

Sharing Information on Progress 2014-2015

United Nations Principles for Responsible
Management Education

PRME Principles for Responsible
Management Education

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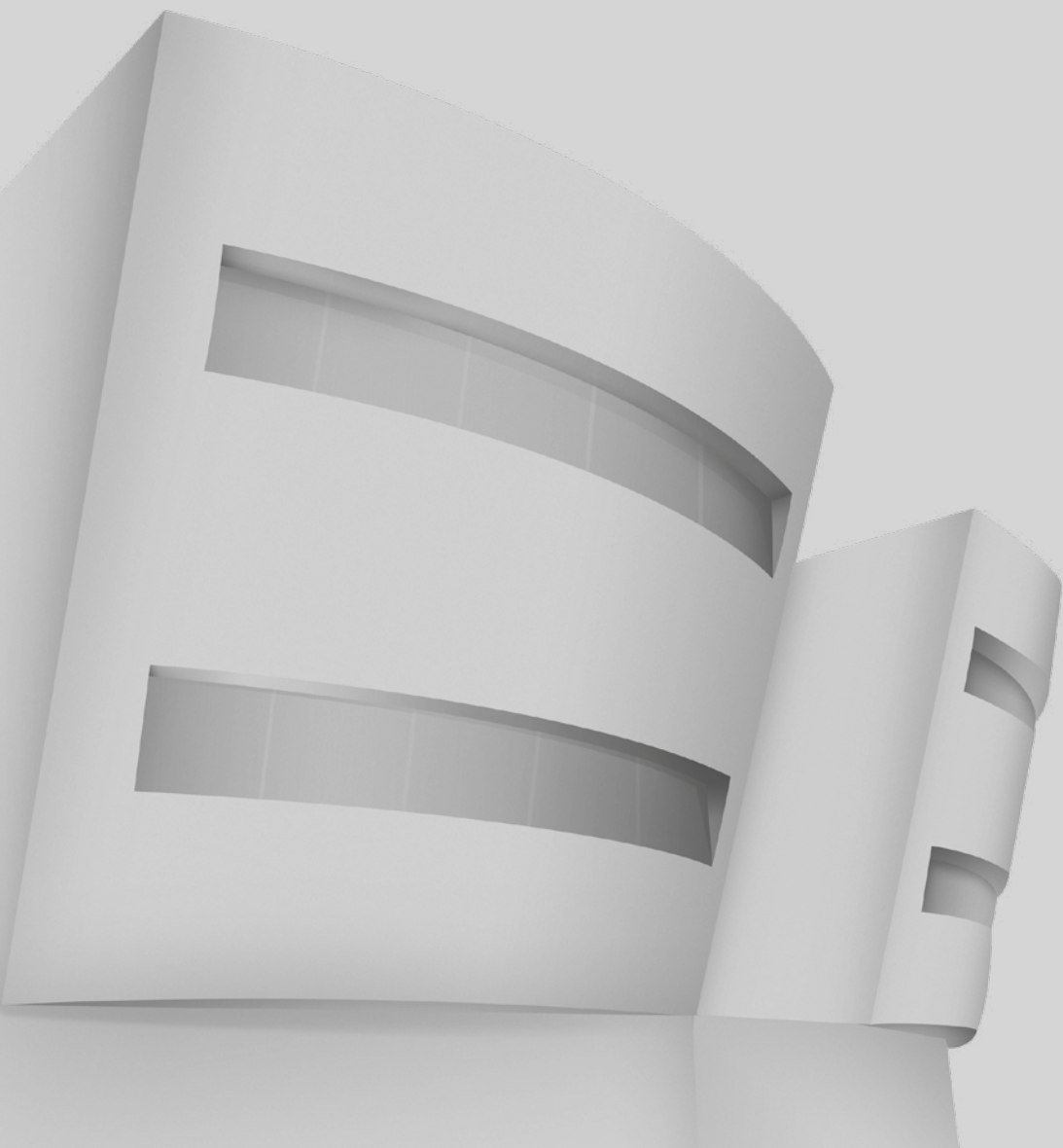
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SISTEMA DE GESTIÓN INTEGRADO



Letter from Fernando D'Alessio, Director General of CENTRUM Católica

CENTRUM Católica is presently the leading graduate-level business school in Latin America. Since the UN PRME were launched in 2008, it has aligned all of its MBA and DBA programmes and research with the six Principles for Responsible



Management Education. As part of this effort, CENTRUM Católica formulated and carried out a well-crafted five-year plan to become a UN PRME Champion and a global reference point in responsible business education. We started making a complete revision of the institutional Vision, Mission, Values, and Code of Ethics. We retrained all of our professors and revised the content of all the MBA and DBA courses.

In addition to this, presently more than 80% of the MBA courses reflect UN PRME-related content, as well as critical thinking, responsible leadership, global ethics, and sustainability-related content. The curricula of all MBA programmes were revamped, adding several courses aimed at developing stronger soft skills and competencies in our graduates to deal effectively with today's much more complex world problems.

The teaching-learning process of the MBA is therefore geared to find a proper balance between theory and practice in real-life situations within the framework of sustainable development. This process equips our graduates with the necessary and pertinent knowledge, competencies, and skills to face the complex challenges of a globalized economy with a balanced short- and long-term vision, and the right aptitudes and attitudes that assure a successful change in the *raison d'être* of corporations, working hand in hand with the signatories of the UN Global Compact, accrediting bodies, and other business schools. Therefore, CENTRUM Católica MBA and DBA professionals are ready to lead organizations and to transform businesses using the latest responsible business management theory and practice, contributing to having a long-lasting positive impact on business, the economy, local and global markets, society in general, and our planet earth, for the benefit of humankind.

Executive Summary

CENTRUM Católica revised its Strategic Plan covering the period 2014-2024, including revisions of its Mission, Vision, and Code of Ethics, and aligning its strategic objectives and strategies with the UN PRME, and completed the insertion of the UN PRME content in all of its curricula in the MBA and DBA programmes, research, outreach and advocacy work. It graduated more than 2,000 MBAs with competencies, attitudes and abilities linked to responsible leadership, and within the framework of sustainable development.



CENTRUM Católica deepened its work with business partners through different arrangements. Hundreds of products were delivered: company strategic plans, MBA theses, research papers, advocacy papers, media publications, and so forth.

According to *Monitor Empresarial de Reputación Corporativa* (MERCO) from Spain, the reputation of the CENTRUM Católica brand was ranked 31st among the top 100 most powerful corporate brands in Peru in 2015, competing with the largest transnational and national corporation in this coveted ranking. CENTRUM Católica also continued to advance in the rankings of the best business schools. The Financial Times in 2015 ranked CENTRUM Católica's Executive MBA program as the 52nd best worldwide; in 2014, it had ranked this MBA in this same position. In its 2015 report, the newspaper also placed the school's Online MBA program in 13th place in the world and in the first place in Latin America, while CENTRUM's Executive Education (open) was ranked as the 75th best in the world and the best in Peru. Likewise, the 2015 Eduniversal Best Masters Ranking ranked CENTRUM's Full-Time MBA, Managerial MBA and Global MBA programmes in the first place in Latin America. It also placed the International Corporate Master's program in Operations as one of the best five in the world.

CENTRUM Católica's participation had an impact on several global organisations, including the Board of Directors of AACSB International, where many initiatives dealing with accreditation were initiated, some of which deal with responsible leadership. CENTRUM Católica also participated in the Boards of Directors of the European Foundation for Management Development (EFMD) and the Globally Responsible Leadership Initiative (GRLI), where it made important contributions in the adoption of responsible leadership as important criteria in future accreditation. It also participated in several global initiatives including GOLDEN for Sustainability, in which business-focused research is carried out to make sustainable development viable.

Principles for Responsible Management Education

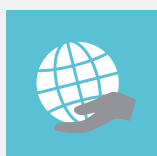
As institutions of higher learning involved in the education of current and future responsible business leaders, CENTRUM Católica is voluntarily committed to engaging in a continuous improvement process by

applying and reporting on progress to all of our stakeholders, and exchanging effective practices with other academic institutions and with businesses with respect to the six UN PRME:



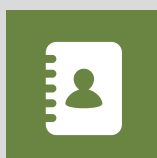
PRINCIPLE 1 PURPOSE:

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



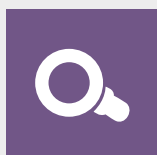
PRINCIPLE 2 VALUES:

We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.



PRINCIPLE 3 METHOD:

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



PRINCIPLE 4 RESEARCH:

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



PRINCIPLE 5 PARTNERSHIP:

We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.



PRINCIPLE 6 DIALOGUE:

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

Brief Introduction to the Institution



CENTRUM Católica Graduate Business School is the business school of the Pontificia Universidad Católica del Perú, the leading university in the country with 99 years of a recognized national and international trajectory and tradition in higher education and research in Peru.

CENTRUM Católica is one of 57 business schools worldwide that have earned the Triple Crown of business education, having received the three most important international accreditations in the world: AACSB International, EQUIS and AMBA. This achievement recognizes that the school offers programmes of academic excellence and meets the highest international quality standards. CENTRUM Católica also received three of the most important ISO certifications - in continuous quality improvement, environmental management, and corporate social responsibility - reaffirming its commitment to global sustainable development and to the UN's Sustainable Development Goals.

The Financial Times, the most prestigious business newspaper in the world, presents the yearly ranking of business schools worldwide, and in its 2015 report ranked CENTRUM Católica's Executive MBA 52nd worldwide. It also ranked the school's Online MBA in 13th place in the

world and in first place in Latin America, while Executive Education (open) was ranked as the 75th best in the world and the best in Peru. Likewise, the 2015 Eduniversal Best Masters Ranking placed the Full-Time MBA, Managerial MBA, and Global MBA programmes in first place in Latin America. It also placed the International Corporate Master's program in Operations as one of the best five in the world.

CENTRUM Católica was one of the first 100 organizations to sign to the United Nations Global Compact's Principles for Responsible Management Education (PRME), is certified by Lloyd's Quality Register of London in ISO 9001:2015 and ISO 14001:2015, and has obtained mention in ISO 26000:2010. This is a unique achievement: a first at any business school in the world.

In 2011 CENTRUM Católica launched one of the world's first UN PRME Student Chapters. It also aligned the themes of the International Week, a yearly international event aimed at students, Alumni, and business executives, with the UN PRME. Each of these events is attended by close to 1,000 persons and includes a job fair and international colloquia addressing state-of-the-art themes by the foremost experts in the world.

Introduction

CENTRUM Católica Graduate Business School was created in the year 2000, and started operations in March 2001. Its founder, Professor Fernando D'Alessio, established five distinct conditions of the school from the onset: (a) to operate at its own, separate, state-of-the-art campus, (b) to have full administrative and financial autonomy, (c) to be global in scope, starting with the recruitment of the best professors worldwide, (d) to broker long-term strategic alliances with a few world-class business schools to offer joint MBA degrees, and (e) to be equipped with state-of-the-art technology. He placed achieving the best quality education, working closely with business and becoming a global organization at the heart of its operations.

This led to unprecedented achievements in a very short time. CENTRUM Católica obtained accreditation from AMBA for its MBA programs in 2004, and then in 2008, IACBE accredited all its programs. In 2010, it obtained accreditation from AACSB International and from AMBA for its DBA program. Finally, in 2011, it became accredited by EQUIS, thus attaining the Triple Crown of business school accreditation after only 10 year in operation. This an achievement that has been obtained by only 57 business schools worldwide. CENTRUM Católica thus became Peru's number one business school in only five years, surpassing schools with over 60 years in operations in the country. Soon thereafter it began appearing in some international rankings: Business Week, Aspen Institute's Top 100 "Beyond Grey Stripes",

and the two rankings mentioned earlier, published by the Financial Times and Eduniversal.

CENTRUM Católica is an eco-efficient organization. Since 2009 it has carried out a plan to reduce its consumption of electricity, water, paper, printed materials, and other inputs by adopting better technology and by implementing much more efficient processes. It also recycles paper and paper products, plastic bottles, organic matter, and aluminium cans. It also participates proactively every year in evaluating the most socially responsible companies in Peru, launching IMD's World Competitiveness Yearbook, launching its own Regional Competitiveness Index of Peru (ICRP) and Corporate Reputation Index (IRCA) in association with Arellano Marketing, the Social Progress Index, and a series of books aimed at developing different economic sectors in Peru. Our priority for the coming years is to continue strengthening our MBA and DBA programmes, our research, our outreach and advocacy activities, and our leadership worldwide in order to accelerate change at the school and in corporations, government, and society in general. We thus seek to achieve a critical mass of responsible business leaders to lead responsible corporations within the framework of a responsible economy and sustainable development. This document shares information on the progress achieved by CENTRUM Católica during 2014 and 2015 in the hopes of inspiring other business schools to commit their resources, energy and time in adopting and implementing the UN PRME.



Main Achievements Related to the Principles for Responsible Management Education - PRME



PRINCIPLE 1: PURPOSE

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

The modus operandi of CENTRUM Católica relies on four interconnected pillars: Teaching, Research, Outreach, and Advocacy. All these education-based activities aim to generate wealth and well-being within the framework of sustainable development. In 2014 CENTRUM Católica's Mission, Vision, and Code of Ethics were revised during the formulation of the institution's latest Strategic Plan for the period 2014-2024. Thus, our Mission now is "To contribute to the sustainable development of organizations through the formation of socially responsible leaders inspired

by ethical principles, Christian values, and the creation of knowledge for the benefit of our stakeholders. To develop a strategic, global and holistic vision of business in our graduate students through an effective learning experience. This process will facilitate the acquisition of knowledge, managerial skills, an entrepreneurial spirit, and best practices in business, thus permitting our graduates to lead their organizations towards global competitiveness, making us an important agent of change in society." Figure 1 illustrates this Mission and our modus operandi.

On the other hand, the school's Vision is now "To continue being recognized as the leading business school in Peru, and to be ranked among the top 50 best business schools worldwide before 2024. To be a globally benchmarked organization for the high quality of the education it provides, for its excellence in research, for the values instilled in our students, and for our contribution to the development of ethical managerial practices throughout society." Figure 2 illustrates that Vision and what we will accomplish in the next ten years.

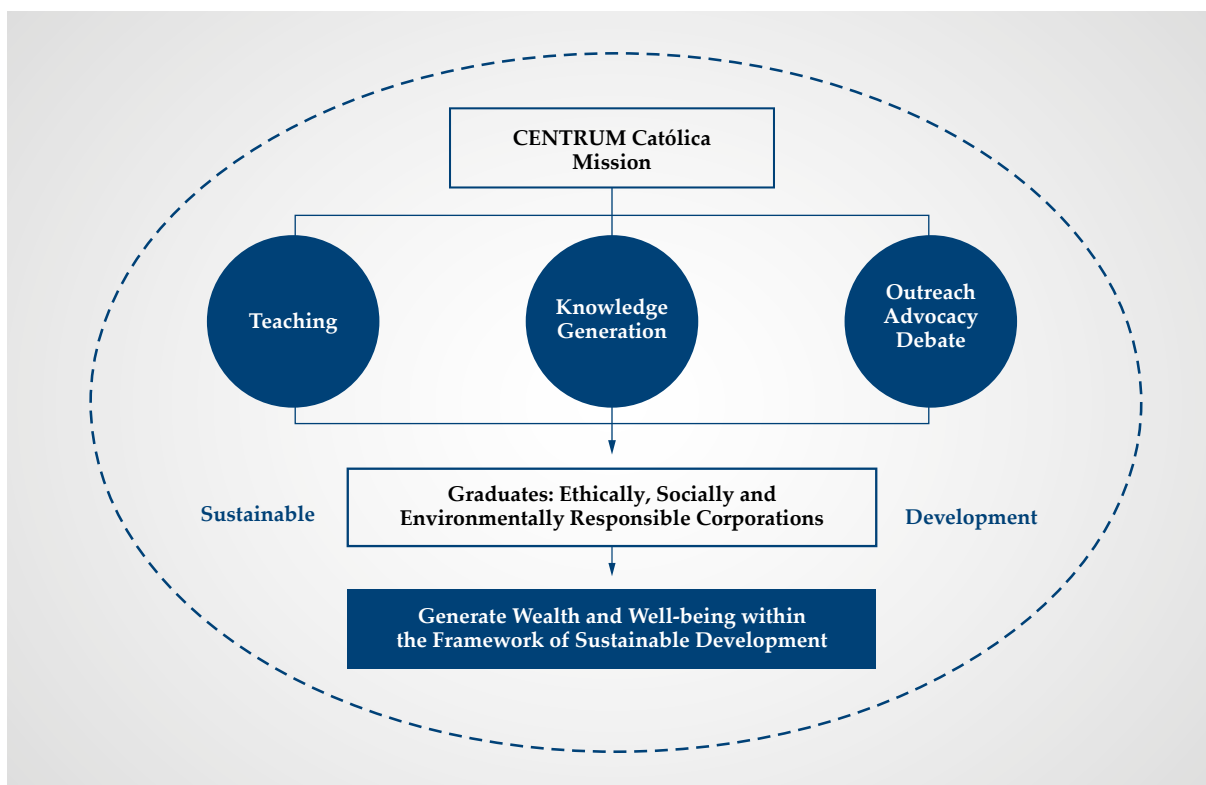


Figure 1. CENTRUM Católica's Mission.

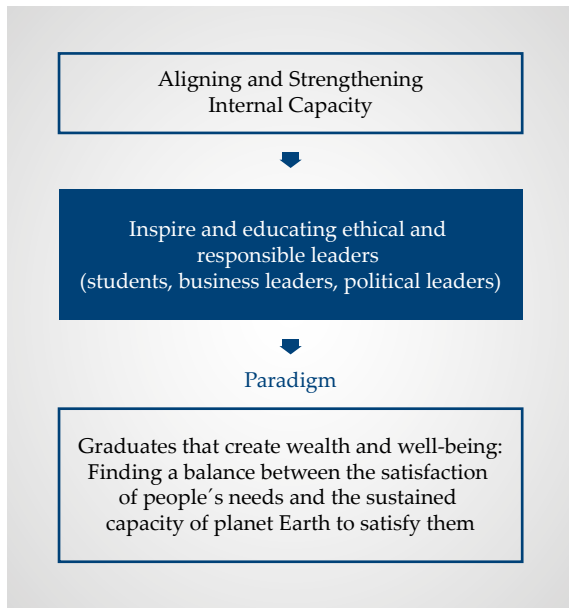


Figure 2. The paradigm shift sought by CENTRUM Católica's education.

CENTRUM Católica, in consultation with its stakeholders, also established ten strategic goals (long-term objectives) to achieve its Vision. The following seven are aligned with the UN PRME:

1. To maintain the accreditations and certifications of quality management, consolidating high academic standards through a continuous quality improvement philosophy (Principle 5).
2. To strengthen and expand the international component of the academic offerings of CENTRUM Católica Graduate Business School by 100%, based on stronger

partnerships and agreements with top 100 business schools (Principle 6).

3. To achieve over 60% of all full-time faculty with the qualification of Scholarly Academic (SA), with no more than 5% distributed among Instructional Practitioners (IP) and Others rating, which will in turn ensure a high degree of recognition by students (Principle 1).
4. To become an international referent in basic and applied business-related research. Full-time faculty members must publish at least one scholarly article in a top refereed journal every two years, on issues of relevance and impact in business administration (Principle 4).
5. To achieve that 100% of the academic offerings incorporate soft skills, CSR, and a sustainability approach, ensuring the focus on areas of excellence (Principle 3).
6. To ensure continuous improvement of financial management systems and controls for business units in all locations (Principle 2).
7. To become a global referent in Corporate Social Responsibility and Sustainability at business schools (Principle 5).

On the other hand, in 2014 and 2015, CENTRUM Católica also monitored Assurance of Learning (AoL) Programme Goals and Objectives, which complement the actions carried out within the framework of the international ISO 9001 standard.

Key CENTRUM Catolica Accomplishments

Full alignment of the Mission, Vision, Values, Code of Ethics, and Learning Goals - the driving forces at CENTRUM Católica - with the six UN PRME.

Establishment of ten strategic goals aligned with the school's Vision, which are mostly aligned with the UN PRME, where sustainable development is the framework of all of CENTRUM Católica's actions.

Continue to monitor Assurance of Learning (AoL) Goals and Objectives for all MBA and DBA Programmes, which assures quality education to all CENTRUM Católica students within the framework of sustainable development



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.

Values

According with Professor D'Alessio, CENTRUM Católica's founder, the Values of an organization should be considered as the most important policy guidelines. He added that they are also the framework for establishing standards of performance for executives, and a guide in the decision-making process. CENTRUM Católica's Values are: (a) to search for the truth, (b) to respect the dignity of the person, (c) to respect plurality, (d) to be socially responsible and committed to sustainable development, (e) to be honest, (f) to practice solidarity with others, and (g) to be fair.

Code of Ethics

CENTRUM Católica's Code of Ethics now includes:

- Promote and ensure respect for human rights and the dignity of the members of our community and those with whom we interact.
- Harassment of any member of our community is considered serious misconduct and unacceptable behaviour.
- Foster and maintain an environment of respect and tolerance in our relationships with others, whatever their position or rank.
- The resources made available to our community will be used wisely and efficiently, and the private property, furniture, facilities and materials of CENTRUM Católica will be safeguarded.
- Encourage intellectual contributions and respect the moral and legal ownership of the knowledge generated by the entire academic community.

- All information will be generated, registered and used exclusively for academic, research, and administrative purposes, while respecting the right to personal privacy. We will provide real and timely information to those requiring it.
- Decision-making will be entirely objective, honest, and fair.
- Encourage the objective and impartial development of our functions and the fulfilment of our duties. We will not accept or solicit gifts and donations for personal gain from any individual or corporation, whatever the value of the gift or donation.
- Sustainability is paramount to our academic, research, outreach, advocacy, and administrative activities. We will ensure the care and conservation of the environment through our daily activities and programmes while trying to reduce the negative impact generated by them.
- The relationship with our suppliers should always be beneficial to both parties. Every member of our community who relates to our suppliers shall be fair, honest and responsible, and ensure to protect the interests of the institution.
- Students, professors and workers will reflect a positive, fair, and just institutional image to our stakeholders. Therefore, all members of the institution will act with prudence, consideration and care with our stakeholders.
- We are also committed to communicate any act that disparages the image and prestige of the institution.
- As part of its Mission, CENTRUM Católica Graduate Business School offers employees the opportunity to develop professionally and provides equal opportunities for all, according to their abilities following the internal rules of evaluation and promotion.

CENTRUM Católica has an Ethics Committee that monitors, evaluates, and issues recommendations on the behaviour of any member of our community who may represent a violation of the commitments and obligations established in the Code of Ethics.

CENTRUM Católica is a signatory of the UN Global Compact. CENTRUM encourages its MBA students to conduct research and practical work at fellow UN Global Compact signatory institutions. Research conducted during this period included, just to mention two themes, those on social license to operate in the extractive industries, and the willingness to pay for products and services that have social responsibility attributes. This research sought to contribute to making corporations better global corporate citizens. As stated above, most courses in the MBA curricula have social responsibility as a key component. For example, all finance courses include responsible finance content; most operations courses include efficiency, some being eco-efficiency; marketing courses include responsible marketing and responsible consumption content. All MBA students make international trips to the USA or Europe, including visits to corporations that are members of the UN Global Compact, to learn how they are applying those principles.

CENTRUM Católica also launched an international certificate program in corporate social responsibility that is aimed at middle managers in corporations wishing to revamp their focus on CSR.

Our Approach to CSR

Similarly, the published Institutional Principles that guide the school's operations include the following:

- Focus on ethics and corporate social responsibility
- Promote humanistic thinking as a basic principle and value
- Generate knowledge for the benefit of humanity

CENTRUM Católica has incorporated corporate social responsibility content into its courses (MBA programmes and Executive Education), including:

- Decision-making and impact management
- Stakeholder engagement and participation
- Ethical analysis of business
- Corporate governance
- Development of organizational culture guided by social and environmental values
- Design and implementation of strategic plans that ensure competitiveness and sustainability of business and the development of business models aimed at the base of the pyramid.

Case studies and literature covering business ethics, social responsibility, and environment stewardship are used throughout its academic programmes. In addition, a significant number of final MBA theses have consisted of field investigations and the application of corporate social responsibility theory to particular Peruvian companies. Students are encouraged to use topics of social impact in their thesis work and proposed cases.

CENTRUM Católica's MBA core curriculum contains a full-term required course called Ethics and Corporate Social Responsibility. The main objective of the course is to provide participants with knowledge of the principles and strategic management tools of corporate social responsibility for proper and effective decision making. It also seeks to reflect on business decisions from the perspective of ethics and social responsibility.

CENTRUM Católica implements a range of graduate educational and research programmes that create synergies and contribute decisively to the education of a new corporate cadre of professional that are contributing to concrete actions toward the achievement of sustainable development.

Key CENTRUM Catolica Accomplishments

Key research aligned with the UN PRME was completed to assist corporations to be better global corporate citizens within the framework of sustainable development.

CENTRUM Católica's MBA curricula now have UN PRME content incorporated in them.

CSR, responsible leadership and sustainability were included in the contents of most courses in the MBA curricula.



PRINCIPLE 3: METHOD

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

In 2013, CENTRUM Católica created the Integrated Student Service System (SIAL) and launched the Student Orientation and Development (ODE) seminars. SIAL was created to better promote direct communication among students, professors, managers, and staff members by directing student queries and requests for services from programme directors and coordinators, and/or from academic and administrative managers, while providing 24-hour direct access, via our website, including counselling on assignments dealing with responsible leadership, ethics, CSR, among other UN PRME-related issues. The ODE seminars were created to help students to adequately adapt and face the academic challenges of studying at CENTRUM Católica, providing guidance and counselling, group workshops on time management, learning skills, integration areas, newsletters and support for working groups.



CENTRUM Católica also launched CentrumX, a platform in which Massive Open Online Courses (MOOC) courses are posted and students can take them free of charge, or for a reduced fee if they want credit toward a degree. These MOOCs include content aligned with the UN PRME, and help the students to be prepared by providing supplementary readings and pedagogical tools up to 45 days before classes start. This is a very popular platform that, in its first year, had over 100,000 visitors. In its second year, it achieved 800,000 visitors.

In 2014, a new full-time MBA, called Tri-Continental MBA, was launched in collaboration with the University of Victoria in Canada and the University of Maastricht in the Netherlands. The students in this programme are young and the admission process placed emphasis on their ethical values, which are essential in having a positive attitude towards sustainable development. The students are admitted in equal proportions at each of these three schools. They spend the first quarter at their respective university, where they were admitted. Then they all form one cohort and start attending classes during one quarter at each school. So, all students admitted into this program spend 50% of the time at their own school, and 50% of the time at each of the other schools. This allows them an international experience without parallel.

Local Contributions

Through the Centre for Social Responsibility, Entrepreneurship and Sustainability Studies, CENTRUM Católica sought to create knowledge and develop practices that would make viable management with a focus on corporate social responsibility among the various industrial sectors and companies in Peru. Specific areas of research included the analysis of progress in CSR by industry, the relationship between CSR and competitiveness in industry, management practices of Peruvian companies and the creation of shared value, CSR activities by foreign companies with operations in Peru, business design for the base of the pyramid, competitiveness and design of agro-businesses, the social license to operate, and CSR in Peruvian companies.

CENTRUM Católica was also active in Peru 2021, the national association of socially responsible corporations. Since 2009, CENTRUM Católica's professors have been judges of the National CSR Prize and the National CSR Distinction, given by Peru 2021 to corporations with the best record of social and environmental behaviour. Furthermore, CENTRUM Católica has developed a Corporate Reputation Index (IRCA) to measure social responsibility levels among Peruvian companies, a study in Peru, Colombia, the United States and Spain to evaluate the impact of social responsibility on products and develop a set of best strategies for the product or target market, a study to identify 100 companies located in Peru and their performance in social responsibility practices, as well as strategic plans for Peru's different regions to help the local governments develop in sustainable, socially responsible ways.

Global Contributions

CENTRUM Católica actively contributed to management education and the management profession through its participation in a wide variety of organizational efforts, including the following:

- Since 2007, CENTRUM Católica is a partner of the Institute for Management Development (IMD), located in Lausanne, Switzerland. Through the World Competitiveness Yearbook, CENTRUM Católica provides government and business leaders with academic research, highlighting key trends in the competitiveness of nations.
- The Sumaq Alliance is an agreement that links the Instituto de Empresas (IE Business School of Spain), the Financial Times and seven leading business schools and universities in Latin America, including CENTRUM Católica, EAESP - Fundação Getulio Vargas (Brazil), EGADE – Instituto Tecnológico de Monterrey (Mexico), INCAE (Costa Rica) and the Universidad de los Andes (Colombia). Its goal is to offer executive training via a common technological platform to develop a new generation of global leaders and to increase entrepreneurial competitiveness. CENTRUM Católica has been collaborating in special projects in Peru.
- CENTRUM Católica is a member of the European Academy of Business in Society (EABIS), a unique network of global companies and leading business schools committed to mainstreaming sustainable enterprise in business and policy research, executive learning and management education.
- CENTRUM Católica is an active member of the GOLDEN for Sustainability initiative, a global network of leading research centres, business and institutions developing and testing innovative change strategies for sustainable enterprises within the framework of sustainable development. It conducts three activities: (a) the Observatory, (b) the Labs and (c) strategic research and multi-level simulations of a global scope.

Key CENTRUM Catolica Accomplishments

CENTRUM Católica created the SIAL and ODE to better promote direct communication between students and professors for timely counselling on assignments dealing with responsible leadership, ethics, CSR, among other UN PRME-related issues.

CENTRUM Católica created CentrumX, a platform to deliver its own MOOCs, which are content aligned with the UN PRME.

CENTRUM Católica is a CSR leader in Peru. It is a national evaluator of the CSR National Prize. It created the IRCA, which presents the state of the corporate reputation of socially responsible companies. It is proactive in several global initiatives dealing with sustainable development.



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.

CENTRUM Católica carries out applied and basic research. Basic research is focused in the areas of economics, finance, marketing, operations, leadership, the human factor, and trade, as well as human soft skills such as leadership, managerial attributes, innovative perspectives, entrepreneurial spirit and strategic thinking. Applied research generates applied knowledge that contributes to the solution and/or discussion of problems dealing with key issues in the national and regional business community.

CENTRUM Católica research is organized into six Research Centres (see Figure 3).

All of these Centres carried out research that responds to UN PRME-related issues.

Intellectual Contributions Impact

CENTRUM Católica has many research contributions, among which some relevant ones are:

- 20% of CENTRUM Católica's publications between 2010 and 2014 were in High Impact Factor journals.
- Download counts of CENTRUM Católica publications from electronic journals during from 2010 to 2014 totalled 13,711.
- Research by CENTRUM Católica professors was cited on approximately 450 journal papers between 2010 and 2014.
- Total Impact Factors of published CENTRUM Católica research between 2010 and 2014, based on Thomson Reuters' Journal Impact Factor Calculation, were 51.78.
- Research by CENTRUM Católica professors received external recognition on 7 occasions from 2010 to 2014, including the Emerald/ CLADEA Latin American Management Research Fund Award in 2010, 2011 and 2012; and the Premio PODER to the Peruvian Think Tank of the Year Award in 2013.

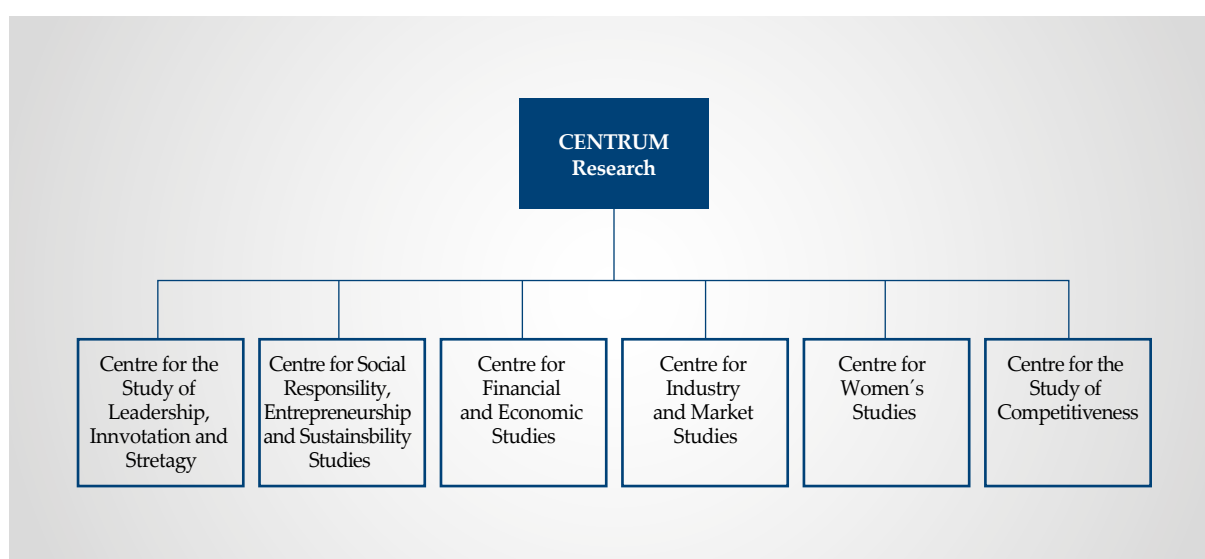


Figure 3. CENTRUM Católica Research Centres.

Research Centre Impact

CENTRUM Católica has had impact in many ways in the advancement of the sustainable development agenda.

- The over 20 International Conferences and seminars sponsored by CENTRUM Católica in 2014 and 2015 included the International Conference on Business Performance Measurement and Management; International Conference on Data Envelopment Analysis and Its Applications to Management; the international forum “Leadership and its Implications in Organizational Development,” featuring world-renowned leadership expert Bruce Avolio; the international forum “Leadership to Face the World Crisis”; the International Conference on Competitiveness Evaluations and Conceptual Aspects; the Eastern Academy of Management International Conference; Conference of the Peruvian Human Resources Association; 4Ps to Escalating Bank Performance; Naïve 5 P’s for Banking Sector Performance, and the Seminar on Keys to Successful and Competitive Family Businesses; a Conference on Leadership with the participation of renowned thinker John C. Maxwell.
- Research on women had significant impact on public policy, and on the orientation of women in Latin America and Peru in particular. Among others, this has included studies of the situation of women in each of Peru’s regions and papers on the participation of women in the Latin American economy. Research results were presented at the 2014 International Forum of Women Leaders from South American and Arab Countries.
- CENTRUM Católica’s research influences international and regional policy through its contribution to internationally referenced publications like the IMD World Competitiveness Yearbook, and local policy through publications like CENTRUM Católica’s Regional Competitiveness Index of Peru and the Corporate Reputation Index, which are published yearly.
- Furthermore, CENTRUM Católica is a knowledge and opinion leader in the Peruvian



media on issues dealing with global business, economics, and other business-related topics. Between 2014 and June 2015, CENTRUM Católica appeared more than 1,000 times in different mass media in Lima (print, radio, television, and web-based), and some 400 press appearances in Peru’s provinces.

- CENTRUM Católica’s students and faculty have developed more than 100 strategic plans for Peru’s regions, industrial sectors and products, as well as, key country-wide infrastructural systems like the educational, health, and port systems of Peru. These strategic plans are distributed to the key decision- makers of each respective field.
- CENTRUM al Día is an e-bulletin that is published weekly. It provides selected information to 35,000 executives, entrepreneurs, researchers, professors and Alumni.
- *Strategia* is CENTRUM Católica’s specialized business magazine. It is distributed bimonthly to 10,000 subscribers in leading companies in Peru and Colombia. It presents the latest trends in strategic management and business.



This year its first bilingual edition in English and Spanish was published.

- Since March 2008, CENTRUM Católica has also published an academic journal called the *Journal of CENTRUM Cathedra*, which includes contributions from top business professors from around the world, and occasionally from Centrum's core faculty researchers, doctoral students, and invited scholars. This journal is published in English twice a year (March and September), and it is distributed to the best libraries and business schools around the world. Approximately one third of all its articles have a positive impact on sustainable development.

- CENTRUM Católica promoted the generation of new ideas, technologies, methodologies, and programmes under a culture of academic freedom and critical thinking. These initiatives are conducted by faculty members or staff and are channelled to the Director of CENTRUM Research in order to analyse and define whether to implement the initiative.

MBA Theses

More than 250 theses were completed during 2014 and 2015. Roughly 60% of them covered themes associated with the UN PRME, responsible leadership and corporate and regional development.

Key CENTRUM Catolica Accomplishments

In 2014, CENTRUM Future was launched as a think-tank with the mission to generate and disseminate applied knowledge that will serve in the discussion of the problems of business competitiveness.

CENTRUM Católica's research influenced international and regional policy through its contribution to internationally referenced publications such as the IMD World Competitiveness Yearbook, and local policy through publications such as CENTRUM Católica's Regional Competitiveness Index of Peru and the Corporate Reputation Index, which are published yearly.

Roughly 60% of all MBA theses cover themes associated with the UN PRME, responsible leadership, corporate and regional development in the framework of sustainable development.



PRINCIPLE 5: PARTNERSHIP

We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.

The premise underlying the creation of CENTRUM Católica was that it would be a meeting place between the academic and business worlds.

Government, as a regulator of all business activities, would also be included. In this approach, companies, non-profit institutions and government represent CENTRUM Católica's corporate connections. CENTRUM Católica interacts with business in different ways. One way is through its executive education, which is made up of four components: In-company training, specialized open courses, training directed to top management and Board of Directors members, and online training. A second, growing way is through consulting; a third way is through research; and a fourth way is through the organization of conferences, seminars, and corporate events in association with business guilds. A fifth way is through

outreach and advocacy, working through the media (all channels) with specific sectors to achieve changes in the role of business leaders, the role of corporations, the role of government. Some of this work is done with UN Global Compact corporations. A sixth way is involving business executives in CENTRUM Católica's management or involving them in teaching or even in research. A seventh way is through CENTRUM Católica's Alumni and its Alumni Association, with more than 5,800 Alumni members who work mostly at the largest, most influential corporations in Colombia, Ecuador and Peru (see Figure 4).

In 2014 and 2015, CENTRUM Católica carried out over 400 specific in-company programmes (customised programmes) for leading multinational companies, such as Volvo, Nestle, Repsol, Barrick Gold, Claro, and Alicorp, as well as for selected governmental agencies, such as Peru's Superintendency of Banking and Insurance and the National Institute for the Defence of Intellectual Property and Fair Competition. More than 450 in-company programmes were designed and taught, many of which were aligned with the UN PRME.

Consulting projects were aimed at the top companies in the public and private sectors, with a focus on quality and processes, global competitiveness, CSR and strategic management. In 2014 and 2015 CENTRUM Católica carried

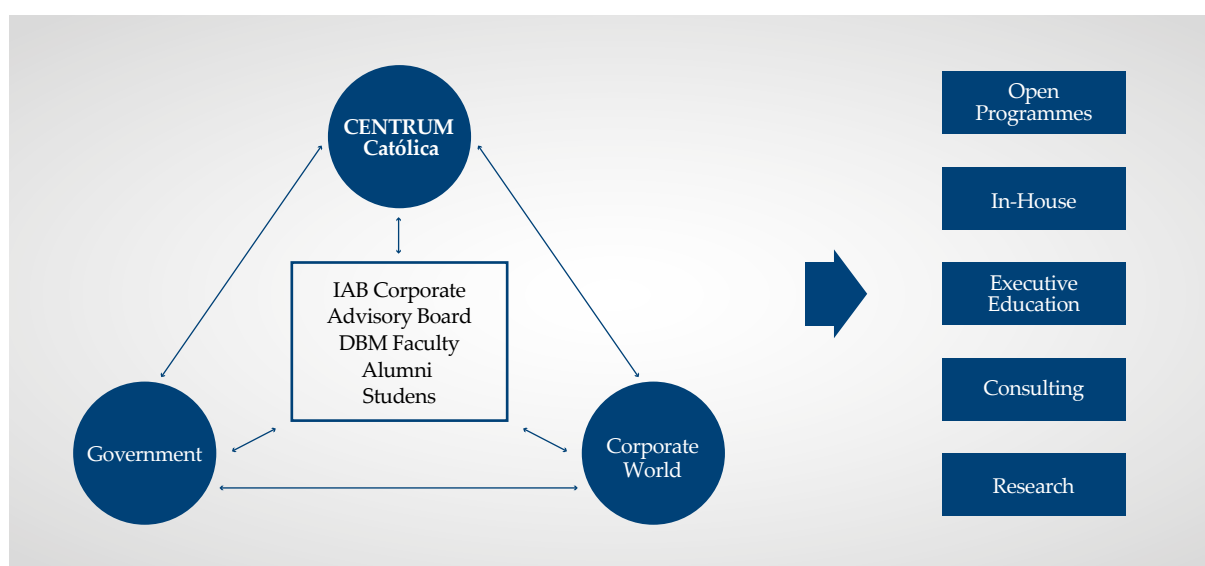


Figure 4. Ways of working with the corporate world and government.

out consulting services for more than 100 clients, including Banco de Crédito del Perú, Barrick Gold, BASF, Brocal, Camposol, Corporación José R Lindley, Corporación EWong (now Cencosud), Drokasa Perú, GlaxoSmithKline, Grupo BBVA, Kraft Foods, PetroPeru, Telefónica, Repsol, Ripley, and the Ministry of Agriculture.

Corporate Advisory Board

CENTRUM Católica's Corporate Advisory Board is composed of 18 members, all leading executives from the corporate world. Its functions are: (a) promotion of the union of associations to achieve long-term objectives of national interest; (b) management of CENTRUM Católica - private sector joint projects on issues of common interest, such as productivity, competitiveness, knowledge management, CSR and practical research; (c) joint development of events such as seminars, roundtable discussions and lectures that enable professional association officials to engage in the state-of-the art organizational disciplines; (d) strengthening the soft management skills of companies' top and middle management; (e) dissemination of existing training programmes and projects from the professional associations and CENTRUM Católica; and (f) training professional association officials according to the requirements of the business community.

This Board was a direct channel of communication and cooperation with the corporate world, providing an opportunity to promote the UN PRME.

International Advisory Board

The International Advisory Board (IAB) members are distinguished representatives of the international academic and business community who meet as required to discuss matters of primary concern to CENTRUM Católica, including its governance. The extraordinary prestige of the members of the IAB lends significant weight to its recommendations. This is a second powerful channel to influence the business world, and to advance the UN PRME.

Corporate Connections

Besides the connections with the corporate world that occur through the two above



mentioned Boards, CENTRUM Católica's interaction with the business community is continuous and direct as a result of a large number of its 2,000-plus MBA students being middle or upper managers at important companies in the Peruvian business community. Students serve as intermediaries with the top management of their companies to negotiate collaborative activities, and to organize events. Thus, there is a continual exchange of ideas between CENTRUM Católica and the business community. An achievement in 2014 and 2015 was the formulation of more than 600 strategic plans for an equal number of companies in Peru and Colombia where CENTRUM Católica's professors and MBA students included sustainable development-related initiatives, starting with the mission and vision of those companies.

This relationship is reflected in CENTRUM Católica's 2014 - 2024 Strategic Plan, which contains strategies for strengthening relations with the corporate community, including the development of several corporate social responsibility projects, the formulation of business strategic plans, and educational



agreements for executive education with the top companies in Peru.

Faculty and MBA Student Involvement

In addition to the above mentioned actions, in which professors play key roles in the school's relationship with business, faculty members during this period also

sat on the Board of Directors of the Andean Development Corporation, the National Development Corporation, the Peruvian Securities and Exchange Commission, the National Agricultural Development Bank, the National Electric Company, the National Port Authority, the Commerce Bank, and several other corporations. Other community contributions by faculty members have been in support provided to the United Nations Development Programme and other United Nations bodies, the United States Agency for International Development and the European Union, among many other non-Peruvian institutions.

Students also contributed to the local community through their participation in a number of extracurricular activities. These included:

- First Tuesday after Office Meetings, in which students participate and interact with other student entrepreneurs and investors to promote the creation of new business and start-ups.
- The Professional Volunteer Training Programme, implemented since 2009 with the NGO Caritas, which offers MBA students the possibility of helping poor communities in Peru, using their acquired knowledge and professional abilities, including the development of business plans and advice on new business start-ups.

Key CENTRUM Catolica Accomplishments

CENTRUM Católica carried out more than 400 In-company events with the most important companies in Peru, which were aligned with the UN PRME.

CENTRUM Católica has developed direct and effective channels of communication and collaboration with the corporate world, which resulted in obtaining more than 100 corporate clients, and the opportunity to do UN PRME-related activities.

CENTRUM Católica has completed more than 600 company strategic plans in which professors and MBA students incorporated sustainable development-related mission, vision and activities.



PRINCIPLE 6: DIALOGUE

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

In 2014 CENTRUM Católica created a think tank, called CENTRUM Future, to increase its participation in public debates in Peru and Colombia. This think tank carried out applied research on issues of public interest that have an impact in business, to feed well-sustained information to the media for its dissemination in an effort to influence certain issues, organising debates, public events, publishing books, and so forth, looking to accelerate change. A great proportion of this work entails issues pertinent to the UN PRME.

This think tank organized or sponsored one public event every two-to-three weeks involving between 200 and 1,000 participants,

mostly from the corporate world but also from government, in the best hotels in Lima and Bogota, addressing national or world issues such as business ethics, business sustainability, corporate social responsibility, responsible finance and environmental sustainability. CENTRUM Católica averaged dozens of mentions in different media every day.

CENTRUM Católica was ranked the 31st most powerful brand for its corporate brand reputation and 5th for its corporate social responsibility and governance in Peru in 2015 by MERCO from Spain. The school was also ranked as the number 1 institution in Peru in CSR-focus management by that same organization.

CENTRUM Católica brokered an alliance with RPP, the most influential media in Peru, to air opinions from professors and key executives from the school to address economic and political issues of interest to business. Part of this alliance permitted professors to record three-minute announcements advising business and the viewers in general on a diverse number of topics including those related to ethics and responsible business and matters dealing with sustainable development.

Key CENTRUM Catolica Accomplishments

CENTRUM Católica created a think tank to produce information for dissemination and debate to accelerate change in association with responsible business and sustainable development, among other subject of interest to business.

CENTRUM Católica was ranked as the 31st most powerful brand in Peru according to MERCO from Spain. This is unprecedented in the corporate world: a business school brand is stronger than many brands from globally recognised corporations. This will increase CENTRUM Católica's influence in public opinion in Peru.

CENTRUM Católica has convoked between 300 and 1,000 participants, mostly from the business world, for a total of over 20,000 participants in two years, to present issues of public interest associated with business and the UN PRME. It also led many public debates involving business and government on similar issues.

PRINCIPLE 7: ORGANISATIONAL PRACTICES

CENTRUM Católica continued to work to include the UN PRME content in all of its Programmes. It also continued to implement UN PRME-related strategic activities within the organization, and with numerous strategic partners. One of the key activities implemented within the organisation was the “Clima de Cambios” campaign, which deepened our institutional commitment to be eco-efficient: reducing, recycling, recharging, reusing or rethinking inputs, processes, and outputs and how we operate to minimize the negative impact in the environment. The ways we use to operate and collaborate with others, particularly business, was explained above.

CENTRUM Católica also seeks continuous quality improvement. In 2015 it was recertified in the ISO 9001:2008 standard, and was certified in the new, much more demanding ISO 9001:2015 standard. Furthermore, CENTRUM Católica was recertified in the ISO 14001, and obtained a mention in the ISO 26000 standard. These certifications are the result of systems and processes that are in place to make operative quality assurance, environmental management and CSR systems in the management of the school.

The pathway to excellence and leadership, as a UN PRME Champion, also involves participating actively within the UN PRME Secretariat as a member of the Global Advisory

Committee, as a leader in the UN PRME LAC Chapter, as a proactive participant in drafting the Business School Transformational Model and as a constructive leader in the definition of the UN PRME mission and *modus operandi*. CENTRUM Católica also liaises and collaborates with the UN Global Compact signatories, and since 2015 is committed to contributing to the achievement of the UN Sustainable Development Goals.



Key CENTRUM Catolica Accomplishments

CENTRUM Católica obtained the new, much more demanding ISO 9001:2015 certification. It also obtained the much more demanding ISO 14001:2015 certification.

CENTRUM Católica was a UN PRME Champion. It contributed proactively to the UN PRME LAC Chapter, UN PRME Champions Group, and the UN PRME Chapters Group.

Assessment of Progress Made in the Past Reporting Period

CENTRUM Católica continued to advance in the incorporation of the UN PRME into all of its educational, research, outreach and advocacy programmes. In these two years it also revised its Strategic Plan, with slight but important revisions of its Mission, Vision, and Code of Ethics, aligning the organization much more with the UN PRME.

CENTRUM Católica also continued to advance in the rankings of the best business schools. The Financial Times in 2015 ranked CENTRUM Católica's Executive MBA program as the 52nd best worldwide; in 2014, it had ranked this MBA in this same position. In its 2015 report, the newspaper also placed the school's Online MBA program in 13th place in the world and in the first place in Latin America, while CENTRUM's Executive Education (open) was ranked as the 75th best in the world and the

best in Peru. Likewise, the 2015 Eduniversal Best Masters Ranking ranked CENTRUM's Full-Time MBA, Managerial MBA and Global MBA programmes in the first place in Latin America. It also placed the International Corporate Master's program in Operations as one of the best five in the world.

CENTRUM Católica deepened its work with business partners through different arrangements, including the Corporate Advisory Board, International Advisory Board, MBA students most of whom work as middle or top managers in the private sector, and through specific collaborations with business associations, corporations, and such.

CENTRUM Católica's participation had an impact on several global organisations, including the Board of Directors of AACSB International, where many initiatives dealing with accreditation were initiated, some of which deal with responsible leadership. CENTRUM Católica also participated in the Boards of Directors of the European Foundation for Management Development (EFMD) and the Globally Responsible Leadership Initiative (GRLI), where it made important contributions in the adoption of responsible leadership as important criteria in future accreditation. It also participated in several global initiatives including GOLDEN for Sustainability, in which business-focused research is carried out to make sustainable development viable.

CENTRUM Católica had a strong impact on the education of MBA and DBA students with competencies in responsible leadership. Close to 2,000 MBA students completed their studies, with hundreds of their theses concerning responsible leadership, business ethics, and sustainable development matters. CENTRUM Católica also worked on outreach and advocacy initiatives, using the media with a strong positive impact on the public debate on responsible leadership and sustainable development.



Reference to any Metrics Being Developed and Used

- Number of syllabi and percentage of their content in which UN PRME-related changes were made.
- Number of peer-reviewed and other types of publications published with responsible leadership and sustainable development-related content.
- Number of times news were published by printed, TV, radio, and by other mass media oftentimes with a focus on UN PRME-related issues.
- Number of national and international events organized with a focus on UN PRME-related issues.
- Number of participants in those events.
- Number of companies that included UN PRME-related focus in their Mission and Vision statements.
- Number of issues that were debated in different fora put forward by CENTRUM Católica.
- Rankings and accreditation awards.
- Number of international certifications obtained.

Challenges and how these are Being Overcome

The biggest challenge faced by business schools, including CENTRUM Católica in the promotion of responsible leadership, ethical management, transparency, accountability, and a focus on sustainable development is to achieve a critical mass of companies that also adopt them as part of their DNA. If companies do not do so, then the MBA graduates may actually face limitations in being hired because their competencies, attitudes and abilities would not be demanded by companies. This is why working with the UN Global Compact signatories is one of the most strategic matters at the UN PRME.

Furthermore, influencing accreditation bodies and business school ranking organizations is also essential. If these organizations include responsible leadership, CSR, environmental conservation, and sustainable development as part of the criteria in reaccreditations and rankings, all business schools will revise their curricula to align them with the matters mentioned above. This would generate a cascade

of change that will transform business education worldwide, and particularly in the United States, where the most resistance to embrace this change is occurring.

Another challenge is working proactively with the media as strategic partners to achieve this change. Nowadays the social media should also be included in this work, to influence the younger generations worldwide and to achieve a critical mass of opinion-makers pushing for this change.

Within business schools, the biggest challenge is to convince professors of the strategic importance of the sustainable development and responsible leadership approach, particularly the finance- and economics-related professors. Willingness and commitment from the school's top management is important, but not enough. Change has to be embraced and pursued by all the faculty members as well as by staff members. Thus, strong leadership from top management is an essential force to achieve this change.

Conclusions

During 2014 and 2015, CENTRUM Católica completed the inclusion of the UN PRME in all of its curricula in the MBA and DBA programmes, research, outreach and advocacy programmes. It also revised its Strategic Plan covering the period 2014-2024, including revisions of its Mission, Vision, and Code of Ethics, and aligning its strategic objectives and strategies with the UN PRME.

CENTRUM Católica deepened its work with business partners through different arrangements, including the Corporate Advisory Board, International Advisory Board, MBA students, many of whom come from the private sector where they work as middle or top managers, and through specific collaborations with business associations, corporations, and such. Hundreds of products were delivered: company strategic plans, MBA theses, research papers, advocacy papers, media publications, etc.

The CENTRUM Católica brand became one of the most powerful in Peru, competing with the largest transnational and national corporation in this coveted commercial area.

CENTRUM Católica also continued to advance in the rankings of the best business schools. The Financial Times in 2015 ranked CENTRUM Católica's Executive MBA program as the 52nd best worldwide; in 2014, it had ranked this MBA in this same position. In its 2015 report, the newspaper also placed the school's Online MBA program in 13th place in the world and in the first place

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PRME Principles for Responsible
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