collected from the KAIST Marathon.	2014-Present
7	Bumper Year Project	KCB students help farmers enjoy bumper harvests with creative marketing ideas. (Diet onion juice in 2013 and lucky dried persimmons in 2014)	2013-Present
8	Himalaya Expedition Project	KCB Professional MBA students visited Mahadevbesi, a poor village in Nepal, after hiking in the Himalaya Mountains, to deliver books, school supplies, and backpacks for the students and built the 'KCB library'.	2017-Present

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

The Anti-Corruption and Bribery Prohibition Act, also known as the *Kim Young-ran Act* has most recently been promulgated and KAIST, as one of the government institutions, follows this act.

<Prohibition of Corrupted Requests>

The Kim Young-ran Act prohibits any person from making a corrupted request to Public Officials either directly or indirectly through a third party. A corrupted request generally refers to a request made to a Public Official to act beyond his/her legal rights or authority or in violation of laws and regulations. Specifically, any one of the following requests will constitute a corrupted request that is subject to prosecution under the Kim Young-ran Act.

- Request for illegal handling of a Public Official's duties relating to (i) granting licenses, permits, approvals or certifications; (ii) admissions, grades and performance evaluation at schools; (iii) military affairs such as physical examination for conscription or assignment to a certain corps, division or position; or (iv) investigation, trial, mediation, arbitration or reconciliation of a certain matter.
- Request for an exemption or a waiver of (i) tax, impost, fine or penalty, etc.; or (ii) various administrative actions relating to cancellation or revocation of a license or a permit.
- Request for an illegal intervention or exercise of influence on the (i) human resources management of Public Officials including matters relating to their recruitment, promotion and/or assignment; or (ii) allocation or contribution to a specific individual, organization or entity of certain subsidies, grants, bonuses or funds.
- Request for selection, exclusion or elimination of a certain individual, organization or entity (i) for or from a certain title or position engaged in the decision making of public institutions such as a member of various review, resolution or mediation committees or a member responsible for the examination or selection process supervised by a public institution; (ii) for or from various awards, prizes or recognition granted by a public institution; (iii) as a contractual party to a certain contract in breach of contract-related laws; or (iv) as the target of an administrative order, crackdown, audit or inspection.
- Request for unauthorized disclosure of confidential information relating to bidding, auction, development project, and examination, patent, military, tax, etc.
- Request for sale, exchange, transfer of possession of goods or services that are produced, supplied or managed by a public institution to a specific individual, organization or entity at prices beyond those set by the law or normal business practices.