

# SUSTAINABILITY UPDATE REPORT

Report on Progress UN Principles for Responsible  
Management Education

*November 2014 to October 2016*



BUSINESS  
SCHOOL  
LAUSANNE **BSL**  
LEADING INNOVATOR IN BUSINESS EDUCATION

**PRME**

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# AT A GLANCE

Business School Lausanne

Established in 1987, Business School Lausanne (BSL) is a leading innovator in business education and ranks 3rd in Switzerland (QS 2014-15 Top 200 Global Business Schools).



## ACCREDITATION & CERTIFICATION

- ACBSP (Accreditation Council for Business Schools and Programs) since 1996
- ISO 9001 since 2004

The school's ACBSP accredited degree programs include the following:

- BBA
- Masters (Master in International Business and Master in International Sustainable Finance)
- Full-time modular MBA
- Executive MBA
- DBA

BSL also provides executive training in general management, corporate finance (with preparation for the CFA Level I examination), and sustainable business (in collaboration with the University of St. Gallen).

## BSL STUDENTS:

2012:	227 Students
2013	215 students
2014:	219 students
2015	227 Students
2016	211 students

Each year, students come from **more than 60 countries**.

## BSL STAFF & FACULTY:

84 (14 Administrative Staff members + 70 Faculty members).

BSL takes a highly pragmatic approach to learning by applying theory to practice, and is supported by a multidisciplinary faculty of business professionals. BSL is the co-founder of the 50+20 initiative on Management Education for the World ([www.50plus20.org](http://www.50plus20.org)) in partnership with the GRLI-Globally Responsible Leadership Initiative ([www.grli.org](http://www.grli.org)) and the PRME-Principles of Responsible Management Education (an initiative backed by the UN).

# HISTORY

of Business School Lausanne



In 2015, BSL adopted Holacracy as an advanced organizational form of distributed power and self-organization.

## TIMELINE

1987:	Founded by Dr. John Hobbs
1996:	Awarded accreditation by ACBSP (Accreditation Council for Business Schools and Programs) for the BBA and MBA programs
1996:	Launched the Executive MBA program
1997:	Became a member of the Lemania Swiss Group of Schools
2004:	Awarded ISO 9001 certification
2006:	ACBSP accreditation is reconfirmed, for BBA, MBA and also, a DBA program
2006:	Committed to the ten principles of the UN Global Compact
2008:	Dr. Katrin Muff appointed as Dean of BSL
2008:	Became a member of Delta Mu Delta
2009:	Restructured the MBA program, began online collaboration with Harvard Business Publishing, and instigated seminars for business professionals
2009:	BSL's MBA program is ranked 40 among top European Business Schools
2010:	Became a member of EFMD (European Foundation for Management Development)
2010:	Launched new Master's programs
2010:	Joined Principles for Responsible Management Education (PRME)
2011:	In collaboration with the University of St. Gallen, BSL launched a post-graduate program for a Diploma in Sustainable Business
2012:	Restructured the BBA program to include sustainability in each module
2012:	Awarded accreditation by ACBSP for Master's programs
2014:	Evaluated by Gemeinwohlökonomie (Economy for the Common Good)
2014:	Became a partner of Swiss Sustainable Finance
2015:	Adopted Holacracy as an advanced organizational form of distributed power and self-organization

# COMMITMENT

*to the principles for responsible management education*

We are very excited by the challenges before us and look forward to contributing to the creation of innovative and sustainable solutions.



Business School Lausanne is a member of the United Nations Global Compact since 2006 and joined PRME in November 2010. These two affiliations were chosen, amongst others, because BSL has always been aware of the important role education can and should play in developing future responsible leaders, in helping businesses to become more sustainable and in engaging in the public social debate.

BSL's purpose is to become a role model for business schools according to the vision developed by 50+20 ([www.50plus20.org](http://www.50plus20.org)). To reach this objective, the first step accomplished by BSL was to develop a vision, a mission and a set of values. This first step was largely explained in our previous report. The next step was to elaborate an Educational Strategy and a Thought Leadership Strategy, to better align our efforts towards our goal. This was done during the 2014-2016 academic years and will be highlighted in this report.

Many concrete actions related to the six principles of PRME have been accomplished these last two years – they are explained in detail in this report.

We are perfectly aware that much more can and must be done in the future, and we think we now have better tools to go forward. We are very excited by the challenges before us and look forward to contributing to the creation of innovative and sustainable solutions. By doing so, we pave the way to a better world where everybody can thrive now and in the future.

I would like to thank all the people at BSL (partners, thought leaders, faculty and students) who provided their input in these developments and who collaborated in the writing of this report.

Philippe Du Pasquier

**President of the Board, BSL**

# MAJOR ACHIEVEMENTS

November 2014 -October 2016

Our two major achievements during this period were:

## THOUGHT LEADERSHIP STRATEGY

The development of a **Thought Leadership Strategy** allowing us to better align our research and educational activities towards our goal of being a role model and prototype of a school inspired by the 50+20 vision of future management education. In particular, we have defined ways of integrating our values into our different programs and introduced courses on personal development in all programs.

## GAP FRAME

The first steps of the development of the **GAP Frame** concept, elaborated by Dr. Katrin Muff, BSL partner and thought leader, and Prof. Dr. Thomas Dyllick, the Head of IWÖ (Institut für Wirtschaft und Ökologie) at the University of St. Gallen. Further research on this concept will take place in 2016-17 academic year and four Gap Frame weeks will be introduced in our BBA and Masters' programs, dealing with environmental issues (Fall Term), social issues (Winter Term), economic issues (Spring Term) and governance issues (Summer Term).

Four "Gap Frame" weeks will be introduced in our BBA and Masters' programs, dealing with environmental social, economic and governance issues.



# PRINCIPLE 1 / PURPOSE

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

## FRAMING THE CONTEXT OF BSL'S EDUCATION

It is our mission to provide a learning platform for individuals and organizations to thrive by co-creating viable business solutions for our planet and its people. Enabling business to become a powerful driving force to create a world where everybody "lives well and within the limits of the planet" (WBCSD)<sup>1</sup> is considered to be the single biggest educational challenge for business schools in the coming decades. To achieve this multi-dimensional transformation, we build our educational approach on three cornerstones: responsibility, sustainability and entrepreneurship.

Pedagogy is the method of facilitating learning through teaching that first acknowledges the already acquired knowledge, skills and competencies of the students, then creates an effective learning environment that adds relevant value in the learning journey of the student, and finally incites the students to act on the newly acquired learning.

Teaching thus implies, first, that the student's existing knowledge is given recognition (respect for the individual and his/her culture, background), and in so doing the student can realize his/her ability to act responsibly (entrepreneurship that adds value) according to a personal frame of rational, sensible, prudent or considerate reflections.

Second, learning happens more readily when the new information makes sense within the student's already-acquired knowledge or familiar context. And values of sustainability and responsibility can be adopted more readily when the student sees them as adding value for himself or herself, as well as for his/her community of interests, his/her dreams or aspirations for the future.

Third, when sustainability is presented as a set of values that make sense within the student's known personal environment, then each student can begin to discover opportunities for responsible action as entrepreneur of his/her life and work.

In this way, for a professor to be successful in facilitating learning, three pedagogical skills are necessary: (1) ability to show recognition and respect for the student's existing knowledge and capacity/intelligence for responsible action; (2) ability to show how such action can bring sustainable value to the student's own life environment and future; and finally (3), ability to show that to enact such an approach to sustainability, each student can realize, discover or innovate opportunities to become the entrepreneur of his/her life-long learning and action.

<sup>1</sup> WBCSD (2010). Vision 2050. The new agenda for business. Geneva: WBCSD.

This forms the pedagogical construct that is built on BSL's three cornerstones of the school's mission: responsibility, sustainability and entrepreneurship, as follows:

Recognition and respect invite taking **RESPONSIBILITY**: To embrace responsibility as individuals for both society and the business community;.

Responsible action invites **SUSTAINABILITY** in personal and collective action: To explore all reasonable means to provide a positive contribution to the environment and society, now and in future.

Providing positive contributions invites responsible **ENTREPRENEURSHIP**: To take courage in enterprising new ideas that create social, environmental & economic value that matters.

# PRINCIPLE 1 / PURPOSE

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## EDUCATION: STRATEGIC GOAL AND ACTIVITY STREAMS

Our educational strategy builds on a long tradition at BSL of applying an educational approach focused on entrepreneurship and the more recent integration of sustainability and responsibility into the heart of our mission in 2010. The BSL educational vision is:

*To develop globally responsible leaders by creating an effective learning environment based on values and empowered by critical thinking, and applied in future-relevant business practice.*

The resulting activity streams are focused on further reinforcing three enablers to educate and develop globally responsible leaders identified in the 50+20 strategy, namely:

- Transformative learning
- Issue-centered learning
- Reflective practice and fieldwork

In order to frame these three enablers, we use the concept of the five levels of professional mastery as outlined and developed by BSL partners and thought leaders<sup>2</sup>. Acquiring mastery in any new field of activity is a journey that consists of a number of well-identified steps, starting with acquiring new knowledge that generates an initial degree of awareness which then triggers interest that an effective learning environment can subsequently transform into actionable knowledge. At this point, we can start identifying skills which through guided practice can be translated into competencies. Further independent application will have an affect also on a learner's attitude which ideally leads to skilled performance and new behavior in the desired new field of learning (see Figure 1).

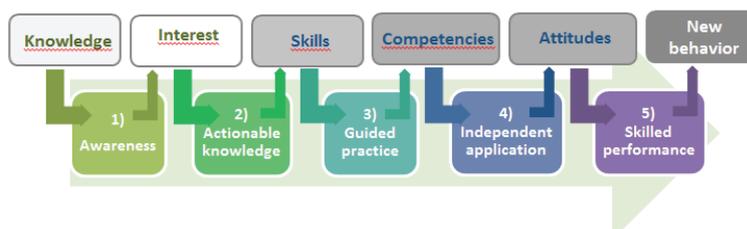


Figure 1: The development of attributes through the five levels of professional mastery

<sup>2</sup>Muff, K. & Mayenfisch, M. (2014). The right attitude as a key hiring criterion for graduate students in Switzerland. *Psychosociological Issues in Human Resource Management Journal*, Vol. 2 (2), 43 – 55.

**For in-class learning, the above-mentioned process can be simplified into three pedagogical steps for a professor to acknowledge and implement:**

- (1) the recognition of the student's existing knowledge, skills and competencies;
- (2) an understanding of new sets of values introduced within a context of already established values;
- (3) that these combined values incite the student to act in an entrepreneurial yet responsible way.

These three steps in teaching – recognition, sense-making, and inciting action – represent the building blocks of a pedagogy that facilitates long-lasting learning.

# 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.*

## A VALUES-BASED EDUCATION

The six BSL values support our three cornerstones and allow us to measure our actions, attitudes and behaviors; the last and more difficult three phases in the journey of professional mastery. These values have been developed in collaboration with our students and our faculty over a period of a couple of years. They allow us to guide collaboration amongst all of our stakeholders – from students to professors and administrative staff, as well as our business partners, parents and friends of our students, our suppliers and partners in society.

BSL's three cornerstones of the school's mission support six values that allow us to measure our intentions, behavior and actions.



### PROFESSIONAL ENGAGEMENT

We are prepared and on time. We honor our agreements. We deliver high quality work. We pursue highest ethical standards in everything we do. We inspire others to do the same.

### SOLUTION-ORIENTED PARTNERSHIP

We create an environment of trust and respect. We are flexible. We listen and respond with solution-oriented ideas and actions. No matter what happens, we ask: what is my role in this and what can I do now?

### A FORCE FOR GOOD

We care for the world we live in. We are free-thinking and authentic. We recognize business as force for a sustainable and socially just world. We seek to balance economic, societal and environmental concerns.

### LIFELONG LEARNING

We welcome discovery and change. We help each other grow. We are willing to change our thinking and behavior. We transform differences of opinion into a source for growth.

### COLLABORATIVE INNOVATION

We collaborate to make new things happen. We build on diversity of thought, culture and approach. We shape the future by asking why, what for and why not. We overcome difficulties and challenges.

### COURAGEOUS LEADERSHIP

We dare to do what we believe is right. Together, we work towards common goals. We highlight the contribution of others. We encourage each other to think differently and take the risk of making mistakes.

# 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.*

BSL's 6 Values	Teaching Techniques	Teaching Outcome
<b>(1) Professional engagement</b>	<p>Independent learning assessment (find the value in personal KPIs)</p> <p>Collective learning assessment (align with the organization's KPIs)</p>	Learning through respect for personal skills and capacity to take responsibility, by honoring our agreements, delivering high quality work while pursuing the highest ethical standards in everything we do and thereby also inspiring others to do the same.
<b>(2) Solution-oriented partnership</b>	<p>Appreciative enquiry (find out how others experience it)</p> <p>Problem-based learning (developing solutions that stick)</p>	Learning through recognizing collective benefits that contribute to positive values; facilitating stakeholder consultations, as well as creating an environment of trust and respect so as to arrive at solution-oriented ideas and actions.
<b>(3) A force for good</b>	<p>Learning through discovery (the "Aha" experience)</p> <p>Explorative learning (find the answers, discover your capacities)</p>	Learning through collaborative discovery and open, honest sharing of acquired knowledge and results, with the objective. caring for the world we live in, and always seeking to balance economic, societal and environmental concerns.
<b>(4) Lifelong learning</b>	<p>Individual assimilation techniques (may include coaching, mentoring)</p> <p>Reflective exercises to assimilate the learning (making sense of it)</p>	Learning through reflection, in order to help each other grow, be willing to change thinking and behavior, and transform differences of opinion into a source for growth.
<b>(5) Collaborative innovation</b>	<p>Experiential learning by doing (try it out, make errors, try again)</p> <p>Engaging in the Collaboratory<sup>3</sup> to brainstorm and innovate new approaches</p>	Team-based learning to better collaborate, build on diversity of thought, culture and approaches, and shape the future by asking why, what for and why not.
<b>(6) Courageous leadership</b>	<p>Demonstrative learning (observe it, test it, report on it)</p> <p>Self-evaluation, peer assessment and peer-learning exchange</p> <p>Strategic action learning (identify your learning path along the organizational plan)</p> <p>Analyzing decision-making processes (where responsible management begins)</p>	Learning by taking responsibility for daring to do what is right, encouraging each other to think differently, take the risk of making mistakes, and to be honest in tracking and reporting on personal and collective actions and socio-economic consequences so as to offer learning opportunities for better action in the future.

Figure 2: A values-based education

<sup>3</sup>The "Collaboratory" is an open-space method designed by BSL to generate innovative solutions to transdisciplinary problems.

# PRINCIPLE 3 / METHOD

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

## TEACHING METHODS

The BSL faculty is supported in every possible way to acquire the ability to offer the above teaching techniques by engaging in all four general teaching methods in the classroom:

- 1) **Magisterial** or "ex cathedra", which implies the formal lecture in a lecture hall. This is the traditional discourse in which the audience listens (remains passive and may thus never become engaged learners).
- 2) **Interrogative and interactive**, which implies an inclusion of the learner in the discourse. Here, the learner is encouraged to discuss, contribute, participate or lead.
- 3) **Demonstrative**, which implies that the learner is shown something or exposed to a demonstration of how something is done or learned. This includes the experiential approach where the learner is subjected to experiencing something that encourages better learning of what is demonstrated.
- 4) **Discovery**, which implies that the learner actively engages in exploring something, is encouraged to be curious or inquisitive. This includes the reflective approach where the learner is encouraged to think over how s/he may have come to discover something.

This pedagogical, values-based approach to our education forms the basis for the three main activity streams that define and shape our educational programs across all levels, from Bachelor, to Masters, MBA and Executive MBA, executive and doctoral programs. We shall now outline the 3 key activity streams:

- a) Transformative learning
- b) Issue-centered learning
- c) Reflective practice and fieldwork.

This pedagogical, values-based approach to our education forms the basis for the three main activity streams that define and shape our educational programs



# PRINCIPLE 3 / METHOD

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## TRANSFORMATIVE LEARNING

**Personal development** is at the heart of transformative learning and involves developing the whole person: the mind, heart, body and soul. The aim is to help students to advance their ability to consider different and new perspectives "through the development of consciousness, leading to a new way of relating to oneself and the world"<sup>4</sup>. Often, a higher level of reflective awareness is a major result of transformative learning and it is considered the basis of globally responsible leadership.

While transformation of this nature is often delegated to extra curriculum activities, at BSL we have strategically integrated personal development at the very core of every one of our degree and executive programs. Personal development at BSL is mandatory, as we believe it to be dangerous to develop business leaders without a profound connection to their inner compass of values and capacity for self-reflection. While personal development is traditionally considered an elective, voluntary engagement, we have taken the step of making these courses mandatory at all degree levels and can report that this has been a highly effective move. The following are three examples of courses that are part of our degree program offer:

<sup>4</sup>Muff, K., Dyllick, T., Drexell, M., North, J., Shrivastava, P. & Haertle, J. (2013). Management education for the world – a vision for business schools serving people and planet. Cheltenham: Edward Elgar (p.60).

### 1) EFFECTIVE SELF-MANAGEMENT

*In year 1 of the Bachelor Degree in Business Administration (BBA)*

In this course, students learn to unlock their potential, maximize performance, respond effectively to rapidly changing working conditions, and build trust in their personal qualities. This is achieved through developing highly effective communication and (self-) management techniques, identifying counterproductive aspects of one's behavior and transforming them successfully into learning experiences. Students are introduced to deep reflection techniques.

### 2) LEADERSHIP & MANAGEMENT SKILLS

*In year 1 of the Master of Arts in International Business (MIB)*

This course is designed to explore a range of past, present and future management skills and leadership styles across industry sectors and domains. It provides students with tools and insights that enable them to choose how to make a constructive contribution as well as enhance their ability to lead in the future. The student's own thinking, collaboration, reflection and participation are essential to ensure the deepest learning experience.

### 3) LEADING CHANGE AND PROJECT REVIEW

*Developing & deepening, in year 2 of the Executive Master in Business Administration (E-MBA in Sustainable Business)*

Through this course, students develop strategies to overcome their personal limits as leaders, learn how to manage relationships and conflict resolutions in teams, and to analyze the dynamics of authority, boundaries, relationships and roles in business settings. They are empowered to working on making changes inside themselves with courage and integrity and to manage polarities: stability vs. flexibility, external vs. internal focus, creativity vs. control. They also learn to engage in multi-stakeholder settings to develop constructive participation.

The BSL journey of integrating transformative learning elements across courses and deeper and deeper into programs is ongoing and in many ways the process itself has been transformative for everybody involved. Our own staff members attend such courses together with our students, bringing entirely new learnings at multiple levels to the surface. **Our objective is to create and strengthen a learning community at BSL where everybody, the administration included, openly shares their own journey of learning.** Here again, the values-based education approach is of great support. For example, BSL partner and thought leader Katrin Muff, takes the initiative of sharing her personal development goal annually with all incoming students, inviting them to be partners in her development by reminding her when she fails to live up to her learning objective.

# PRINCIPLE 3 / METHOD

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

## ISSUE-CENTERED LEARNING

With the 50+20 Agenda as a reference point once again, we have developed our programs around learning outcomes that were co-developed with relevant program stakeholders. These learning outcomes result in key courses that propose a systemic approach to problems and dilemmas, and to enabling complex decision-making processes. Using both local and global societal, environmental and economic issues as a starting reference point, subject knowledge (such as finance, marketing, human resources and strategy) is acquired alongside issue-centered learning. As a result, **the learning occurs in a much more applied and integrated manner, and is immediately transferable to solving relevant issues** rather than remaining confined to a subject discipline.

Depending on the program, at BSL we offer a mix of both subject-specific and issue-centered courses with the former being more present in undergraduate programs and the latter being predominant in the post-graduate programs. The rationale for this is that BBA students are required to familiarize themselves with the basic concepts and functions of business before expanding their knowledge about issues and how to address them (issue-centered learning). The following is a list of BSL issues-based courses by program:

BACHELOR IN BUSINESS ADMINISTRATION	
Managing Social and Environmental Responsibility	
Sustainable Business Strategy	
Solving Big Problems	

PRE-EXPERIENCE MASTER DEGREES	
Master in International Business	Master in International & Sustainable Finance
Strategic & Systemic Thinking	Strategic & Systemic Thinking
Business Responsibility & Sustainability	Business Responsibility & Sustainability

POST-GRADUATE MASTER DEGREES	
MBA	Executive MBA
Solving Big Sustainability Challenges	Solving Big Sustainability Challenges
Applied Social Entrepreneurship Project	Applied Social Entrepreneurship Project
Creating Sustainable Value	Creating Sustainable Value
Family Business Governance	Empowering Your Future

EXECUTIVE PROGRAMS	
Diploma in Sustainable Business	Impact Leadership Program
The big picture of sustainability challenges	Strategic company project ("white-spot")
Leading change	Courageous leadership / Dealing with ambiguity
Responsible Leadership & Global Stakeholders	Driving & leading change / Collaboration & teamwork
Entrepreneurship & intrapreneurship	Systems understanding / Moving outside existing models & prototyping

DOCTORATE IN BUSINESS ADMINISTRATION: IN BUSINESS SUSTAINABILITY	
The personal learning journey in responsible leadership	Action research and co-creating transformative learning processes
True Business Sustainability applied to two specific companies (case studies)	Integrative learning applied to a specific topic

Figure 3: Examples of issue-centered courses across our programs

Great care is given to evaluating and measuring the concrete learning outcomes of such issue-centered courses. We have indications that such learnings can be greatly enhanced if they are coupled with applied practical work in and with companies. This shows the natural link and importance of the following third activity stream of our educational strategy.

# PRINCIPLE 3 / METHOD

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

## REFLECTIVE PRACTICE AND FIELDWORK

At BSL, we firmly believe that fieldwork is key to the learning process as it helps to bring theory into application. However, we also believe that fieldwork alone is not enough. One practice is often underrated and discarded, and that is reflection. Often reflection is de-prioritized because it is perceived as less related to a direct outcome. Further, the ability to self-reflect cannot be learnt in one day but requires daily practice of personal hygiene. Yet reflection and fieldwork, going hand in hand, constitute an incredibly powerful learning tool. In order to educate and develop global responsible leaders, three factors are in fact crucial. Firstly, a trans-disciplinary, systemic approach to solving problems; secondly, practice and field work and thirdly, guided reflection which needs to be facilitated<sup>5</sup>.

At BSL we have included major elements of reflective practice in particular around three main courses that we call “capstone projects”:

### 1. THE EXPERIENTIAL LEARNING INTERNSHIP PROGRAM (ELIP) FOR THE BBA AND MASTERS PROGRAMS

Educational institutions are ideal for facilitating real life learning in a safe environment. Guided internship programs can help to develop students’ understanding of the workplace, and of their own behavior both in work situations and in their personal lives. Student interns can have profound learning results when they are required 1) to **log daily happenings**, 2) to **analyze work situations and attempt to state the consequences of their activities** and 3) to **use relevant theories and concepts from their studies to understand their experiences**. Weekly achievement logs of goals and achievements ensure good planning, organization and follow through with regards to their work output.

### 2. THE MANAGEMENT REPORT FOR THE MBA PROGRAM

Learning about different topics in a classroom environment is one thing, but applying them to the real world is quite another. We believe that only applied learning has the power to develop participants into an individual with the necessary leadership skills to “take on the world” and make a significant difference. The six-month MBA management report project gives participants the chance to do just that. They choose any company, idea or project of their choice and then develop a related comprehensive consulting report, covering industry and market research, business strategy, marketing, human resources, operations, finance and risk management. Many of these projects end up being the launch-pad for new start-up companies and in recent years, increasingly as social enterprises. Participants get a chance to connect what they have learned to their future ambition of how they wish to engage professionally. This stepping stone experience is cited by our participants as one of the most enriching elements of our program. This is not

surprising, since this experience allows them to put everything they have learned into a broader context, understanding viscerally the interconnections of the many individual subject topics they have been studying.

### 3. THE CASE STUDY APPLIED RESEARCH FOR THE DBA PROGRAM

Our DBA program is structured around applied research with real company case studies and involves a high degree of action and reflection for the candidates that is then documented in published papers. In Phase I of the DBA program, candidates work with companies to define the sustainability journey of a company. In phase II, candidates lead co-creative transformative processes which seek to enable companies to test innovations through action research<sup>6</sup>.

Finally, another important element that links BSL programs to fieldwork and reflective practice is the constant research we conduct in collaboration with our key stakeholders when developing our programs. For example, we developed our current MBA program using input from over 30 senior HR Managers and CEOs of major multinational companies. We based our program development primarily on the practical experience of these executives, stimulating their own reflection through precise questions around their major needs related to skills and competencies needed in today’s and tomorrow’s MBA graduates. This is a demonstration of how reflective practice and fieldwork can also take place at organizational level when fully embraced<sup>7</sup>.

<sup>5</sup> Muff, K. (2013): Developing globally responsible leaders in business schools: A vision and transformational practice for the journey ahead, Journal of Management Development, Volume 32 Number 5, 2013, pp 487-507

<sup>6</sup> Action research is usually initiated to solve an immediate problem or a reflective process of progressive problem solving led by individuals working with others in teams or as part of a “community of practice” to improve the way they address issues and solve problems.

<sup>7</sup> Muff, K. (2012): Are business schools doing their job?, Journal of Management Development, issue no. 7, p 642-662.

# 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.*

## FRAMING THE CONTEXT FOR THE BSL THOUGHT LEADERSHIP

After several decades of incremental efforts by companies to integrate social and environmental issues into business strategy, it is apparent that traditional CSR approaches are not leading to the more “giant steps” required for true sustainability. Oceans, rivers and forests are struggling to cope with growing pressure from increasing consumption worldwide, the world’s wildlife has halved in less than a generation and social inequality (the gap between rich and poor) is growing even in developed countries. Although many global corporations have committed to some level of strategic focus on sustainability, the corporate focus is still primarily on reaching short-term financial goals. The so-called “Triple Bottom Line” (TBL) – a more balanced long-term approach which expands the business perspective to a social and environmental bottom line as well as an economic one - has not been fully embraced by companies. Recent examples of deviant corporate behavior may even indicate a distancing by global firms from the overall objectives of transparency, integrity and responsibility implied by the TBL logic: Siemens, Volkswagen, Nestlé, and BP are cases in point.

However, in 2015, for the first time, more than 193 countries agreed to integrate social, economic and environmental agendas through the Sustainable Development Goals (SDGs) and to work toward a decarbonized future through the Paris Climate Agreement. Governments have agreed new Sustainable Development Goals (SDGs), but how ready is business to help them achieve them? What’s their intention and their vision? Will they be business as usual or business critical? In an ideal world, every business would know how their activities and the consequences of them (even the unforeseen elements), map across to the SDGs. Their operations would have identified, valued and be measuring how they contribute to each global goal, monitoring their impact, and implementing new ideas to effect improvement. SDG impact awareness would not be confined to showcase projects, but be embedded in a new way of working that prioritizes the impact on global goals alongside its business objectives.

There are three types of people in this world: those who make things happen, those who watch things happen and those who wonder what happened.

- Mary Kay Ash



# PRINCIPLE 4 / RESEARCH

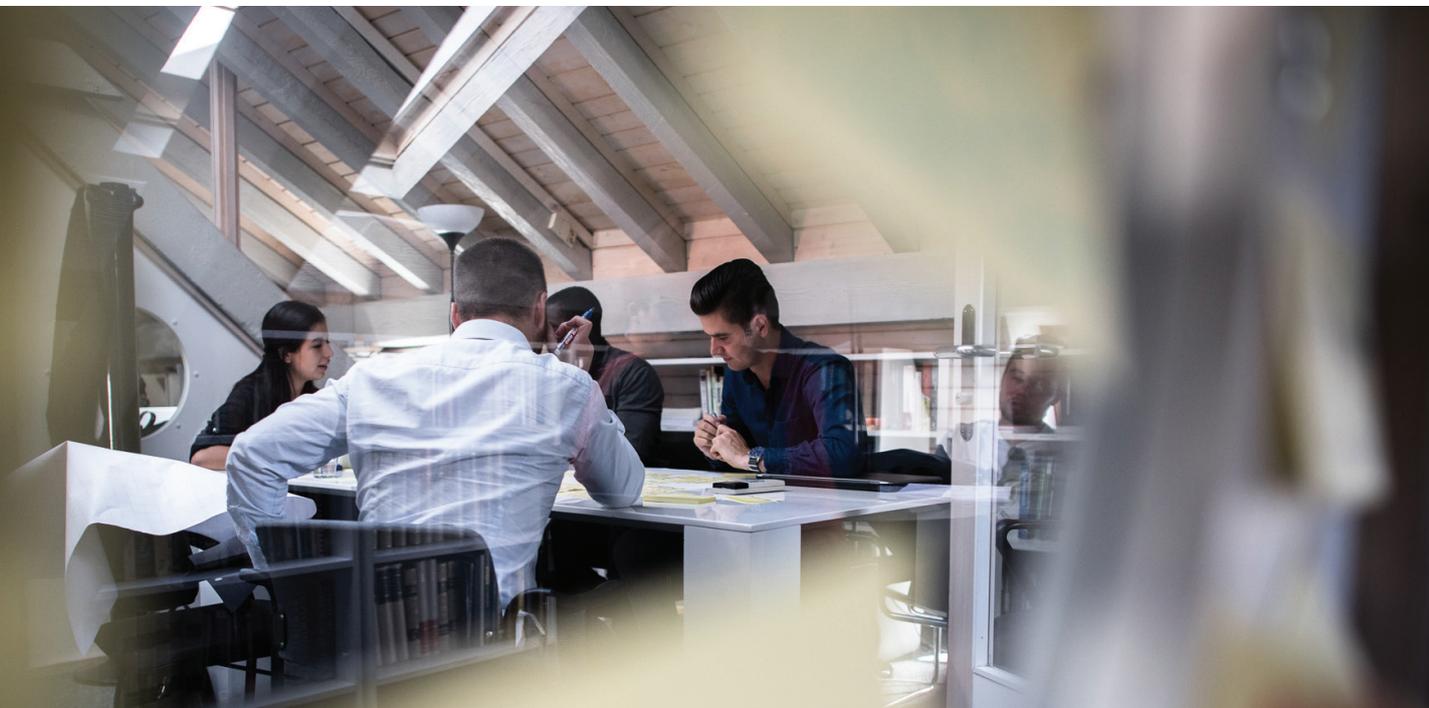
*We will engage in conceptual and empirical research that advances our understanding about the role, dynamics and impact of corporations in the creation of sustainable social, environmental and economic value.*

These developments have profound implications for companies and present an opportunity for business schools and academic institutions to help companies to leapfrog, become responsible leaders and innovate for sustainability. The most pioneering companies (such as Unilever, Patagonia, Marks & Spencer and others) fully recognize that sustainability will be a driver of their strategies into the future, and that their longer term existence depends on tackling relevant challenges right here and now, but in considerably more radical ways that go beyond “business as usual”. While most businesses are still pushing their businesses to take incremental measures towards change, these businesses have already reached a limit to what they can individually achieve. More partnerships and collective initiatives are called for, and multi-stakeholder dialogue and platforms will play a much greater role into the future.

In Switzerland, controversies surrounding the banking sector in particular have meant that the country’s overall global reputation has greatly suffered. Yet, internally in companies, substantial personal courage is required to be able to venture the idea that the purpose of business is not to simply satisfy its shareholders but that companies can and should have a more expanded and truly authentic purpose in society<sup>8</sup>. There is a pressing need for more responsible leadership and a highlighting of what good companies are doing. Furthermore, the importance and potential influence of both family businesses and SMEs in Switzerland needs to be more highly profiled.

**More partnerships and collective initiatives are called for, and multi-stakeholder dialogue and platforms will play a much greater role into the future.**

<sup>8</sup> See Mazutis, D. & Ionescu-Somers, A. How authentic is your corporate purpose? at [http://powerofpurpose.burson-marsteller.com/wp-content/uploads/2015/04/BM\\_IMD\\_REPORT-How-Authentic-is-your-Corporate-Purpose.pdf](http://powerofpurpose.burson-marsteller.com/wp-content/uploads/2015/04/BM_IMD_REPORT-How-Authentic-is-your-Corporate-Purpose.pdf)



# 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.*

## **THOUGHT LEADERSHIP: STRATEGIC GOAL AND ACTIVITY STREAMS**

In line with the overall BSL mission, that seeks to provide a learning platform that enables individuals and organizations to thrive by co-creating viable business solutions for our planet and its people, BSL seeks to leverage its thought leadership initiatives:

To contribute to a transformation of the economy and society by enabling business to positively contribute to a better world through the development of strategic resilience and responsible leaders.

BSL carefully allocates the resources of its thought leadership team in three areas:

- a) **Conceptual Design: Groundbreaking concept development**  
Creating accessible and relevant frameworks and tools for companies and their executives to use in their strategic efforts towards positive impact
- b) **Action Research & Education: Applying research to learning and business contexts**  
Enabling long-term strategic resilience and future-relevant people capacity through innovative programs, consulting support or case studies
- c) **Platform Collaboratories: Reframing context and co-creating change**  
Building and energizing platforms for a coherent framing of the discussion around relevant issues and related opportunities.

Research activities as related to principle 4 are conducted at BSL by **doctoral** research and research carried out by **faculty members**.



# 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.*

## DOCTORAL RESEARCH

Our distance learning Doctorate of Business Administration (DBA) program is a three-year part-time program for experienced business professionals or teaching scholars. We offer an exciting cohort-based approach with a facilitated action-learning and research focus. The DBA program primarily supports organizations in their sustainability journey by providing historical analysis and relevant transformational support. The program is unique world-wide as it combines research that counts in the interdisciplinary field of sustainability with developing a deeper understanding in the practice of responsible leadership.

The BSL DBA program takes a different approach to research. We build on the traditional model of exploring the current state of business as a starting base for incremental change by looking into what a truly sustainable organization of the future would look like and exploring the paths to get there.

The project includes a range of research approaches that are distinguishable also by the participatory engagement of stakeholders. These engagements are often associated with large system change science, engaged scholarship and action research.

To make this research more accessible to a larger audience and to give our DBA candidates the opportunity to publish parts of their research, BSL has launched - in collaboration with Greenleaf Publishing - a journal entitled "Building Sustainable Legacies". An electronic version of "Building Sustainable Legacies" is regularly sent to our stakeholders, including CEOs and HR Directors.

The following articles have been published between November 2014 and October 2016:

### UNDERSTANDING THE CHALLENGE

The Luxury Industry in the Wind of Change toward Sustainability, BSL # 4, p 8-34

*Franco Lucà, Business School Lausanne, Switzerland*

Understanding the Challenges of Business Sustainability: What it Means and What it Takes for Business to Truly Embrace it, BSL# 6, p. 7-30

*Urs von Arx, Business School Lausanne, Switzerland*

### CONSIDERING DIFFERENT DIMENSIONS

The influence of Risk Management on Sustainability, BSL # 4, p. 35-53

*Ali Abou Melhem, Business School Lausanne, Switzerland*

The Role of the Financial Sector in Securing Energy and Food Supplies in the Developing World, BSL # 6, p.31-53

*Henry Oguine, Business School Lausanne, Switzerland*

### EXCITING NEW SOLUTIONS

Using and Improving Metrics to Address Future Sustainability: Challenges and Transformation of Business, BSL # 4, p. 54-80

*Armand Dickey, Business School Lausanne, Switzerland*

A critical Appreciation of Appreciative Inquiry in the Advance of Sustainable Business, BSL # 6, p. 54-72

*Philip Clark, Business School Lausanne, Switzerland*

# 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.*

## DOCTORAL RESEARCH (CONTINUED)

**Two special issues of Building Sustainable Legacies were published in 2015:**

The first issue was dedicated to the following theme: Reframing the Game: The transition to a New Sustainable Economy. It contained the following articles:

**Editorial: Sustainable Economy Special Edition, p. 5-8, Mike Townsend, Founder and CEO Earthshine**

**Redefining Business Purpose: Driving Societal and Systems Transformation, p.9-15, Paul Polman, CEO Unilever**

**Doing Business in a Well-Being Economy, p. 17-41 Isabel Sebastian, University of Technology, Sydney, Australia**

**The Role of Business Law in the Jigsaw Puzzle of Sustainability, p. 42-56, Beate Sjøfjell, University of Oslo, Faculty of Law**

**Exploring a One Planet Mindset and its Relevance in a Transition to a Sustainable Economy, p. 57-79, Sally Jeanrenaud, Immaculada Adarves-Yorno and Nicolas Forsans Business School, University of Exeter, UK**

**A 2x2 to Change the World, p. 80-86, Jill Bamburg, Pinchot University, USA**

**Changing Directions in Business Education: Knowledge Sharing for Sustainability, p. 87-102 Suzanne Ben, Tamsin Angus-Leppan, Melissa Edwards, Paul Brown and Stuart White, University of Technology, Sydney, Australia**

**Action Research as a Transformative Force in Management Education: Introducing the Collaboratory, p. 103-119, Katrin Muff, Business School Lausanne, Switzerland**

**Purpose at the Heart of Strategy: Creating a Sustainable Business while Solving the World's Challenges, p. 120-128, Gabi Zedlmayer, Vice President and Chief Progress Officer, HP**

The second special issue published in December 2015 was dedicated to Award- Winning Case Studies 2015. The companies featured in this issue of BSL publication received the BSL Sustainability Innovation Award 2015 during our annual Graduation Ceremony in September 2015. They are in different stages on their path to true sustainability. That is reflected by the classification BST 1.0, BST 2.0 and BST 3.0, which is based on a tool developed in the article The Business Sustainability Typology, co-authored by Prof. Dr. Thomas Dyllick and Dr. Katrin Muff, published in 2013. For more detail on the BST, see [www.bsl-lausanne.ch/thought-leadership/business-sustainability-typology](http://www.bsl-lausanne.ch/thought-leadership/business-sustainability-typology).

The case studies published in this issue are all written by BSL doctoral candidates.

**BST 3.0 ORGANIZATION Alternative Bank Schweiz AG: A banking model for the future, p. 12-40, Frederic Narbel, Business School Lausanne, Switzerland**

**BST 3.0 ORGANIZATION Lancaster London Hotel: Glamour and sustainability: Thriving on a strong sustainability culture as a pioneer in hospitality, p. 41-101, Gülen Hashmi, Business School Lausanne, Switzerland**

**BST 3.0 ORGANIZATION Pebbles (PVT) Ltd sustainable real estate developers: Building hopes, p. 102-133 Syeda Nazish Zahra Bhukari, Business School Lausanne, Switzerland**

**BST 2.0 ORGANIZATION Beechenhill Farm Hotel's meaningful legacy: Evolving from the sustainability of business toward the business of sustainability in hospitality, p. 134-189, Gülen Hashmi, Business School Lausanne, Switzerland**

**BST 2.0 ORGANIZATION Interloop Limited: A journey from ethics business sustainability, p. 190-228, Shamaila Gull, Business School Lausanne, Switzerland**

**BST 1.0 ORGANIZATION Dynamic Sportswear Ltd: compliance or muddling through sustainability? A perspective from the Pakistani textile industry, p. 229-258, Shamaila Gull, Business School Lausanne, Switzerland**

**BST 1.0 ORGANIZATION ICI Pakistan Ltd: Sustainability through adversity, Syeda Nazish Zahra Bhukari, Business School Lausanne, Switzerland**

# 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.*

## DOCTORAL RESEARCH (CONTINUED)

### BUILDING SUSTAINABLE LEGACIES

Issues of "Building Sustainable Legacies" (published by Greenleaf Publishing UK) can be found at the following links:

#### Issue 1

- <http://www.bsl-lausanne.ch/research-and-publications/bsl-launches-new-quarterly-journal-for-practitioners-in-sustainability>
- <http://www.bsl-lausanne.ch/news/school-news/building-sustainable-legacies-journal-issue-2>
- <http://www.bsl-lausanne.ch/news/school-news/building-sustainable-legacies-journal-issue-3>
- <http://www.bsl-lausanne.ch/research-and-publications/building-sustainable-legacies-april-2015-issue/>
- <http://www.bsl-lausanne.ch/research-and-publications/building-sustainable-legacies-journal-issue-5/>
- <http://www.bsl-lausanne.ch/research-and-publications/sustainability-journal/building-sustainable-legacies-december-2015-special-edition/>

The editorial board of the Journal consists of highly recognized experts in the domain of business sustainability:

#### EDITORIAL BOARD:

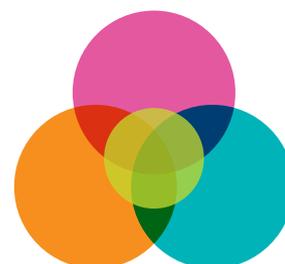
- Dr. Tima Bansal, Ivey Business School (Canada)
- Dr. Thomas Dyllick, University of St. Gallen (Switzerland)
- Jonathan Gosling, Exeter University (United Kingdom)
- Dr. Kathy Miller, Miller Consulting (United States)
- Dr. Sandra Waddock, Boston College (United States)

**Editor:** Dr. Katrin Muff, Business School Lausanne (Switzerland)

**Guest editor:** Mike Townsend, CEO, Earthshine (for Reframing the Game)

## BUILDING SUSTAINABLE LEGACIES

THE NEW FRONTIER OF  
SOCIETAL VALUE CO-  
CREATION



UNDERSTANDING CHALLENGES  
NEW SOLUTIONS  
DIFFERENT DIMENSIONS  
BUSINESS EXAMPLES

# PRINCIPLE 4 / RESEARCH

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## RESEARCH BY FACULTY MEMBERS

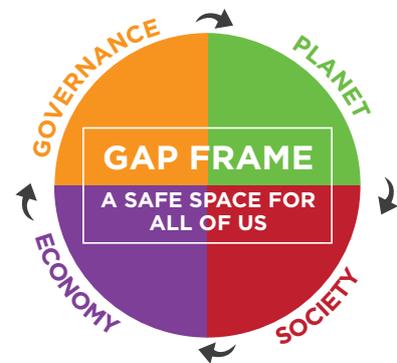
Here are some examples of recent publications of our faculty members:

### BSL INTRODUCES THE GAP FRAME – A NEW GLOBAL FRAMEWORK FOR A BETTER WORLD

Mar 30, 2016

BSL partner and thought leader Dr. Katrin Muff announced the release of BSL's newly developed Gap Frame in March 2016.

The Gap Frame provides a normative frame and a process for business to engage in industry analysis unlike anything that was ever available before. It is a national and global framework for business and other stakeholders to work towards a better world in a concrete and measurable way. The Gap Frame does two things: it identifies the burning issues of our times and it compares these issues against a normative ideal state that is required so that we can all live well and within the limits of this planet ([Vision 2050, WBCSD](#)). For further details, see the section concerning Principle 5.



### EVOLVING TOWARDS TRULY SUSTAINABLE HOTELS THROUGH A "WELL-BEING" LENS

Feb 02, 2016

A book chapter, written by BSL partner and thought leader Dr. Katrin Muff and doctoral candidate Gülen Hashmi, was included in the recently published "Sustainability in Hospitality" book by Greenleaf Publishing.

The chapter – Evolving towards truly sustainable hotels through a "well-being" lens - aims to provide hotels, academia and students with a multidimensional sustainability grid, the S-WELL (sustainability for well-being), which represents different types of hotel sustainability as phases of an evolutionary process. The S-WELL focuses on competitive sustainability strategies and sustainable hotel practices, based on a model with two axes: the vertical axis is built on the hotel's need to manage the business with an economic concern while simultaneously building a competitive advantage through external concerns that derive from sustainability challenges. The horizontal axis looks at the hotel's need to create shareholder value while also contributing to societal value creation aimed at well-being. The four quadrants that represent different types of hotel sustainability are compliance, CSR, managing for the TBL and societal well-being, respectively. The S-WELL is an analytical tool for understanding and challenging hotel sustainability strategies and practices to benefit society at large.

The S-WELL is an analytical tool for understanding and challenging hotel sustainability strategies and practices to benefit society at large.

[Download the chapter for free here.](#)

# 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.*

## RESEARCH BY FACULTY MEMBERS (CONTINUED)

### CLARIFYING THE MEANING OF SUSTAINABLE BUSINESS: INTRODUCING A TYPOLOGY FROM BUSINESS-AS-USUAL TO TRUE BUSINESS SUSTAINABILITY

Apr 07, 2015

Authors: Prof. Dr. Thomas Dyllick, University of St. Gallen, St. Gallen, Switzerland and Dr. Katrin Muff, Business School Lausanne, Lausanne, Switzerland

[Download full article](#)

#### Abstract

While sustainability management is becoming more widespread among major companies, the impact of their activities does not reflect in studies monitoring the state of the planet. What results from this is a "big disconnect." With this article, we address two main questions: "How can business make an effective contribution to addressing the sustainability challenges we are facing?" and "When is business truly sustainable?" In a time when more and more corporations claim to manage sustainably, we need to distinguish between those companies that contribute effectively to sustainability and those that do not. We provide an answer by clarifying the meaning of business sustainability. We review established approaches and develop a typology of business sustainability with a focus on effective contributions for sustainable development. This typology ranges from Business Sustainability 1.0 (Refined Shareholder Value Management) to Business Sustainability 2.0 (Managing for the Triple Bottom Line) and to Business Sustainability 3.0 (True Sustainability).

### A BOOK CHAPTER BY BSL'S PROFESSOR, DR. GANESH NATHAN: MULTI-STAKEHOLDER DELIBERATION FOR (GLOBAL) JUSTICE: AN APPROACH FROM MODERN CIVIC REPUBLICANISM

Oct 22, 2014

BSL's Professor Dr. Ganesh Nathan has contributed the above chapter to the recently published book "Rethinking the Future of Europe: A Challenge of Governance".

Editors: Stefan Schepers, Andrew Kakabadse  
Publisher: Palgrave Macmillan, UK  
Date of publication: October 2014

[Read more here](#)

With this article, we address two main questions: "How can business make an effective contribution to addressing the sustainability challenges we are facing?" and "When is business truly sustainable?"

The complete list of our publications can be found here: <http://www.bsl-lausanne.ch/thought-leadership/research-and-publications>.

# PRINCIPLE 5 / PARTNERSHIPS

*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.*

At BSL, we learn from business managers directly what their challenges are in meeting social and environmental responsibilities and we explore approaches to tackle these together. We do this through various means and by establishing partnerships, for example, through direct collaboration with organisations and businesses, but also through the MBA, Diploma in Sustainable Business, and the DBA programs where candidates and participants conduct research and consultancy projects with companies. In addition, we jointly explore effective approaches to overcoming challenges through our association with other businesses and schools at the GRLI where the 50+20 values and objectives are promoted.

The following are other examples of measures taken by BSL to align with the principles:

## **BSL CONSULTING TO HELP BUSINESS TO BECOME SUSTAINABLE: THE SWISS SUSTAINABILITY HUB**

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BSL officially launched a multi-stakeholder initiative - the Swiss Sustainability Hub (SSH) - during its **September 2014 Graduation Ceremony** which has made progress up to October 2016. It's overall aim is to position Switzerland as a global hub that encourages and generates meaningful best practices of sustainable development. The hub was initiated by Paul Polman (CEO of Unilever), Katrin Muff (partner and thought leader of Business School Lausanne) and Thomas Dyllick (Delegate for Responsibility & Sustainability, University of St. Gallen) and is currently being pioneered for Switzerland at Business School Lausanne.

The premise of the SSH, which functions as an inter-institutional space, is that the world and Switzerland need a step-change. What has been achieved to date is important and impressive but by far not sufficient to get us on track for a world where "all people can live well and within the limits of the planet" (WBCSD).

The project is mostly funded through voluntary engagement of the core team and select board members. Project management and thought leadership activities are generously funded by Business School Lausanne, IKEA Switzerland, Migros, Swisscom and Unilever Switzerland.

Projects and initiatives as per October 2016 (see overleaf for details):

- (1) A new normative Gap Framework to measure sustainability progress
- (2) Collaborative Action Spaces (CAS), including the following examples:
  - Food prototype CAS 17 March & 2 May
  - Finance prototype CAS 31 March & 9 May
  - Energy prototype CAS 14 April

The SSH Advisory Board as per October 2016 includes:

- Dr. Katrin Muff, partner and thought leader, Business School Lausanne
- Thomas Vellacott, CEO, WWF Switzerland
- Dr. Thomas Dyllick, University of St. Gallen
- Paul Polman, CEO, Unilever
- Peter Bakker, CEO, WBCSD
- Peter White, COO, WBCSD
- Simona Scarpaleggia, CEO, IKEA Switzerland
- Lorenz Isler, Sustainability Manager, IKEA Switzerland
- Cornelia Diethelm, Director, Sustainability Issue & Management, Migros
- Seta Thakur, CEO, ÖBU
- Christian Zeyer, Co-CEO, swisscleantech
- Bruno Oberle, Director, Professor at EPFL
- Res Witschi, Head of Corporate Responsibility, Swisscom

Furthermore, a dedicated team of BSL faculty and administrators has developed an approach to help companies become more sustainable. The approach consists of an initial cultural assessment of the company to understand its current status. This then allows a joint identification of the next challenges in the organization's journey towards true business sustainability. The consulting method is based on the Business Sustainability Typology developed by Dyllick/Muff (further information at [www.truebusinesssustainability.org](http://www.truebusinesssustainability.org)).

# PRINCIPLE 5 / PARTNERSHIPS

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## PROJECTS AND INITIATIVES AS PER OCTOBER 2016

Two important elements emerged in 2015 as central to the SSH: A normative "Gap Framework" in combination with "Collaboratory Action Spaces". Both tools have been developed and prototyped between October 2015 and October 2016 by a voluntary core team and the project lead.

### (1) A NEW NORMATIVE GAP FRAMEWORK TO MEASURE SUSTAINABILITY PROGRESS

Both Business School Lausanne and University of St. Gallen provided significant research support to generate the first version of the Gap Frame tool. The most innovative element of the Gap Frame lies in its normative approach in setting ideal goals for a large variety of indicators (69) across 24 issues in 4 categories.

Borrowing from the **True Business Sustainability Typology**, it differentiates between an "inside-out" (company-centric) and an "outside-in" (issue-centric) perspective. Issues are derived from three **True National Sustainability 3.0** frameworks, two politically negotiated United Nations frameworks, the "Sustainable Development Goals" (2015) and the Agenda 21 (1992), as well as the "Swiss Circle Indicator" (2005).

In order to measure these issues, the Gap Frame uses only indicators that lend themselves to set ideal standards. Using back-casting techniques, the Gap Frame starts from an ideal future value and then compares it with the worst current value in the world and establishes all measures against a 10-point scale whereby 10 is best and 0 is worst.

This normative scale allows a so far unique comparison of the current state of the world with a normative desired future state. The Gap Frame recognizes the reality of a fast moving "VUCA" world and is set-up as a co-creative process, inviting regular revisions by open expert circles. The first Beta-version of the Gap Framework was available by **end of March 2016**, with an extending review period until October 2016.

A new version of the Gap Framework includes extended country data and an interface to the "Sustainable Development Goals" to be published and marketed in 2017.

*Gap frame: Global goals relevant for every nation and business.*



# PRINCIPLE 5 / PARTNERSHIPS

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## **BSL CONSULTING TO HELP BUSINESS TO BECOME SUSTAINABLE: THE SWISS SUSTAINABILITY HUB**

### **(2) COLLABORATIVE ACTION SPACES (CAS)**

The SSH invited and hosted six "Collaborative Action Space" (CAS) Pilot workshops in **Food, Finance and Energy** sectors between March 2016 and June 2016. The CAS are collaborative spaces for stakeholders to create quantum leap change, not in competition with or copying what already exists. The focus is on developing white-spot business opportunities together to leapfrog sustainability in companies, sectors and the country on a specific relevant issue to the sector.

#### **FOOD PROTOTYPE CAS 17 MARCH & 2 MAY**

The workshops took place at Ateliers Bollwerkstadt in Bern on 17 March (half-day, 9 participants) and 2 May (full-day, 11 participants). The selected Gap Frame Issues that the participants wished to focus on were climate, waste and sustainable consumption. The participants developed three project ideas, one of which continues to date on the issue of sustainable consumption.

#### **FINANCE PROTOTYPE CAS 31 MARCH & 9 MAY**

The workshops took place at Impact Hub Zürich on 31 March (half-day, 13 participants) and 9 May (full-day, 10 participants). The selected Gap Frame Issues that participants chose to focus on were quality education, innovation & know-how, economic resilience and positive incentives. Two ideas were developed: for Society/Quality Education, an "Intergenerational Cooperation lab" and for Governance/Positive Incentives, a "sustainable finance hub recognized worldwide".

#### **ENERGY PROTOTYPE CAS 14 APRIL**

The workshops took place at Impact Hub Zürich on 14 April (half-day, 6 participants). A second planned workshop to innovate projects could not take place due to lack of participants and interest. The Gap Frame issues of the first workshop that the participants chose to focus on were climate, energy, and living conditions. During the workshop, it became clear that the energy sector is very challenging for cross-sector collaboration.



*Photo from the ongoing food project group on "Sustainable Consumption" as per August 2016,*



*Photo from the Finance CAS 9 May.*

More **selected photos** from the full-day Finance CAS can be found on Flickr

# PRINCIPLE 5 / PARTNERSHIPS

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## **PARTNERSHIPS THROUGH DBA CANDIDATES AND PARTICIPANTS IN THE DIPLOMA OF SUSTAINABLE BUSINESS PROGRAM**

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Another way that BSL contributes to helping business corporations to meet their social and environmental challenges is through the research carried out on DBA program: our DBA candidates conduct surveys in companies and help them to become more sustainable (more relevant details on the DBA program can be found under Principle 4 /Research section).

In our Diploma in Sustainable Business, organized in collaboration with the University of St. Gallen (IWÖ-HSG), participants conduct a company project. Nine projects have been carried out to date, with companies such as Unilever, Swiss Post, Nestlé, HP, etc. The following are two examples:

### **UNILEVER CONSULTING PROJECT | 2014-15**

Project Title: A Logistics Social impact Hub for Unilever in Latin America

Unilever Consulting Team

This project was assigned by Unilever to a consulting team of 4 participants within the Diploma in Sustainable Business program and was carried out from October 2014 to June 2015.

#### **OVERALL GOAL**

The main objective of this project was to develop a platform of Social Impact Programs for Unilever Logistics Latin America (LA) in Brazil and Mexico with the goal to improve truck drivers' and their families' quality of life in a way that fits with the purpose of logistics and the nature of its activity. The inspiration for this idea came directly from the Unilever Logistics Social Impact Hub.

In addition to the main objective of creating social impact, the Logistics Social Impact Hub is focused on creating value for Unilever's supply chain and brands. As a starting point the project focused on creating social impact for truck drivers, by exploring potential around addressing issues such as: long hours, drug dealing, alcohol issues, safety on the road, family support, child prostitution and environmental issues such as reduction of waste in logistics.

### **PROJECT ACTIVITIES**

- Start of the project with a briefing presentation to the students
- Initial research and kick off meeting with Unilever team, including initial timeline
- Concept approval and initial list of partnerships identified
- Feasibility test for 3 ideas within a draft road map
- Presentation of road map, framework, tools and pilot plan for validation
- Fine tuning of the platform and initial pilot organization
- Approval of the full platform
- Organization is in place and start-up of the pilot project
- Handover of project with next steps including the full road map proposition for the country of choice.

### **PROJECT OUTCOMES**

A designed and piloted social platform to be used by Unilever Logistics Latin America for social projects to be developed and implemented that generate value for all participants and represent a sustainable business case for Unilever.

# PRINCIPLE 5 / PARTNERSHIPS

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## **NESTLÉ CONSULTING PROJECT | 2015-16**

Project Title: Roadmap for using Impact Valuation

This project was assigned by Nestlé to a consulting team of 5 participants within the Diploma in Sustainable Business program and was conducted from October 2015 to June 2016.

### **OVERALL GOAL**

Nestlé is exploring the potential for use of impact valuation – the measurement and valuation of the impacts that the company has on natural and social capital. During 2016, a Natural Capital Protocol and an initial Social Capital Protocol will be developed by an international consortia (including accountancy firms, companies & NGOs), and it is anticipated that companies will increasingly use these protocols to drive company performance.

Nestlé already had some initial experiences and insights with 3 existing reports and a further one underway. In addition business cases already existed that informed Nestlé's thinking. This project took these as a starting point. The goal of the project was to develop a roadmap to guide Nestlé in operationalizing the concept across the company.

### **OBJECTIVES**

Develop a roadmap to guide Nestlé on how to operationalize Impact Valuation as part of its business strategy development, sustainability strategy and CSV reporting. The scope includes corporate, business and value chain uses.

### **PROJECT ACTIVITIES**

- Review existing external literature on natural & social capital valuation and reports detailing the business case
- Review internal Nestlé work on the subject
- Identify value added for Nestlé at different levels, and potential blockages/constraints

### **PROJECT OUTPUTS**

Report detailing a roadmap for the use and operationalization of impact valuation tools , to cover:

- operationalization steps: tools & processes
- three different levels: corporate, business and value chain
- how this could change/inform Nestlé's way of working, specifically in the areas of strategy development, capex allocation, sustainability strategy and CSV reporting
- mechanisms to drive consistent measurement & replicability
- potential external blockages (governments, investors, consumers) and mechanisms to overcome them
- potential internal blockages and narratives for different internal audiences to overcome them

# PRINCIPLE 6 / DIALOGUE

*We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability*

BSL's dialogue is multi-fold, internal and external. It is conducted in different ways:

- (1) Stakeholder dialogue
- (2) Collaboratories – issue-centered stakeholder engagement processes
- (3) Blogs
- (4) Active engagement in conferences and associations

The sixth principle of PRME can be related to the advocacy role of business schools as it is defined in the 50+20 vision and the role of faculty as public intellectuals, in charge of animating the public debate on economic, social and environmental issues.

## STAKEHOLDER DIALOGUE

**BSL introduced Holacracy in September 2015 and is now a self-organizing institution.**

While we have no hierarchies and therefore no managers with line responsibilities, we individually energize our multiple roles with passion, enthusiasm, professionalism and responsibility. We have chosen to use Holacracy as our "operating system" to facilitate our journey to become an impactful self-organized institution. More details on self-organization, the system of Holacracy, and how our organization is structured under Holacracy may be found at the following links:

- [www.reinventingorganizations.com](http://www.reinventingorganizations.com)
- [www.holacracy.org](http://www.holacracy.org)
- BSL's holacracy structure online

In addition, our [visual map](#) can be downloaded to see who does what and to find the right person to speak to.



# PRINCIPLE 6 / DIALOGUE

*We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability*

The following blog illustrates more fully the process and experiences that BSL went through to become such an organization:

## **HOLACRACY AT BSL: MOVING FORWARD**

**Posted on October 20, 2015**

*A month after our first encounter with Holacracy (see our [previous post for a quick intro to the concept](#)), we are moving forward: we had our first workshop with experienced Holacracy-trained coach Christiane Seuhs-Schoeller who came to BSL to help us embark on this journey as smoothly as possible.*

*September 30, BSL: It's an early morning as we arrive at BSL, grab a cup of coffee and sit in a circle. A full day ahead of us, and the promise of a new beginning. We start with a "check-in" – a ritual we are now used to – and take a moment to tune in, call out any distraction, and ensure that we are fully present for the meeting.*

*Christiane introduces herself and immediately opens the space for questions, doubts, and uncertainties. "What is the legal framework for Holacracy?", "How does Holacracy look at accountability?", "What are the steps to adopt Holacracy?", "How do we ensure the work gets done in Holacracy?", and "How do we deal with personal issues in Holacracy?" to name but a few questions we ask Christiane. She takes great care in answering each question and in doing so, without us realizing, she's already got us started on this new journey.*

*One of the first things I pick up is how Christiane talks about Holacracy as a practice. She says it's like playing a new instrument – you need to practice a lot in order to master it and it takes a while to learn to love it. Being one of the first Holacracy-certified coaches in Europe and having assisted many organizations in their transition to Holacracy, Christiane shares her observation that more often than not the most difficult part is the un-learning of some basic beliefs we've inherited. The process can be really challenging and frustrating at times – assures Christiane – yet she suggests that we stick with it for 6 months and then make an educated decision on whether to go on with Holacracy.*

*Another big topic for us, which makes us both excited and nervous, is what Christiane defines as the "separation of role and soul". Holacracy is very efficient in keeping personal and organizational tensions separate. It is a system that governs the organization*

*as such (and its interest), and not its people (neither their personal interests). At first, we feel worried that the mix of personalities that we so much enjoy having as a team will be lost forever and so will our personal relationships. Yet Christiane goes on to explain that, in fact, Holacracy respects the autonomy of people to handle interpersonal issues so much that it does not enforce rules on how to govern these. Instead, by refusing to deal with personal tensions, Holacracy ruthlessly respects the right of people to manage their personal interactions in a different space, in whichever way they find appropriate, and they can freely do so because these interactions will no longer interfere with work-related decision making. Any attempt to govern and control employees' personal expressions and interactions – says Christiane – implies the loss of autonomy to deal with these.*

*Upon reflection, I see how brilliant this is – Holacracy creates a work space where employees speak out of their functional roles and keep personal feelings at bay – a safe space which rules out power games altogether. As our colleague Aurea observed, it is "interesting how this innovative organizational structure can create space for individuals but at the same time is so straightforward and goes directly to the organization's core tensions in meetings."*

*To our relief, Holacracy achieves this notably smoothly and efficiently. Asking simple questions such as "Out of which role are you talking to me?" or "Is this your accountability?" helps us cut through the personal and keeps our relationships free from political influence and implicit expectations.*

*"By changing the decision making process and making decisions that are based from the focus of specific roles, we will ensure that we take the correct decisions for the true purpose of the organization as well as be much more flexible to the ever changing market needs," says David from our team.*

*We'll soon tell you how the rest of the workshop went – stay tuned!*

*Denitsa Marinova,  
BSL Marketing Coordinator*

*All the blogs related to Holacracy can be found here: <https://bsl-blog.org/category/holacracy/>.*

# PRINCIPLE 6 / DIALOGUE

*We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability*

## **COLLABORATORIES: ISSUE-CENTERED STAKEHOLDER ENGAGEMENT PROCESSES**

A key instrument for rich stakeholder dialogue is what we call the Collaboratory which is a facilitated space where stakeholders meet to discuss burning societal issues. For details, please follow the link [www.bsl-lausanne.ch/thought-leadership/the-collaboratory](http://www.bsl-lausanne.ch/thought-leadership/the-collaboratory)

BSL has organized several Collaboratory sessions in 2015. Here are two examples of blogs describing Collaboratory events organized by BSL in collaboration with its student council:

### **BSL HOSTS FASHION REVOLUTION COLLABORATORY Posted on October 8, 2015**

*Business School Lausanne and Fashion Revolution Suisse hosted a public discussion with the participation of thought leaders from UNI Global Union, the Kering Group, fashion supply chain and design experts, and consumer representatives yesterday October 7 at BSL. The event is part of a global **Fashion Revolution** movement which started in response to the Rana Plaza garment factory collapse in Bangladesh on 24 April 2013 causing the deaths of 1133 people. The movement aims to improve transparency and accountability and raise standards in the garment industry.*

*The event was first in a series of meetings dedicated to the preparation of an educational campaign that will span the next six months, coming into fruition on Fashion Revolution Day 2016. Fashion Revolution Day, on 24th April every year, rallies the high street, the high end, the designers, the brands, the shoppers, the media, the producers and everyone in between to ask **Who Made My Clothes**. This year, Fashion Revolution will be campaigning for the first time in French-speaking Switzerland, Suisse Romande, working across both the education and consumer sectors to raise awareness and initiate change.*

*Participants in the event shared ideas on how to reduce fashion consumption while also ensuring that human rights and transparency and accountability standards are respected in the garment industry. BSL Professors **Dr. Marina Curran** and **Dr. Arash Golnam** presented a systemic perspective on how fast fashion consumerism works and suggested questions to help generate specific ideas for impactful action.*

*See pictures from the Fashion Revolution event on 7th October 2015*

*Read a blog article about the event*



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## **BSL HOSTS PUBLIC DEBATE ON SUSTAINABLE WATER MANAGEMENT**

**Posted on Apr 30, 2015**

*A debate on sustainable water management brought together experts, practitioners and academics of different backgrounds at BSL on, April 29. The aim of debate, organized jointly by BSL and Waterlex, was to provide a platform for different viewpoints and establish an open and constructive dialogue.*

*Unlike a typical conference, the event was hosted as a “collaboratory” – an open-space method designed to generate innovative solutions to transdisciplinary problems such as reducing water usage. Dr. Katrin Muff, Dean of BSL, facilitated the multi-stakeholder dialogue which included 60 participants representing various industries in business, civil society, academia and research.*

*A broad group of experts including Carlos Carrion-Crespo (International Labour Organization), Jean-Benoit Charrin (WaterLex), James Holleran (Professor of Sustainable Tourism), Christopher Cordey (Futuratinow), and Mark Smith (IUCN), set the scene for this important discussion by sharing their perspective on facing water supply challenges.*

*“Water problems are solvable but not simple”, said Mark Smith, Director of the IUCN Global Water Programme. He expressed hope that helpful solutions can be found.*

*Participants in the debate stressed the importance of introducing a legislative framework to secure a sustainable water management. The critical role of education in the tourism and hospitality industry was another point that was addressed.*

*“Water is a system, it is complex. We should focus on problems and fix them,” commented Dr. Tobias Schmitz.*

*The event concluded with an agreement of organizing a second meeting to build on this broad discussion by focusing on specific water issues and turning collective ideas into actionable next steps.*

*Learn more about the event on [BSL’s Dean’s blog](#) and see pictures [here](#).*

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## BLOGS

BSL publishes blogs on a regular basis, most of them focusing on societal or environmental issues, as well as business schools' role in education. Here are some of the last published ones:

- [Giving Sales the position it deserves](#)
- ["Don't Learn to Do, but Learn in Doing"](#)
- [Reflection on Leading change: A BSL professor's perspective](#)
- [Food and beverage industry kicks off the 2016 BSL-SAI Platform Class](#)
- [Onto higher grounds – Holacracy at BSL after the initial 9 months of birthing](#)
- [Saving Capitalism, For the Many, not the Few](#)
- [How to Negotiate for Ethics in a Crisis: The Greenpeace-Nestlé Case](#)
- [Good Humour and Collective Intelligence – BSL Empowering Inclusion in Business](#)

The Transatlantic Blog is a BSL faculty dialogue between Dr. Katrin Muff, BSL partner and thought leader and Kathy Miller on social and environmental issues.

BSL's blogs can be read here: <http://bsl-blog.org>



*Prof. Arash Golnam and Prof. Marina Martin Curran at TEDx conference at the University of Lausanne*

## ACTIVE ENGAGEMENT IN CONFERENCES AND ASSOCIATIONS

BSL partners and thought leaders, as well as faculty members regularly participate in conferences where burning issues are discussed. They have the opportunity to advocate in this way the vision developed by 50+20 all over the world. Here is one example of a blog describing these activities:

### **BSL PROFESSORS FACILITATE AT TEDX LAUSANNE** Posted on on Feb 23, 2016

*Prof. Arash Golnam and Prof. Marina Martin Curran were invited to facilitate a theme discussion during the TEDx conference at the University of Lausanne on February 8 where they were able to showcase their research in the field of systems thinking and fast fashion. The BSL duo engaged the public by challenging their assumptions on the fashion industry, particularly on the downside of the growth of fast fashion: working conditions and environmental impacts. The apparel sector is also a great way of introducing the field of systems thinking to newcomers as it is easy for people to visualize how systems such as farming, weaving, sewing, and retail interlink.*

*Under the initiative of Prof. Marina Curran, BSL has been actively engaged in public forums and discussions on Fashion Revolution, and supports the movement in Switzerland through actively promoting ideas related to ethical and sustainable fashion.*

- [Learn more about Fashion Revolution and Fashion Revolution Switzerland](#)
- [Learn more about a BSL collaboratory on Fashion Revolution](#)
- [Listen to BSL's podcast on Fashion Revolution](#)

## CONTACT US

Business School Lausanne  
Route de la Maladière 21  
1022 Chavannes, Switzerland  
Tel +41 21 619 06 06  
info@bsl-lausanne.ch  
www.bsl-lausanne.ch

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LEADING INNOVATOR IN BUSINESS EDUCATION