



## COMMUNICATION ON ENGAGEMENT (COE)

EFMD GLOBAL

### Period covered by this Communication on Engagement

1 January 2019 - 31 December 2020

### Part I. Statement of Continued Support by the Chief Executive or Equivalent

*Brussels, 22 September 2021*

*To our stakeholders:*

*I am pleased to confirm that EFMD 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 organisation has taken to support the UN Global Compact and its Principles as suggested for an organisation like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.*

A handwritten signature in grey ink, appearing to read "Eric Cornuel", with a long horizontal stroke extending to the left.

*Sincerely yours,*

*Prof. Eric Cornuel  
President, EFMD Global*

## **Part II. Description of Actions**

EFMD is a strong advocate of the social and environmental imperatives that must accompany business practices globally. Our commitment is to offer professionals and institutions involved with management learning and organisational development the opportunity to be part of a dynamic, relevant and diverse network, sharing the common objective of developing effective and socially responsible leaders and managers.

Through our activities, publications and projects, we aim to contribute to the advancement of goals related to human rights, responsible management, ethics, corporate sustainability, inclusive economy, poverty alleviation & mitigation of climate change.

### **A. Global Governance**

EFMD has initiated, managed, cooperated with or endorsed numerous multi-stakeholder organisations and initiatives active in the area of responsible business and management education.

#### **United Nations Global Compact**

In 2003, EFMD signed a partnership agreement with the United Nations Global Compact (UNGC) and launched the Global Responsibility Invitation which in turn led to the creation of the Globally Responsible Leadership Initiative (GRLI). Moreover, EFMD has worked closely with the UNGC as a founding member in the development and formulations of the Principles for Responsible Management Education (PRME). In 2019, EFMD reaffirmed its support to the UNGC and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption through the Communication of Engagement.

#### **GRLI**

As mentioned above, in 2003, EFMD signed a partnership agreement with the UNGC and launched the Global Responsibility Invitation, which in turn led to the creation of the Globally Responsible Leadership Initiative (GRLI). The GRLI exists to catalyse the development of globally responsible leadership and practice in business and society worldwide. Since its foundation by strategic partner EFMD and the United Nations Global Compact (UNGC) in 2004, the GRLI now also counts the Association to Advance Collegiate Schools of Business (AACSB) International as a long-term strategic partner (since 2013).

## **RRBM**

EFMD is supporting the dissemination of the Responsible Research in Business and Management network, led by a group of renowned scholars. The White Paper, the Principles and the Community present a vision of a future in which business schools and scholars worldwide have successfully transformed their research toward responsible science – defined as research that produces credible and reliable knowledge with either direct or indirect usefulness for addressing problems important to both business and society.

EFMD has helped to design and maintains the community website, which was launched in early 2017, and provides administrative and communication support to the network and its growing pool of adherents and activities.

## **Business in Society Gateway**

The Business in Society Gateway is part of the strategic partnership between EFMD and the Academy of Business in Society (ABIS). The Gateway is a comprehensive online resource centre featuring thought leadership and educational materials on issues related to business in society.

## **SuliTest**

Since its formal launch in 2016, EFMD has supported the "Sustainability Literacy" Test which provides citizens and organisations with internationally recognised and locally relevant tools to engage learning and access the degree of awareness on sustainability challenges and solutions of their stakeholders, helping them to contribute to the SDGs.

## **PRME**

EFMD has worked closely with the UNGC since 2006 as a founding member in the development and formulations of The Principles for Responsible Management Education (PRME). The PRME initiative has grown to 650 business schools and management-related academic institutions from over 82 countries across the world.

## Business school rankings

EFMD has actively participated in discussions and round-tables organised by leading media administering business school league tables in order to capture and address the increasing importance of social impact and responsibility of business schools in their ranking criteria. EFMD contributed to the '*Business School Rankings for the 21st Century*' report that was released in January 2019 at the World Economic Forum in Davos. The report suggests 20 actions to improve evaluation and ranking and encourage "a race to the top" in business education.

### B. EFMD Quality Services

Ethics, Responsibility & Sustainability is fully embedded into both of the EFMD international accreditation systems: EQUIS – EFMD Quality Improvement System - institutional accreditation since January 2013, and EFMD Programme Accreditation since January 2014.

EFMD was the first accreditation body to give such importance to the responsible management issues in its accreditation standards, being an active agent of change in the management development industry.

Ethics, Responsibility & Sustainability carries the same weight in the EQUIS standards framework as the two other transversal chapters: Internationalisation & Connections with Practice.

For EQUIS the overarching standards is: *'The School should have a clear understanding of its role as a "globally responsible citizen" and its contribution to ethics and sustainability in an increasingly global world. This understanding should be reflected in the School's mission, strategy and activities. There should be evidence that the School's contribution to ERS is reflected in its regular activities, covering education, research, interactions with businesses and managers, community outreach and its own operations many of which will be digitally enabled.'*

A standard on ERS is also introduced in Chapter 3 (Programme Delivery & Operations) of EFMD Programme Accreditation: *'The Institution should provide students with a perspective of the role of ERS in modern management so that, as future managers, they contribute to societal well-being.'*

Since 2011 EFMD has run EDAF – EFMD Deans Across Frontiers – which is a development and mentoring system for business schools, assisting senior management teams from schools around the world, particularly at early stages of their development journey.

Responsible management, including ethical behaviour, social responsibility, sustainability, is one of the underpinning criteria in the EFMD quality improvement systems and should be embedded in business school policies and operations, teaching and research.

### **C. EFMD Impact Services**

The Business School Impact System, run as a joint venture between EFMD & FNEGE, identifies the tangible and intangible value that a business school brings to its local environment. At the heart of the BSIS measurement process is a framework of around 120 indicators covering seven dimensions: Financial, Educational, Business Development, Intellectual, Regional, Societal and Image Impact.

Part six of the BSIS assessment criteria guide fully focuses on Societal Impact, including corporate social responsibility, sustainable development, environmental management, and fostering diversity.

Part six of the document stipulates that: 'Because Business Schools are directly responsible for educating future managers, they have a strong incentive to take a clear stance on moral issues. Most now seek to raise their students' awareness of the importance of ethical behaviour, corporate responsibility and respect for sustainable development. In this way, they can serve as role models within their home environment and beyond. The School will specify the place of CSR in its vision, in teaching, in its research, and in its own decisions and functioning.'

Measuring the extent to which business schools act "as good citizens" and integrate these societal issues into their curricula and their internal management practices, is one of the underpinning values of the system.

## **D. EFMD International Projects**

### **EFMD International Projects**

EFMD has been actively engaged in the design and submission of international projects implemented by universities and business schools from all over the world. The projects aim at capacitating the partner institutions to become the driving force for sustained social and environmental impact in their fields and regions.

#### **IMPALA: Impact of Latin American Universities**

Since 2018, EFMD manages IMPALA which measures the impact that universities have on their local environment and supports them to integrate this aspect into their quality control assurance systems. "Impact" is understood as the mid and long-term changes brought by the results of an activity on a local environment, such as intellectual, social, economic and environmental results. IMPALA created the "Impact Assessment Framework" to help universities measure their contribution to local development and society ("third mission") as a means of reinforcing responsible decision-making. IMPALA is funded by the EU and implemented with 11 universities and ministries from Colombia, Panama and Cuba.

#### **EQUAL4EUROPE**

Since 2018, EFMD collaborated with 6 European research institutions for the development of an EU funded project to address the gender inequality and underrepresentation of women in academic research. The project proposes the development of gender equality plans for research performing institutions and monitors the results of their implementation. The results are expected in 2022. EFMD is responsible for disseminating the results in its network and proposing ways to reinforce the issue in the quality accreditation process.

#### **UDIA: University Development and Innovation – Africa**

Starting from 2018, EFMD was a partner in an EU-funded project implemented by four universities in Angola and Mozambique. UDIA capacitated the African researchers to translate their academic work to social entrepreneurship projects for their communities and address pressing social problems. The project raised the issue of responsibility in academic research for real-life contribution. By the

end of the project in 2020, the CADIs have planned to complete more than 30 social entrepreneurship projects in collaboration with the local communities while organising management and social entrepreneurship training. UDI-A has been made possible with the funding of the Erasmus plus programme of the EU. EFMD led the Internal Quality Assurance of the project activities. This task included the establishment of quality indicators for all the project activities and the drafting of regular quality reports and recommendations. EFMD also organised the final project conference in March 2020 and supported the general promotion of the project activities in the EU and Africa.

### **E. Conferences**

During the course of 1 January 2019 – 31 December 2020, EFMD held or contributed to the following events that included sessions dedicated to responsible management education:

#### **2019**

- 2019 EFMD GN Americas Annual Conference, Miami, USA: a plenary session “Diversity and Continuous Reinvention” and a plenary session “Making an Impact: The Big Picture is in the Details.”
- 2019 EFMD Middle East & Africa Conference, Casablanca, Morocco: a plenary session “Sustaining Performance through Innovation and Good Practice.”
- 2019 EFMD Executive Development Conference, Barcelona, Spain: a presentation of a case “The Thammasat Model: Sustainable Community Enterprises.”
- 2019 EFMD Career Services Conference, Rome, Italy: a plenary session “Engaging with Recruiters - How is diversity applied and how does it affect the recruitment process.”
- 2019 EFMD GN Asia Annual Conference, Ho Chi Minh City, Vietnam: a session on “Innovation, Inspiration and Influence: Recipes for a Successful Impact.”

#### **2020**

- 2020 EFMD Conference for Deans & Directors General, Milan, Italy: a plenary session “What does Impact Mean for Deans?”

- 2020 Online EFMD Annual Conference, a workshop entitled “Towards Regenerative management education.”
- 2020 EFMD Executive Development Conference, online, presentation of a case “Responsible factory closing and relocation at a global sustainability leader.”
- 2020 EFMD Master Programmes Conference, online, a plenary session “Why Change Is Getting Harder” in partnership with Expressworks Consulting and Grenoble Ecole de Management.
- 2020 EFMD Marcom, External and Alumni Relations Conference, online, a plenary session “Re-imagining internationalisation.”

## **F. EFMD Awards & Competitions**

### **EFMD Case Writing Competition**

The EFMD Case Writing Competition encompasses several categories, which cover the responsible management and sustainability principles.

- Responsible Business, sponsored by The American University in Cairo, School of Business: this category mainly includes cases that address corporate governance, financial reporting and auditing, integrated reporting, anti-corruption, business ethics, social marketing, gender equality, corporate sustainability, and responsible business education and practices.
- Corporate Social Responsibility, sponsored by ESC PAU Business School: seeks cases addressing innovative ways companies are managing the demands for socially and environmentally responsible business practices. Cases can come from any disciplinary perspective (operations, strategy, finance).
- Responsible Leadership, sponsored by the University of San Diego, School of Business Administration: Cases which address the challenges leaders face engaging diverse stakeholders in the creation of economic and social value.



- Inclusive Business Models, sponsored by IMD: These firm-level case studies will provide insights into the effects inclusive business models have on communities, environment and profitability.

The following cases won the Case Writing Competition between 2019 and 2020:

2019

- Category: Responsible Business

Winner:

- Daniel Han Ming Chng, Xin Pi, Liman Zhao, China Europe International Business School (CEIBS). Case title: Voles System's Bribery Accusations in China

- Category: Corporate Social Responsibility

Winner:

- Craig Smith, Ron Soonieus, INSEAD, Lisa Duke, independent. Case title: Barry Callebaut: Forever Chocolate

- Category: Responsible Leadership

Winner:

- Vanina Farber, Natalia Olynec, IMD. Case title: PMI's Vision of a Smoke-Free Future: Can a Tobacco Company be Sustainable?

- Category: Inclusive Business Models

Winner:

- Luisa Alemany, London Business School, Nicholas Andreou, Big Society Capital, Alma Gutierrez, Elevar Equity. Case title: BanaPads: To grow or not to grow? That is the question

2020

- Category: Responsible Business

Winner:

- Rachida Justo, IE University, Caroline Tilden, Krystyna Liakh, IE University Alumni, Mona Müller, IE University Alumni/Senovo. Case title: Mosabi: Gathering Forces for Social Change
- Category: Corporate Social Responsibility  
  
Winner:
  - Syeda Maseeha Qumer, Debapratim Purkayastha, ICFAI. Case title: SC Johnson and the Global Ocean Plastic Crisis
- Category: Responsible Leadership  
  
Winner:
  - Daniel Han Ming Chng, Liman Zhao, Byron Lee, Peter Moran, Hellen Heming Sun, China Europe International Business School (CEIBS). Case title: Daddy Lab: A Chinese Social Enterprise's Dilemma
- Category: Inclusive Business Models  
  
Winner:
  - James Chiswell, Geoff Bick, Warren Nilsson, Sarah Boyd, University of Cape Town Graduate School of Business. Case title: Silulo Ulutho Technologies: Scaling a social enterprise in South Africa

### **EFMD Excellence in Practice Awards**

The EFMD Excellence in Practice (EiP) Awards recognise outstanding and impactful client-supplier partnerships in the domains of Leadership, Professional, Talent and Organisational Development. During the course of the reporting period, several cases in the area of corporate social responsibility, such as the following:

2019

Special Category: Ecosystem Development

Amongst the Finalists:

- Government Savings Bank (GSB) & Thammasat Business School & Community Partnership Association (CPA): "The Thammasat Model: Sustainable Community Enterprises"

2020

Special Category: Ecosystem Development

Amongst the Finalists:

- Association of Entrepreneurship Development "SKOLKOVO Community" & Moscow School of Management SKOLKOVO: "Developing entrepreneurship in Russia"

Category: Organisational Development

Amongst the Finalists:

- Unilever Brasil Industrial & Fundação Dom Cabral (FDC): "Responsible factory closing and relocation at a global sustainability leader"

### **Outstanding Doctoral Research Awards**

Outstanding Doctoral Research Awards (ODRA) is a joint doctoral research award co-run by Emerald Group Publishing Ltd, publisher of the largest collection of international business and management journals, and EFMD. The Awards were given in 10 management-related subject areas – each sponsored by a leading journal from the Emerald portfolio.

During the course of the reporting period, several cases in the area of corporate social responsibility, such as the following:

2019

Category: Operations and Production Management

Highly Commended:

- Dr Amy Benstead, University of Manchester. Thesis Title: Research: Reshoring and Modern Slavery in the supply chain: case

study evidence and action research in the Textiles and Fashion Industry

- Dr Yamini S, Indian Institute of Management Tiruchirappalli. Thesis Title: Determination and impact of the behavioural biases of a worker on the execution of a task

Category: Logistics and Supply Chain Management

Highly Commended:

- Dr Seongtae Kim, ETH Zurich. Thesis Title: The impact of ethical sourcing on financial performance: An event study analysis

Category: Educational Leadership and Strategy

Highly Commended:

- Dr Sujay Nair, University of Melbourne. Thesis Title: 3 essays: 1. Hiring professional contract workers: does the control environment matter? 2. Leniency bias and organizational performance. 3. The role of reward systems in building relational contracts.

Category: Management and Governance

Highly Commended:

- Dr Anders Kryger, Copenhagen Business School. Thesis Title: Aligning future employee action and corporate strategy in a resource-scarce environment

Category: Humane resource Management

Winner:

- Dr Fotios Mitsakis, Nottingham Trent University. Thesis Title: Strategic Human Resource Development Maturity: An Investigation into Greek Banks at the time of the Economic Crisis

Category: Tourism and Hospitality Management

Highly Commended:

- Mrs Mijana Matosevic Radic, University of Split. Thesis Title: Tourism and the convergence of economic growth in the European Union member states

2020

Category: Finance

Highly Commended:

- Dr Ashley Ding, Macquarie University. Thesis title: Environmental Delta: Essays on Energy, Volatility and Climate Change

Category: Tourism and Hospitality Management

Winner:

- Dr Christopher S. Dutt, Emirates Academy of Hospitality Management. Thesis title: The role of tourism in bridging the gap between expatriates and hosts: A case of the United Arab Emirates

Category: Logistics and Supply Chain Management

Highly Commended:

- Dr Devendra Kumar Pathak, Indian Institute of Management (IIM) Kashipur. Thesis title: Performance Management of Sustainable Freight Transportation: A Study of Select Issues
- Dr Ricardo Augusto Zimmermann, University of Aveiro. Thesis title: Innovation and supply chain management: strategies, capabilities, and the effect of fit on business performance

Category: Human Resources Management

Highly Commended:

- Dr Joey Soehardjojo, Cardiff University. Thesis title: Knowledge and HRM Practice Transfer in Emerging Economies: The Case of Japanese Joint Ventures in Indonesia

Category: Operations and Production Management

Winner:

- Dr Henrik Franke, ETH Zürich. Thesis title: Behavioral Challenges to Cross-Functional Teams: Essays on Politics and Conflict in Global Sourcing Decision Making

Highly Commended:

- Dr Philipp Christopher Sauer, Free University of Bozen-Bolzano. Thesis title: Multi-tier sustainable supply chain management - learning from the minerals case

Category: Marketing

Highly Commended:

- Dr Rafael San José Iglesias, Auckland University of Technology. Thesis title: Construction of Image and Attitudes Toward Global-Local Brand Alliances: The Effects of Globalness and Localness

## **G. Publications**

EFMD has published the following books and reports that touch upon responsible management and business in the period from January 2019 to December 2020.

### **Inclusive Growth, The Global Challenges of Social Inequality and Financial Inclusion**

This book, published in April 2019, arose out of a research partnership between the Mastercard Center for Inclusive Growth and Singapore Management University (SMU). It demonstrates the logic of inclusive growth, explaining its principles and the enabling models that define it. It also examines the means to creatively address financial and social inclusion and thus improve social equality. The focus is to provide basic rights for all in society to access and participate in the vital networks of services and know-how that are the indispensable enablers of increasing productivity in modern economic production. Business, government, and civil society must devise implement effective initiatives so that inclusive growth is achieved through the global democratization of productivity.

## **Sustainable Business Book Series**

EFMD works with the Center for Industrial Productivity and Sustainability ([www.cipsfoundation.com](http://www.cipsfoundation.com)) and the Product-Life Institute, Europe's oldest sustainability-based think tank and consultancy ([www.product-life.org](http://www.product-life.org)), to provide business communities with proven, training-based books, manuals, and videos to help managers engineer a more sustainable future for their companies.

A key component of our education portfolio is The Sustainable Business, an award-winning introduction to sustainability that is distributed as a free download in numerous languages.

## **Global Focus Magazine**

The Global Focus magazine, published online and in printed version, featured numerous contributions related to responsible management, ethics, sustainability, inclusive economy, human rights or mitigation of climate change in the period from January 2019 to December 2020.

2019

### *A new B in B Schools*

André Sobczak urges businesses schools to embrace sustainability. In January 2019, Audencia Business School in Nantes, France, hosted a new year's event of the association of responsible business leaders in Western France.

### *Positive learning on carbon neutrality*

A leading Canadian school helps students to live their sustainable curriculum. By Simon Pek, Rick Cotton and Mackenzie Ford.

### *Collaborate for success and sustainability*

David Grayson explains the dramatic growth of the quantity and quality of business collaboration linked to sustainable development.

### *Impact: is it enough just to talk about it?*

Michel Kalika and Gordon Shenton explain why business schools not only talk about impact but are learning how to make a better job of assessing it.

### *The future of business schools: shut them down or broaden our horizons?*

Ken Starkey and Howard Thomas report on a groundbreaking workshop that debated the mounting criticism of business schools and where they might go from here.

*Results Oriented*

Pioneering the learning and leadership that meets the urgency of our times – Results from the GRLI Deans and Directors Cohort. Collated by John North and Claire Sommer.

*A future for business education: why business as usual is bad business*

Chris Pitelis calls for a re-imagining of business education and business schools so they can help build a better and brighter future.

*On the right track: Developing an innovative and evolving MBA curriculum*

Ajoy Kumar Dey explains how the MBA curriculum is kept fresh and relevant at a leading Indian institution.

2020

*Building Sustainability into the Value Chain*

Running a “sustainable” business is not about recycling and tree-planting programmes, it’s about putting sustainability at the core of your shareholder value proposition. To achieve sustainability transformation in companies, leaders need a broader skillset.

*Pointing the way to a greener economy*

The CEMS community explores the impact of the UN sustainable development goals (SDGs) on business leadership and the creation of radical new business models. By Stephen Hoare.

*Unlocking human potential through learning English*

Those of us in the anglophone business world often take for granted the ability to easily express ourselves and instantly understand everything around us at work.

*The Future of Diversity and Inclusion: can leaders scratch beneath the surface?*

We have recently seen the boom of chief diversity officer roles and teams, many within the HR and talent management portfolio. The reason leaders find it hard to make the kind of benefits that can accrue from diversity and inclusion is that they only scratch the surface.



*The Productive Leader – a new approach for the digital age*

We need to create productive organisations by genuinely empowering employees and allowing them the freedom to choose how they work.

*The Apocalypse of Leadership*

We are in a parlous state and we need a new cohort of leaders to regain people's belief and faith in the system. By Richard Savage.

*Sustainable education*

The SDG Academy: A global initiative offering education to advance the Sustainable Development Goals (SDGs). Florencia Librizzi reports.

### **EFMD Blog & Social Media Outreach**

Between January 2019 and December 2020, the EFMD blog featured numerous posts linked to ethics, responsibility and sustainability, which were also then shared via EFMD's social media outreach. Posts included:

#### **2019**

- Management Educators: Running Late for the Lesson
- Overcoming barriers to sustainability & social responsibility in higher education
- What is social impact and how to measure it?
- Menu For Year's End Dinner: Hope
- Business School Rankings for the 21st Century Report is launched
- Pathways to inclusive growth: financial inclusion at the bottom of the pyramid
- The Impact of Business Schools: Increasing the Range of Strategic Choices
- Responsible Business Education – Financial Times Showcase
- RSM hosts the first Global Responsible Research Summit
- IACMR-RRBM Award for Responsible Research in Management
- CSR Symposium 2019
- The Pied Piper of Hamelin or When our Children Woke us Up
- Leadership of the Commons: How Collaboration Is Changing the Governance of Shared Resources and Services Around the World
- Special Issue of the Triple Helix Journal – Call for papers

- Leadership for the Anthropocene
- Can we put zest and purpose back into academic life?
- Is Authentic Leadership the answer? Maybe we need to reframe the question...

2020

- Business schools have a responsibility to instigate change, states MIP Dean Federico Frattini
- When students rate the impact of their business schools...
- The Launch of a Blueprint for SDG Integration in Business Schools
- Happy Learning! Education for a Sustainable and Happy World
- Covid-19, 5G and Educators
- Why did Sasin School of Management create the position of Chief Impact Officer?
- Covid -19 crisis: A call for responsible leadership research
- The future of business education? Investing in digital and a new breed of academic, says Lancaster University Management School Dean Angus Laing
- Time for change says Dana Brown, Dean of Sprott School of Business, Carleton University
- Invitation: Accelerating Education for the SDGs in the Universities
- Anti-Poverty Working Group Update October 2020
- COVID, The Teacher: We, The Clever
- SDG Academy Community of Practice
- Check your privilege to keep your privilege in check
- Covid-19 Weekly Update from the Experts at Grenoble Ecole de Management Issue No.5
- Knowledge Into Action Forum
- Grenoble Ecole de Management: Bringing diversity and inclusion to the surface – unlocking full potential of teams
- A green stimulus to boost the energy transition?
- Could Covid-19 be the push that Europe needs for unconditional basic income?
- CEIBS' Impact within the Regional Ecosystem
- Scientists: circular economy is not only about recycling
- Educating the leaders of the post-Covid future

- Engaging students online during Covid-19 crisis: Teaching and learning with the SDG Academy
- Leading business schools through a global crisis: navigating the unpredictable
- Forty days into lockdown: Adam Smith Business School resource gives forty insights into the realities of working during Covid-19
- Roehampton: The Business School with a Social Conscience
- Post Pandemic Paradigm of Higher Education
- Management Education in a Disrupted World