

# PRME Principles for Responsible Management Education

## BIANNUAL REPORT ON PRME INITIATIVES COLLEGE OF BUSINESS & PUBLIC ADMINISTRATION

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### CBPA, AACSB, & PRME

In Spring 2012, CBPA became a signatory to PRME—Principles for Responsible Management Education. These Principles for Responsible Management Education were launched in 2007 as an initiative of six academic institutions (including AACSB International) and the United Nations Global Compact. PRME seeks to establish a process of continuous improvement among institutions of management education in order to develop in our students a new generation of business leaders who view corporate strategy within a broader perspective of all stakeholders over traditional shareholder value. Guided by the PRME philosophy, CBPA’s mission is to inspire and champion ethical and responsible management education, research, and thinking for global leadership. At CBPA, we endorse conscious capitalism. We are continuously embedding PRME values into our Educational Value Chain. We highlight some of these endeavors in reports like this.



In Spring 2014, Dean Lawrence C. Rose accepted the AACSB re-certification of the CBPA accreditation renewal at the AACSB International Conference and Annual Meeting (ICAM) in Singapore. In his address to the ICAM the Dean highlighted the College’s PRME “Eye Glass” Project (see PRME Bulletin, Vol. 2 Iss. 2, 12/31/2013.) ICAM also held its first meeting of its new 2020 Committee. The 2020 Committee’s primary objective is to recommend strategies and structures to significantly increase AACSB’s achievement of its global mission.



To celebrate the re-accreditation of CBPA, Dean Rose held a party at his home on 6/27/2014, which was attended by CBPA faculty, staff, campus friends, and external stakeholders.

## THE ACCOUNTING & FINANCE DEPARTMENT'S SHARED VALUES...

Under the Direction of its Chair, **Dr. Astrid Sheil**, in November 2013, the Department of Accounting & Finance developed a statement of shared values, consistent with PRME goals and objectives:



*The professors, instructors, and staff of the CSUSB Accounting & Finance Department are professionals pursuing the highest standards of business ethics and personal integrity.*

*We strive to create a supportive environment of collegiality and trust through open and respectful communication with each other, students, administrators, colleagues, and the community.*

*Our commitment to student success is achieved through our teaching skills and research, and by engagement with the business community.*

## CBPA FACULTY INTEGRATE PRME VALUES INTO TEACHING...



**Professor Conrad Shayo, Professor Information & Decision Sciences (IDS)** explains *how he prepares students to become principled and responsible sustainability ambassadors in the communities they serve now and will serve in the future.*

“When we discuss need for global sustainability and corporate social responsibility in our information systems and technology (IST) classes I

find that students readily appreciate the fact that we (humans) are temporal-earthlings collectively called upon to take good care of our inherited

earth not only for our current self-interest but for our posterity. There is also general agreement that we should strive to meet our current needs without jeopardizing the ability of future generations to do the same. But the one thing that is not as obvious to the students is “what role does information systems and technology play in global sustainability and CSR?”

We use sustainability and CSR business case studies and a critical thinking framework that encourages students to ask important questions before they arrive at any conclusion. Students soon realize that IST provides the tools used to capture and analyze the data that provide the information decision makers need to measure, track, and communicate the sustainability performance and CSR outcomes of an organization. The critical thinking framework forces the students to pose and analyze the business cases by asking among others: What are the facts? What questions have already been answered? What questions remain unresolved? What known principles, theories, or frameworks apply to this situation? Who are the stakeholders?

How are the stakeholders impacted by the outcomes of the case? What are the symptoms and how are they related to the problems? What criteria would be used to evaluate a successful resolution of the problem? For each problem, what alternative solutions are there (this includes do nothing)? And for each alternative solution, what are the pros and cons for each one. Which alternative(s) best solves the problem and why? Using a Gantt chart, what activities should be implemented to solve the problem? Who will implement the activities and when? What are the risks involved and how should they be mitigated?

We are finding that the use of a critical thinking framework helps the students appreciate the complexity of balancing competing interests and prepares them to become ambassadors of the principled and responsible global sustainability movement. Students finally realize that a sustainable organization is an evidence-driven one that creates value and achieves long term survival and profitability while simultaneously balancing the needs and expectations of all its stakeholders!”



Mark Twain and others popularized the use of the phrase “***There are three types of lies: lies, damned lies, and statistics***” as a way of describing how numbers/statistics can be misused to support virtually any point of view.

**Professor Barbara Sirotnik**, Information and Decision Sciences, has been teaching statistics for 38 years and begins her courses by telling her students that they need to learn how to avoid being misled by the inappropriate use of statistics. She has been doing statistical consulting for public and private organizations in the Inland Empire and beyond since 1980, and talks about that experience in order to give

examples of professional standards in the use of statistics. For example, she teaches students how graphs can be misleading and how to construct graphs which accurately reflect the data. She talks about how to make sure the data used for decision making is based on appropriate sample sizes and sampling methodology. She embeds concepts of the responsible use of statistics throughout her courses. In embedding this pedagogical

principle into her classes, Dr. Sirotnik, has over the years, been a proponent of PRME values.

In addition, as Director of the campus' Institute of Applied Research, she hires up to 100 students a year to work on projects for the

community. These students get real-world experience in the data collection process. Their training emphasizes their vital role in protecting the confidentiality of human subjects and in ensuring that the data are accurate and can be used to create policy.



Museum of Tolerance  
Class picture with  
**Professor Kathie Pelletier**, second row, far right, is a staple field trip in Mgmt 655.

**Professor Kathie Pelletier**, talks about linking PRME values to her class MGMT 452, Leading Effectively and Ethically. For this class she has “added a written assignment titled ‘*What YOU would do.*’ The assignment involves students identifying a current event in which a leader has derailed, or is about to derail. They then analyze the leader through the lenses of ethics and leadership theories discussed in the course, and state how they would have handled the situation had they been in the leader's shoes, so to speak. The students also review journal articles and studies to provide support for their recommendations (what they would do and why).

Some examples of leaders they analyzed were Donald Sterling of the Los Angeles Clippers, Terry Gou of Foxconn, Lance Armstrong in the Tour de France doping scandal, the Penn State child molestation scandal, and one student analyzed her son's soccer coach who was known

for being abusive to his players (children).

This assignment challenges students to apply theoretical concepts to everyday leadership situations and to think about what they would or should do as the leader's successor, or as the individual (as in the case of Lance Armstrong) and why. Several students who analyzed a leader that they knew personally used this assignment as a way to coach the leader.”

PRME values are integrated into Dr. Pelletier's MGMT 655 class, as well. She notes that, “the students and I went to the Museum of Tolerance. We visited the museum on May 18 and were able to attend the holocaust survivor's talk. Elisabeth Mann survived Auschwitz and discussed her experiences with toxic and abusive leaders. These field trips to the Museum of Tolerance are very popular with students who seek to understand the devastating effects of leader toxicity.”

## STUDENT WORK ON STRATEGIZING FOR CSR:

MBA Student **Naga Nandani Nagaraju** studied the CSUSB sustainability strategy for Management 685-01, in a that in May 2014, the CSU Board of sets forth a Climate Action Plan. Prior to announced a sustainability plan to reduce on non-renewable resources, and energy the CSU system, via Executive Order #987. Importantly the Chancellor’s Executive Order also emphasized academic development of faculty and students on Sustainability issues.

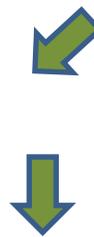


studied the CSUSB sustainability Spring 2014 report. She found out Trustees had adopted a policy that this in 2006 Chancellor Reed waste disposal, pollution, reliance consumption reduction throughout

In Mgmt 685-02, Spring 2014, MBA Student, and Facilities Supervisor, **Luis Alvarado**, presented a report on strategizing for sustainability in the known as The Serrano Village. He reported that approximately \$15,840.00 a year on paper towels toilet tissue in the old Dorms with community Serrano Village is considering investing in hand towels altogether. Part of the impetus for this project in an Entrepreneurship class offered by **Professor Paul Kirwan**. This project which was actually specifically targeted to the CBPA toilet facilities, was noticed and taken up by the Facilities Management Department for the Serrano Village. For more information on the student project in Entrepreneurship that set the wheels in motion at CSUSB dormitories, see below.



CSUSB Housing Dorms the Village spends and another \$18,750.00 on bathrooms... Now the dryers and removing paper initiative was a student



### PROFESSOR PAUL KIRWAN’S STUDENTS WERE THINKING “GREEN”.... Student’s Innovative Research for CSUSB in Mgmt 442-02

By Steven Hernandez, Kaleb Goodwin, Khalil Bey and Shanieka Perrier



Hand Dryers Vs Paper Towels



*After thorough research, we have a solution to improve the school's facilities, improve sanitary practices and promote a sustainable campus by installing electric hand-dryers. Our school could be saving \$87,728.19 annually.*

**Introduction:** Our business idea was developed through an entrepreneurship course offered by **Doctor Kirwan**. We are students who decided to work on a project that would improve our learning experience by using a real life issue in which we could make profit from our project.

Our plan is to revolutionize our school bathrooms by installing efficient technology. This will also be more environmentally friendly, and most importantly reduce our school's expenses significantly. We are students who are dedicated to improve the bathroom facilities. Putting in over 40 hours of thorough research in our project. We have chosen to team up with [www.restroomdirect.com](http://www.restroomdirect.com) who can both sell & help install electric hand-dryers. We have two contractors bidding for the project. Our research found "Xlerator" to be the best hand dryer on the market. With this research, we then conducted a thorough study if the campus would switch from paper towels to "Xlerator" hand dryers.

**Savings:** The school will save \$53,200 in paper towels, and an estimated \$29,877.21 in labor & handling. New hand dryers will cost approximately \$500 each, totally \$130,000 including the installation fee. New hand dryers

will annually cost only \$1903.77. Which will save \$87,728.19 annually. This is a 97.88% savings. The Rate of Return is only in 1.49 years.

#### **Environmental Impacts & Health Concerns:**

As the school strives to go green. Switching to hand dryers will reduce the carbon footprint by 45265.588 kgs., eliminating 23,979 lbs. pounds of paper towel waste, 528,652 gallons of water, 5,438,400.00 feet of paper towels—this is equivalent to savings 18,128 football fields worth of paper towels. Research shows that paper towels attract the most bacteria in bathrooms. Newer and advanced technology hand-dryers filter the air, while reducing sound levels. As an academic institution moving towards green initiatives, our school should invest in advanced technology that saves money, sustains the environment and improves our bathroom sanctuary needs.

## **OVERSEAS STUDENTS EMBRACE PRME VALUES...**

CBPA faculty were involved in teaching a number of classes to visiting students and scholars from international universities. Some of these classes involved using PRME values to instill responsible management practices in students through Business Ethics and Corporate Social Responsibility modules. Some of these efforts are shown below:

### **Amity University Students Come to CSUSB, Spring 2014**



Amity University students from New Delhi and Dubai spent their Spring 2014 semester at CSUSB. A number of CBPA faculty were involved in teaching the Amity students--**Dr. Jake Zhu, Dr. Tapie Rohm, Dr. David Kung, Dr. Harold Dyck, Dr. Greg Zerovnik and Dr. Breana Coates**. Professor Coates explored the attitudes of businesses in India as well as international firms on the issue of sustainability, corporate consciousness and corporate social responsibility.

The pros and cons of India's recent Corporate Law, 2013, mandating that MNEs that create profits over a certain threshold, provide 2% of such gains to pressing social and environmental problems in India were debated. India is the first country to promulgate such legislation.

### **CETYS UNIVERSIDAD STUDENTS FROM ENSENADA VISIT CSUSB**



The Centro de Enseñanza Técnica y Superior (CETYS) sent a group of students for a short course at CSUSB in Spring 2014. On June 23<sup>rd</sup>, Professor **Breana Coates**, presented a lecture, case study analysis and video on Corporate Social Responsibility. The class applied these concepts to human and natural resources in Mexican businesses, and government economic development policies. They also evaluated role of MNEs in Mexico, and the need for corporate consciousness when MNEs set up *maquiladoras*. The issue of enforcement of NAFTA agreements on human and natural resources in Mexico were also addressed.

### **Nagasaki Daigaku Students visit CSUSB, Spring 2014**



In April 2014, Nagasaki University students took a class in Corporate Social Responsibility with **Professor Breana Coates**. The special focus of the class was on the multinational business community response to the 2011 Earthquake, Tsunami and Fukushima Daiichi nuclear facility

meltdown in Japan. Students also explored the traditional concept of “*Sampo Yoshi*” the triple responsibility, and shared values concept practiced by many Japanese firms.

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## CBPA Links with the Latino Health Collaborative (LHC), for the “*Healthy Muscoy Festival*”, Spring 2014...



The yearly spring “Healthy Muscoy Festival”, is an event that the LHC has developed as part of the Healthy Communities effort in the county. The primary goal for this event is to increase health awareness and motivate individuals and families to engage in a positive movement towards health. Students in Mgmt 335, Business & Society, and Mgmt. 100, Introduction to Business Administration collected used prescription eyeglasses for donation to this project. Students from regional Optometry schools provided eye exams and distributed the appropriate eyeglasses donated by CBPA students in a year-long campaign. The campaign was to develop in students a leadership focus that takes into account community needs.

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## SOME CSUSB CAMPUS-WIDE INITIATIVES....

### *Water Conservation to Delight, Inspire, & Teach, @ CSUSB*



Located on the Cal State campus in San Bernardino, The San Bernardino Valley Water Conservation Demonstration Garden

is just over an acre of plantings with displays that showcase water conservation through a series of beautifully-themed

gardens and exhibits. The Garden can be a learning laboratory for the dedicated gardener, a delightful place for an afternoon stroll, or a place to gather lots of information about water-wise, or Inland Empire Garden-Friendly plants, while learning about the area's natural history, geography and climate. The Garden was not built with any state resources. It was made possible by major gifts from three local donors: the San Bernardino Valley Municipal Water District, the San Manuel Band of Mission Indians, and the Inland Empire Resource Conservation District, and the West Valley Water District. There are also additional donations from a variety of smaller donors.

The Garden can be a learning laboratory for the dedicated gardener, a delightful place for an afternoon stroll, or a place to gather lots of information about water conservation,

The Garden will be field trips and learning venues for CBPA's Mgmt. 335, Business & Society students to highlight environmental and ecological issues for Chapter 3, on Corporate Social Responsibility.



*Six Gardens in One!*

1. California Native Garden
2. Shade Garden
3. Fragrance Garden
4. Desert Garden
5. Mediterranean Garden
6. Groundcovers and Lawn Substitutes



*Video Recommendations:*



**DIRTY BUSINESS** ; *The Coal Industry. 190 minutes*, Produced by the Center for Investigative Reporting, this film takes on these questions: Can coal really be made clean? Can renewables be produced on a scale large enough to replace coal?



**THE WISDOM TO SURVIVE: CLIMATE CHANGE, CAPITALISM & COMMUNITY** *Capitalism, Society & Change.56 minutes*. This film asks the broad question: what is keeping us from action, now that climate change has begun?



**A SEA CHANGE**: *Business, Society & Oceans. 83 minutes*, this film examines the implications of increasing acidity in the oceans, and offers examples of what we can do to make changes before the ocean ecosystems collapse.



**ONE OCEAN: THE CHANGING SEA**: 176 mins. This film decodes the signals the ocean is sending us about chemical changes in its acidity, oxygen and temperatures.



**STANDING ON SACRED GROUND: FIRE AND ICE** .Impacts of the Agricultural Industry. 57 minutes, Indigenous people in the Andes and Ethiopia struggle to adapt agriculture to changing climate and melting glacial water sources.



## Book Recommendations



In *Eco-Business*, Peter Dauvergne and Jane Lister (MIT Press) examine this new corporate embrace of sustainability, its actual accomplishments, and the consequences for the environment. For many leading-brand companies, these corporate sustainability efforts go deep, reorienting central operations and extending through global supply chains. Yet, as Dauvergne and Lister point out, these companies are doing this not for the good of the planet but for their own profits and market share in a volatile, globalized

economy. They are using sustainability as a business tool. Advocacy groups and governments are partnering with these companies, eager to reap the governance potential of eco-business efforts. But Dauvergne and Lister show that the acclaimed eco-efficiencies achieved by big-brand companies limit the potential for finding deeper solutions to pressing environmental problems and reinforce runaway consumption. Eco-business promotes the sustainability of big business, not the sustainability of life on Earth.

*The Living Company: Growth, Learning and Longevity in Business*, Arie de Geus, Harvard Business School Press, Most companies do not survive the upheavals of change and competition over the long haul. But there are a few remarkable firms that have withstood the test of several centuries. What hidden lessons do they hold for the rest of us? The author, Arie de Geus, was

head of Shell's Strategic Planning group reveals the key to managing for a long and prosperous organizational life. *The Living Company* speaks not just to aspiring leaders, but to anyone trying to adapt to a turbulent business environment. Only those steeped in the habits of a living company will survive. 'This profound and uplifting book is for the leaders in all of us.

## NEWS FROM THE UNITED NATIONS PRME SECRETARIAT:



### PRME MEMBERSHIP:

Over 80 new institutions have signed on to the PRME, while 42 have been delisted for failure to meet the mandatory reporting requirement. Eight PRME Regional Meetings were held, and the 2013 PRME

Summit – 5th Annual Assembly convened more than 200 participants from over 50 countries in conjunction with the 21st CEEMAN Annual Conference, seeing the launch of a number of new resources and tools for use by all in the management community.

### PRME CHAMPIONS GROUP:

The year 2013 welcomed the official launch of the PRME Champions leadership group, at the UN Global Compact Leaders Summit 2013. This group of 31 business schools will be dedicated to identifying the practices necessary

to unlock the next level of responsible management education and, through their activities, will also shape the future role of PRME and responsible management education and research.

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## PRME STATUS-IN-PROGRESS (SIP) REPORT, 2012-2014



The PRME Status-in-Progress (SIP) Report was submitted to the United Nations Secretariat in February 2014. A copy of this report was sent to all CBPA members. Additional copies can be obtained electronically from [bcoates@csusb.edu](mailto:bcoates@csusb.edu). This mandatory report documenting the

institution's commitment (CBPA) to the Six PRME Principles, is a requirement for member organizations every 24-months to keep the membership current In PRME.

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***CALL for SUBMISSIONS  
to the PRME BULLETINS & ARCHIVES***

*Faculty and Students  
Contributions —Papers, Books,  
etc.*



*Our depository in Room JB 252.  
Send electronically to Breena  
Coates, [bcoates@csusb.edu](mailto:bcoates@csusb.edu)*

*Thank-you!*