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August 2015 (1b)
‘RESPONSIBLE ENTERPRISE’

INTRODUCTION and REPORT FROM THE CO-HEADs OF THE SCHOOL OF MANAGEMENT:
Kevin Orr and Lorna Stevenson

Introduction

This is our fourth report to the Principles for Responsible Management Education (PRME) from the University of St Andrews School of Management. Recognising that the School of Management was among the first signatories to PRME, we continue to embed the values of social responsibility and sustainability into the School’s activities. The School’s adoption of the concept of “Responsible Enterprise” continues to be a particularly helpful policy in this regard.

As a School we organise ourselves around our 5 “thematic groups” which are the locus of all our teaching and research endeavours. As a small School we try and concentrate on those strengths in which we can maintain an international standing. These themes (which are constantly under review) help us to weave throughout all that we do a focus upon such concerns as: an ethical approach to managing in organisations, the impact of human enterprise on the natural environment, the social and organisational impacts of different forms of financial investment and the crucial roles of creativity and personal development. Through responsible enterprise we are developing a niche that relates directly to our research strengths and guides strategy.

School of Management Thematic Groups:
- Financial Markets and Institutions;
- Organisations and Society
- Ethics, Sustainability & Accountability;
- Knowledge and Practice
- Cultural and Creative Industries.

Brief Report

The School continues to develop significantly and its personnel, programmes, leadership, initiatives and collaborations continue to evolve. One priority for the School has been helping our new colleagues settle in and embrace the responsible enterprise ethos. As part of that the Staff Council has been taking stock of how we might make best use of PRME and advance our integration of the six principles into all our modules. To this end we undertook the first step in a substantial process of reflection on our progress and future plans in 2014. This was principally manifested in the first of series of School seminars in April 2014 at which the results from a survey of the staff into what responsible enterprise means to them were presented and discussed. This was valuable in a number of regards: not least in exposing the range of different interpretations of and approaches to responsible enterprise that colleagues take. This was followed up by a session at our School’s annual “away day” where we explicitly debated how we might best understand “responsible education”. The outcome was
positive in the sense of encouraging staff to openly debate and consider their own roles within the School. This, in turn, led to some refreshing of the key modules offered by the School. A further seminar is planned for 2015 to try and follow up on some of the themes that emerged here.

It will be apparent, therefore, that we are still in a process of iteration and working to embed a holistic response to PRME throughout the School. A key part of this has been to continue to encourage the School’s PRME response to emerge organically but in supported ways. Amongst the specific initiatives though which we have sought to support and encourage this organic process has been a more explicit use of responsible enterprise as a basis for inviting and appointing high profile partial percentage appointments and honorary staff who work in the areas of responsible finance, business ethics, marketing and sustainability. The School is very privileged to have amongst its appointments such excellent colleagues as Steffen Boehm, Rene ten Bos, Alan Bradshaw, Robert Cluley, Stephen Dunne, Tom Lee, Lee Parker, Mike Saren, Bert Scholtens, Christine Coupland and Russ Vince. In addition we have also encouraged a greater involvement with the Higher Education Academy and this is starting to bear fruit – especially in areas of teaching and discussion thereof.

As you will read below our research centres (the Centre for Responsible Banking and Finance and the Centre for Social and Environmental Accounting Research) dedicated to responsible enterprise continue to thrive. We continue to seek to innovate in both the undergraduate and postgraduate programmes. We realise there are opportunities for further synergy between our initiatives and the experiences and initiatives of PRME. It will be a novel challenge to see how colleagues are engaging enthusiastically with the challenge of weaving PRME and “responsible enterprise” through all our modules, in ways that take into account emerging and diverse understandings and perspectives as the School and University continue to grow.

**PRiME 6 Principles**

**Principle 1 | Purpose:** We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.

**Principle 2 | Values:** We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.

**Principle 3 | Method:** We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

**Principle 4 | Research:** We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporations in the creation of sustainable social, environmental and economic value.

**Principle 5 | Partnership:** We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.

**Principle 6 | Dialogue:** We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organisations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.
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**Principle 1 (Purpose):** Develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.

The School continues to be fortunate enough to work with diverse and very able students from all parts of the globe who study with us on undergraduate, Masters and Doctoral degree programmes. We are delighted by our reputation for student satisfaction but continue to work at this. All universities operate in an extremely challenging environment and we are aware that our students will tolerate nothing less than excellence. The teaching within the School has long emphasised critical enquiry, group learning and examination of theory and principles over any sort of rote learning or simple regurgitation. Our approach to PRME exploits this history and challenges the students, whatever their programme, to articulate personal, well researched and informed views regarding the manifestations that social responsibility and sustainability have for their specialism.

The School’s regular review of teaching and its re-design and development of programmes around the thematic groups continues within the over-arching notion of responsible enterprise which is substantially woven into the teaching and the thinking behind it. All programmes and modules – from undergraduate to doctorate – are being designed around one or more thematic groups and are research led. As the review progresses, it becomes ever easier to demonstrate how the Global Compact is articulated in our teaching and research.

**Principle 2 (Values):** Incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.

A different approach is being taken in different parts of the different teaching programmes. The undergraduate sub-honours students are directly introduced in the foundational modules in their first year to responsibility in management, sustainability, organisations in society and social accountability. These are core notions woven into the fabric...
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of the base management modules. The second year modules are now under development to ensure a greater emphasis on, especially, a broad appreciation of wider ethical issues as well as an appreciation of the importance and implications of different organisational forms. Management and society, for example, emphasises the responsibility of organisations to a wider range of stakeholders whilst enterprises and creativity places a focus on both social enterprise and societal well-being.

The undergraduate honours students have a range of specialised modules from which to choose and those which most obviously respond to PRME include:

- Consuming culture
- Sustainable development and management
- Corporate social responsibility, accountability and reporting
- Philanthropy and Philanthropreneurs: the business of doing good;

but the themes of responsible enterprise and its articulation with PRME can be seen in a wide range of additional modules (see Appendix 1). During the session, colleagues also developed a new module, “Contemporary Issues in Management” which will operate for the first time in session 2015-16 as a compulsory module for all single and joint honours students in Management. This module is focuses on many of the themes covered by the PRiME initiative (see Appendix 1 for an outline).

On the taught postgraduate programmes, the first major step has been to entirely re-design the foundation modules for several of the degree programmes. MN5001 and MN5002 are, respectively, first and second semester modules on Contemporary global issues in management and Contemporary conceptual issues in management which aim to provide a broad appreciation of not just the traditional challenges of business but the range of possibilities, opportunities and challenges offered by ethical, social, environmental and sustainability issues. These modules are team-taught by the thematic groups and encourage the students to begin to investigate the wider range of lenses through which contemporary society needs to be considered.

This new basis then provides an excellent platform for established and newer specialist modules which include such opportunities as:

- Alternative investments: hedge funds, private equity, socially responsible investment, carbon finance and Islamic finance
- Managing natural resources
- Ethics, organizations and management
- Responsibility, sustainability and accountability in organisations
- Marketing and society
The School’s plans to launch a new flagship MLitt programme in CSR and Sustainability to act as a source of inspiration for the roll-out of PRME throughout the rest of the postgraduate programmes has had to be put on hold for the moment. In the meantime, CSR principles and approaches have been incorporated into several new modules (e.g. Managing natural resources; Ethics, organisations and management) that are available as options to all students taking our postgraduate programmes. This has enabled a more diverse and pluralistic approach to engagement with the themes of responsible enterprise and its articulation with PRME, (see Appendix 2).

Placing the thematic groups and ‘responsible enterprise’ at the heart of all we do is challenging. Encouraging all students to navigate the potential tensions between career-minded advancement and social responsibility and sustainability is far from simple. The School raises PRME-related issues in classes, in conversation, through the Management Student Society and so on to the point where they are increasingly seen as “normal” and commonplace and as issues that students will always raise with visiting business people as central matters of organisation and career.

*Principle 3 (Method): Create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.*

The combination of an engaged and interactive teaching style, support for student initiatives and a highly articulate and self-motivated student body result in an active learning environment in which as least as many of the initiatives are led by students as by staff. Whilst modules such as ‘Enterprise and creativity’ and ‘Creative industries’ have active and explicit encouragement of leadership and initiative, it is a rare module which does not have group/team work, presentations, student-led initiatives and the like. Debate is constant and leads into all manner of student-led (and School supported) initiatives - whether the Management Society, Green Week, the Fairtrade initiative or the University’s adoption of an ethical investment policy under pressure from the students, the School sees its tasks in this regard as the relatively simple ones of encouragement, stimulation and support.

At postgraduate level there is a much higher involvement with the thematic groups and, more appositely, with the research centres in the School and their initiative – from conferences and workshops to research seminars and engagement with practice and policy. Students will often have a leading role in initiatives and will actively support and engage with conferences and workshops such as the Annual Congress on Social and Environmental Accounting Research and the Organisational Learning,
Knowledge and Capabilities Conference. Perhaps the most striking example, however, is the Scottish Doctoral Management Conference. This is now in its 6th year and run entirely by the research students. It draws delegates from all over Britain and enables the School’s themes and achievements to be showcased.

**Principle 4 (Research): Engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporations in the creation of sustainable social, environmental and economic value.**

Research continues to be a *sine qua non* of the School and pursuit and maintenance of international standard scholarship is a dominant concern for all involved. All the research in the School falls broadly within this Principle and, most obviously, the work in the Ethics, Sustainability and Accountability Group and, increasingly, The Financial Markets and Institutions Group. (See Appendix 2 for a selection of recent publications). The work of the thematic groups is supported by The Centre for Social and Environmental Accounting Research (CSEAR) and the Centre for Responsible Banking and Finance, and both extensively interact with St Andrews Sustainability Institute (SASI). These Centres also form a focus for taught postgraduate work and doctoral research giving major multipliers to the work of the thematic group. The School is home to a number of other centres including the Institute for Capitalizing on Creativity (ICC), the Social Dimension of Health Institute (SDHI), the Research Unit for Research Utilisation. Much of the work of the thematic groups is directed through these Centres and their increased orientation towards a much more diverse and pluralistic notion of responsible enterprise.

**Principle 5 (Partnership): Interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges**

The School embraces a diverse and energetic approach to engagement with individuals, organisations and entities outside the university. This year, for example Paul Hibbert has been active as a member of the steering committee for the ABS Ethics Guide 2015. Public sector engagement is manifest through the School’s active role within the Fife Partnership (whose representatives include Fife Council, NHS Fife, the voluntary sector and further and higher education establishments). During the academic session, the School offered a Postgraduate Certificate programme in “Collaborative Leadership” the contents of which reflect
many of the PRiME principles. The work of Huw Davies and Sandra Nutley reflects a long-standing and close relationship with the National Health Service. The third sector is of increasing importance in the School’s work where colleagues like Eleanor Burt and Alina Baluch are active. The very essence of the Institute for Capitalising on Creativity (ICC) is its suite of robust cooperative joint research projects working with theatres, artistic communities, musical initiatives, art galleries and such entities – and this initiative continues to flourish. The professions and professional bodies are crucial to the School and illustrated by, for example, Martin Dowling’s work with the Chartered Institute of Personnel and Development and the continuing involvement of Jan Bebbington in the accountancy profession. John Wilson’s international reputation brings many invitations and his recent work with the Irish Government on credit unions is just one such example.

Business corporations also feature of course: whether through the range of advisory boards upon which staff sit or the suite of executive programmes such as that designed for the Sciences Po, Paris. And this does not begin to extoll the impressive achievements of the excellent Management Student Society that successfully draws major figures from a wide range of important businesses to speak at its events and to engage with our students.

Principle 6 (Dialogue): Facilitate and support dialogue and debate among educators, business, government, consumers, media, civil society organisations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability

One key initiative this year was the organisation of the ESRC Festival of Social Science: Ir/responsible Enterprise: People, Planet and Profit? by Ruth Woodfield. Aimed at young people in Fife it was attended by over 100 young people from 7 schools. The initiative is supported by a ‘responsible enterprise’ website with a lot of resource links http://re.wp.st-andrews.ac.uk/. The School actively encourages a balance to be struck between exclusively theoretical enquiry and engagement with organisational practice. The thematic groups are supported by the School’s research centres. The engagements of ICC have been mentioned above and provide an obvious mechanism through which the Cultural and Creative Industries group embraces dialogue. The Knowledge and Practice thematic group is supported by The Research Unit for Research Utilisation (www.ruru.ac.uk) which provides not only a repository of primary and secondary research on how knowledge percolates, but also acts as a broker to better enable (especially) public bodies and policy agencies to make better research-informed decisions and strategies. In addition, staff within the School have been

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seconded to influential roles in government and arms-length bodies where they have taken an active and sustained role in enabling and supporting dialogue between academe and other actors. Moreover, underpinning the School’s emphasis on responsible enterprise, is a parallel commitment to *the praxis of engagement*: knowledge interaction and exchange of all kinds so that the research fruits from the school can be shared and debated as a crucial part of our intellectual engagement. This can be seen in the Ethics, Sustainability and Accountability thematic group supported by both the St Andrews Sustainability Institute and The Centre for Social and Environmental Accounting Research (CSEAR). CSEAR’s particular contribution tends be through its global network of fellows, members and associates and through its active encouragement of practitioner forums at its annual conferences.

It is probable that we see here the tip of the School’s iceberg of engagement and involvement. Many members of staff (and certainly a great number of the students) are involved `outside work hours’ with important initiatives in and around the community and civil society: whether it be the Fife diet or the siting of wind farms; the raising of monies for a variety of local entities and charities; support of local schools or the support for educational access.
About St Andrews and the School of Management

St Andrews is Scotland's oldest University and the third oldest University in the English-speaking world. For nearly 600 years, the University has championed academic excellence by attracting scholars of international repute to educate students from across the world.

The School of Management is a top-ranked management school in the United Kingdom and is internationally renowned for its high student satisfaction and research excellence. Students from over 50 nations have come to the School of Management to harness and develop their knowledge for the challenging careers ahead of them.

Approximate student numbers by programme are:
- Undergraduate sub-honours: 500
- Undergraduate Honours: 220
- MLitt Programmes: 200
- MRes Programme: 0
- PhD Programme: 30

The School currently comprises an establishment of just over 30 full time academic positions and 14 research and teaching fellows ably supported by an international diversity of visiting fellows and lecturers and a remarkable cohort of administrative and academic related staff. The overall performance and reputation of the School is achieved despite its small size and the School aspires to be amongst the best small management schools in the world.
APPENDIX 1:  Selected Modules

FIRST YEAR
MN1001 and 1002 Organisations and Society – core
These modules introduce students to a range of aspects of Management. Understanding The Business Environment analyses changes in key environmental forces (including climate change, global demographic trends and threats to biodiversity), the impact of such changes on organisations and the implications for managers. People and Work looks at theoretical perspectives and practical problems in understanding people at work and how they are managed, and finally Theories of Organisations takes an historical view of managerial ideas and concepts. Financial Accounting introduces wider issues of accountability and social accounting. Students are taught that effective business strategy is dependant not only upon market competition but also on an understanding of the political, ecological and social pressures and expectations that organisations face.

SECOND YEAR
MN2001 Management and Society - core
A multidisciplinary examination of the organisation’s relationships with its internal and external environment. The key themes of marketing and organisation behaviour are explored to understand how the behaviour of individuals and groups may be better understood and sensitises the managers to the external environmental issues.

MN2112 Enterprises & creativity – option module
Gives second year students from across the university, the opportunity to learn how to develop a project by doing it. Enhancing their own creativity and enterprise skills, students will be working in a team to design and deliver an enterprising project. There is a strong emphasis on social enterprises and projects which are aimed at moving beyond generating shareholder value and which in different ways contribute to a society’s wellbeing.

HONOURS
MN3102 Organisational Studies - core
An interdisciplinary module that explores the range of organisational forms that have obtained in recent times. Recognising the range of perspectives and assumptions that are embedded in these organisational forms allows a diversity of insights about the roles of power and socioeconomic systems to shape our lives.
MN4236 Sociology of Finance – option module
In the wake of the global financial meltdown, scholars and professionals alike struggle to understand the causes of the collapse. In this module students will develop a deep understanding of the mechanisms that power financial markets and their relevance to the global economy. This module discusses why we as humans construct finance and structure our markets to way we do. Building on this, alternative financial perspectives on how markets can be structured will be discussed.

MN4224 Consuming Culture – option module
This module considers a number of key issues which are linked to the emergence of a global consumer society. The module invites discussion of a range of topical issues with respect to consumer society including changing perceptions of space and time, involving an expansion of space and an apparent slowing down of time; ideas about morality and value; the creation of meaning; consumer identity; people’s relation to the body; finally addictive consumption. The module is built around one of the fundamental issues within sustainability, climate change and responsibility which is the role of businesses and consumerism in the developed world.

MN4213 Human Resource Management – option module
This module develops participants’ critical appreciation of the role of HRM in organisations and promotes an understanding of the issues faced by managers in attracting, motivating and retaining employees. The module discusses issues of equality, gender and fairness in human resource management both from the perspective of management and from the view of their impacts on workers.

MN4227: Corporate Social Responsibility, Accountability and Reporting – option module
The module fosters a critical but constructive engagement with the CSR agenda and the claims of MNCs in this regard in a context of worsening planetary sustainability. It seeks to explore what evidence underlies corporate claims in this area and seeks to explore whether MNCs can be responsible and/or sustainable. Practicable opportunities in the realms of accountability, socially responsible investment and the actions of civil society are explored in detail.

MN 4238 Sustainable Development and Management – option module
This module examines the origin of the concept of sustainable development in public policy discourses with particular focus on the implications this concept has for the operation of business organisations. The module will examine the difficulties of applying notions of sustainable development to single organisations as well as the challenges which conventional economic systems present to sustainable development. The module will examine the theory and practice of managing for sustainable development, drawing on examples which are found in business.

MN4243 Philanthropy and Philanthropreneurs: the business of doing good,
Philanthropy is undergoing a renaissance. From Bill Gates to George Soros, from the Rockefeller Foundation in the US to the Bharti Foundation in India, philanthropists and philanthropic foundations are taking an increasingly active role in shaping society and using their private resources for public benefit and social change. But what motivates business leaders to act as philanthropists? How can we understand philanthropic organisations and their role in society? What, if any, is the impact of philanthropic activities on society? How are business models and ideas changing philanthropy? This module critically
examines and reviews the philanthropic field, its nature, characteristics, drivers and activities.

**MN4311 Dynamic Strategic Management**
In addition to both the history and the more traditional male-orientated and profit-focused approach to strategy, this module has now developed a number of specific, non-traditional, elements including both 'Women and the Strategy Process' and illustrations and examinations from non-profit organisations including local and city governments and NGOs. Strategic aspects of philanthropy and human rights also find a place in an attempt to show strategy as key part of the link between organisations and society.

**MN4100 Contemporary Issues in Management**
This module provides a learning experience in which management students (on the single and joint honours pathways) can: reflect back on all the modules they have taken as part of their studies at the University and integrate insights from this prior study; understand and respond to current and likely future challenges that will face them in the near and intermediate future as managers and citizens; and develop skills for being a contributor to responsible enterprise in a number of operational settings.

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**POSTGRADUATE - MASTERS**

**MN5001: Contemporary Global Issues in Management**
This module focuses on the major global issues that will impact – in positive and negative ways – on the practice of management and the skills managers require to incorporate this knowledge into their understanding of particular aspects of practice and theory. The module is also designed to provide a context within which students (who are drawn from across the globe) can understand challenges that manifest themselves in their country of origin as well as the impact on other countries.

**MN5002: Contemporary Conceptual Issues in Management**
This module is explicitly concerned with responsible enterprise and wicked problems: focussing on the core conceptual challenges in organisations. Using critical case-based exploration and extensive discussion the module explores such basic yet deep questions as: What are organisations? Why are organisations structured the way they are? Can organisations be managed, and what do managers actually do? What is responsible enterprise? How do personality, power and politics impact on organisational life? Students will reflect and draw upon their own experiences of organisational life as issues are analysed and challenged.

**MN5461: Strategic Management**
In addition to both the history and the more traditional male-orientated and profit-focused approach to strategy, this module has now developed a number of specific, non-traditional, elements including both 'Women and the Strategy Process' and illustrations and examinations from non-profit organisations including local and city governments and NGOs. Strategic aspects of philanthropy and human rights also find a place in an attempt to show strategy as key part of the link between organisations and society.
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**MN5513 Ethics, Organizations and Management**
This module explores the ethical issues surrounding management and organisations. The five core themes of the module are: How should we understand capitalism? What is the purpose of a corporation? Can managers be moral beings? Can markets be ethical? How should wealth be distributed? We approach these themes from philosophical, sociological, and organisational perspectives, developing students’ understanding of the issues through theoretical analysis, case studies and extensive discussion. Students are encouraged to reflect and draw upon their own experiences of organisational life.

**MN5514: Managing Natural Resources**
This module has two interlinked elements. First, there will be an examination of the issues that emerge from the challenges of managing for (1) biodiversity, (2) global climate change and (3) water resources. Second, there will be a consideration of three common challenges that arise for organisations in these contexts, namely: (1) commensurability of measurement of impact; (2) boundary crossing issues that arise from different spatial scales and (3) the use of public duties as an approach to ensuring control and accountability. The module requires a self-directed project evaluating a product certification standard which relates to biodiversity, carbon or water. Field trips will provide an applied context.

**MN5611 Alternative Investments:**
This module provides students with an overview on investment opportunities alternative to the main equity and bond markets. This module will consider the key challenges of evaluating alternative investment portfolios’ performance. More than half of the course is directly addressing issues of responsibility and sustainability in the context of investment. There is a strong focus on Responsible Investments, Carbon Finance and Islamic Finance and students are challenged to analyse and discuss means of investments alternative to those mainstream vehicles such as equity and bond markets.
APPENDIX 2: Selected Publications in 2014


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