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Communication on Engagement

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To our stakeholders:

We are pleased to confirm that EADA Business School Barcelona reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Jordi Díaz, Dean & Isabel Jiménez, Corporate Director

ETHICS, RESPONSIBILITY AND SUSTAINABILITY (ERS)

As a non-profit founded in 1957 based on promoting “humanistic” values, ERS has always had a very central role in the institutional culture of the School, although often in an ad-hoc, informal way.

With the approval of the Strategic Plan and through the actions and activities which are included there, the School is seeking to make this commitment more apparent, through a more ‘updated’ restatement of these same humanistic values which inspired our founders. Thus, as indicated in our Mission Statement, EADA's training activities aim to promote the professional development and growth of people and the transformation of organizations, **to contribute to a more just, supportive and sustainable society.**

This we do through three fundamental lines of activity:

- Comprehensive and holistic training of professionally competent and socially responsible people. To this end, in each of our programmes we impart content, use cases and generate debate, to raise awareness and train our participants on issues of social responsibility and sustainability. An academic institution like EADA has the duty to generate knowledge that is relevant for the improvement of organizations and society in general. Academic research on topics related to sustainability and social impact, impregnating the academic curricula of the programmes with concepts related to CSR. The aim is to make this commitment much more explicit through the duration of the current Strategic Plan, through the deployment of the Sustainable Leadership model in all our programmes.
- Specific, applied and relevant research on sustainability, in various fields and from different perspectives, is a necessary contribution to help managers meet the agenda of the Sustainable Development Goals published by the United Nations.
- Compliance with standards accreditation of the main recognized international agencies in the sector. This applies both to the institution – which is subject to a strict code of ethics and is accountable to the public for its activities – and to all its activities, through the relevant certification body where applicable. As an example, the International Master in Finance EADA is certified by the international association CFA, which ensures ethics in management financial company.

EADA's CSR activities are based on a process of continuous improvement and take into account projects and initiatives involving the entire institution in a holistic and transversal mode, looking at the three dimensions of Research, Teaching, and Dissemination and Awareness, and how these play-out in the major stakeholder groups in EADA, namely: participants and alumni, employees and society in general. Much of this activity has been touched upon in previous chapters and will be repeated here to illustrate how it all fits together in the institutional culture.

To make this easier to follow, the ERS activities of the School have been summarised in the table below, which will serve to give structure to this Report.

	Teaching	Research	Dissemination/Awareness
Participants/Alumni	MSBI/MIIS/MOISE Programmes Sustainability Week		Sustainability Club Extended Programme
Employees	Personnel development	ERS Publications	CSR Activities
Society	Scholarships & EADA Positive Impact Fund		Rankings/Ratings Press & Communications

Table 1 – Summary of EADA's ERS activities

1.1 EADA Participants and Alumni

EADA has no doubt that private companies have generally been a force for good in society, helping to improve living standards and responding to many unmet needs at the time. But as society develops, so do the demands that society makes on its leaders, including its business leaders, and what is perceived today as the "acceptable price" for growth and development changes.

This new way of leading therefore requires new approaches to leadership responsibility beyond those that we have traditionally developed in business schools, and that reflect these changes in the implicit contract between society and business. It is no longer enough to generate economic growth. Social responsibility and ethical conduct are increasingly central in generating this growth and exercise of leadership. In this sense, it is something that we apply to ourselves as a school, as much as something that we teach in the classroom.

Our work as a business school is to prepare participants and organizations to meet the highest standards, whether social, economic, environmental, etc. Indeed, the "Sustainable Leadership" model is entirely about ensuring that both individuals and organisations understand how to operate in this more turbulent environment, and to empower them to face their responsibilities to all the different stakeholders, integrating this new vision into their strategy of becoming leaders.

Current EADA participants and alumni are the *raison d'être* of our institution and, in a very real sense, the legacy which EADA leaves in society. EADA therefore has an obligation to ensure that we have a positive impact on our participants and alumni through both our teaching and our research.

1.1.1 ERS in classroom: some examples

Master in Sustainable Business & Innovation

The foundation of EADA's Master in Sustainable Business and Innovation (MSBI) in 2017 is the development of the managerial skills needed to become a responsible leader of an organization with strong social, environmental, and economic goals. Today, managers must not only possess the personal competencies and global strategic vision to drive diverse teams in a variety of environments, but they also have to ensure that the actions taken within their organization will respect and empower a sustainable development of societies and the natural environment.

The MSBI also operates as a pilot in the development and implementation of EADA's Sustainable Leadership model. This model was developed by faculty in 2017/18 and sets out a series of eight **Institutional Learning Goals (ILGs)** that embody the transversal skills and competencies that should be delivered by all EADA's degree programmes. The model is divided into two separate sections: Leadership Skills - which correspond to individual abilities - and Impact Skills - which seek to orient participants towards alignment with the UN Sustainable Development Goals.



Figure 2.2 - The EADA Sustainable Leadership Model

Based on these ILGs, each of EADA's degree programmes sets out a series of **Programme Learning Outcomes (PLOs)**, that develop the ILGs in the specific disciplinary and practice context of the programme's subject matter.

On completion of the MSBI programme, participants will have acquired essential knowledge and skills necessary to pursue a career in general management, regardless of whether this is in an organisation with a strong social/sustainable aim or not. The objective of this master is to train top managers, not necessarily a CSR manager or a marketing manager, but rather a manager with a strong orientation towards sustainability, able to guide the entire organization rather than a specific department.

EADA is also committed to getting the best out of each participant by developing his/her management skills to their full potential. Being effective in today's business world requires managers who are dedicated to the constant improvement of personal and professional skills. To this end, Master in Sustainable Business and Innovation participants develop a personalized Action Plan and take part in 4 personal and professional development modules in EADA's Residential Training Centre.

1.1.2 Programme content linked to ILGs

The MSBI sets out eight **Programme Learning Outcomes**, each of which develops three or more ILGs. These PLOs are as follows:

- SBI1** Applies the logic of latest trends in managing sustainable organisations, in terms of alternative economic models (sharing, circular, etc.), business models (closed-loops, reverse-logistics, cradle-to-grave, etc.) and the impacts and possibilities enabled by the digital society (AI, Big Data, IoT, Smart Cities, etc.)
- SBI2** Engages effectively with all stakeholders to identify urgent and emergent global challenges, be they environmental, economic, societal and/or welfare related. Understands the different motivations and operations of public, private and civil organizations, and can leverage this understanding to mobilise collaboration between these.
- SBI3** Operates effectively within an understanding of the networks and connections that make up a globalised economy, in terms of geopolitics, supply chains and markets
- SBI4** Through the use of strategic perspective, critical thinking and design skills Identifies, evaluates and develops innovative and sustainable business opportunities with high social impact, contributing to address global challenges such as environmental degradation, poverty, poor-health or inequality.
- SBI5** Correctly applies the different mechanisms, tools and indicators to evaluate the social and environmental impact of activities
- SBI6** Leverages digital technology to enable more sustainable and innovative ways in which to lead teams and organisations; to develop, finance and implement new business models; and to reduce the environmental footprint of activities.
- SBI7** Leads with integrity, empowering people's entrepreneurial and innovative talents to manage a values-driven organization that delivers higher levels of social well-being and environmental value through healthy economic performance.
- SBI8** Builds an organisation that leads and inspires by outstanding performance in achieving high levels of economic, social, environmental and emotional impact, thus contributing towards the UN's Sustainable Development Goals.

The relation of these 8 programme learning outcomes delivers on the 8 institutional learning goals that are defined in the Sustainable Leadership model, as can be seen in the table 2.2. In turn, table 2.3 shows how these Los are deployed in the different subjects taught in the programme.

Programmes in Sustainable Business & Innovation

One of the actions with which EADA promotes the importance on ERS is the creation of a new family of training programmes that began in 2017 with the “International Master in Sustainable Business & Innovation” (MSBI). The MSBI is only one of the programmes which EADA runs with this specific orientation. Thus, since 2018/19 we have been offering short executive training programmes for our partner institutions in Latin America on “Innovation and Sustainability” (MIIS), with over 1,500 participants having taken part, and in October 2019 we launched a Spanish-language online programme in sustainable business and innovation for the Spanish and Latin American market (MOISE), which has met with significant success, with 49 participants in the first two editions of the programme. EADA has also developed custom programmes for boards and companies on how to approach sustainability.

The Sustainability Week

Although the MSBI, MIIS and MOISE programmes are currently the only ones which fully develop the EADA Sustainable Leadership model, the presence of sustainability topics in other programmes has seen a clear increase in the last few years. Thus, what used to be the “International Week” in all EADA MSc Programmes was transformed in 2017/18 into the “Sustainability Week”, where all EADA’s International Master students participate in electives dedicated to ERS. The format was kept the same, with several electives being taught by visiting academics and professional experts from all over the world, but the focus shifted exclusively to ERS topics, in order to ensure that no participant in one of EADA’s MSc Programmes left without having devoted some of their time and effort to this area.

In 2020 classes took place online due to confinement and covered the latest trends in sustainability and corporate social responsibility, directly linked with the UNs Sustainable Development Goals.

MBA participants do not take part in the Sustainability Week. Instead, are offered in the 2020/21 academic year, the possibility of following a 5-week specialisation (Path of Development) in Sustainability and Innovation, that includes some of the main topics covered in the MSBI programme.

1.1.3 Extramural activities

Sustainability Club

The Sustainability Club groups all the extracurricular initiatives with a deeper focus on responsible management and sustainable business. The objective of the club is to be a hub for multidisciplinary debate and initiatives around sustainability open to all participants from all Full-Time programmes, faculty and stakeholders.

The EADA Extended Programme

This is an example of an extracurricular activity created after pandemic. Considering all the restrictions, 2020 was a challenging year when it comes to organize extramural activities among our participants. In July 2020, the school offered participants of the International Master Programmes and MBA the “EADA Extended Programme” to enhance concepts developed during the year and be able to review the same concepts from the ever- changing “New Normal”.

The experience included courses and workshops to answer questions such as: “How will Covid-19 affect key economic indicators and therefore business and investment strategies?”, “How should brands respond to social crisis / watersheds such as COVID-19 and BLM?”, “What ethical questions do these crisis and movements raise for businesses?”.

The Extended Programme also included other relevant business issues that were accentuated by, but not exclusive to, the current situation. For example: effective value proposition development in B2B and technological markets; circular economy; leading teams in times of crisis and change; financing real estate; new applications of robotics; and living up to corporate values.

On the other hand, EADA's participants got additional and meaningful contact with companies and the challenges they were facing in the context of Covid-19.

Firstly, they were able to lead the project of measuring and managing the social and environmental impact of companies from different sectors in collaboration with *BCorp*. The workload was comprised of face-to-face training, research, tutored meetings with the companies and daily teamwork until presentation of a specific action plan and future recommendations (at the end of July). During these weeks, participants learnt how to use and implement the B Impact Assessment Tool -the most credible tool a company can use to measure its impact on its workers, community, environment and customers- with a real company that wishes to further sustainable growth by delivering a baseline impact report.

Secondly, participants were able to choose from 2 real and live projects from the company SAP - a market leader in business management software and solutions. SAP and EADA had agreed to work in two areas that were at the heart of SAP's approach to their business and clearly aligned with EADA's belief in sustainable business development: 1) Business Development Challenge; 2) Promoting Sustainability Challenge.

1.2 EADA and Its Employees

1.2.1 *Personnel development*

EADA Business School identifies and recognises its employees as key stakeholders, for it is these employees who perform the necessary activities to enable the proper management of the institution and ensure the quality of services and their positive impact on society.

EADA bases its relationship with employees on the following “pillars”:

- Respect for human rights and non-discrimination (on the basis of gender, disability, religion)
- The Right to Health, Safety and risk prevention in the workplace
- Responsibility and respect towards people and their families
- Professional and personal development through a personalized training plan
- Social Action for Community (EADA Teaming)

Examples through which these “pillars” are put into practice include the following:

Family Conciliation Plan / Working Life

After participants, EADA's staff are the most important asset of the institution. We believe that a commitment to welfare in the workplace is essential to ensure excellent performance towards our participants, as well as employees' commitment to institutional values and the retention of talent. For this reason, EADA has implemented a series of measures that enable better work-

family balance, adapted to meet the specific needs of employees: flexible and personalised working hours, flexible holiday dates, teleworking, conciliation measures, training and professional development, etc.

This was especially important during the early weeks of the pandemic, in so far as it allowed the institution to rapidly adapt to the new situation whilst continuing to provide support to employees and participants alike.

Prevention of occupational hazards

EADA's policy of prevention of occupational risks rests on the assumption that improved productivity can be achieved without endangering the health and safety of our employees and workers. Thus, we raise the health and safety level of the entire EADA community by integrating occupational risk prevention into EADA's activities and decisions, assigning roles and responsibilities at all hierarchical and organizational levels, with the corresponding training and information. In order to fulfil this objective, EADA is based on legal, social and ethical principles with total respect for the dignity of people and assuming, on the part of the entire EADA community, the duty of shared responsibility. EADA assumes the following commitments:

- Train and adequately inform all teaching staff and staff in the exercise of their functions and responsibilities in the prevention of occupational hazards and in the prevention measures to be adopted and executed.
- Promote the participation and consultation of the EADA community in the continuous improvement of working conditions.
- Periodically evaluate the risks derived from work activity.
- Allocate resources in order to ensure compliance with current legislation on the prevention of occupational hazards.
- Require suppliers, concessions and services to comply with the regulations on the prevention of occupational hazards.
- Guarantee proper management of the emergency in order to minimize the effects that it may produce on the health and safety of the EADA community.
- Guarantee a correct surveillance and promotion of health for the well-being of people.
- Prevent any behaviour that threatens the dignity of people as well as any harassing behaviour.

Equality Plan

EADA is committed to establish and develop measures to ensure equal treatment and opportunities for our employee community. The Second Equality Plan, valid until 2020, is a tool that helps us fulfil our desire to build a work environment that does not tolerate, under any circumstances, any kind of discrimination.

This Equality Plan defines the criteria to improve the institution in the following areas:

- Selection: Develop a communications policy to ensure no discrimination in the selection and recruitment system
- Promotion: Establish a human resources policy that regulates and communicates the system for internal promotion
- Prevention of Harassment: Establish a benchmark and promote prevention policies
- Communication, language and non-sexist image: Implement a policy of communications transmitted to the entire workforce
- Representation: Strengthen the presence of women in management positions

Flexible compensation and benefits

We stress the importance of flexible remuneration policies and social benefits such as private health insurance and assistance with commuting costs, which are given to all employees. Among these benefits, all EADA personnel and their families can access a discount of up to 75% for the study programmes of the institution.

Training and professional development

As an institution dedicated to training, we promote a joint effort between the different departments and HR to identify and respond to existing training needs, be it through our own formative programmes or through all those conferences, workshops and specialized sessions run by other institutions. The latter allow our staff to update their knowledge and relationships with counterparts in other entities.

1.2.2 Commitment to the environment

Following the refurbishment of the EADA Building and the subsequent improvement in energy consumption, EADA continues to measure its environmental footprint.

The best example of this is how we identify, evaluate and describe the environmental impact when sending a document to print and to raise awareness among all the personnel for a better environmental conservation.

In 2018/19 EADA completed a “paperless” project aimed to reducing the amount of printed paper used in the School’s facilities. In 2018-19, the school achieved a reduction of 2/3rds of the total number of printed pages, relative to 2015/16, and we aim to continue reducing this volume. Furthermore, all our brochures and publications are printed on Forest Management-certified paper.

1.2.3 Academic Research contributions on ERS

ERS topics are relevant in the research activities of EADA and a reflection of an institutional culture. This topic is covered in more detail in Chapter 5, especially in the plan to develop a Sustainability Institute, but some significant examples of Academic Research on ERS issues include the following:

- Sweeney, A., **Clarke, N.**, Higgs, M. (2019). Shared leadership in commercial organizations: a systematic review of definitions, theoretical frameworks and organizational outcomes. *International Journal of Management Reviews*. Volume21, Issue1, 115-136
- **Cohanier, B.**, Baker, R. C., Gibassier, D. (2018). *Environmental management controls at michelin - how do they link to sustainability?* *Social and Environmental Accountability Journal*, 38 (1), 75-96.
- Muñoz, P., **Cohen, B. D. A** (2018). *Compass for navigating sharing economy business models*. *California management review*, 61 (1), 114-147.
- Muñoz, P., Cacciotti, G., **Cohen, B. D.** (2018). *The double-edged sword of purpose-driven behavior in sustainable venturing*. *Journal of business venturing*, 33 (2), 149-178.
- Pullman, M., Longoni, A., **Luzzini, D.G.M.** (2018). *Emerging discourse incubator: the roles of institutional complexity and hybridity in social impact*. *Supply chain management, Journal of supply chain management*, 54 (2), 3-20.

- Holtschlag, C., Reiche, S., **Masuda, A. D.** (2018). How and when do core self-evaluations predict career satisfaction? The roles of positive goal emotions and occupational embeddedness. *Applied Psychology an international review*.
- Markovic, S., Iglesias, O., **Singh, J.J.**, Bagherzadeh, M. (2020). Co-creation: a key link between corporate social responsibility, customer trust, and customer loyalty. *Journal of Business Ethics* volume 163, 151–166
- Lechner, C., **Sortheix, F. M.**, Obschonka, M., Salmela-Aro, K. (2018). What drives future business leaders? How work values and gender shape young adults' entrepreneurial and leadership aspirations. *Journal of Vocational Behavior* 107, 57-70.
- Berrone, P., Gelabert, L., **Massa-Saluzzo, F.**, & Rousseau, H. E. (2016). Understanding community dynamics in the study of grand challenges: How nonprofits, institutional actors, and the community fabric interact to influence income inequality. *Academy of Management Journal*, 59(6), 1940-1964.

1.2.4 CSR Activities

In a broader context, EADA supports the international agenda of Sustainable Development Goals of the United Nations. Specifically, since 2012 we are members of the executive committee of the Spanish Network of the UN Global Compact, actively participating in the meetings and in the design of the agenda and the local network activities organized in Spain.

To this must be added the social action programmes which EADA has collaborated actively:

EADA Teaming: Initiative born of the staff of the institution, which benefits different social projects. The average participation is 70 people, who contribute 1, 3 or 5 euros from their payroll. The most voted option is the one that receives our collaboration. In recent years we have provided help in the field of autism, to the association Movimiento Azul and to the Nasco Feeding project, aimed at children's education. To raise funds for the Teaming, a second-hand clothing market was organized, which encourages responsible consumption.

- Food Bank: Although it is currently a project that has led to virtual aid, in recent years we have supported the supply of facilities in Barcelona.
- Annual campaign with the Blood and Tissue Bank: in the pandemic we have broken a record with 24 donations thanks to the staff, as well as our international participants.
- Participation in the "Women's Race Against Cancer", organized every fall by the Spanish Association Against Cancer (AECC).

In the organization of our leisure activities in our Christmas and summer meetings, the gifts come from companies that work with people with disabilities.

Within the project "No se n'ha parlat prou", monthly training sessions for staff with current issues and general interest, Zero Waste has been promoted from theory and practice through a workshop.

1.3 EADA and Society

1.3.1 The Positive Impact Rating

In January 2020, EADA achieved international recognition after being rated among the top nine business schools for their positive impact in society. The results of the student-voted Positive Impact Rating (PIR), a new global evaluation led by the Positive Rating Association, based in Davos (Switzerland), had the support of United Nations Global Compact, Oxfam International and WWF. This rating showed the top 30 institutions which had performed well.

Although none of the business schools achieved the top position of level 5, EADA Business School was chosen as one of the nine institutions to be included in the level 4 rating of “transforming schools”. These schools received a higher evaluation than the rest for their impact incorporated into the school’s culture (+18%) and governance (+23%), which are considered essential dimensions for a change impact process. The students also rated these schools highly for including sustainability and social commitment in their mission and for the degree in which these factors are considered the driving force behind the school.

Students highlighted two fundamental areas when evaluating EADA Business School: leadership development as the basis of all of its programmes and the strong EADA community which organises both academic and extracurricular activities related to social and environmental issues.

In this first edition, the organisation selected students from the top 50 business schools in the world from the Financial Times Master in Management 2018 (FT) ranking and the top 50 from the Corporate Knights Green MBA (CK) ranking. In total, 51 business schools took part in the evaluation process.

1.3.2 The Scholarship Programme

The EADA Scholarship Programme has grown over time to facilitate the access of talented candidates. One of the objectives of the school is to increase the diversity of students in its international programmes, and for this reason regional scholarships have been created to encourage candidates from more countries and continents to access EADA programmes. In its commitment to equality, the school has created more scholarships to facilitate access for women, with special attention to female talent in STEM disciplines. Other notable scholarships are for entrepreneurial candidates, athletes or those who can generate a social impact. Full and partial scholarships for financial reasons are also awarded to candidates without sufficient financial resources. In recent years, EADA has awarded more than € 500,000 annually in the form of scholarships and grants for all its programmes. This contribution has grown substantially in 2020 as a result of the aid offered in the context of the pandemic with the creation of the EADA Positive Impact Fund mentioned below.

1.3.3 The EADA Positive Impact Fund

In response to the crisis and uncertainty derived from COVID-19 in 2020, EADA decided to extend its own fund for scholarships and grants from a social perspective to facilitate more students and professionals directly affected by the economic crisis the access to the school’s programmes. Some examples are as follows:

Scholarships for Employability: EADA launched a number of full scholarships to carry out a new programme to improve career development and employability, aimed at professionals who had been directly affected by the COVID-19 crisis, with a focus on unemployed women or self-employed professionals who were experiencing an adverse employment situation.

Heroes Scholarship: Promoted jointly with *École des Ponts* Business School in recognition of professionals acting on the front line in the COVID-19 crisis - specifically, a researcher working on obtaining the vaccine, as well as a professional from a humanitarian aid organization - residents in the host countries of the Global Executive MBA programme of both institutions. Two scholarships were awarded to take the Lead Tech Global Executive MBA programme, focused on innovation, technology and leadership.

Re-Start Scholarship, a package of 45 scholarships and grants aimed at nine local professional groups affected by COVID-19. For each of them, grants and scholarships of 50% and three of 25% were offered. Some of these groups are, for example, the health sector, the tourism sector, retail, as well as those of foundations and cooperatives.

1.3.4 Companies, partners and donors

Some of the proposed initiatives mentioned above received the financial support of companies, foundations and individual donors. To be able to expand the school's fund for students in need and also to enhance the impact of our academic initiatives from a social perspective, EADA constantly seeks the support of external partners such as companies and foundations.

Some examples include the alliance with Ashoka Foundation, the international organization that promotes social entrepreneurship and innovation. Our students from the Master in Sustainable Business and Innovation create final projects for Ashoka fellows.

Also an active collaboration with the Women for Africa Foundation enables African female students to be awarded with a full scholarship to access EADA's international Masters programmes.

Corporate partners like the Sage Foundation, ABB and Numintec collaborate to give financial support to the EADA Positive Impact Fund. In the last two years, the school has also received the support from more than 400 individual donors primarily from our Alumni community through crowdfunding campaigns. We would like to continue growing the number of collaborations to be able to extend the impact of our ERS activities in the future.

1.3.5 Press and Communications

As part of our research activity, each year EADA publishes and disseminates studies and reports on various social issues that help companies make progress in ERS aspects. Some examples are as follows:

- Salary Growth Report in Spain (annual report).
- Gender Salary Differentials in Spain (annual report)
- Digital Management Level Report in Spain / Peru (annual report)

As is to be expected, the salary-related reports are often of great interest to the press, and generate very significant coverage both in written press, television and social media. Copies of these reports will be available in the Base Room.