PRME: Building a global movement on responsible management education

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This article aims to set out the history and context of the Principles for Responsible Management Education (PRME) as a background to the papers in this special issue, as well as provide some insights into plans for the future development of PRME. In doing so, it draws on material first published in a recent book chapter, "Development of responsible management education and the Principles for Responsible Management Education in context" by Hayes, Parkes, and Murray (2016) in Sunley and Leigh eds (2016).

In the mid-2000s, the UN Global Compact and its academic community recognised that the business leaders of tomorrow would need to play a critical role in tackling sustainability challenges. The response was the Principles for Responsible Management Education (PRME) initiative, launched in 2007 by former UN Secretary-General Ban Ki-moon with a mission to inspire and champion responsible management education, research and thought leadership globally. Ten years later, PRME has become the largest organized relationship between the United Nations and management-related academic institutions, business schools and universities, and the initiative has grown to over 650 signatories from more than 85 countries across the world. PRME is, first of all, a global call to action based on six Principles - see appendix 1 (PRME Principles, 2008). Management-related educators are called on to enable current and future leaders to generate sustainable value for business *and* society at large (Principle 1 - Purpose); management-related higher education institutions are called on to incorporate into academic activities and curricula values of global responsibility (Principle 2 - Values). To support the transformation of management education, PRME has developed into a global network-based initiative. This article reviews the evolving network-based structure (see Fig. 1) over the past ten years and presents an outlook of the initiative's priorities during the next decade, most notably in supporting to achieve the agenda set out by the Sustainable Development Goals (see appendix 2).

1. Background to PRME: how and why PRME developed?

PRME was established in 2007. It is worth noting that this time marked the end of an era, which began in the late 1980s, of unprecedented growth with low inflation in most Western countries and exceptionally rapid developments of economies like those of China, but also in other emerging economy countries. Spurred on by the pursuit of many companies to seek cheaper manufacturing opportunities abroad, the globalization of financial markets and rapid improvements in information technology, a global economy had taken shape. At this time, substantial evidence was also emerging that linked the damage being done to the Earth's biosphere by industrial activity. Whether by UN (UNEP, 2005), academics (Meadows, Randers, & Meadows, 2004), or NGOs (WWF, 2006), all the evidence pointed to human behaviour as the cause of the problem. Climate change had been studied systematically since the establishment of the United Nations Framework Convention on Climate Change (UNFCCC) at the Rio Summit in 1992 and since then the Intergovernmental Panel on Climate Change (IPCC) has reviewed the evidence every six years or so. In February 2007, on the publication of its *4th Assessment Report*, it pronounced that the link between climate change and industrial activity was "unequivocal" (IPCC, 2007).

The United Nations Global Compact (UNGC), seen as a response to some of these perceived global problems facing the world, had been announced in 1999 by Kofi Annan and established a year later. Over the next few years it launched a number of initiatives designed to combat some of the worst social and environmental issues identified by engaging companies

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directly (Rasche, Waddock, & McIntosh, 2013). The UN Global Compact also sought to develop partnerships among a number of stakeholders, including the private sector, civil society organizations and educational institutions.

The idea to create a partnership to directly engage management-related higher education institutions was conceived in 2006 by the then Head of the Global Compact Networks, Manuel Escudero, in a concept paper titled "Global Corporate Citizenship and Academia: A Global Convergence", which outlined a new vision for schools of business and management to meet the changing demands of the decades to come. It highlighted the failure of traditional approaches to be able to prepare graduates to respond to demands for a more responsible way of managing companies. In particular, it identified business education as the key to creating responsible managers:

> Business education: the academic sector can play a strategic role as change agents, educating the managers of today and tomorrow, incorporating the values of responsible corporate citizenship into their education activities.
>
> 1. The development of a) new teaching materials, b) case studies, c) technical tools, d) capacities, and e) skills for future responsible leaders is crucial for both the long-term mainstreaming of global corporate citizenship in business, as well as for the advancement of responsible business education.
>
> 2. The academic sector can train professionals to act as generators of sustainable value both for business and society, willing to endeavor for an inclusive and sustainable global economy.
>
> 3. The sector could strive to embed curricula and educational disciplines in universal values of global corporate citizenship: from marketing to financial analysis, from operations to business strategies, from accounting to international analysis, or from microeconomics to legal studies (Escudero, 2006).

The UN Global Compact could not have forseen visionary these observations would be in the years to follow. The "end of an era", of course, occurred when the financial crisis of 2008/9 fractured financial systems across the world. Some banks failed, some were taken largely into state ownership, interests rates reached all-time lows, and "austerity" became the byword in liberal economies as public services bore the brunt of budget cuts designed to pay for the cost of saving the banking system. Among those facing blame for the crisis were business schools, which stood accused of perpetuating a flawed focus on growth, profit and greed, seen by many as the root causes of the financial crash.

PRME was seen by the pioneer schools and engaged faculty as the ideal opportunity to challenge colleagues and senior faculty to take a fresh look at how curriculum development is, so often, a term used for rearranging subjects and topics that remain largely unchanged for years. PRME's six Principles provide the opportunity for an examination into the curriculum, but also into research topics, the manner in which schools engage with wider society, and to engage with the private sector.
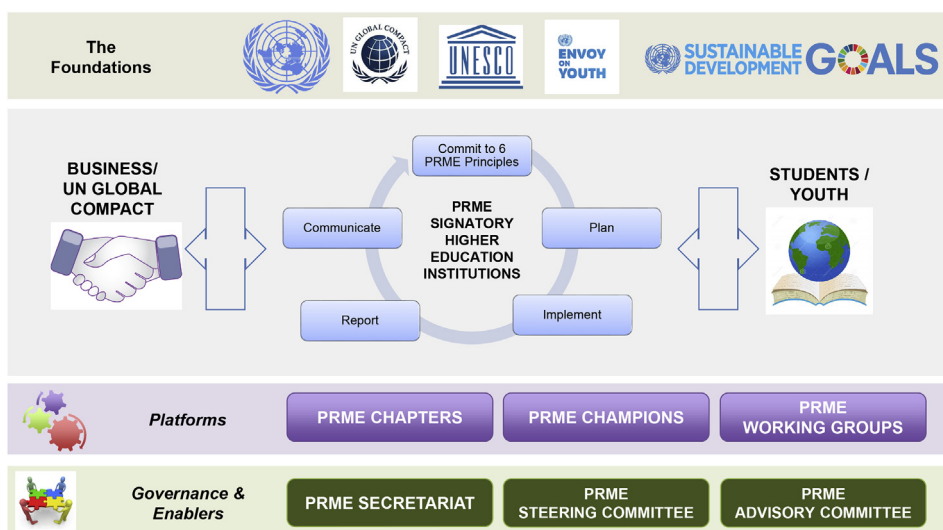

Fig. 1. PRME Engagement Model.

2. Moving forward: PRME: a call to action for higher education institutions

Following the circulation of the UN Global Compact's letter to its academic community, and a first meeting at the 2006 Business as an Agent of World Benefit conference at Case Western Reserve University in Cleveland, OH, USA, a PRME Task Force was convened comprising 60 deans, university presidents and official representatives of leading business schools and academic institutions, charged with developing a set of principles to lay the foundation for a global platform for responsible management education. (see PRME Principles, 2008). It was supported by five academic associations —AACSB International (the Association to Advance Collegiate Schools of Business), EFMD (European Foundation for Management Development), the Aspen Institute Business and Society Program, ABIS (Academy of Business in Society) and GRLI (the Globally Responsible Leadership Initiative)—and the student-led organization, Net Impact.

The Principles were first published at the 2007 UN Global Compact Leaders' Summit in Geneva, Switzerland, attended by more than 1000 business, civil society and government leaders. UN Secretary-General Ban Ki-moon set out the potential benefits of the PRME in his closing remarks: "The Principles for Responsible Management Education have the capacity to take the case for universal values and business into classrooms on every continent" (Ban, 2008).

At its inception, the central commitment for any higher education institution participating in the PRME initiative was a public announcement to implement the Principles and the regular sharing of information with stakeholders on the progress made in implementing the six principles through a "Sharing Information on Progress" (SIP) report. The SIP's criteria were developed and presented at the first PRME Global Forum in 2008. The SIP's main objective has been to serve as a public vehicle for information on responsible management education but can also be seen as an effective tool for developing a learning community among signatories (for learning, teaching and research) and facilitating stakeholder dialogue.

Upon establishment, the Head of PRME Secretariat was appointed by and has been funded by the UN Global Compact, with the Secretariat being housed in the UN Global Compact Office and operating under the guidance of its governing body, the PRME Steering Committee. As PRME expanded globally the need for contributions and guidance from a wider range of entities became evident. Thus, the initial group of six PRME founding Steering Committee members has expanded to include the following accreditation bodies and business school associations: Association of MBAs (AMBA), Central and East European Management Development Association (CEEMAN), Association of African Business Schools (AABS), Latin American Council of Management Schools (CLADEA), and the Accreditation Council for Business Schools and Programs (ACBSP). In 2015, the PRME Advisory Committee was established which enables signatory institutions and the different constituencies of PRME to directly influence the strategic direction of the PRME initiative.

3. Collaborative activities: working groups, regional chapters, champions

To support the implementation of PRME at individual institutions, a number of collective activities have taken place through PRME Working Groups, Regional Chapters, and a leadership group (PRME Champions).

The Working Groups have focused on particular issues under the PRME agenda and include: Gender Equality; Poverty—a challenge for Management Education; Anticorruption in Curriculum Change; Business for Peace; Sustainable Leadership in an Era of Climate Change; and Business and Human Rights. The Working Groups have been active in publishing reports, books and online resources to support teaching, learning and research in their specialty area.

The regional PRME Chapters were officially set up at the 3rd Global Forum in 2012 (see below), alongside the Rio+20 Earth Summit, with the aim of rooting PRME within different national, regional, cultural and linguistic contexts, and facilitating the growth and engagement of PRME with respect to implementing the six principles. PRME Chapters develop their own internal arrangements and activities, while committing to: providing a platform for dialogue, learning and action on responsible management and leadership education and research; increasing the visibility of PRME and its signatories in the region; adapting the six principles into the local context; and developing and promoting activities linked to the Principles. There are currently nine established regional PRME Chapters: ASEAN+, Brazil, Central and Eastern Europe, DACH (German speaking countries), Latin America & Caribbean, MENA (Middle East and North Africa), Nordic, North America, and UK & Ireland; and four emerging Chapters: Australia/New Zealand, Iberian (Spain & Portugal); India; and East Asia. The Chapters organize meetings, conferences and other events and activities to support the implementation of the Principles in their regions.

Finally in 2013, PRME launched a two year pilot of the Champions group of 30 experienced and engaged PRME signatories that are committed to working collaboratively to develop and promote activities that address shared barriers to making responsible management education a reality. The PRME Champions group was modeled after the Global Compact's LEAD initiative, which gathers corporate sustainability leaders from all regions and sectors to collaborate on driving change. The Champions group is globally and proportionally representative, according to the makeup of the larger PRME community (i.e. balance of regions and type of academic institution). The PRME Champions group began its first official cycle in January 2016, co-facilitated with the support of Steering Committee member GRLI.

4. Global events: fora and summits

During the past decade, the PRME initiative has held a series of Global Forums and Summits aimed at developing responsible management education in a number of areas. These began in 2008 with the 1st Global Forum for Responsible

Management Education (New York) that welcomed 270 participants from 45 countries around the world, consolidated the establishment of the Principles and set out the expectations for the development of PRME.

The 2nd Global Forum in 2010 was held alongside the 10th Anniversary of the Global Compact (New York) and reported that there were now 300 business school signatories to PRME from 62 countries. The First SIP Analysis Report (2008−2010) was presented together with an Inspirational Guide to Implementing PRME in Executive Degree programmes, and the first Working Group (Poverty as a Challenge to Management Education) was established.

In 2011, the PRME Summit (Brussels), in conjunction with the EFMD Summit, explored each of the PRME Principles in turn, with keynote speakers and inputs drawn from the Global Compact business community. Participants used these inputs to reflect on current practice and develop action plans for business schools.

In 2012, the 3rd Global Forum (Rio de Janeiro) took place alongside the Rio+20 Earth Summit and focused on the Contribution of Higher Education and Management Schools to the "Future We Want" agenda. PRME signatories had grown to over 400 and a range of initiatives and outcomes were presented. These included: the 50 + 20 Management Education for the World; an Anti- Corruption Toolkit for Curriculum Change; the Gender Equality Global Resource Repository; The Fighting Poverty through Management Education: Challenges, Opportunities and Solutions Report; an Analysis of the first 100 SIP Reports; an MBA Global Student Survey; Reports on Leadership and Business Skills in a Rapidly Changing World; and the first *Inspirational Guide to the Implementation of PRME* (a collection of 63 case stories from 47 institutions, representing 25 countries across Asia, Oceania, the Americas, Europe, the Middle East and Africa; (PRME, 2012).

By the time of the 2013 PRME Summit, held in Bled, Slovenia, hosted by Steering Committee member CEEMAN, 91 new institutions had become signatories to PRME (since Rio+20), totalling more than 500 active signatories. In order to enhance accountability, the SIP policy of delisting signatories (in line with Global Compact policy) for continued failure to submit their SIP reports was implemented (resulting in 27 signatories being delisted as signatories). A 2nd *Inspirational Guide for the Implementation of PRME* with 27 case stories focusing on inspiration, innovation, implementation and impact was published (PRME, 2013). The regional PRME Chapters in Asia, Australasia, Latin America, Brazil, UK and Ireland, German-speaking Europe (Switzerland, Austria and Germany), Nordic countries, and the Middle East and North Africa presented reports on their progress, together with reports from the active PRME Working Groups. These included: the PRME Working Groups on Anti-Corruption in Curriculum Change; Gender Equality; Poverty, a Challenge for Management Education; and Sharing Information on Progress (SIP). EFMD and AACSB announced new accreditation standards to embed a focus on social responsibility and sustainable development, to complement changes implemented by CEEMAN (The Central and East European Management Development Association) and AMBA (The Association of MBAs).

In 2015, the Global Forum/6th PRME Assembly (New York) saw an additional 137 new signatories since Bled in September 2013. Jonas Haertle, Head of the PRME Secretariat described PRME as a "Network of Networks", noting that:

> the PRME initiative, now in its eighth year, is a thriving network and a truly global platform for learning and action … [comprising] over 600 institutions in over 80 countries, all of which have heeded our call to "place sustainability at the heart of management education".

The main focus of the Forum was to set out the "path forward for management education and business to take a leading role in shaping and achieving the global sustainable development agenda and the SDGs" (Sustainable Development Goals (SDGs), 2016). In terms of the development of PRME, it was noted that 18 PRME Chapter and Regional Meetings have been held (since 2013), the number of regional PRME Chapters now reached 12 around the world and new resources and tools had been launched, such as the Anti-Corruption Toolkit developed by the PRME Working Group on Anti-Corruption in Curriculum Change with the support of the Siemens Integrity Initiative, and the PRME Chapter UK & Ireland region-specific *Inspirational Guide for the Implementation of PRME* (Murray et al., 2015). Also in this time, many collaborative efforts had taken place including the PRME Champions' meeting with the Global Compact Board, the Principles for Responsible Investment (PRI) Advisory Council and ambassadors at UN Headquarters to discuss the historic opportunity that business has to shape and advance the post-2015 development agenda.

At the 2015 PRME Global Forum new PRME work streams were launched on Business for Peace, Business and Human Rights, and Climate Change, Resilience and Environment Protection. The Forum also saw the launch of the Aim2Flourish platform, which is hosted by the Weatherhead School of Management at Case Western Reserve University along with the Fowler Center, and which engages students. Involving students and youth directly will be crucial to advancing PRME's agenda and subsequently the PRME SDG Student Engagement Platform was launched consisting of different projects, some organised in partnerships with UN Global Compact, WikiRate, AIM2Flourish, and oikos.

5. The next decade and beyond: the Sustainable Development Goals and the new agenda for responsible management education

In 2017, PRME reaches its tenth anniversary. Meanwhile the agenda for responsible management education in the next decade is likely to be dominated by the agreements made at the United Nations in September 2015 when the Sustainable Development Goals (SDGs) were formally adopted. The SDGs or Global Goals set out an ambitious agenda to end poverty, protect the planet, and ensure prosperity for all. The SDGs were developed in partnership with a range of stakeholders including educational institutions. Working towards achieving the SDGs provides a range of complex challenges for responsible management education, not only in curriculum design and pedagogy, building partnerships within and across

communities locally and globally but more fundamentally in reimagining the way in which responsible management education is envisioned.

In a declaration issued at the conclusion of the 2015 PRME Global Forum for Responsible Management Education, participants not only reaffirmed support for PRME, but also pledged to support achieving the SDGs. In her closing statement at the PRME Global Forum, Susana Malcorra, Chef de Cabinet, spoke on behalf of UN Secretary-General Ban Ki-moon, saying: "Today, I am encouraged to see the progress you have made—individually, at your academic institutions, and as a community" and recognizing that "as educators, researchers, and thought leaders, your role [in achieving the SDGs] is essential".

PRME's signatories have already begun pioneering innovative solutions to address business and management education challenges, and are directly engaged in supporting the SDGs. It is a promising trend that will continue into the next years as more schools learn about the opportunities the SDGs offer. But in order to respond to the global call for action on the SDGs, it is important to assess the current status of the PRME initiative and identify how to organise PRME to become the most effective link between the responsible management education community and the wider global sustainability landscape.

This process started through PRME's 2016 strategic review, launched by the PRME Secretariat with the support of the PRME Steering and Advisory Committees. This 4-month process included a wide-ranging consultation with significant input from members of the PRME community. Through this process the PRME initiative's vision and mission was revised and PRME's organisational structure and long-term objectives were updated with the goal to become the world's largest platform in which business responsibility and ethics education can be meaningfully integrated into the larger global objective of sustainable development.

The strategic review identified three "Must-Win Areas". The first relates to PRME's value proposition and purpose. The initiative is now dedicated to achieving the Sustainable Development Goals through responsible management education, while providing resources and engagement opportunities to PRME signatories that empower them to create innovative solutions and programs that support progress towards the SDGs. While reference to the SDGs in several institutions' sustainability and SIP reports demonstrates commitment to the new direction of PRME, the deepest engagement around the Global Goals will soon be seen through new resources and platforms that have been developed by the PRME Secretariat and its networks. This includes a new SDG reporting "dashboard," currently in its development phase, that will quantify the level of activity within academic institutions around the SDGs. Additionally, as more schools embrace the new vision and mission of PRME, examples of new programs and curricular activities have emerged that directly engage some of the key subject areas of the SDGs.

The second Must-Win Area is about scaling up PRME's sustainable growth, both quantitatively and qualitatively. Specific growth targets have been created that are to be achieved by the end of 2020, including reaching 1000 signatories in 100 countries and to link PRME's activities more directly with other stakeholders such as business and students. It will be important for the PRME Secretariat to lead this qualitative and quantitative growth by leveraging its relationship to the PRME governance bodies and networks. For example, the Steering and Advisory Committees will provide guidance and targeted communication on a global level, while Chapters will continue the growth at regional levels.

The third Must-Win Area focuses on strengthening the initiative's organisation by ensuring a balanced budget, introducing a new signatory model — Advanced and Basic PRME signatories — and strengthening the PRME's governance. Early results of this new signatory model strategy have shown promise. PRME's 2016 Annual Report shows that contributions to the annual service fee — a pre-requisite for becoming an Advanced PRME Signatory and thus entitling additional engagement to opportunities and special benefits — came from 45% of PRME signatories, a notable increase from the years before. As the PRME Secretariat continues to develop more engagement opportunities and special privileges to Advanced PRME signatories, it is expected that contributions to the service fee will continue beyond 50%, thus ensuring a sustainable funding model. For further information see PRME Annual Reports (2010—2017).

2017 is an important year to chart out priorities for the coming decade. As a result of the 2016 Strategic Review, PRME is better adapted to the next era of priorities and challenges, most notably the Sustainable Development Goals. However challenges for the continued growth of the initiative remain. Likely the most important obstacle that must be overcome is ensuring that there is widespread understanding and engagement among participating academic institutions around the SDGs. This will require a concerted effort to ensure schools are aware of the SDGs, that they identify opportunities by engaging with them in curricular and extra-curricular activity, and that they demonstrate this engagement through SIP reports or the new PRME SDG Dashboard.

Additionally, as outlined in the PRME Strategic Review (2016), the PRME community must increase its brand value so that it is not only the *largest* sustainability-focused business school initiative, but that it also is the most *effective* at transforming the current landscape of business and management education.

Both challenges listed above, as well as a series of other priorities for the initiative, are to be addressed at the 2017 Global Forum for Responsible Management Education, taking place on 18—19 July in New York City. This year's Global Forum serves two purposes: taking stock of the PRME initiative over the past 10 years and highlighting the achievements of business and management-related academic institutions, while also laying the groundwork for PRME's next phase, namely the deep integration of the SDGs in curricula. The upcoming years will therefore be a chance to solidify the initiative's engagement around the Global Goals, particularly by aligning the existing work of the PRME community with the broader global sustainable development agenda.

Details of the items included in this article and further information on PRME can be found at: www.unprme.org.

Information on the UN Sustainable Development Goals (SDGs), 2016 is available at: http://www.un.org/sustainabledevelopment/sustainable-development-goals/ (See Appendix 2).

Appendix 1. PRME Six Principles

As institutions of higher education involved in the development of current and future managers we declare our willingness to progress in the implementation, within our institution, of the following Principles, starting with those that are more relevant to our capacities and mission. We will report on progress to all our stakeholders and exchange effective practices related to these principles with other academic institutions:

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.

We understand that our own organisational practices should serve as example of the values and attitudes we convey to our students.

Available at: http://www.unprme.org/about-prme/the-six-principles.php.

Appendix 2. Sustainable Development Goals (SDGs)

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