

Measuring our contribution to society

THE ECONOMY FOR THE COMMON GOOD AUDIT Report

for period of January 2013 to December 2013



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BSL OFFERS A RELATIVELY SMALL, HIGHLY DIVERSE COMMUNITY, WHERE THE MAJORITY OF PROFESSORS HAVE CAREERS IN BUSINESS AND THUS THEIR LECTURES ARE ENRICHED WITH PERSONAL EXPERIENCES AND EXAMPLES THAT ARE RELEVANT TO TODAY'S BUSINESS OPERATIONS.

SOFIA NAKHMANOVICH,
MASTER'S STUDENT 2014

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MESSAGE FROM THE DEAN



BSL and the Economy of the Common Good

As part of our continuous development to integrate and embed sustainability and responsibility into everything we do, BSL made a commitment in 2013 to measure its own sustainability efforts against a holistic and relevant framework. This commitment was translated into a student led sustainability project, using the Economy of the Common Goods (ECG, www.gemeinwohl-oekonomie.org) organizational matrix. In our ambition to advance as a 50+20 prototype, the underlying principles and philosophy of the ECG provided us with an outstanding external perspective and tool to evaluate and measure our contribution to society.

Having completed both a self-assessment and an important one year improvement process involving all of our stakeholders, we are pleased to now publicly provide our results and outcomes to the ECG guidelines and principles for 2013.

It is a particular honor and pleasure to be the first audited business school and as such university level institutions world-wide to have completed both the self-assessment as well as the external audit of our ECG matrix or balance sheet. This is of course but a start, it goes without saying that continuous development and improvements are the only ways to keep up with the rapid change of the world in which we operate and live. We hope that we can provide some inspiration and motivation for others to also use the ECG matrix as a way to determine their contribution to society. To us at BSL, this has proven a significant instrument to both identify blind spots and to engage our stakeholders to collaborate in the further transformation of our organization.

Katrin Muff
Dean, Business School Lausanne

BSL AT A GLANCE

Business School Lausanne (BSL) is a leading innovator in business education and ranks 3rd in Switzerland (QS 2013-14 Top 200 Global Business Schools). The school's ACBSP accredited degree programs include BBA, Masters, full-time modular MBA, Executive MBA and DBA programs. 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 takes a pragmatic approach to learning by applying theory to practice and is backed by a multidisciplinary faculty of business professionals. BSL attracts students from around the world, creating a multicultural environment of more than 60 nationalities. Established in 1987, BSL is the co-founder of the 50+20 initiative on Management Education for the World (www.50plus20.org) in partnership with the Globally Responsible Leadership Initiative (www.grli.org) and the Principles of Responsible Management Education (U.N. backed PRME).

History of Business School Lausanne

1987: Foundation by Dr. John Hobbs

1996: Award of accreditation by ACBSP (Accreditation Council for Business Schools and Programs) for BBA and MBA programs

1996: Launch of the Executive MBA program

1997: BSL becomes member of the Lemania Group of Schools

2004: ISO 9001 Certification

2006: Reaffirmation of ACBSP accreditation for BBA, MBA and DBA

2006: Commitment to UN Global Compact ten principles

2008: Appointment of Dr. Katrin Muff as Dean

2008: Membership of Delta Mu Delta

2009: BSL restructures the MBA programs, begins online collaboration with Harvard Business Publishing, offers seminars for business professionals

2009: BSL's MBA program is ranked 40 among top European Business Schools

2010: BSL becomes a member of EFMD (European Foundation for Management Development)

2010: BSL launches new Master's programs

2010: BSL joins PRME

2011: In collaboration with the University of St. Gallen, BSL launches a post-graduate Diploma program in Sustainable Business

2012: Restructuring of the BBA program to include sustainability in each module

2012: BSL is elected to the Swiss business school in the exclusive business school network of the Kofi Annan Business School Foundation

2012: Award of accreditation by ACBSP for Master's programs

2014: BSL goes through the evaluation process of Gemeinwohlökonomie (Economy for the Common Good)

2014: BSL becomes B-Corp representative for Switzerland.

Business School
Lausanne became the
first business school
in Europe to have its
programs accredited by
the Accreditation Council
for Business Schools and
Programs (ACBSP) in
1996.

Facts & Figures

- Founded in 1987, Business School Lausanne (BSL) is a [leading innovator in business education](#) and ranks 3rd in Switzerland ([QS 2013-14 Top 200 Global Business Schools](#)). BSL is recognized as a global thought leader in advancing business education (see more on [www.50plus20.org](#)) by integrating the cornerstones of entrepreneurship, sustainability and responsibility into our curriculum, applied research and societal engagement (see [8 min. film](#), [agenda](#), or books “[Management Education for the World](#)” and “[The Collaboratory](#)” both co-authored by Katrin Muff).
- Since 2008, BSL has more than doubled its no. of students from <100 to >200 from 60 countries in 2014. It has increased its faculty from <20 to [>60 professors](#). New programs include various [Master programs](#) (between the [BBA](#) and the [MBA](#)) and [Executive programs](#) (some [co-branded with the University St.Gallen](#)). BSL has introduced a research journal for business practitioners in 2013: [Building Sustainable Legacies](#)
- Since 2010, BSL has moved to its [new location](#) and is ranked by QS among the top 200 b-schools worldwide & as [#3 in Switzerland](#) (behind IMD & Uni St.G.), creating value for its alumni & attracting future students.
- BSL has an active presence in social media: [Facebook](#), [Twitter](#), [Linked-in](#), the [Dean’s blog](#), the [Faculty blog](#), the [Transatlantic Blog](#), and bi-weekly [update videos](#). And click here to read [what students have to say](#) about BSL.
- Number of employees (full-time equivalent): 12 in the administration and the equivalent of 20 teaching staff (professors and associate professors) in the faculty, for a total of 32 employees
- Revenue: As a subsidiary of the Lemania Group, Swiss Private Schools, BSL is not in a position to share any financial information on its P&L, revenue or profit. This information can only be reviewed directly with the Lamania Group.



Areas of activities and engagement

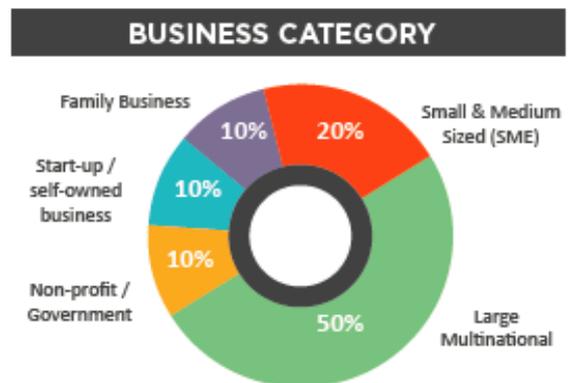
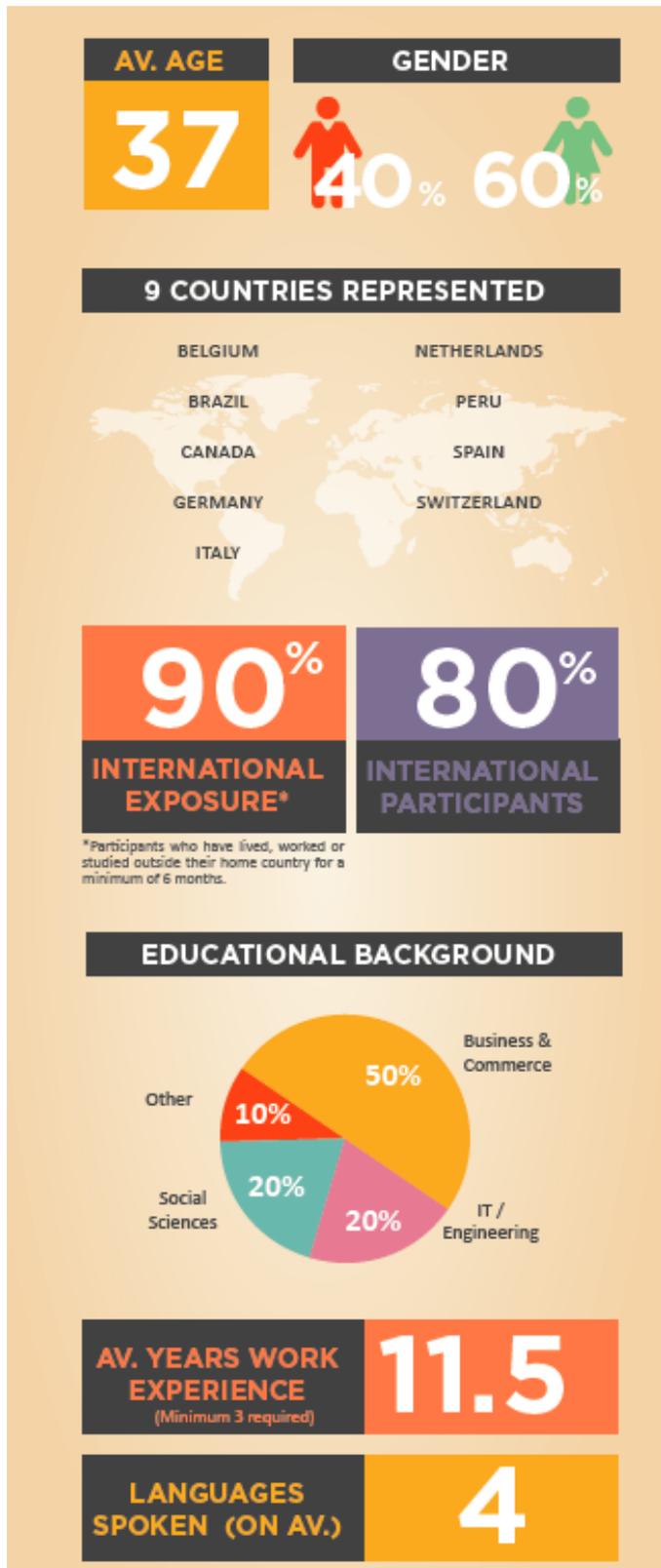
BSL offer educational services to individuals and organizations in the area of higher business education at the tertiary level, as follows:

Educational programs and target audiences (age groups)	Percentage of Revenue
Bachelor of Business Administration: for 18-24 years old http://www.bsl-lausanne.ch/programs/bachelor/bba/home	30%
Masters degrees (Master of Arts in International Business and Master of Science in International Finance): for 22-28 years old http://www.bsl-lausanne.ch/programs/masters	30%
Full-time and part-time MBA: 28-40 years old http://www.bsl-lausanne.ch/programs/mba/mba/home	7%
Executive MBA: 32-60 years old http://www.bsl-lausanne.ch/programs/executive-education/executive-mba/home	8%
MBA and EMBA in Sustainable Business: 25-55 years old http://www.bsl-lausanne.ch/programs/mba/mba-in-sustainable-business/home	10%
Diploma in Sustainable Business (with University of St. Gallen): 25-60 years old http://www.bsl-lausanne.ch/programs/executive-education/diploma-in-sustainable-business/home	7%
Executive training tailor-made for companies http://www.bsl-lausanne.ch/programs/executive-education/management-seminars/home	5%
Doctoral in Business Administration http://www.bsl-lausanne.ch/programs/doctorate/dba/home	3%
TOTAL	100%

As an example, please find below the mix of the 2013/14 graduating students by program and gender:

2013/14 Graduates overview	Graduated	% Female	% Male
Bachelor of Business Administration	10	50%	50%
Masters degrees	11	45%	55%
Full-time and part-time MBA	12	50%	50%
Executive MBA	13	46%	54%
MBA and EMBA in Sustainable Business	14	50%	50%
Diploma in Sustainable Business (with the University St. Gallen)	15	47%	53%
Executive training tailor-made for companies	16	50%	50%
Doctoral in Business Administration	17	47%	53%
Total	108	48%	52%

Another example is the cultural diversity of any BSL class. Here as an example, the 2013/14 class profile of the Sustainable Business Diploma Program:



All other class profiles can be accessed here: [Bachelor / BBA](#), [Master programs](#), the [MBA](#) and [Executive programs](#) (some [co-branded with the University St.Gallen](#)) and the [DBA](#) program.



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BSL HAS ENCOURAGED ME TO LOOK AT EVERYTHING FROM A VERY DIFFERENT PERSPECTIVE.

ALEXEY IVASHCHUK,
MASTER'S STUDENT 2014

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OUR MISSION, VISION AND VALUES

As a leading innovator in sustainable business education, the intention of BSL is to continue on its transformative journey to become a role model business school that makes a significantly positive impact on society and the planet in three domains that it can influence:

- a) Education
- b) Research that matters
- c) Societal engagement.

For this BSL has created, collectively with representatives of all stakeholders, a new mission. In 2013 BSL revisited its existing values together with a team of students to comprehend if and how there was a need to adapt these to a new mission. The outcome was that BSL re-aligned six of its values around three underlying cornerstones.

This BSL mission emerged as a result of many planted seeds over the past years and will continue to develop and evolve into new commitments and projects. Each and every stakeholder of BSL generates, contributes and engages in these commitments. As the BSL vision continues to grow, additional elements will contribute to reshaping BSL. The intention, behavior and actions of all associated stakeholders represent the emerging story of who BSL as a community are becoming.

BSL Vision

As a **leading innovator in business education**, BSL are committed to:

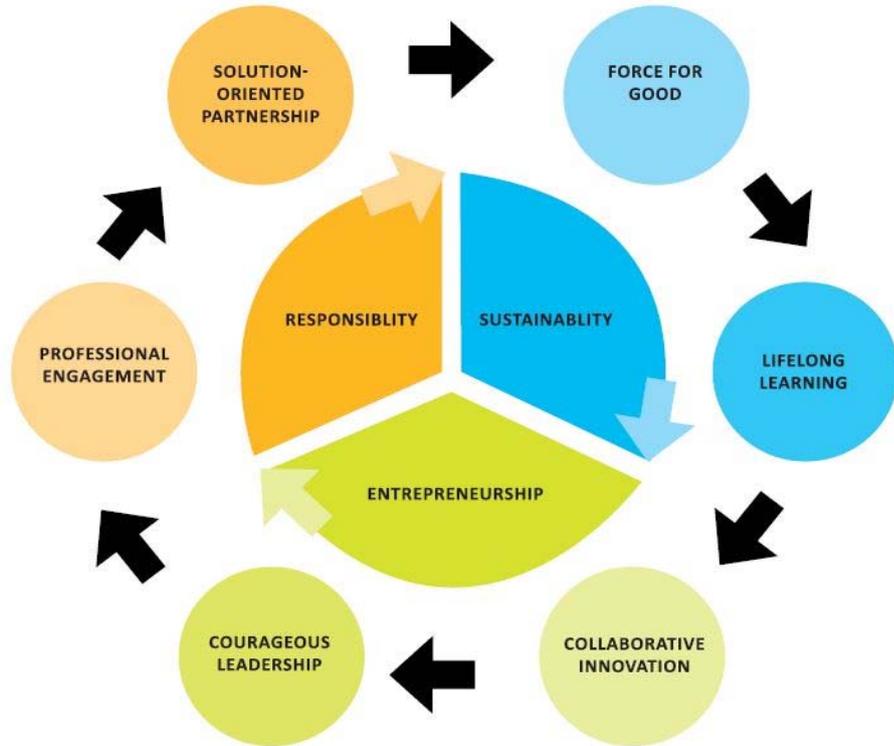
- Contributing to a sustainable world through responsible leadership
- Embracing it's responsibility as management and business educators
- Educating and developing leaders able to deal with global challenges in the coming decades
- Providing a think tank of applied and future-oriented research to resolve burning issues in society that can be resolved by business
- Participating in the public debate to transform the economic system

BSL Mission



**TO PROVIDE A LEARNING PLATFORM THAT ENABLES INDIVIDUALS
& ORGANIZATIONS TO THRIVE BY CO-CREATING VIABLE BUSINESS
SOLUTIONS FOR OUR PLANET AND ITS PEOPLE.**

BSL Values



The three Cornerstones of the Mission

It is BSL’s 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) is the single biggest educational challenge for business schools in the coming decades. To achieve this multi-dimensional transformation, BSL builds its educational approach on the three cornerstones: responsibility, sustainability and entrepreneurship.

<p>RESPONSIBILITY</p> <p>We reflect on and embrace our responsibility as individuals for both society and the business community we serve, which includes questioning the way business has been considered traditionally so that we may achieve our collective societal mission.</p>	<p>SUSTAINABILITY</p> <p>We explore all reasonable means by which organizations not only profitably reverse their footprint, reduce societal distress and avoid the depletion of our planet’s resources, but indeed provide a positive contribution to the environment and society, now and in future.</p>	<p>ENTREPRENEURSHIP</p> <p>We take courage in enterprising new and provocative ideas that, small or large, lead us closer to achieving our mission. As such, we engage in replacing the quest of maximizing monetary value with a balanced view of creating social, environmental & economic value that matters.</p>
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AS I'VE ALREADY STUDIED IN A MUCH LARGER UNIVERSITY, I CAN TELL THAT THERE IS A LOT MORE OF COMMUNITY ENGAGEMENT. AS THE CLASSROOMS ARE SMALLER, THERE IS A MUCH MORE PERSONALIZED CONNECTION BETWEEN PROFESSORS AND STUDENTS, WHICH MAKES THE LEARNING EXPERIENCE A LOT MORE VIBRANT.

LAURA ZSAKY, BACHELOR STUDENT, 2014

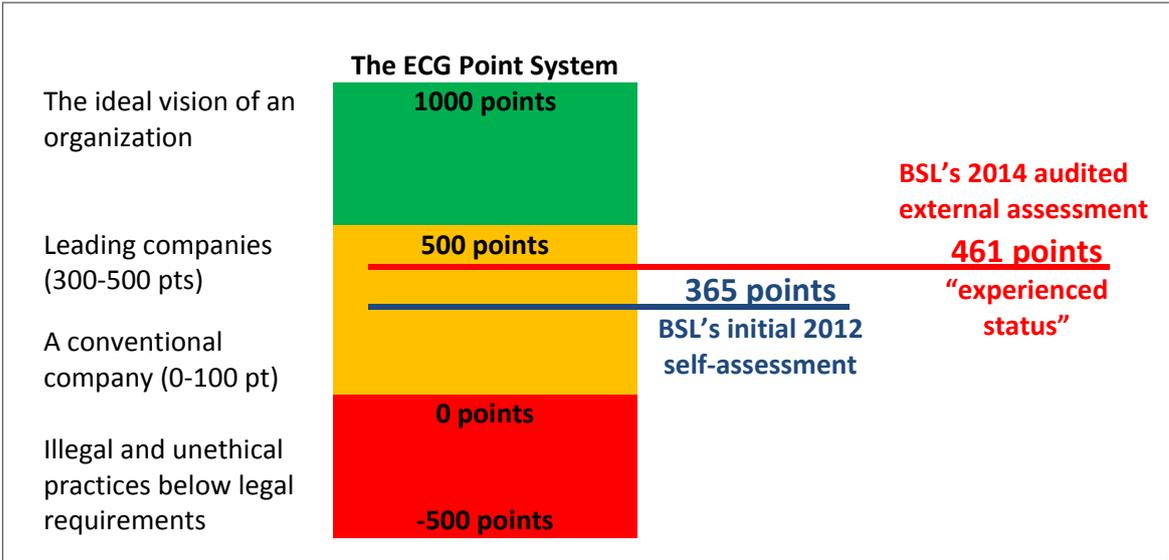
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MEASURING OUR CONTRIBUTION TO SOCIETY – THE ECONOMY FOR THE COMMON GOOD MATRIX

The analysis of the Economy of the Common Goods (ECG) and the related matrix enabled BSL to identify a number of so-called “blind spots”. These areas which so far had not been in the strategic focus of our school created the foundation for very inspiring and enriching discussions among representatives of our stakeholders: our students, alumni, professors, parents, companies and our administrative staff. The discovery of these “blind spots” proved to be a powerful transformative tool in our journey of change.

BSL was seeking to implement the Common Good Matrix (CGM) (<https://www.ecogood.org/>) as an assessment and reporting tool complementing the existing financial reporting and balanced score-card. By using the guidelines set out by the Economy of the Common Goods framework, we have been able to quantify and thus evaluate and start monitoring the most important societal values: human dignity, solidarity, sustainability, justice and democracy. BSL was formally audited by a representative of the ECG audit team in July 2014, based on Version 4.1 of the GUIDELINES FOR THE COMMON GOOD REPORT with the purpose to evaluate its findings, progress and improvements in the above 5 areas of societal value generation during the year 2013.

While it was clearly not our objective to attempt to score as high a value as possible, we were most pleased with the assessment and the improvements the BSL community had managed to accomplish in the 2013 period. Most importantly, the audit confirmed that BSL’s contribution towards the Common Good has extended far beyond its legal obligations. This was established by evaluating BSL through the ECG point system. The ECG point system is based on an ideal vision of exemplary companies receiving a maximum of 1000 points. Conventional companies would be scoring in the range of 0 and 100 points. A rating above zero means that a company provides a positive impact to the Common Good beyond the legal baseline.



In 2012, the BSL initial self-evaluation scorecard was set at **365 points**. Following an 1-year internal student-led project, a second enhanced and improved self-evaluation was conducted in early 2013 after having identified and worked on four main so-called “Blind Spots”. These blind spots were enhanced through the implementation of 9 Green Team projects. As a result, the audited result of BSL in July 2014, established BSL with an improved total of **461 points**.

The auditors thus accorded BSL the status of an **“experienced organization”** in terms of contributing value to society and the Common Good. Here is the official audit report summarizing the 461 points and highlighting the points achieved across all 18 ECG Matrix Criteria:

BSL audit result as % of max. points available			
SUPPLIERS	A1 Ethical Supply Management	20%	
INVESTORS	B1 Ethical Financial Management	10%	
STAFF, INCL. OWNERS	C1 Workplace quality & affirmative action	40%	self-assessed: 33%
	C2 Just distribution of labor	50%	
	C3 Promotion of env. friendly behavior of employees	40%	self-assessed: 33%
	C4 Just income distribution	80%	
	C5 Corporate democracy & transparency	20%	self-assessed: 22%
CUSTOMERS / PRODUCTS / SERVICES / BUSINESS PARTNERS	D1 Ethical customer relations	60%	self-assessed: 33%
	D2 Cooperation with businesses in same field	50%	
	D3 Ecological design of products and services	60%	
	D4 Socially oriented design of products and services	50%	
	D5 Raising social and ecological standards	80%	
SOCIAL ENVIRONMENT	E1 Value and social impact of products and services	70%	
	E2 Contribution to the local community	50%	
	E3 Reduction of environmental impact	30%	self-assessed: 7%
	E4 Investing profits for the Common Good	50%	
	E5 Social transparency and co-determination	30%	
NEGATIVE CRITERIA		0%	

The yellow areas show the 5 selected “blind spots” we had our Green Teams work on.

CERTIFICATE : AUDIT

COMMON GOOD for Business School Lausanne
BALANCE 2013 Auditor Manfred Kofranek



STAKEHOLDER	VALUE	Human dignity	Solidarity	Ecological Sustainability	Social Justice	Democratic Co-determination & Transparency
A) Suppliers	A1: Ethical Supply Management					20 %
B) Investors	B1: Ethical Financial Management					10 %
C) Staff Incl. Owners	C1: Workplace quality and affirmative action	40 %	C2: Just distribution of labor	C3: Promotion of environmentally friendly behavior of employees	C4: Just income distribution	C5: Corporate democracy and transparency
			50 %	40 %	80 %	20 %
D) Customers / Products / Services / Business Partners	D1: Ethical customer relations	60 %	D2: Cooperation with businesses in same field	D3: Ecological design of products and services	D4: Socially oriented design of products and services	D5: Raising social and ecological standards
			50 %	60 %	50 %	80 %
E) Social Environment: Region, sovereign, future generation, global fellow human beings, animals and plants	E1: Value and social impact of products and services	70 %	E2: Contribution to the local community	E3: Reduction of environmental impact	E4: Investing profits for the Common Good	E5: Social transparency and co-determination
			50 %	30 %	50 %	30 %
Negative Criteria	Violation of ILO norms (international labor standards) / human rights	0	Hostile takeover	0	Unequal pay for women and men	0
	Products detrimental to human dignity and human rights (e.g. landmines, nuclear power, GMO's)	0	Blocking patents	0	Job cuts or moving jobs overseas despite having made a profit	0
	Outsourcing to or cooperation with companies which violate human dignity	0	Dumping Prices	0	Subsidiaries in tax havens	0
				Planned obsolescence (short lifespan of products)	0	Equity yield rate >10 %
					Non-disclosure of subsidiaries	0
					Prohibition of a works council	0
					Non-disclosure of payments to lobbyists	0
					Excessive income inequality within a business	0

This certification confirms the audit of the common good report. The certificate refers to the common good matrix 4.1. Detailed information concerning the matrix, the indicators and the audit system can be found on www.economy-for-the-common-good.org

BSL’s self-identified “Blind Spots” and the creation of our Green Team

Based on the Self-evaluation and Scorecard results, the Blind Spots found were prioritized for quick implementable, low hanging and value added improvements. In order to streamline these findings, the so called ‘Green Team’ was created, consisting of faculty, students and stakeholders. The main focus of the Green Team initiatives covered the following blind-spots:

ECG INDICATOR	Green Team initiative	Initial Score (in %)	Final audited Score (in %)
C1 – Job quality and Equality	<ul style="list-style-type: none"> ▪ BSL Vision and Mission ▪ Working from home ▪ Introduction of flex time 	33%	40%
C3 - Advancing and demanding eco-friendly behavior	<ul style="list-style-type: none"> ▪ Visual Communication plan ▪ BSL Footprint ▪ Energy saving ▪ Recycling ▪ Public transport ▪ Healthy and organic nutrition 	33%	40%
C5 - Transparency and co-determination	<ul style="list-style-type: none"> ▪ No specific action taken 	22%	Work in progress
D1 - Ethical sales	<ul style="list-style-type: none"> ▪ BSL Vision and Mission 	33%	60%
E3 – Reduction of Impact on the environment	<ul style="list-style-type: none"> ▪ BSL Footprint ▪ Energy saving ▪ Recycling 	7%	30%

The following pages show in detail what these individual criteria mean, how BSL performed on these and what action the Green Team members took (see below a picture of the kick-off session for the Green Teams).



Top: Fred Narbel, Massimo Baroni, Olivier Brenninkmeijer, Caroline Rennie, Alkis Tsiklis, Veronique Sikora, Denitsa Marinova, Nick Blake, **Bottom:** Edgar King, Anna Kocziak, Giovanni Facchinetti, Franzisa Klaus, Stefan Egloff

Obviously, much more work is needed in the coming years. We look forward to continuing our journey.

**HOLISTIC
PERSPECTIVE**



**CULTURAL
MILIEU**



Enriching



**REAL-LIFE
EXPERIENCE**



**Tailored to
students'
interests**



**RELEVANT TO
TODAY'S
BUSINESS
WORLD**



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MY BSL EXPERIENCE SO FAR HAS BEEN ENGAGING, INTERACTIVE,
PRACTICAL, AND ENRICHING.

UNMUKT GOEL, MASTERS STUDENT 2014

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EVALUATION OF THE 18 ECG MATRIX CRITERIA

The 18 criteria fall into the main 5 stakeholder groups as outlined in the previous section.

SUPPLIERS

A1 ETHICAL SUPPLY MANAGEMENT

Consideration of regional, ecological and social aspects or superior alternatives

List of most important externally procured products / services in % terms of expenditures:		
Building rent including all related cost	10%	No direct influence
Marketing and communication	6%	See ethical marketing
Student related teaching and IT cost	6%	Organic & locally sourced food, if possible e-books
Office material and IT equipment	5%	Energy efficiency of IT equipment, recycled paper
Soft- and hardware requirements	5%	Open source software (for CRM system)
Alumni support, networking & conferences	4%	Minimizing travels in benefit of online webinars
Membership, Library & Journal subscriptions	2%	Focus on sustainable literature, library and journals
SUM OF THE ABOVE = Externally sourced	38%	Action taken for environmental & social aspects
Internally sourced (salaries & services)	62%	The majority costs are in BSL human potential

In this self-assessment BSL has taken regional, social and ecological aspects into consideration where possible. There is however limited influence on some of the important cost positions, such as sourcing of knowledge for sustainable theory and practices. BSL has in this initial phase not yet taken any comprehensive risk assessment or evaluation on price incentive schemes for the long term relations with some of its suppliers.

➔ *No Green Team was formed here as improvements in this criteria was not deemed a priority*

INVESTORS

B1 ETHICAL FINANCIAL MANAGEMENT

Given the ownership structure of BSL, there are limited possibilities for BSL in reporting externally on its financials. BSL is part of the Lemania Group of Private Swiss Schools, a 100+ years private family business, that does not reveal its financials externally and integrates the results of all subsidiaries in its annual accounts which are shared with its family shareholders only.

BSL has no external financing requirements, and is requested to use the conventional financial service providers of its parents. Alternatives to its current practices are being evaluated and considered by the owners. Any BSL cash surplus and profits are transferred and managed by its owners who acts as a Not-for-profit organization and carefully manages the group funds among its 13 member schools.

➔ *No Green Team was formed here as improvements in this criteria was not deemed a priority*

C1 WORKPLACE QUALITY AND AFFIRMATIVE ACTION

Classification of entire workforce according to group of employees, status and gender

Groups of employees

- Teaching staff 50%
- Administrative staff 40%
- Research staff 10%

Types of contracts

- Long-term contracts 50%
- Annually renewed contract 35%
- Independent consultants 15%

Gender	Admin	Management	Faculty	Total
Male	40%	50%	70%	55%
Female	60%	50%	30%	45%

➔ *A Green Team was created here to further improve elements of this important criteria*

BSL’s culture is perceived as very good by its stakeholders and its staff in particular. There are frequent teambuilding events among the staff, a newly established working-from-home concept, ergonomic self-managed flexible work time, with many other drivers that enhance the culture at BSL.

Fair employment and payment policies are considered BSL’s first and foremost responsibility to the management. There are a number of performance related bonuses to motivate both teaching faculty and staff teams to work in service of the common interest of the school.

C2 JUST DISTRIBUTION OF LABOR

Reduction of normal working time

At BSL, nobody works overtime – an explicit objective of the management team. They work closely with every employee and faculty member to ensure that the workload can be fully assumed within the normal working hours. If and when an event takes place, either in evenings or weekend, everybody compensates for these extra hours in the following weeks to ensure avoidance of accumulated fatigue or potential burn-out symptoms.

As part of our regular business programs, self and time management form an integral part of our mandatory offer to students. The administrative staff can benefit at any time during their working hours to attend such courses for free. Furthermore, BSL organize one to two training sessions for the faculty and the staff on a variety of personal development topics. These are always for free and within the working hours. BSL has different working models and contract types available to coincide with every staff or consultant specific requirements.

➔ *No Green Team was formed here as improvements in this criteria was not deemed a priority*

C3 PROMOTION OF ENVIRONMENTALLY FRIENDLY BEHAVIOR OF EMPLOYEES

➔ *A Green Team was created here to further improve elements of this important criteria*

Nutrition during working time

The BSL Green Team has been evaluating options to **provide healthy and organic nutrition** at BSL, and has successfully implemented this throughout the latter part of 2013. With the new process and restoration options available, there are no longer any unhealthy meals provided by or through BSL and students can order their responsible lunches via the BSL implemented platform.

Mobility to workplace

Another BSL Green Team evoked and reviewed several ideas and concepts to improve the mobility to the workplace for staff and for students. In principle 6 sub-projects were reviewed following the self-evaluation and creation of the Green Teams. These were:

- Mobility - Potential to site Mobility Co-operative shared cars in BSL's car park.
- Electric car charging stations- Combination of sourcing energy from a renewable source and providing that energy to owners of zero-emissions vehicles.
- CFF & Mobilis- Possibility of obtaining reduced-cost public transport subscriptions for students, staff and faculty.
- Car park barrier- Initial idea to restrict access to the car park to holders of permits that BSL would sell - using the proceeds to provide free/subsidized public transport subscriptions.
- Publibike - Siting of shared bikes at BSL - potentially removing some car park spaces to do so

BSL has a high awareness regarding Mobility due to the impact of its own foot-print. A specific Mobility project is ongoing and is continually reviewed and monitored, adapting and improving for staff and students in general. We are not quite as far we wish in this area.

C4 JUST INCOME DISTRIBUTION

Income divergence in the company

BSL's salary spread between the highest and the lowest salary range is at a ratio of under 1:3. The wages guarantee living wages and comply with all the Swiss regulations. The program management ensures that all faculty is paid according to the same modular fee structure, thus not providing preferential treatment to anybody.

Yet, the management recognizes that more transparency is required (nothing is published). The right actions are implemented, the communication is missing.

➔ *No Green Team was formed here as improvements in this criteria was not deemed a priority*

C5 CORPORATE DEMOCRACY AND TRANSPARENCY

Degree of transparency & co-determination concerning fundamental decisions

BSL hold weekly open forums on a number of items:

- Operational or administrative issue
- Updates of potential students interested in BSL programs, their origin and quality
- Cost of purchases in any domain, and purchasing decisions
- Business strategy and vision
- Hiring of new employees – all concerned in the team are part of the interviewing and decision-making process
- Decisions related to budget cuts

There is a high degree of transparency and open discussions; however there is still a requirement for more codetermination of the appointment of executives and management decisions.

→ A Green Team was created here to further improve elements of this important criteria

BSL are currently evaluating the introduction of Holocracy at BSL in 2015. For this, BSL is considering appointing an appropriate coach and provide the organizational capacity to do so.

CUSTOMERS / PRODUCTS / SERVICES / BUSINESS PARTNERS

D1 ETHICAL CUSTOMER RELATIONS

Extent of customer co-determination / joint product development / market research

Program development: BSL involve broad external stakeholders in any new program developed, including, students and alumni, and members from other universities.

Study program choices: BSL co-develop the 2nd part of the MBA and the Executive program, namely all elective courses together with our MBA and E-MBA students: this means that each cohort (class) sits together twice a year and determines which 5 electives they would like to take next semester (including courses they formulate themselves and for which BSL find professors).

Students of our two Master programs have total freedom in the choice of their specialization track which takes 50% of the entire program duration. A Master in Finance can specialize not only in finance topics but also in Sustainable Entrepreneurship, Marketing, Consulting or HR & Psychology; a Master in International Business can specialize in just about everything imaginable.

→ A Green Team was created here to further improve elements of this important criteria

The ethical sales policies, values and vision play a very important role in BSL's customer relations. The Green Team focused on translating the vision into a mission and embraced a 5 months multi-stakeholder process for this. There is a very good transparency on all BSL products, and has a very well established feedback process.

D2 COOPERATION WITH BUSINESSES IN SAME FIELD

Disclosure of information + passing on of technology

Research and education are interesting double-edged areas of sharing information in a cooperative way and withholding information in order to protect a presumable competitive advantage. As BSL has decided to apply its innovation power in service of society (our new mission), BSL have also made the following quite unusual decisions relative to information disclosure and sharing:

- BSL openly share anything we develop here internally, in particular BSL are committed to writing about its pedagogical and curriculum innovations and sharing what is learned openly and freely with any other business school or university
 - o **Example:** our current world-class practice in “Integrating Sustainability Across Entire Business Programs: Evaluating the Implementation of Integrating Sustainability & Responsibility Across the BSL Bachelor in Business Administration (BBA) Curriculum” freely available here:
<http://papers.ssrn.com/abstract=2418210>
- BSL collaborates with any university interested in its experience in research, education or societal engagement (the three roles of management education). BSL do at least 4 to 5 of such events per year upon request.
 - o **Example:** BSL’s Dean spoke at the Polytechnic University of Hong Kong in July 2014 to help set up their 50+20 vision project, including the facilitation of their collaborative event.
- BSL co-developed innovative programs with relevant university partners:
 - o **Example:** BSL shared the development of the world-class Executive Program in Sustainable Business with the University of St. Gallen and the World Business Council in Sustainable Business (WBCSD) and have since co-operated in the program once a year
- BSL is part of AVDEP, the Swiss Private School Association, and as such participates in annual cooperative marketing and awareness of the services by its members.

➔ *No Green Team was formed here as improvements in this criteria was not deemed a priority*

D3 ECOLOGICAL DESIGN OF PRODUCTS AND SERVICES

In ecological comparison to Products/Services of competitors or alternative, products/service have equal utility

BSL is leading by example on its products and services though:

- Integrated & embedded sustainability & responsibility in all programs (bachelor, master, E/MBA, doctorate)
- Developed sustainability centered specialty programs: the Executive Program in Sustainable Business, the MBA in Sustainable Business, the Executive MBA in Sustainable Business and the Doctorate in Sustainable Business
- Cross-functional “green teams” that work on the key transformative elements at BSL

BSL’s premises have been located in a very strategic location, where there is convenient and good accessibility to public transport. There is very active communications on all ecological aspects, and this is driven through an extensive marketing communication plan.

➔ *No Green Team was formed here as improvements in this criteria was not deemed a priority*

D4 SOCIALLY ORIENTED DESIGN OF PRODUCTS AND SERVICES

Facilitation of access to information / products / services for disadvantaged customer groups

Year-on-year BSL has grown and enlarged the scholarship fund in order to invite students from less privileged background to join BSL. Today, BSL has the ability to offer some type of a scholarship to 15% of our students.

BSL are the unique and selected Swiss school of the Kofi Annan Business School (KABS) Network: this commitment has BSL invite students from developing countries to come to Switzerland and study with for free including accommodation and travel.

The BSL building is only partially wheel-chair accessible for the physical impaired. Discussions are ongoing to have the building owner investment to make such changes.

BSL welcomes students with learning and other disabilities and accommodates them in our programs. BSL is currently supporting a significantly speaking-impaired student and has a dyslectic student graduate form the EMBA.

➔ *No Green Team was formed here as improvements in this criteria was not deemed a priority*

D5 RAISING SOCIAL AND ECOLOGICAL STANDARDS

Introduction of Sustainability and Responsibility into all of our business programs

The future responsible leaders we want our graduates to become need to develop a variety of skills and competencies to be able to bring the required changes in the way of doing business. These include a global, holistic, long-term and visionary perspective, which will allow students to question the current dominant business paradigm, such as the exclusive focus on shareholder value. As important as this ability to see the big picture is, the capacity to drive change, to motivate people and to align all efforts of a company towards new goals, is a result of awareness among students and future leaders of the skills they will need. These are mostly soft skills that can only be developed if they are regularly practiced during the students' studies. They are necessary to enable our students to implement what they learned in their future companies and thus become change leaders.

To achieve this goal, we have:

- Introduced new modules at BSL like Effective Self-Management or Solving Big Problems in the BBA program, Strategic and Systemic Thinking in the Master's program or Solving Big Sustainability Challenges in the MBA program
- Completed the restructuring of all our programs, with the integration of an element of sustainability in each module. Sustainability and Responsibility are now an integral part of each single syllabus
- Hired 50 new part-time based professors sharing our values and our deep concern for sustainability in the last two years.

BSL is highly active in this domain, having been one of the co-initiators of the 50+20 project (www.50plus20.org) which created a radically new vision for management education in an 18-month global multi-stakeholder process.

BSL is also member of the Globally Responsible Leadership Initiative (www.grli.org), as well as PRME (www.unprme.org) – where we print a bi-annual sustainability report (link here for the latest report: http://www.bsl-lausanne.ch/wp-content/uploads/2014/10/PRME_2014.pdf). See also E1.

➔ *No Green Team was formed here as improvements in this criteria was not deemed a priority*

The audit suggests that BSL's range, scope and depth of activities can be regarded as high.

SOCIAL ENVIRONMENT

(region, sovereign, future generation, global fellow human beings, animals and plants)

E1 VALUE AND SOCIAL IMPACT OF PRODUCTS/SERVICES

Ecological and social comparison of products / services with alternatives of similar final benefit

There are only voluntary benchmarks in this domain, however BSL has been active in setting the global standard for the social and environmental benchmark for management education with the Vision 50+20 (www.50plus20.org) which includes also the book "Management education for the world" with includes BSL Dean Katrin Muff as lead author (http://www.e-elgar.co.uk/bookentry_main.lasso?id=15445).

Another more accessible standard is the Principles of Responsible Management Education (www.PRME.org) where BSL is a member. PRME has been a partner in the development of the 50+20 vision.

A very important organization in this space is the Globally Responsible Leadership Initiative (www.GRLI.org) – also a partner in the 50+20 Vision – where BSL is a member and BSL Dean Katrin Muff is serving on the GRLI board.

BSL serves several basic needs of the students: basis for economic survival, education, community. BSL is setting benchmarks concerning content of courses (see D5 regarding the world-wide unique embedding of sustainability and responsibility across all courses).

➔ *No Green Team was formed here as improvements in this criteria was not deemed a priority*

E2 CONTRIBUTION TO THE LOCAL COMMUNITY

Strategy for sustainable, responsible courses in region

BSL Green Team has made considerable progress by finding the possible contribution for the local community and there by further enhancing the potential services. Consultancy for local companies, Collaboratory with important stakeholder engagement process are all part of this is a long term project, where the objectives have been set as follows:

- Tailor-made courses
- Development of company culture
- Coaching and steering of implementation process
- Stakeholder Dialogue
- Applied Education
- Enabling practical knowledge transfer
- Implementation Empowerment

➔ *No Green Team was formed here as improvements in this criteria was not deemed a priority*

E3 REDUCTION OF ENVIRONMENTAL IMPACT

Management and strategy

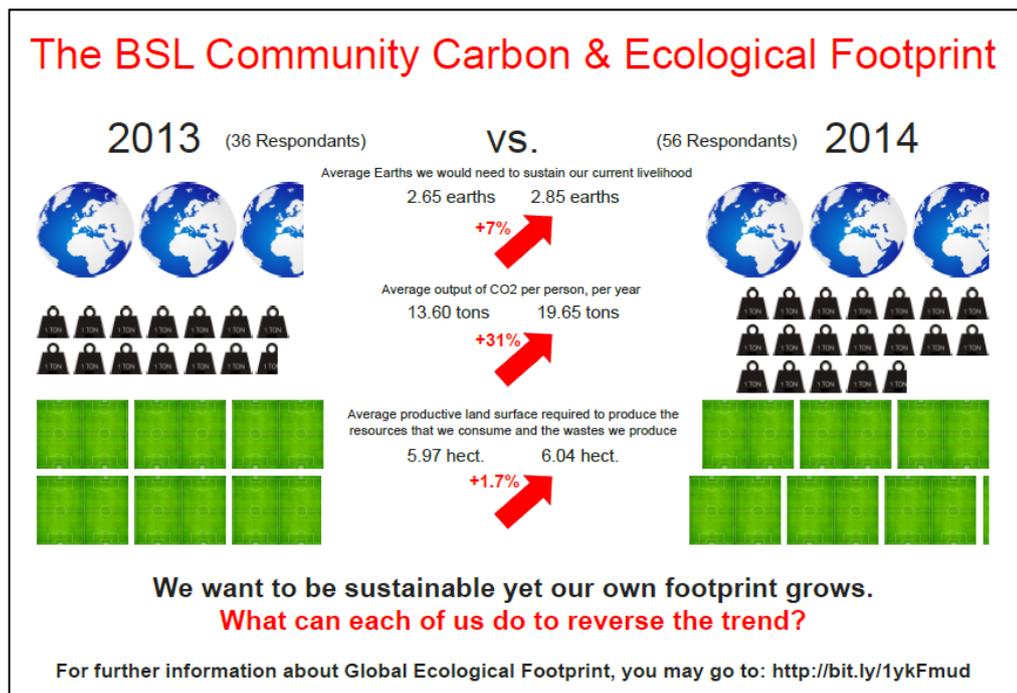
→ A Green Team was created here to further improve elements of this important criteria

Measuring the footprint of each BSL member (students, faculty, staff, key suppliers and stakeholders)

In 2013 BSL Green Team set out to understand the impact the school has on the planet by initiating members of BSL to measure their footprints. Students, faculty and staff took part by visiting the Carbonfootprint.com and Footprintnetwork.com websites, and other calculators, to calculate and measure their footprints from two different angles. The conclusion was that BSL's highest consumption of CO₂ is due to commuting to and from Business School Lausanne by students and suppliers' footprints.

The conclusion was that BSL could not address all these elements at this time in the change process, but is committed to consider its impact going forward.

As the graph below shows, the footprint of the BSL community actually deteriorated from 2013 to 2104. We are using this information in a big info-graph to alert and challenge all of our community members on their personal responsibility and action in this important domain.



Recycling at BSL (students, faculty, staff, key suppliers and stakeholders)

The Green Team led Recycling consultants found a large impact on the BSL environment of waste and worked vigorously to improve the perception by staff and Students. The reduction and impact was evaluated through the various existing issues, research and then implemented the uncovered solutions.

To become a role model for our stakeholders, we have improved recycling in the school in the last two years: paper, glass, aluminum and tin are now collected separately. We distribute re-usable bottles to all the new students, staff and faculty members and don't use plastic cups anymore. We also have upgraded

lighting in the school. To sensitize students and other stakeholders to the limits of the planet we have started last year to ask all our stakeholders to measure their carbon footprint on an annual basis.

- PET, paper, glass and plastic recycling was tackled through implementing specific receptacles/bins on every floor of the building.
- Plastic drinking cups were eliminated and replaced with reusable water bottles supplied by SIGG.
- Coffee capsules were recuperated in every classroom in donated tupperware bins.

BSL has also set out a strategy with regards to its Energy savings. The data collection has been carefully compiled and finalized, with multiple actions and decisions to be taken.

E4 INVESTING PROFITS FOR THE COMMON GOOD

Use of profits oriented to the common good

BSL is part of a Swiss Private School Group (the Lemania Group of Swiss Private Schools) which has a not-for-profit orientation statues. All profits are reinvested in the group to serve the continuous development of providing relevant education from kinder garden to post graduate students.

➔ *No Green Team was formed here as improvements in this criteria was not deemed a priority*

E5 SOCIAL TRANSPARENCY AND CO-DETERMINATION

BSL cares much about transparency and co-determination. This is shown previously in the way we make decisions with our faculty and our staff, and how we co-create programs with our stakeholders (businesses and others). There are two main domains in this sector for us:

- Active communication towards stakeholders: we have come to define a valuable stakeholder relationship not only as pure one-way communication but as an active and engaged dialogue with stakeholders on subjects that matter to them or us, or even better: to both of us.
- Communication of what we do at BSL and our ongoing journey is key to us: as such we issue a bi-annual Sustainability Report (http://www.bsl-lausanne.ch/wp-content/uploads/2014/10/PRME_2014.pdf) and we will also publish this ECG audit in addition to the ongoing communication of all of our ECG Green Team projects and intermediary results.
- We have created our own process which we call the “Collaboratory” (see book published below):



A new book co-written and edited by BSL's Dean Dr. Katrin Muff empowers ordinary people to make a difference in the world. The book, entitled “*The Collaboratory: A Co-creative Stakeholder Engagement Process for Solving Complex Problems*” (Greenleaf Publishing, July 2014), explores the transformation that emerges when groups spread around the world working on similar issues, discover synchronicities, often cross-pollenating, and collaborate rather than compete. A collaboratory is a facilitated space where stakeholders meet to discuss burning societal issues. There is an online space for the global change community and invite everyone to contribute comments and ideas at <http://collaboratorybook.wordpress.com/>. **Copies of the book can be purchased online on the publisher's website: [click here](#).**

➔ *No Green Team was formed here as improvements in this criteria was not deemed a priority*



“

THE EASY ACCESS TO PROFESSORS AT BSL ALLOWS FOR STRONGER INTELLECTUAL GROWTH AND THE PRACTICAL APPROACH TO BUSINESS EDUCATION CONTRIBUTES TOWARDS OUR PROFESSIONAL DEVELOPMENT.

ANDILE DYONASE, MASTER'S STUDENT, 2014

”

MOVING FORWARD

This report is but a very short and incomplete look “through the keyhole” of what is going on at BSL. We are one of those organizations who are better in doing than in reporting about it. Also, there is significant information in our PRME report (see earlier references) which we have not recited in this report to avoid overlap and redundancy for readers.

What is clear for us is the following: we have embarked on a journey towards adding significantly more value to our stakeholders, our community and society, to all sentient beings at large, thus to the Common Good. This journey is never completed and what matters most is to have started it.

In the past six years, since we have started to embrace sustainability and responsibility as two of our key cornerstones at BSL, we have come a long way and we are proud today to have most of our stakeholders enthusiastically engaged in walking this journey with us.

Much more to be done – and this in a co-creative process, not dictated top-down. Thus the following list is short and incomplete.... The next staff, faculty or student council meetings will reveal already next and more important emerging themes.

BSL short-term goals (1-2 years)

To pursue the implementation of the Common Good Economy through:

- Creating awareness among all of BSL stakeholders for the responsibility of its contribution to the Common Good
- Creating the spirit of transformation within the organization through the creation of stakeholder teams further resolving identified and new blind spots.

BSL long-term goals (3-5 years)

Further implementing the common good economy by:

- Transforming BSL into a role model business school that embraces its societal and planetary responsibility
- Initiating additional and new activities that further enlarge and expand the BSL mission to serve as a custodian of society.



“Studying at BSL makes you feel that you belong to a community that aims for a better change, rather than being just another student”

**Grace Tan,
MBA student,
2014**

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