



T. Teaching Impact

From Narrative to Action:

Are Business Schools Finally Walking the Talk of Responsible Management Education

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Abstract

Business schools are higher education institutions specialized in educating the current and future generation of business leaders and as such have an enormous educational power and duty. Whilst in recent global crises, e.g. the 2008 financial crisis, business schools were considered to be part of the problem, not having educated their students in acting responsibly, the Covid-19 pandemic can be seen as the opportunity for business schools to regain legitimacy. This impact paper presents the rapid and novel responses to Covid-19 that were undertaken by business schools and its implications toward a more responsible management education (RME).

Keywords: Business School, Higher Education, Responsible Management Education, Sustainable business, Educational Development.

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Today's business world, even more than the pre-pandemic one, needs leaders capable of making a strong social impact and contributing to solving economic problems resulting from the grand societal challenges of our times (Moratis and Melissen, 2020).

Given their function to educate both current and future generations of corporate managers and business leaders, management education providers - and in particular business schools - are the ones fit to educate in that direction (Kaplan, 2021a) and thus have a crucial role to play in realizing sustainability (Dyllick, 2015). Hence the enormous educational power and duty for business schools (Parkes et al., 2017).

Responsible management education (RME) and its guiding Principles

Responsible Management Education has been around for a while now. The Principles for Responsible Management Education (PRME) were formalised in 2007 during the United Nations Global Compact Leader Summit (in Geneva, Switzerland). PRME aims to provide an engagement framework for universities and business schools (Alcaraz and Thiruvattal, 2010), to embed corporate citizenship and sustainability in teaching (both in curriculum and learning methodologies), research, and campus practices, through a process of continuous improvement (Dyllick, 2015).

RME encourages students to envision new ways to address urgent economic, social and environmental issues. To guide management education institutions in that direction, the original formulation of PRME provides six aspirational and inspirational, universally applicable principles, namely: purpose, value, method, research, partnership and dialogue (Parkes et al., 2017).

To act as a catalyst and stimulate socially and ethically managed businesses, business schools must go far beyond inserting corporate social responsibility (CSR), business ethics and sustainability in their programmes (Kaplan, 2021c). Certainly, despite business schools' increasing effort to emphasize sustainability over the last years, by adding sustainability taught hours, modules, disciplines, learning formats and extra-curricular activities, the full scope of RME is still far from being achieved in mainstream higher education. To seriously engage in forging sustainability sensitiveness and mindset, rather than equip students with certain technical competences on sustainable matters in one discipline or another, business schools need to adopt inter- and multi-disciplinary skills-development (rather than mere knowledge acquisition), with a strong emphasis on experiential learning, sustainability and society's well-being (Kaplan, 2021a).

To date, business schools all over the world present a different stage and depth of commitment to RME, with some business schools pioneering and serving as an inspiration to others that are still at the very beginning of the journey (Parkes et al., 2017). And many see Covid-19 as the perfect storm for business schools to make RME seriously happen, passing from narrative to action. To redefine business and management education for the future as the abrupt disruption caused by the pandemic forced academia to come together and experiment with new approaches, opening the way to further transformations, i.e. toward more RME.

Why the time to walk the talk of RME is now?

It is largely agreed that there is no better time than a crisis to rethink priorities and refocus business practices (Pucciarelli and Kaplan, 2020). Crises are also unique opportunities for business schools to reflect on their role and contribution to society (Kaplan, 2021a). Whilst early 21st century crises, as for example the 2008 financial crisis, brought public opinion, and scholars alike, to pinpoint business schools as part of the problem, in not having educated their students in acting responsibly. Current Covid-19 pandemic is an opportunity for business schools to regain legitimacy (Kaplan, 2020) and to champion the uptake and further advancement of RME in their teaching, research and thought leadership (Moratis and Melissen, 2020). That is why business schools now, even more urgently than they did pre-pandemic, have to do more and to proactively focus on innovation, social impact and critical management education.

Moreover, the wake-up call coming from the Covid-19 global pandemic, is echoed and reinforced by a rising number of quests, coming from many directions. In fact, by all business schools' main stakeholders, ranging from incoming and current students, to companies that will employ those students, alumni and executives, to other market forces such as accreditors bodies and rankings, and last but not least staff and academics (Pucciarelli and Kaplan, 2018 and 2019).

From the **inside**, individual bottom-up initiatives together with top-down institutional commitment, are two forces that nurture each other enhancing the RME continuous improvement journey. Building on the passion and actions of individual professors, students and staff members, to diffuse and institutionalise the values of global social impact. For example, at ESCP Business School, two master programs entirely dedicated to sustainability have been created over the last couple of years, i.e. the MSc in International Sustainability Management and the MSc in Sustainability Entrepreneurship and Innovation. Several student societies focus on sustainability such as Oikos at ESCP Berlin, Le Noise at ESCP Paris or GEA at ESCP Turin. Furthermore, ESCP's annual SDG conference, bringing together students, alumni, professors, companies, NGOs, and politics to discuss the relationships between management and sustainability as well as the introduction of a Green Office at ESCP Berlin, can be mentioned as examples for the School's sustainability efforts. Research-wise, ESCP ranked fourth in the Financial Times' European SDG top 10, calculated by the ratio of SDG-related publications (Jack, 2020).

Looking at the market. The incoming flow of **students**, belong by definition to generations more sensitive to sustainable topics compared with their parents' generation and the public opinion at large nowadays, present a wider and more generalised attention to sustainability than years ago (e.g. the average person would not only expect companies to produce in a greener way a limit on the environmental impact, but to develop products with societal purpose). Already in 2016, a global survey of almost 1,700 business students from approximately 40 countries, undertaken by the previously mentioned UN initiative Principles for Responsible Management Education, indicates that more recent students, compared to their predecessors, are more ready to sacrifice a part of their potential future salary if their employer is active in matters of corporate social responsibility and sustainability (Paulas, 2017). Furthermore, the 18th Shell Youth Study clearly shows that environmental concerns have gained greatly in importance among students with nearly three out of four young people citing pollution as the main problem that frightens them (Shell, 2019).

Whilst the **European Commission** has many times highlighted the crucial role of education in bolstering Europe's agenda for smart, sustainable, and inclusive growth, and as an enabler of personal development and active citizenship (see for example European

Commission, Education and Training Monitor 2017, and 2020), the **job market** itself is and will increasingly demand for graduates to be educated in sustainability matters, to be able to play a role in the green transition (e.g., EU leaders 11-12-2020 emission reduction target of 55% by 2030). For example, according to a recent report by Fondazione Symbola and Unioncamere (Symbola, 2020), in Italy currently more than 3 million Italians work in the green economy, accounting for 13.4% of employed Italians and this is a growing sector.

The importance of RME has also been acknowledged and encouraged by **accreditors'** bodies. EQUIS for example includes the "Ethics, Responsibility and Sustainability" criteria, aiming at giving evidence to the fact that *"The school should have a clear understanding of its role as a globally responsible organisation and its contribution to ethics and sustainability. This understanding should be reflected in the school's mission, strategy and activities."* Education **rankings publishers** have also emphasized sustainability, adding sustainability related criteria to assessing business schools around the world more and more. For example, already in 2010 *Corporate Knights Magazine* (a Toronto-Based magazine focusing on sustainability and responsible business, published also in US thanks to its inclusion in the *Washing Post's* Sunday Edition four times a year) started the publication on its website of business school's sustainability performances, using teaching and research on sustainable development topics (counting for 80% of final score) as rating factors among others. The Times Higher Education too introduced in 2019 the education Impact Rankings, the only global performance tables that assess universities against the United Nations' Sustainable Development Goals (SDGs).

Lesson from a fierce teacher (the pandemic) to further advance RME

Covid-19 crises are having an enormous impact on higher education, specifically with respect to remote learning and digital disruption acceleration (Kaplan, 2021 and 2022). Opening the way, potentially, to further reforms such as the introduction of more inter- and multi-disciplinarity on universities' curricula (Kaplan 2021b), new forms of collaboration with local businesses, as well as networking and extra-curricular activities.

Reflecting on the very impressive results from a difficult year of disruption we must acknowledge the rapidness of institutional responses. The pandemic taught us the unprecedented, and partially unexpected, capacity of universities and business school to take decisions and act. The initial surprise and anxiety in facing the COVID-19 outbreak, turned rapidly into action and innovation, switching overnight to online emergency teaching, the only possible education delivery mode within confinement (Kaplan, 2020).

Important achievements went far beyond the mere change in teaching format. Whilst the generally rapid pivot to virtual education, mitigated transmission of the virus, it also freed-up students' time to work or volunteer at jobs to help those who were more at-risk from the virus, e.g. delivery of groceries and supplies to elders, helping to keep family businesses running, etc. In addition to their teaching roles, some business school faculties have been contributing to the Covid-19 solution through research advancing our understanding about possible new future ways of learning, working and making business. For example, ESCP launched and published online the first edition of the ESCP Impact Papers titled "Management in a post-Covid-19 Era", divided into four sections in line with our B.E.S.T. Impact framework (Business, European, Societal, and Teaching). 80 papers are in the collection, representing approximately 50% of the ESCP faculty, exploring the implications of the crisis on the transformation of business, consumer behaviour, and higher education alike. Interestingly, 11 papers (out of 80) touched on the Future of Learning and Teaching, whilst 15 papers were about Societal impact and 24 on Rethinking Businesses and Challenges for Tomorrow's Management. Another interesting example to cite is the work done by ESCP local Career Offices, working hand in hand with companies to understand

how to have the project in shutdown and layoffs activated and made legally feasible, resulting in the transformation of curricular internship into individual or group company projects. Some faculties volunteered to support the initiative, as connectors with company in need and mentors and in a couple of cases students themselves submitting a proposal of Special Covid support project for validation. Overall, the experience is extremely interesting and has a number of links with the possible evolution of more hands-on capstones with topics such as sustainability, ethical and responsible business.

The radical acceptance of change has been a crucial element for success in delivering education as usual in a very unusual situation. The acceptance of the urgency and the inevitability of the need to adopt new educational approaches and formats, as well as new campus practices, constituted a bonding element among administrators, academics, staff and students, to work all together toward a common goal: a smooth transition to education as usual in a very unusual situation, with an eye on both the social dimension of the new learning experience as well as the satisfaction of students, teachers and staff.

And if on the one hand, now more than ever, it is clear that the future of back to school requires a hybrid thinking system, in which presential classes are invaluable and must (and will) return as much as possible (Kaplan, 2021a), then on the other hand, we learned from the pandemic that the academic community as a whole is capable of radically accepting and managing change to make things come together. In the case of the pandemic, it was about accelerated digitalization and disruption of higher education. Now it time to use the enduring lessons from the pandemic to address the other big challenge of academia (further to digitalization), that of sustainability and in particular how to expedite the transition of business schools toward responsible management education.

Conclusions.

Over the last decades, and crises, it has appeared more and more evident that organisations need to embrace more ethically and socially responsible thinking while business schools need to provide responsible management education (RME). Rebooting the public debate on the crucial role that business schools can and must play in fostering tomorrow's business practices for good, by shaping capabilities and sensitivity of the students of today toward more responsible, ethical and sustainable endeavours.

Walk the talk of RME means embracing a radical transformational journey, based on continuous improvement, building on the passion and contribution of every member of the educational community to equip students with multi- and inter-disciplinary skills to envision new ways to address the complex and uncertain world we are living in, with a strong focus on global social responsibility.

Covid-19 represents a turning point to (potentially) address two of higher education's main challenges, i.e. digitalization and sustainability (Pucciarelli and Kaplan, 2016).

In conclusion, the time finally seems to be right for business schools to take a serious stand and walk the talk of RME, pursuing the purpose (PRME 1) of developing students' capabilities to be future generators of sustainable value for business and society. Forward-thinking Deans have recognised the need, and even the opportunity, to place sustainability as a top priority on their agendas and on the business school's strategy, using the exercise of rethinking teaching, research and campus practices in order to adapt to the new normal as an opportunity to advance in both digitalization and RME transformation. Hence finally addressing requests and expectations coming from the many parts (from students, to passionate academics, and even accreditors and rankings).

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