

School Experience Sharing: The Role of Business Schools in Promoting Responsible and Sustainable Enterprises

INCAE Business School- Central America



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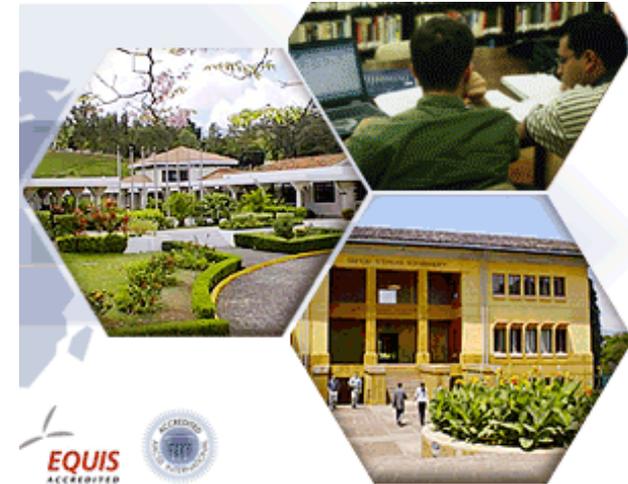


SACS
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Roy Zúñiga

INCAE Business School

- **Founded in 1964** by the Harvard Business School in conjunction with business leaders in **Central America**.
- **Two Campuses: Nicaragua and Costa Rica**.
- In 2009 INCAE was **ranked as the top business school in Latin America** by the magazine AmericaEconomia. INCAE has been **ranked #1 or #2** in the rankings since 2002. Ranking top 100 Ex-ed Business School in the world, **Financial Times**.
- INCAE has a **network of over 12,000 graduates in Latin America** who manage both private and public organizations. INCAE recently had its first **graduate to become president: Ricardo Martinelli, President of Panama**.
- INCAE, through CLACDS (**The Latin American Center for Competitiveness and Sustainable Development**) is a **top promoter** of CSR in the region.



Our Mission:



INCAE's mission is to actively promote the comprehensive development of the countries of the region, enhancing leadership skills within the key sectors by improving management practices, attitudes, and values:

- Through research, teaching, and the dissemination of management concepts and techniques;
- By strengthening analytical capacities and comprehension with respect to economic, social, and political processes; and,
- By promoting understanding, dialog, and cooperation among individuals, sectors, and countries.

INCAE: walk the talk first

- **Carbon neutral:** Goal towards Year 2012
- We know the size of our **carbon footprint**
- On going projects: **tree plantation, solar panels, recycling, windmills ...**



INCAE's "Committees for Community Service"

- Are made up of members from faculty, employees and students
 - **Human Resources:** Community activities undertaken by **employees** (both campuses).
 - **Student Affairs:** Community activities initiated by **students** (both campuses): elementary schools, poor communities, graduation projects.
 - **CLACDS:** Community activities undertaken by **CLACDS**.
 - **Faculty:** SEKN activities and other initiatives or partnerships for communities.



AED

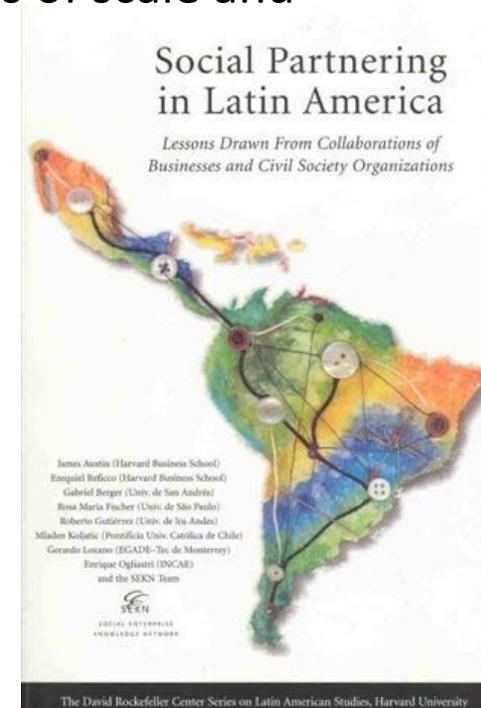
(Asociación Empresarial para el Desarrollo,
Business Association for Development)



- **INCAE is a founding member** of the association and has helped develop AED's Sustainable Development benchmarking tool: The Octagon.
- This association has worked to provide assistance in developing CSR primarily for Small and Medium sized businesses.
- **AED has also worked to create a network of CSR and Sustainable Development associations throughout Central America.** This initiative, called "IndicaRSE," unique in its scope, has been adopted in all of the countries in Central America.

CCNRSC: The Agreement for the Costa Rican Social Responsibility Council

- In 2007 a group of organizations, including AED, the Industrial Chamber of CR, the Avina foundation, INCAE, OIKOCREDIT, the Ministry of Economy, Industry and Commerce, and the National University of CR signed the CCNRSC, a **national coordinating agreement with the intent of catalyzing all the actions of the different Costa Rican development actors** and provide a forum for dialogue and coordination to ensure the development of coordinated action plans to ensure the impact, economies of scale and sustainability of actions.
- The main objectives of the agreement were:
 1. Promoting **alliances between public and private organizations.**
 2. Establishing **socially responsible supply chains.**
 3. Promoting Transparency.

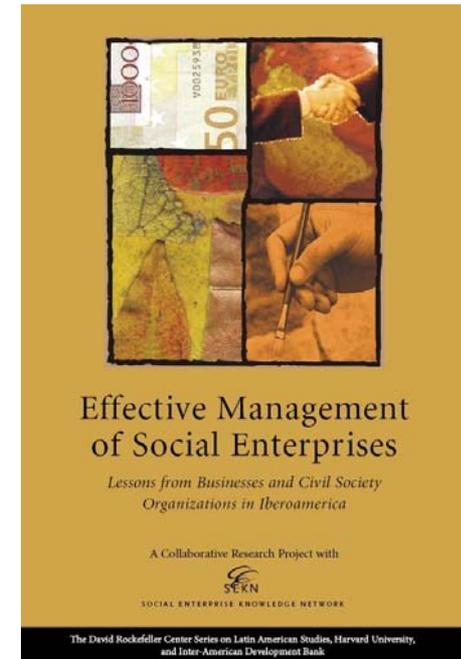


INCAE /CLACDS : MAIN CSR projects

1. “Social Enterprise Knowledge Network” (SEKN):

Mission of the network focuses on generating and promoting knowledge about social entrepreneurship, and teaching.

- 11 cases in the cycle I (social partnership)
- 7 case studies produced in cycle II (Effective management of social enterprises)
- Several published by Harvard University. In addition to several articles and other publications.



2. “Responsible Competitiveness Report for Latin America”

INCAE worked with the English Institute AccountAbility in developing the report.

Presents the results of the Responsible Competitiveness Index for a sample of 83 countries, and discusses in particular the results of this index for the countries in our region.

Cites examples of companies and industries in Latin America that use their CSR practices as a means of strengthening their competitiveness.

INCAE /CLACDS : MAIN CSR projects

3. Book on CSR: "Handbook of Corporate Social Responsibility: The Octagon."

- The seminal project for the production of this book was the CSR model "Octagon" developed by the AED.
- This book capitalizes on much of the knowledge acquired by CLACDS / INCAE in the field of CSR (CSR model for the AED project with AccountAbility, SEKN, etc).



4. Book on CSR: "The Business Argument for CSR : 10 cases in Latin America and the Caribbean"

- **Objective:** To demonstrate that CSR practices contribute to the competitiveness of enterprises, impact key variables of business profitability (revenue, costs, asset values, risk management, etc..) while creating social value.

InWEnt and INCAE: Management Training for CSR Consultants

- Program: **Integrated Management Systems with an emphasis in CSR for Small and Medium size businesses in Central America.**
- To **train 60 CSR and SD consultants in Central America.**
The participants came from the private and public sector, 10 from each country.
- The Private sector participants were chosen by the CSR associations in each country, who would then **return to work in the associations as consultants.**
- The Public sector participants were included to provide government institution with an understanding of the **legal framework necessary** for private CSR initiatives to succeed.
- **These models considered product quality, the environment, safety and social investments.**



Ex-ed: Sustainability Management Program



- The SMP, started in 2005, is a **three-week program** designed to train professionals in how to develop CSR policies and projects.
- Some of the objectives of the program include:
 1. Increase the profitability of organizations through the application of tools to improve environmental and social performance.
 2. Understand the global and regional energy markets.
 3. Manage the risks posed by climate change.
 4. Business opportunities arising from energy efficiency and renewable energy use.
 5. Knowing the latest market trends on products and environmentally friendly processes and job guarantees.
 6. **Structuring the financing of projects that incorporate environmental and social criteria.**
 7. **Maximize the strategic value of social responsibility programs in the organization.**

Business for Social Responsibility Project



- INCAE, through CLACDS with a grant from the U.S. Department of State, has recently finished developing a series of scientific investigations concerning responsible labor practices and sustainable supply chains in the electronics industry firms in Costa Rica and the Dominican Republic.
- The investigations found stark differences in levels of absenteeism, reduced turnover, reduced injuries and illness, which all seemed to be positively correlated with improved firm profitability between firms in Costa Rica, with more established responsible labor practices and more developed sustainable supply chains, and the Dominican Republic, with less responsible labor practices and less developed sustainable supply chains.

The BATCA CSR Research Endowment

Duration of project is 5 years (2006-2010).

- The objectives of the endowment were to:

- A. Further understand Corporate Social Responsibility (CSR) as a variable and as a value in training of new and existing policymakers.

- A. Raise the level of knowledge about what is happening or may happen when CSR and Technology and Innovation join.

- B. Contribute to building networks of CSR leaders and managers in Central America and the Caribbean.

- C. Promote connections between networks in Central America and networks in the Caribbean.

- D. Identify sustainability issues that are being discussed or could be addressed by CSR projects.

- The main objective of the Business Cases is to show how businesses quantify the return on investment of CSR projects.



Central America Leadership Initiative CALI



Founded in January of 2007, CALI seeks to **motivate effective and responsible leaders across Central America**, to **get involved** with the **pressing issues in their countries**, as they struggle to align the **demands of globalization with local visions** of a “good society”.

The aim is to develop a **new generation of community-spirited leaders** in Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. The region is home to a growing number of competent young leaders in all sectors of society. CALI is designed to **capture the energy, the talent, and the resolve of these leaders**, who have already achieved a certain level of success in their respective fields, to **inspire them to make a lasting significance in their region**.



**I really appreciate your attention,
thank you very much**

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