

# **CEEMAN SURVEY**

## **Management Education: Corporate Social Responsibility and Poverty**

### **Executive Summary**

By Al Rosenbloom, Dominican University, River Forest, IL, USA  
and Milenko Gudić, IMTA Director, CEEMAN, Slovenia

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Dear Colleagues and Friends,

I have a great pleasure of sharing with you the results of the CEEMAN Survey on Management Education: Corporate Social Responsibility and Poverty.

The survey was designed by Al Rosenbloom, Dominican University, River Forest, IL, USA, and Milenko Gudić, IMTA Director, CEEMAN, Slovenia, long before the breakout of the deep global crisis and carried out when its symptoms became evident. It was carried out in November 2008 in the context of CEEMAN continuous efforts to contribute to the development of responsible leadership, including through the promotion and implementation of the Principles of Responsible Management Education (PRME). We were very glad to see that the survey included also faculty and administrators from non-member institutions, who were attracted by the idea of bringing more openly the issue of poverty reduction on the agenda of business education and management development.

The survey provides an interesting insight into how CSR issues are integrated into the education curricula and particularly on the attitudes towards the poor, seriousness of the poverty problem and the role that management education could play in global poverty reduction. Very indicative are also lessons regarding the most important facilitating factors in promoting the legitimacy of poverty as a management education topic.

While expressing thanks to the 154 respondents from 33 countries around the world for their contribution to the survey, I would also like to express special thanks to Al Rosenbloom for presenting the results in the way that will enable us to reflect on this important issue and explore ways how to deal with it in the context of the noble mission of business education - leadership development for a better world.

With kindest regards,

Danica Purg  
CEEMAN President



In Fall 2008, CEEMAN members and participants in CEEMAN faculty development seminars were asked to share their opinions about the importance of corporate social responsibility and global poverty in management education. What follows is a summary of key findings from this online survey:

### **Survey Participant Profile**

- One hundred and fifty four individuals participated in the survey.
- Participants taught in schools located in 33 different countries. School locations clustered in Central Europe, Western Europe, Central Asia and one school each in India, Oman, Colombia, Canada and Singapore.
- Participants taught in business schools that varied greatly in enrollments. The smallest school's self-reported enrollment was 10 students, while the largest school had 18,000 students. Mean student enrollment was approximately 2,200 students, both full and part time.
- Most survey participants held a doctorate (54%) and taught in traditional management education disciplines (management, finance, marketing, management, economics, etc). Over half of the respondents held doctorates, and almost 60% were full time faculty members. Twenty-three percent of respondents were administrators.
- Sixty nine percent of survey respondents self-reported being CEEMAN members; 31% were not.

## **Corporate Social Responsibility**

### **Integration into the Curriculum**

- The vast majority of respondents (71%) reported that corporate social responsibility (CSR) was always included in their school's business ethics course. Twenty three percent said that CSR was only covered "sometimes" in the business ethics course. Almost 6% said CSR was never covered in business ethics.
- When asked whether CSR was covered in foundation business courses, 37% said CSR was "always" covered in these courses. The majority of respondents (57%) reported that CSR was discussed "sometimes" in foundation business courses, while six percent said the topic was "never" discussed in foundation courses.
- The vast preponderance of respondents (91%) said their school held special events that included CSR discussions. Only 9% of the respondents said their schools "never" included CSR as a topic in special events. Appendix A provides bar charts for these three questions as well as selected responses to other survey questions.
- Respondents reported an even split between requiring every student enrolled to take a business ethics course, requiring some students in some course programs to take a ethics course and making the business ethics course completely optional. The split was 30%, respectively.

## Global Poverty

### Attitudes toward the poor

Nine questions explored personal attitudes toward the poor. All items were measured on a seven point scale (1 = strongest disagreement, 7= strongest agreement). Mean ratings were as follows

5.99	Society has a responsibility to help poor people
5.33	Poor people are discriminated against
4.74	The private sector is best able to reduce global poverty
4.54	People are poor due to circumstances beyond their control
4.35	International and national nongovernmental organizations are best able to reduce poverty
3.78	Poor individuals hold different values than others
3.70	One individual cannot make a difference in reducing global poverty
3.35	Poor individuals create their own difficulties
3.05	Being poor is a choice

### Seriousness of poverty

- Exactly two thirds (66%) of the survey respondents said global poverty was “a very serious problem.” The mean score on this item was 6.40 (measured on a 7 point scale).
- Respondent views varied more widely as to the seriousness of poverty in the country where one taught. A mean score of 3.98 reflected a more divergent assessment of the seriousness of local poverty. Twenty-seven percent of respondents (the mode) rated the seriousness of local poverty at the midpoint in the scale.

### Global Poverty and Management Education

- When asked whether global poverty was a legitimate topic that should be included in a management education curriculum, almost three-quarters (72%) of respondents said “yes;” 8% said “no” and 20% were “unsure.” Appendix B provides respondent comments, observations and perspectives in response this item.

A series of follow-up questions explored where in the curriculum respondents thought the discussion of global poverty best fit. Mean scores are as follows (measured on a 7 point scale measured opinions (1= completely disagree, 7 = completely agree):

5.56	Global poverty is best discussed in business ethics course
5.47	Global poverty is best discussed outside the formal curriculum in special seminars and conferences
5.34	Global poverty is best discussed across entire curriculum
4.56	Global poverty is best discussed in foundation courses

- On a seven point scale, where 1=completely disagree and 7=completely agree, survey respondents had a mean response of 5.44 to the statement: “There is a clear connection between the subjects I teach and global poverty issues.”

- More than three-quarters (76.1%) of respondents reported that the issue of global poverty was discussed in selected courses and classes. Thirteen percent of the surveyed individuals reported that global poverty was discussed across the entire curriculum in their school.

### Facilitating factors

The three strongest motivations for including discussions of global poverty in one's school were having one or two faculty champions, strong leadership from the dean and congruence with the business school's mission.

Mean*	Factor explaining why global poverty was being discussed in respondent's school
5.26	One or two faculty champions
4.52	The Dean as a strong advocate
4.26	Alignment with business school's mission
4.14	Support from the entire faculty
3.93	Alignment with university mission
3.47	Increased job opportunities for graduates
3.43	Poverty-related research viewed favorably by Rank & Promotion Committee
3.25	Availability of grant monies
2.64	Demand from local companies

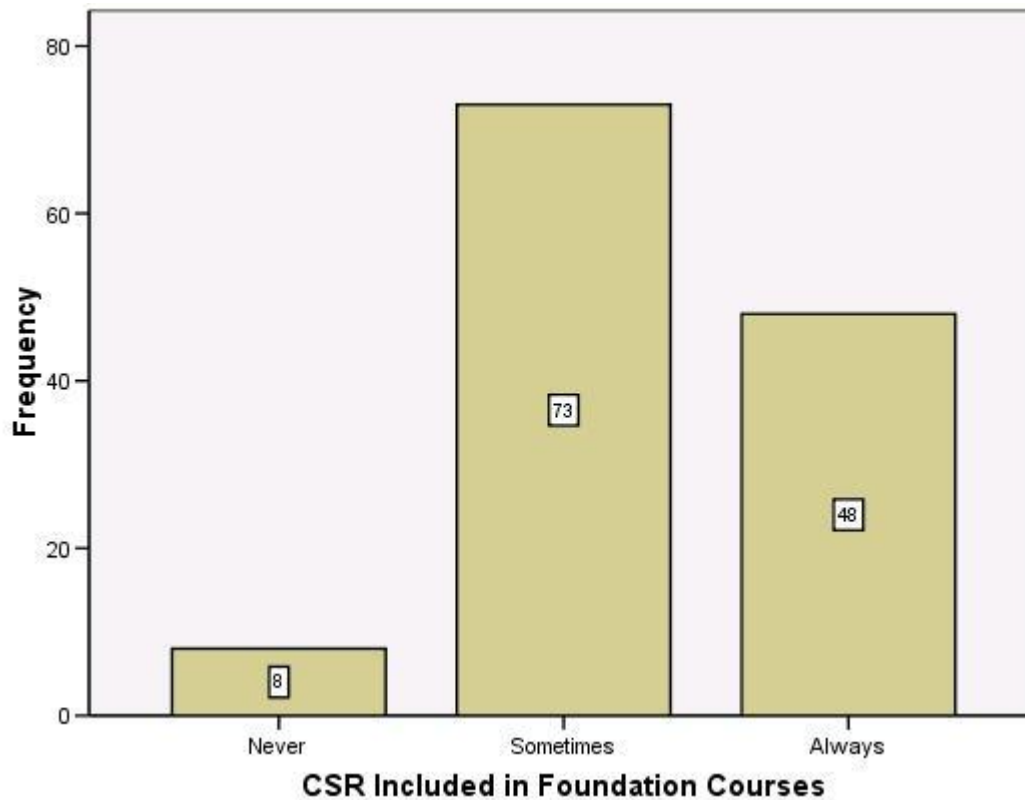
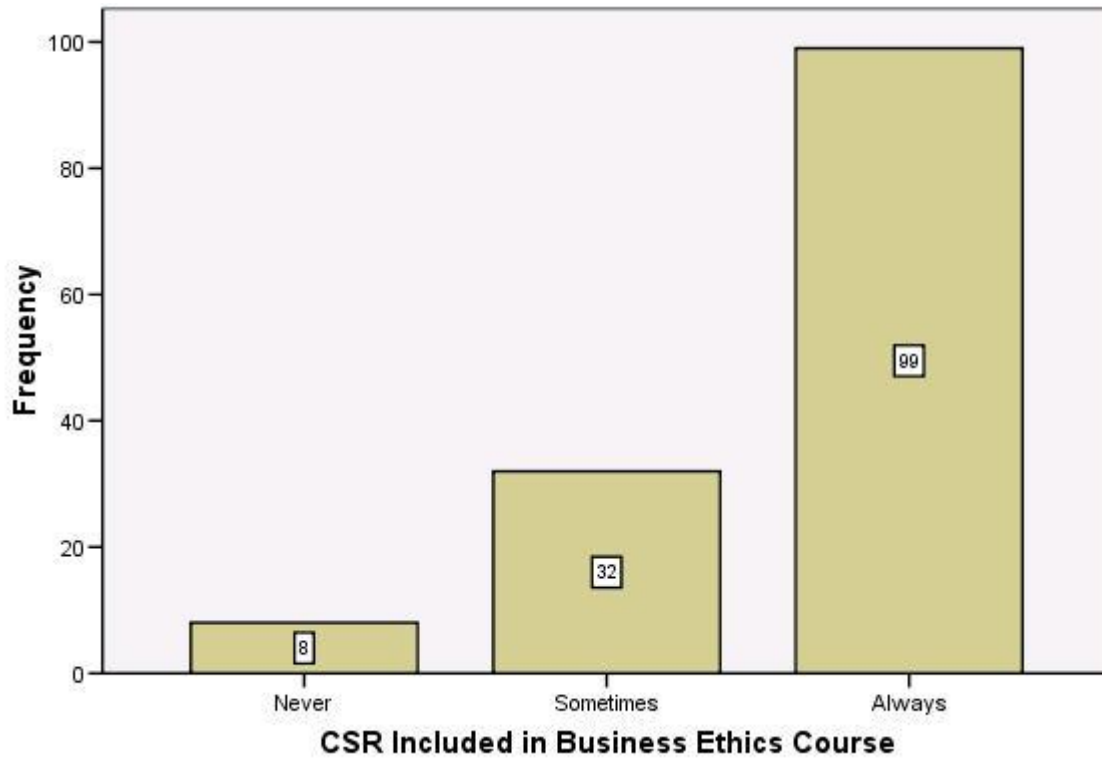
\*Scale: 1= very unimportant, 7=very important

Three factors that seemed to differentiate schools in which the topic of poverty was included in all courses versus schools in which poverty was discussed in selected classes only were the Dean's leadership, the congruence of poverty with the school's mission and support of the issue within by the general faculty. These relationships were statistically significant difference at  $p > .01$ .

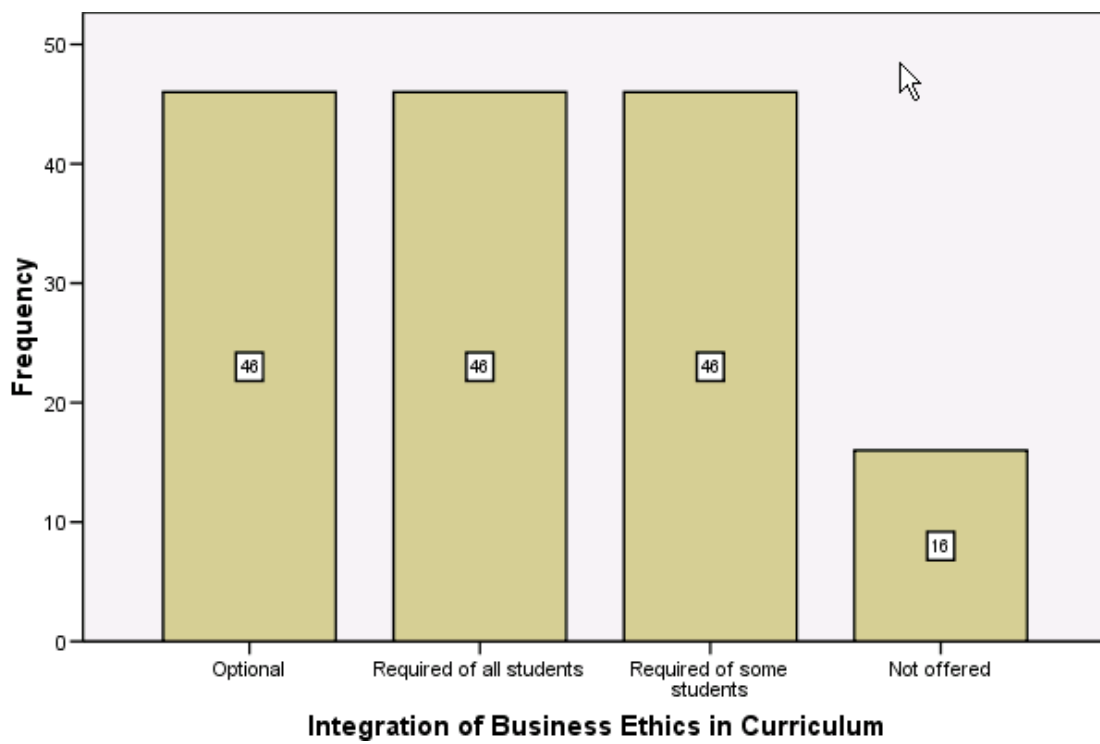
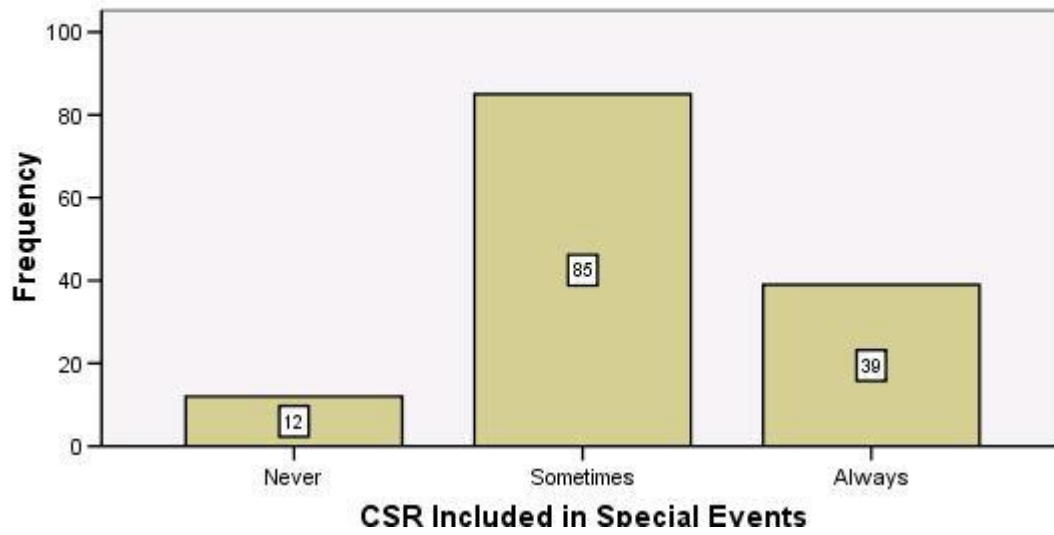
## Appendix A

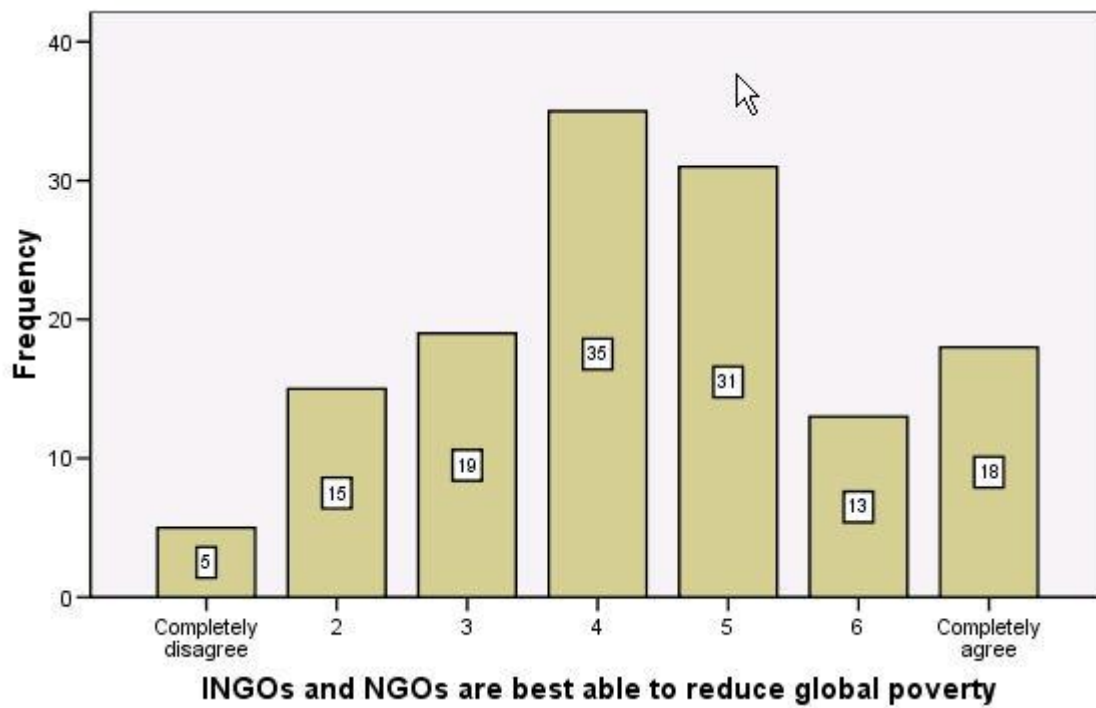
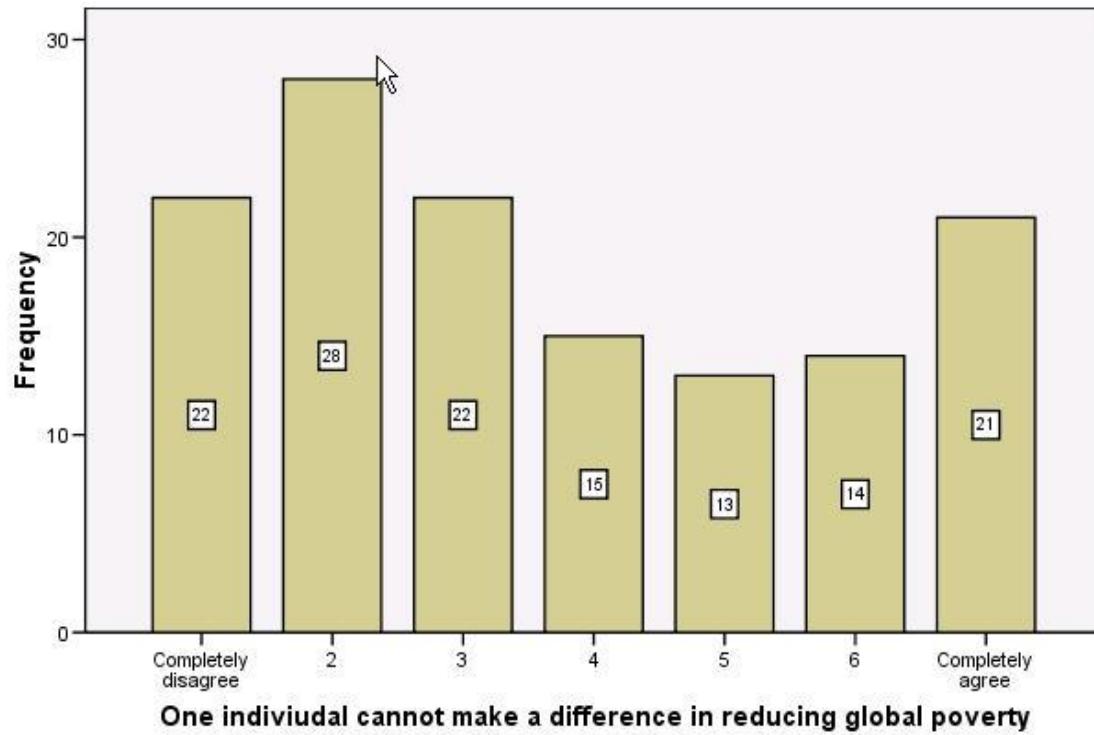
### Selected Bar Charts

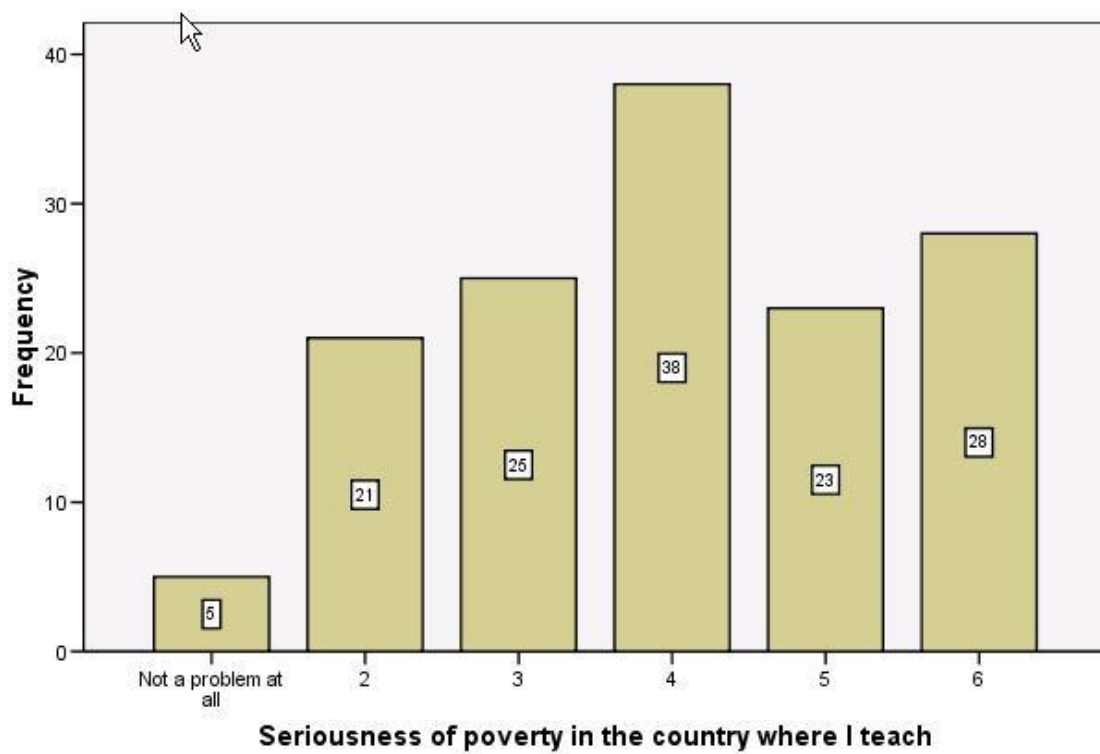
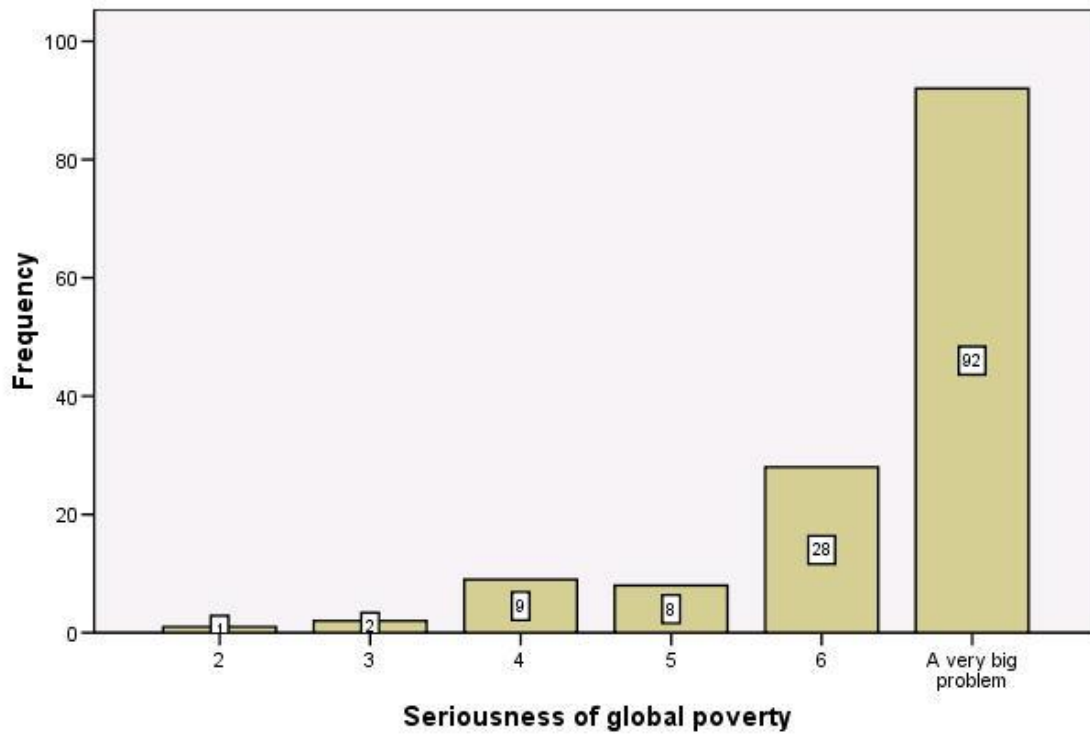
#### CEEMAN Survey on Corporate Social Responsibility and Poverty

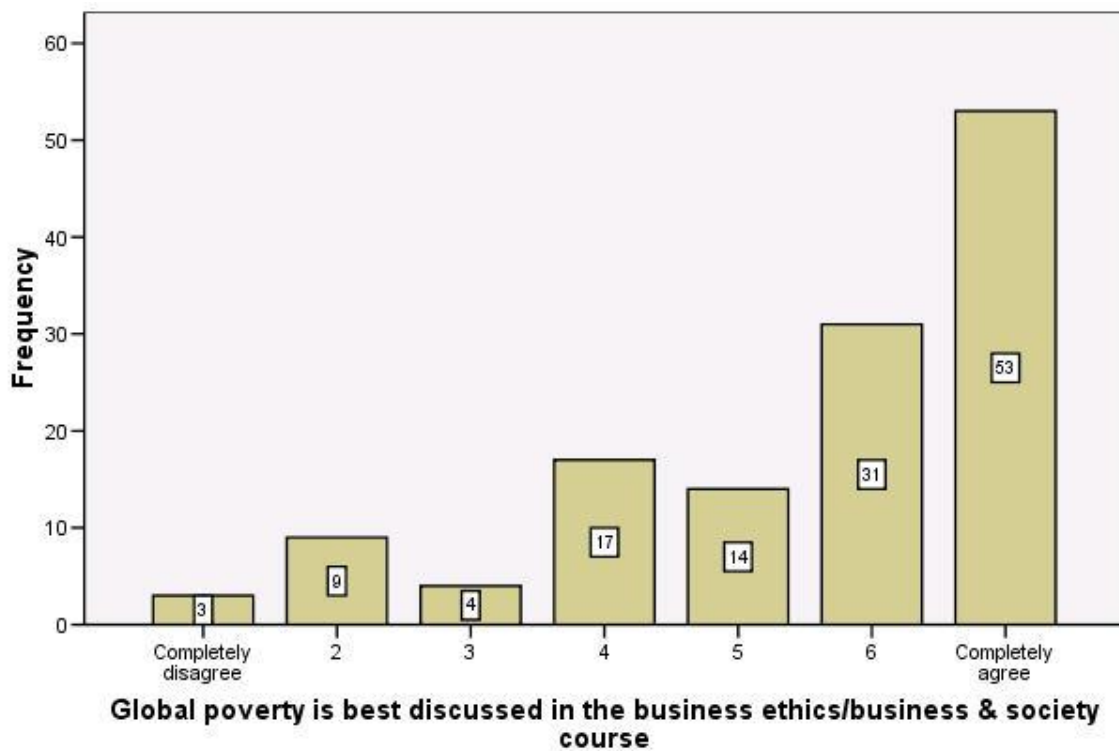
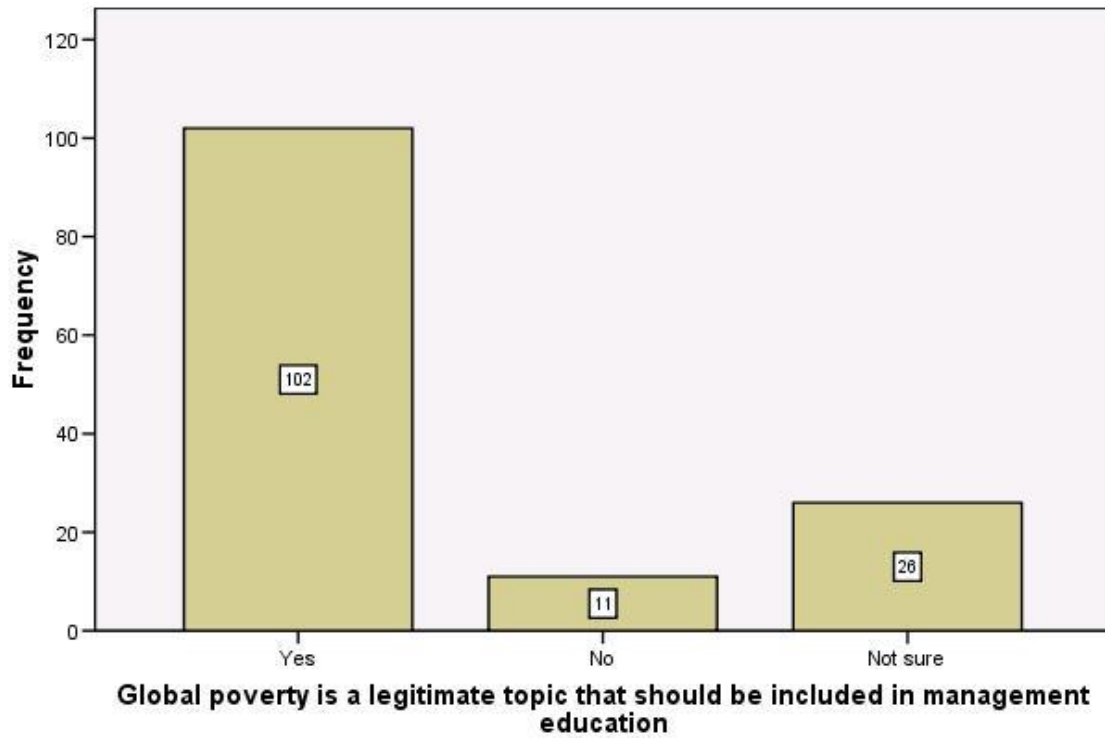


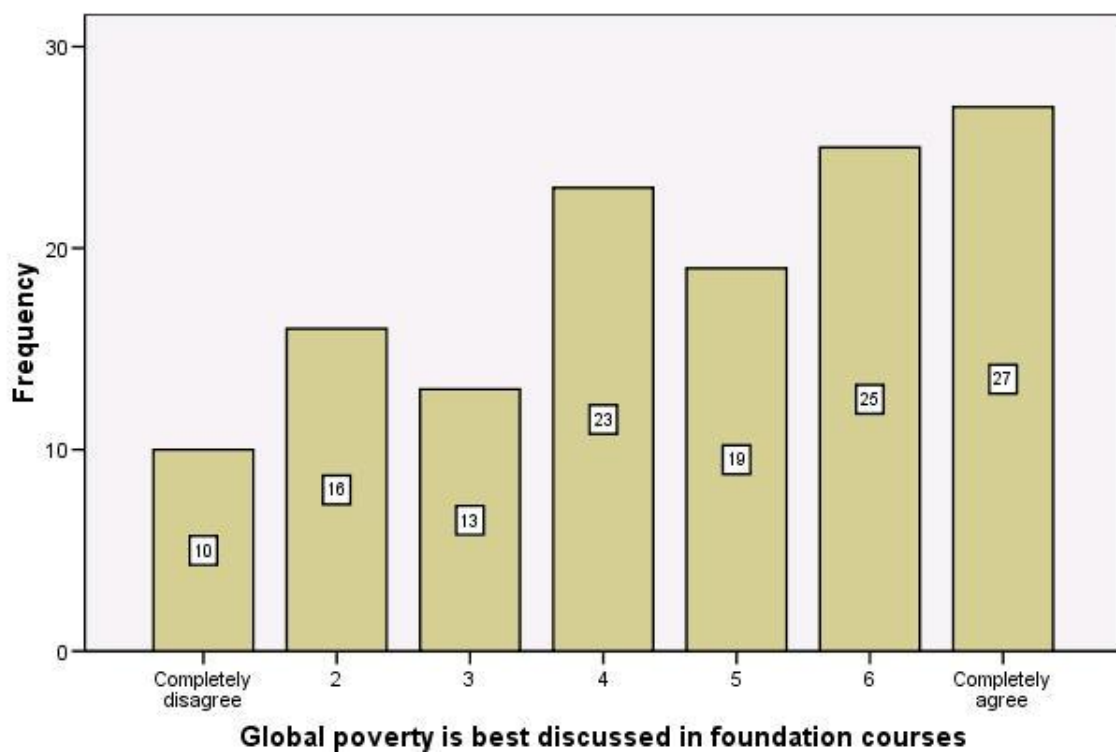
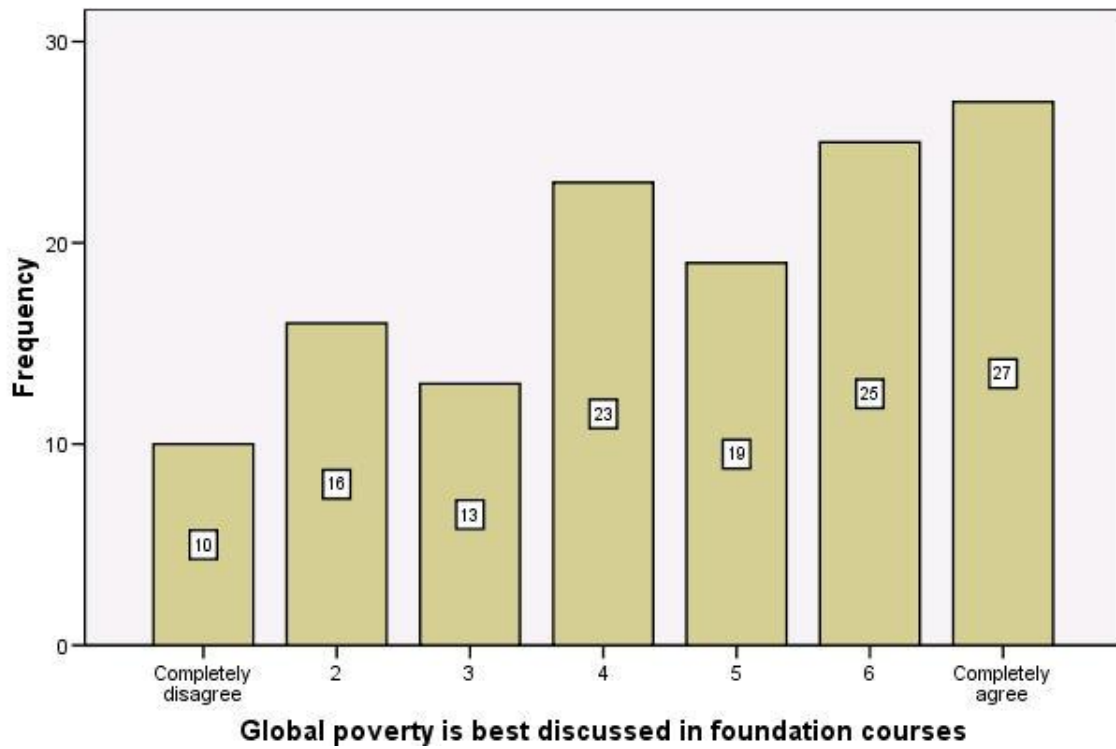


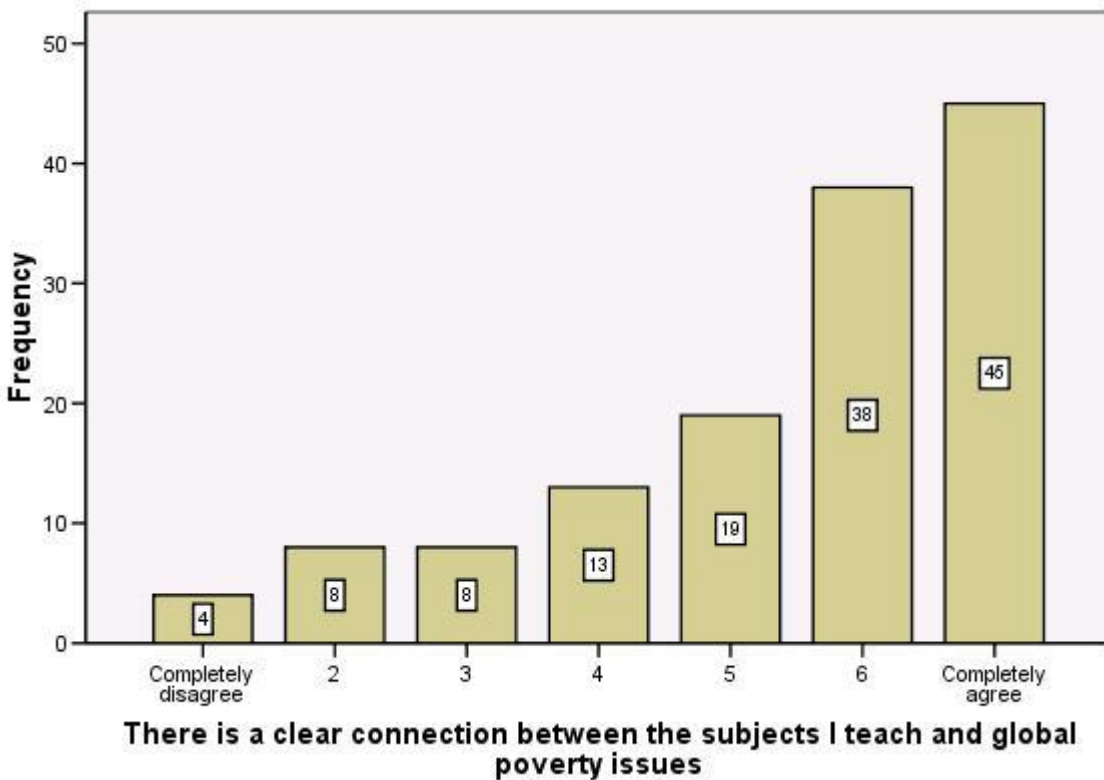
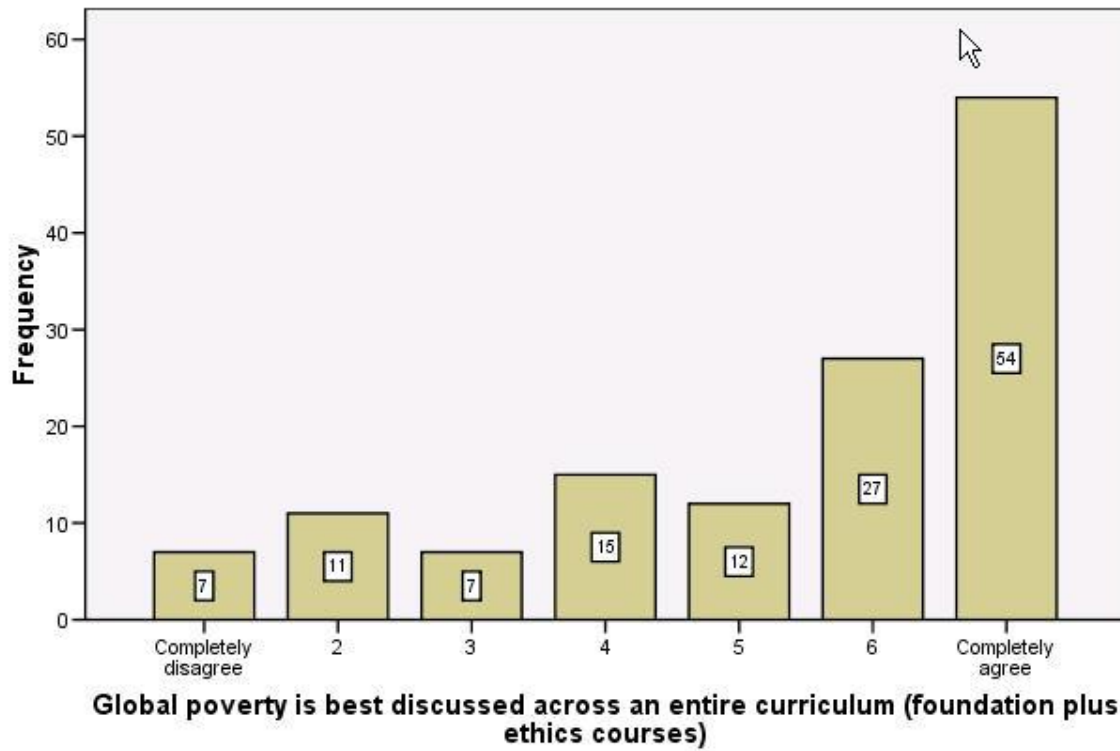


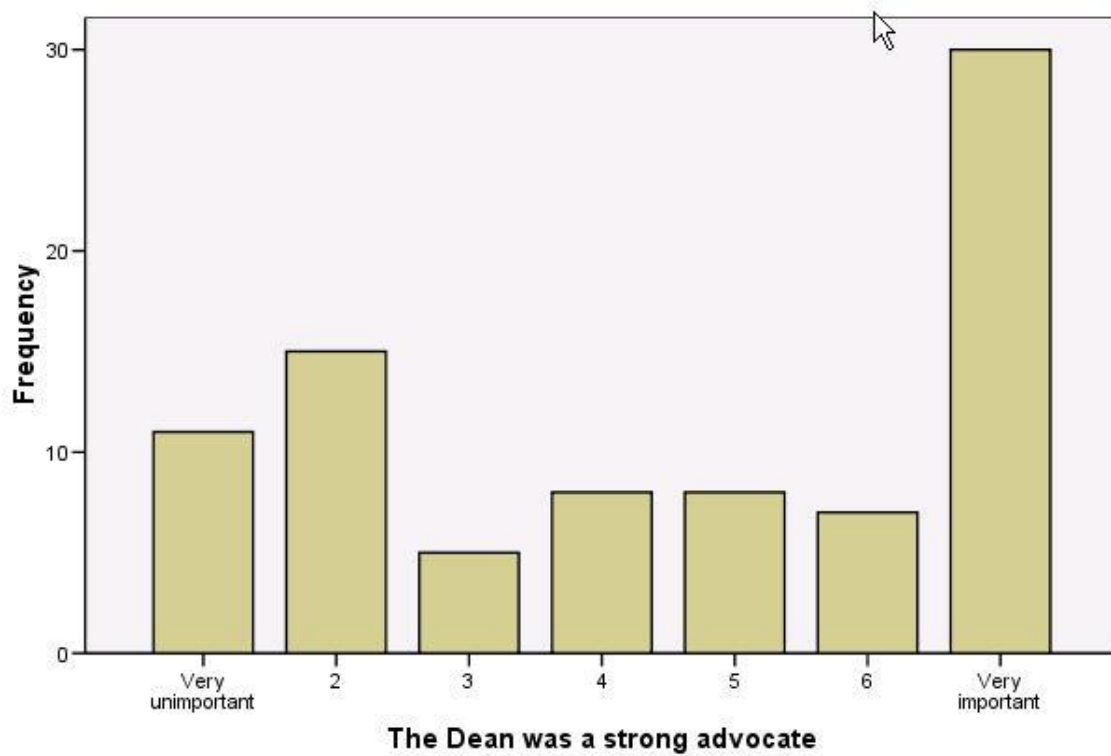
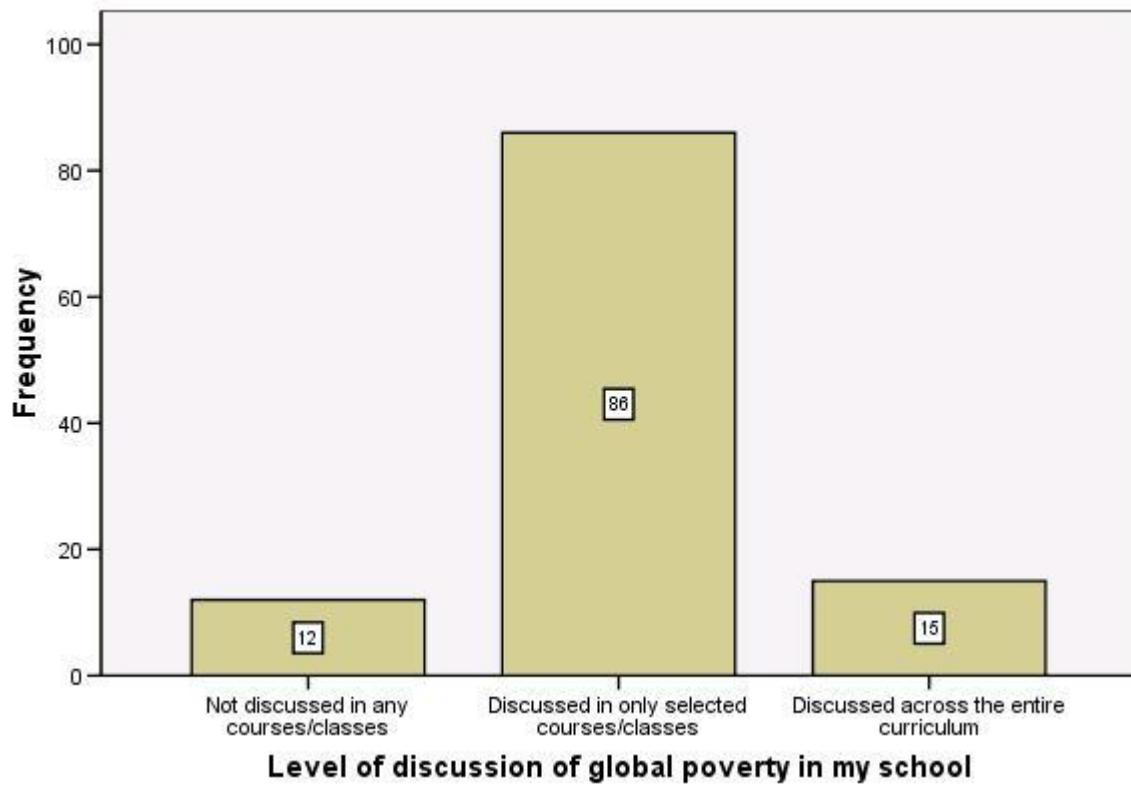


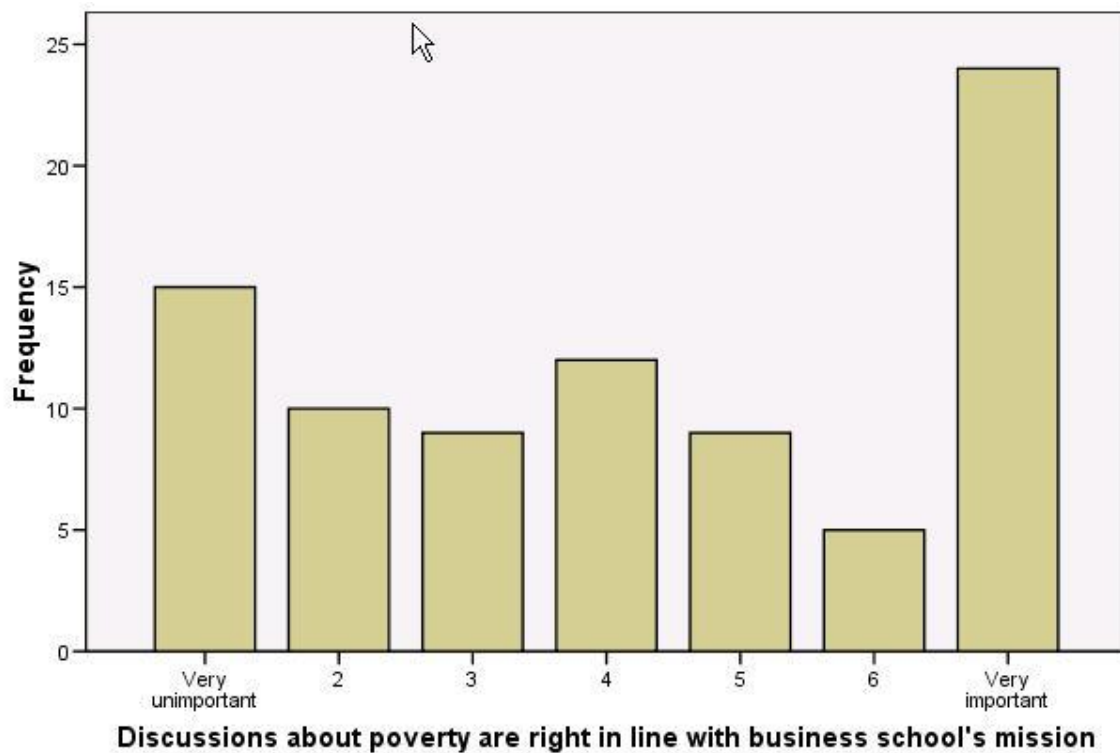
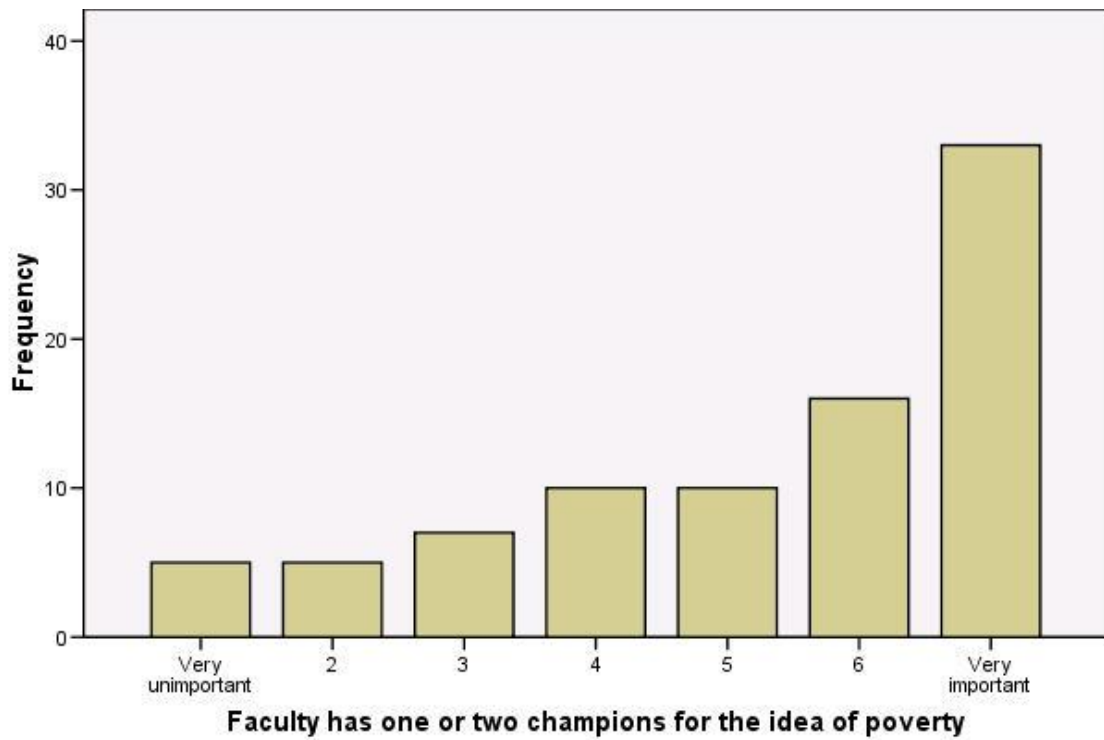














## Appendix B

### Selected Open Ended Responses to the Question:

#### Why Is Global Poverty a Legitimate Topic in Management Education?

- Business players have the possibility of reducing global poverty - so they need to be sensitized to the topic.
- In management schools, we always teach how to run businesses well and make the most money. This, however, is in conflict, by nature, with the fact that one of the major inputs of production is human capital. I believe no management practice should disregard this aspect. We must include this social responsibility dimension in management education, and strive for management graduates who care about local and global poverty.
- For better decision making on company, government and individual level
- It has to be understood within the poor people "behavior" that is a function of Environment and Person. Therefore factors should be understood both for each and within the interactions among them. However, specific structures, systems and resources should be made available for that to happen
- Businesses are among the main change agents, and their leaders and managers bring important values and attitudes from management education inputs they received
- More people know about global poverty and understand it better and easier will be to solve it
- It gives an opportunity to train people TO BE MORE RESPONSIBLE
- I see the solution in two approaches: 1. put the topic into course of management in public or NGO sector (those organizations have usually goals like reducing poverty and in case they have fundraising they can deal with the topics); of course, those organizations need educated managers 2. As a part of additional personal (life-long) training; if one is successful in its core activities, it can move on and deal with non-commercial activities; this is question of our "footprint" we leave in the world, a development of values and question of self-realization. In some point in the life of (the greatest) managers this question raises up. But this will not happen when one is only 20 years old.
- When we included that topic in management education we could receive changes in attitudes, actions, causes and effects, but if we don't - nothing to hold constant.
- Because... it is important for sustainable development of economics. Management education is an important part of sustainable development.
- This topic should be included, mentioned and discussed in management education but it can not be an independent course.
- Understanding of social responsibility is not only fashion, but necessity for business.
- Nobody is so poor that she cannot enrich others if she has the opportunity
- To let students understand integrity of the World in general. Poor country is not an isolated island; it also interacts with other countries, other people.
- If we don't talk about this with our students, we lose out on a powerful possibility to address this and create a critical mass that is willing to work on solutions beyond that which is comfortable.
- Global poverty is related to the dominant economic system based on elitarian principles (the survival of the fittest) and mechanisms that support them.
- Future managers should not only do well, but also do good. A solid understanding of what is needed to make this world a better place should be considered crucial for future managers.

- I think it MUST be included. If our society pretends to be civilized, we have to delite global poverty by means of perfect management!
- It depends on the level of education. Most suitably at an introductory level for undergraduates.
- To make people think, to "sell" them the idea of fighting poverty
- This is a general economic issue and quite often a personal choice/attitude to life.
- Entrepreneurship, management and other business sciences are of better use to change the situation, than talking about poverty. And it is the nation that should have pride, desire and spirit to change their life and not only expect for external help.
- Globalization created its enemy: localization and nationalism is everywhere that drives non-rational movements (including religion).
- Managers must see clearly their social responsibilities in a globalised economy
- First of all the Government and Parliament has to play the main role in poverty reduction adopting laws and implementing a various programs. Business schools has to play supportive role educating business people and focusing their attention on the needs of society
- In a few ways: 1. Providing education on "hygiene factors" such as fair employment policies and equal opportunities as part of corporate social responsibility (i.e. don't contribute to the mess). 2. Case studies demonstrating the returns to businesses in business terms (employee satisfaction, brand feel-good, etc.) of working to alleviate social equity actively and the comparison of short-term gains against medium term losses of not considering it as part of CSR. In this sense poverty is being equated somewhat to pollution: we all have our part to play in alleviating it - not only governments and NGO's. Innovative management practices that serve CSR and do not require unreasonable abandoning of business-creation motives will be important for Business Schools (rather than just criticize corporations for being greedy).
- I am not sure whether that is general management topic, but it should be included in some specific management areas, such as public management etc.
- If most of the people in the world are poor and we want to say we are of this world, and concerned about this world, then yes it should be included.
- It is not a problem, it is an opportunity and an obligation to take care of it.
- Because if don't pay attention to this problem in future we'll have a huge problem not only poverty but as a sickness
- Such schools as Berkeley already have this issue in their curriculum for both undergraduate and graduate students. It is a interdisciplinary course including economics, public health, engineering, sociology, computer science and environmental science and policy management. The importance of including the course into the curriculum is to raise awareness and understanding of the issue and to develop leadership and responsibility of the future graduates.
- According to stakeholder approach, business is about stakes not just profits.
- Business is unethical if it is for rich
- The solution of such a complex problem as poverty needs the participation of all actors in society: governments, civil society, and the private sector. Business students need to be aware of the complexity and importance of dealing with this topic.
- Because inequalities tend to become unmanageable if ignored
- Global poverty is not the only problem, so I basically think that it should be a topic besides others, like global warming or other social problems.

- I believe it's companies' responsibility to create wealth not just for shareholders but for all stakeholders involved. By contributing to wealth creation and to a fair wealth distribution among all constituents, companies and their managers can contribute to alleviate global poverty
- Because if you teach management you cannot forget society and global poverty is a problem of our society
- Yes, because the solution includes organizations which are the major topic on management and business schools.
- Global challenge needs big change in economical and business education
- There should be something more on managers' agenda than just creating value for shareholders.
- Most nicely has put this Adizes: "We teach our future business leaders numbers, concepts, and theories. We fill their heads, but their hearts might be empty. Schools of management that prepare the future powerful leaders nurture the head and neglect the heart. True, these people might pay attention to their hearts at an older age and donate their accumulated "shoes and jewels" to charity, but it is like atoning for a wasted life. I have a suggestion to make: No one should be admitted to a school of business or get accredited as a professional leader unless they have exhibited that they care for the world beyond themselves.
- Ignoring the problem will only delay discussing it. The private sector has an important role, so Managers should be aware of the dependencies they can influence.
- In the globalized world all are interconnected to one another and concern for others is a necessity as well as a weakness which one cannot do without
- Awareness about that issues should be raised and education, especially of managers, is a very important way to that because managers are decision-makers!
- We have to see how good (social justice, welfare, securities) we have it here and how unjust and suffering a large portion of populations in the South is.
- It depends on the level of development of the country where the school is located
- This is an element of business environment.
- Business is the sector that could help most in solving the poverty problem - but never through subsidizing poor people
- I think that it's a very important issue for all of as it affects not only the global level of consumption, GDP and public spending but also democracy as a system of values.
- Poverty prevents people from developing in every sense of the word. Nor only societies do not benefit from this situation but they spend a large part of their resources "patching" up the consequences. I believe to allow the status quo is one more crime against humanity.
- Our Business School is training socially responsible managers
- Not as a separate course but part of business ethics/ CSR course
- I believe this should be decided by the school and the faculty members individually. This is legitimate topic, but I would like to see this becoming a compulsory expression of good intentions - rather than a goal or a real study topic. The content of this topic should be as specific as that of any others
- Managers-to-be should receive information about the problem of global poverty, but that probably shouldn't be a core topic of their education.
- I believe that private enterprise and business - conducted in ethical fashion - are best suited to combat poverty. Business courses like finance or accounting are doing their part in this by showing how firms are set up to maximize shareholder return. Everything

taught applies to rich or poor countries equally. I would not immediately see why combating poverty would require a change in subject matter. However, global poverty could/should be brought to the classroom to show its dimensions - and also highlight the business opportunities which could improve the lot of the poor and create a win-win situation.

- Even though we live in more privileged part of the world we are not stand-alone unit. A world is a very intertwined place and the distribution of wealth is huge problem for all of us!
- Management is now more and more about integration - so who will integrate whom? If the managers are not towards modifying the economic environment to a more decent one, then poverty will take over the entire society.
- Courses of Economics refer to this issue
- Global poverty is our reality and it is our responsibility to teach people about that.
- If not - nothing will change.
- We all must take responsibility
- Every student and subsequent manager needs to be aware of this to understand the significance of CSR, ethics and managerial actions
- It needs to be seen as a consequence of broader activities and issues, such as sustainability.
- We must understand the world and the different value systems that exist.
- Management education is a diverse field that encompasses the management of NGOs as well. Furthermore, management education is aimed at teaching us how to maximize wealth and increase economic opportunity for all persons, not just the wealthy. By alleviating poverty, we help reduce costs to society and increase the benefits.
- Combating poverty is a part of CSR