

2010 Sharing Information on Progress

UN Principles for Responsible Management Education (PRME)



WEATHERHEAD
SCHOOL OF MANAGEMENT

CASE WESTERN RESERVE
UNIVERSITY

Our Letter of Commitment



When we began revising our MBA curriculum a little over three years ago, we chose to center our curriculum around two themes, one being *Sustainable Enterprise*—the notion that creating prosperity goes hand in hand with fostering a healthy natural environment and human society. Our second theme is *Manage by Designing*, and this is less, perhaps, a theme than a total culture shift: the integration of design attitude and skills into our MBA culture and curriculum. What at first seems a marriage of disparate notions—the subjectivity of design and the idealism of social change with the practicality of the business world—has been revealed to be a transformative guiding principle in our faculty’s and students’ work.

It was in 2006 that the United Nations Global Compact and the Academy of Management first partnered with Case Western Reserve University to establish the Global Forum for Business as an Agent of World Benefit, headquartered at Weatherhead’s Center for Business as an Agent of World Benefit. This Center was renamed the Fowler Center for Sustainable Value in 2009, its core mission to build a community of business, academic, governmental, and non-profit leaders to explore the intersection of sustainable practices and improved corporate profitability.

From our six-credit “Institute for Sustainable Value” course to our brand-new transdisciplinary doctoral option, the Designing Sustainable Systems Track for a PhD in Management, Weatherhead faculty have come up with unique approaches to emphasizing the social context of management action. Nor do our students need any encouragement to take their learning to the next level by becoming involved with organizations like Net Impact and the Aspen Institute. We feel our students’ readiness to put into action the concepts they have absorbed through our social entrepreneurship curriculum is a testament not just to the power of these ideas, but to their workability. The Principles for Responsible Management Education are a distillation of what this responsibility means in daily practice.

This progress report will highlight some of the results of our commitment to the PRME during 2009-2010. It is my personal hope that this is just the beginning, for all of us.

Sincerely,

A handwritten signature in black ink that reads "N. Mohan Reddy". The signature is written in a cursive, flowing style.

N. Mohan Reddy
Dean and Albert J. Weatherhead III Professor of Management

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.

Weatherhead prepares students to be business leaders who understand how their values and decisions affect their communities and the world. Think like designers, we tell our students. Find business opportunities in today's most pressing social and environmental issues, and recognize that today's business challenges won't be solved with yesterday's management attitudes and solutions.

Our interdisciplinary initiatives feed all that we do: *Manage by Designing* and *Sustainable Enterprise* infuse our coursework with creative energy—think of a design studio. Meanwhile, students have opportunities to apply these initiatives outside the classroom, too. Fellowships and internships, in-the-field experiences, case competitions, clubs, and outreach programs teach students how values create value.



Weatherhead's MBA team wins first place in the Aspen Institute's Case Competition, held at the W Hotel in Times Square, April 2010.

Internships and fellowships

Internships at the Fowler Center for Sustainable Value

Weatherhead 's Fowler Center employs two students each year to help with its programs. Interns provide editorial support for the *Journal of Corporate Citizenship*, participate in meetings with business and government, assist in the center 's work with the United Nations Global Compact U.S. Network, help research sustainability curriculum and reports, and develop sustainability e-marketing campaigns.

Fellowships at the Institute for Sustainable Development

Weatherhead MBAs are now eligible to apply for fellowships with the Institute for Sustainable Development in North Carolina. In 2010, one MBA candidate will spend her summer working directly with small businesses in the Cleveland area to improve their economic, environmental, and social performance, and will work directly with the Council for Smaller Enterprises (COSE), the Institute's partner in the Northeast Ohio region.

Internships at The Cleveland Clinic, Office for a Healthy Environment

In 2009-2010, a Weatherhead MBA had the opportunity to serve in the Cleveland Clinic 's Office for a Healthy Environment and was recently hired full-time to manage programs within the 40,000-person organization.

Volunteering for "Sustainable Cleveland 2019"

Weatherhead facilitates the 10-year "Sustainable Cleveland 2019" project. The initiative was spearheaded by the City of Cleveland and now involves thousands of stakeholders throughout the region. Each year, stakeholders come together for an *Appreciative Inquiry* summit where they design new projects aimed at creating a "Green City on a Blue Lake." Weatherhead students have the opportunity to volunteer in the planning process and at the summits and are even invited into high-level meetings with Cleveland 's government and business leaders.

In-the-field highlights

During Weatherhead 's year-long, six-credit **Institute for Sustainable Value** MBA student groups have the opportunity to work with local organizations that seek to do well by doing good. In 2009-2010:

- Students worked with **Tremont Electric**, a Cleveland alternative-energy start-up, to design ways to implement LCA and GRI assessments of Tremont 's business practices.
- Students worked with the **City of Cleveland** to develop an internal marketing campaign aimed at engaging city workers and offices in sustainability.
- Students worked with a wallet and purse business, **Cosmic Bobbins**, to develop a profitable business model that delivers social value.
- Students offered financial modeling for **a home for the elderly** in Old Brooklyn, Ohio, to help them be as efficient as possible and create an advisory board to engage all aspects of the community.



First Place for Weatherhead in Aspen Case Competition

A team of four Weatherhead MBAs took first place at the Aspen Institute's 2010 Business & Society International MBA Case Competition, the largest case competition focusing on social, ethical, and environmental issues. Held annually since 2002, the 2010 event included a record number of participating schools.

Weatherhead went up against 25 contending teams in the second round of the competition to advance to the finals, held on April 30 at the W Hotel in midtown Manhattan.

During the last round of judging, the Weatherhead students overcame finalists from the University of Notre Dame's Mendoza College of Business, New York University's Leonard N. Stern School of Business, the University of Jyväskylä's School of Business and Economics (Finland), and Northwestern University's Kellogg School of Management as they presented their submissions to a panel of judges from Fortune 500 companies as well as an audience of more than 100 business, nonprofit, and academic attendees.

Coached by Associate Professor of Marketing and Policy Studies Simon Peck, PhD; Adjunct Professor of Organizational Behavior Bonnie Richley, PhD; and Executive Director of the Fowler Center Roger Saillant, PhD, the Weatherhead team received a \$20,000 prize, plus \$3,000 to donate to a 501(c)(3) charity of their choice. The team chose to donate the money to Remember Nhu, a charity that combats the child sex trade worldwide.

Net Impact at Weatherhead

The Net Impact chapter at Weatherhead is among the school ' s most active and engaged clubs because of its work both on and off campus. The chapter ' s focus over the past year has been on providing opportunity for student involvement and development, and the chapter is well positioned to continue to build upon a strong foundation.

Traditionally, the chapter begins the year with a site visit at **Great Lakes Brewing Company**, a local innovator in sustainable business, as a way to acquaint incoming students with corporate citizenship in action and with the chapter, and to promote early interaction between graduating classes.

This year the chapter helped facilitate the career and educational development of its members by organizing a trip to **the national Net Impact Conference**, hosting the chapter ' s inaugural **Sustainability Career Explorer event** where students engage in round-table discussions with local professionals, and by sending a team to compete in **the final round of the Net Impact Case Competition**.

In addition, the chapter has partnered with regional chapters in Northeast Ohio and professional organizations to hold a regional event to stimulate dialogue between universities and local firms. Net Impact CWRU also initiated a **Board Fellows Program** by placing a student with a local nonprofit to gain experience in nonprofit governance. This is a program the chapter hopes to strengthen in the coming years.

On campus, the chapter has engaged with **the Fowler Center for Sustainable Value** to enhance the integration of social and environmental impact themes with the MBA curriculum. The chapter also partnered with local companies to host **a zero-waste tailgate event** to involve students in the university community and highlight innovative ways to practice responsible consumerism. Net Impact CWRU has also been active in the community, participating in the university ' s community service initiatives, and acting as a co-founder and cornerstone member of **the Weatherhead Community Service Committee**.



Representatives from Weatherhead ' s Net Impact chapter attended the 2009 National Net Impact Conference at Cornell University.

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.

The Weatherhead School of Management strives to integrate sustainability into all its efforts and has named *Sustainable Enterprise* an interdisciplinary initiative. About half of Weatherhead's core courses now include components of sustainability, and a one-year, six-credit "Institute for Sustainable Value" is the flagship piece of these efforts.

The school's classes on sustainable operations and *Appreciative Inquiry* are especially noteworthy. As the birthplace of *Appreciative Inquiry*, Weatherhead maintains relationships with leading companies in sustainability—such as Fairmount Minerals—and is Secretariat of the U.S. Network of the United Nations Global Compact.

"Beyond Grey Pinstripes" rankings

Weatherhead ranked #33 out of 100 in the Aspen Institute's "Beyond Grey Pinstripes" survey for 2009-2010. This program ranks the top business schools from among 600 full-time MBA programs. The ranking is based on how effectively students are prepared for business issues related to social and environmental stewardship.

Curriculum sample

The following Weatherhead courses represent a sample of our offerings related to initiatives such as the UN PRME and the UN Global Compact.

Finance and Managerial Accountancy (ACCT 401). Accounting. Instructor: Larry Parker. Class discusses stakeholders of accounting data and also discusses full-cost accounting and triple bottom line.

Fraud and Financial Reporting (ACCT 418). Accounting. Instructor: L. Baum. Course covers topics related to the cost to society of fraudulent financial reporting.

Adv Auditing Theory & Practice (ACCT 444). Accounting. Instructor: David Pearson. Course examines auditing concepts and issues in depth. Some topic areas include ethics, analytical review, fraud, and the role of technology.

Corporate Reporting and Analysis (ACCT 414). Accounting. Instructor: Gregory Jonas. Course deals with disclosing environmental liabilities, differential accounting standards, integrity and accountability in reporting systems, potential conflicts of reporting standards in global businesses.

Strategic Issues and Applications (MGMT 499). Corporate Responsibility / Business Ethics. Instructors: Sayan Chatterjee and Simon Peck. Course deals with socio-economic impact assessment, environmental economics, new markets (i.e. green products, innovation, technology) in transitional economies, sustainable enterprise, and sustainable economic growth in emerging markets.

Health Economics and Strategy (HSMC 421). Economics. Instructor: Avi Dor. Course covers topics such as the social impact of health care pricing, anti-trust enforcement and hospital mergers.

Economics For Management (ECON 403). Economics. Instructors: Robin Dubin and Asim Erdilek. Course covers environmental economics, distribution of wealth within and between countries: business influence and impacts, fiscal incentives / disincentives (e.g. tax policy) for socially beneficial behaviors, causes and impacts of wage and income gap, and social impacts of key economic concepts (consumer power, externalities, and property rights).

Entrepreneurial Marketing-M.B.A. (ENTP 450). Entrepreneurship. Instructor: Stan Cort. Topics include sustainable development, stewardship, sustainable enterprise, Base of the Pyramid, sustainable economic growth in emerging markets, knowledge and service intensity corporate reputation / image, operating in economically disadvantaged areas and emerging markets, Standards for "fair" competition in a global context, trends and critiques of corporate governance.

Advanced Corporate Finance (BAFI 440). Finance. Instructor: C.N.V. Krishnan. Topics for this course include impact of asymmetric information and agency cost on firm and shareholder value, managerial incentive contracts to induce more "ethical" behavior, and roles played by certifiers.

Financial Management II (BAFI 403). Finance. Instructors: Sam Thomas and Leonardo Maduriera. Course deals with emissions trading, risk assessment, urban reinvestment, impacts of investor incentives, impacts of capital flows across international borders, differential access to capital, the changing nature and role of shareholders, social venture capital and social investing, impact of asymmetric information and agency cost on firm and shareholder value, managerial incentive contracts to induce more "ethical" behavior, and roles played by certifiers.

Investment Management (BAFI 429). Finance. Instructors: Sam Thomas and Claudia Moise. Course deals with green investment, emissions trading, risk assessment, impacts of investor incentives, impacts of capital flows across international borders, differential access to capital, the changing nature and role of shareholders, social venture capital and social investing, impact of asymmetric information, agency cost on firm, shareholder value, managerial incentive contracts to induce more "ethical" behavior, and roles played by certifiers.

Fixed Income Markets & Their Derivatives (BAFI 431). Finance. Instructor: Sam Thomas. Course deals with risk assessment, urban reinvestment, impacts of investor incentives, impacts of capital flows across international borders, differential access to capital, the changing nature and role of shareholders, social venture capital and social investing, impact of asymmetric information and agency cost on firm and shareholder value, managerial incentive contracts to induce more "ethical" behavior, and roles played by certifiers.

International Financial Management (BAFI 480). Finance. Instructor: Sam Thomas. Course deals with risk assessment, urban reinvestment, impacts of investor incentives, impacts of capital flows across international borders, differential access to capital, the changing nature and role of shareholders, social venture capital and social investing, impact of asymmetric information and agency cost on firm and shareholder value, managerial incentive contracts to induce more "ethical" behavior, and roles played by certifiers.

Options and futures (BAFI 430). Finance. Instructor: Peter Ritchken. One lecture in the course is focused on SO₂, a derivative contract which can be used to determine the cost of pollution.

Leadership Assessment and Development II (MGMT 440). Human Resource Management. Instructor: Tony Lingham. Course gives students the understanding of the corporate environment they will be entering, trends and critiques of corporate governance, issues of ethics, and leadership.

Human Values in Organizations (MGMT 413). Human Resource Management. Instructor: Diane Bergeron. A significant part of the course is dedicated to the following topics: 1) Whether organizations and organizational science really contribute to the welfare of the people working in the organization; 2) The responsibility of managers to the world outside the organization and workers outside of the country; and 3) Can HR be ethical?

Negotiations for Managers (LHRP 431). Human Resource Management. Instructor: Paul Gerhart. Topics include environmental and business leadership, employee rights and participation, workplace equity, and diversity issues.

Identifying Design Opportunities (MIDS 420). Information Technology and Systems (MIS / IT). Instructor: Dick Buchanan. Course deals with new IT markets to reduce environmental impact and increase social welfare, environmental information systems, digital divide, confidentiality and information ownership.

System and Design Thinking (MIDS 409). Information Technology and Systems (MIS / IT). Instructor: Fred Collopy. Course deals with the impact on society of the introduction of new information technology in corporations and industries. New IT markets to reduce environmental impact and increase social welfare, unintended consequences, digital divide, confidentiality and information ownership, workforce impact of IT enhancements, and multiple-stakeholder analysis are also among the topics discussed.

Action Learning (MGMT 498). Management. Instructor: Bonnie Richley. Course covers a wide variety of topics and our client projects have involved both social and environmental issues. Examples include carbon fuel cell energy conversion, feasibility studies for wind turbine systems, and developing income streams to support non-profit activities.

Dialogues in Top Management I , II (MGMT 420). Management. Instructor: Stan Cort. This course deals with topics including: socio-economic impact assessment, environmental economics, cost-benefit analysis, community / inclusive capitalism, urban reinvestment, new markets (i.e. green products, innovation, technology) in transitional economies, environmental and business leadership, sustainable enterprise.

Ames Advanced Business Plan Seminar (MGMT 495). Management. Instructor: Richard Osborne. This course deals with new markets (i.e. green products, innovation, technology) in transitional economies, executive compensation strategies, trends and critiques of corporate governance.

Culture and World Politics (EDMP 610). Management. Instructor: Eileen Doherty. Religion, ethnicity, and nationalism are assuming increasing significance as defining factors in the post cold war period. These developments call for analysis of how culture affects domestic, regional, and international integration and disintegration.

Theory and Practice of Collective Action (EDMP 611). Management. Instructor: Eileen Doherty. This seminar will address the theory and practice of collective action in the business environment and examine problems and solutions in local, national and global contexts. Case studies of collective action problems, such as waste recycling, technology development and community revitalization, will be discussed.

Market Research For Decision Making (MKMR 410). Marketing. Instructor: Jagdip Singh. As part of assembling and using data for marketing management, specific issues are discussed in the class seminars: Respect for respondent rights in providing market data, protecting privacy rights of consumers, and ethical issues in using market research for market action.

Women in Organizations (OPMT 460). Organizational Behavior. Instructor: Diana Bilimoria. This course addresses important leadership and management issues concerning women in organizations. The course helps students increase self-knowledge about their own values and practices as well as enhance their capabilities as leaders and managers.

Leading Change from a Complexity Perspective (ORBH 470). Organizational Behavior. Instructor: Richard Boyatzis. In this course, we will continuously attempt to answer two questions: 1) What is the process of sustained, desirable change? 2) What is the role of a leader? Concepts from complexity theory will be used, including understanding the multilevel nature of SDC at the individual, dyad, team, organization, community, country, and global levels. Intentional Change Theory (ICT) will be used as the organizing concept for the changes studied.

Leadership Assessment and Development (MGMT 403). Organizational Behavior. Instructor: Tony Lingham. This course requires students to develop their leadership through an examination of their values, purpose and ideals. It encourages them to see themselves as agents for positive change in the world.

Executive Leadership (ORBH 450). Organizational Behavior. Instructor: Diana Bilimoria. Topics include: How executive leadership must be redefined in the context of contemporary society, the social and global impact of the decisions of senior executives.

Leadership and the Global Agenda (ORBH 488). Organizational Behavior. Instructor: David Cooperrider. The course is created out of concern for the future of humanity and the earth, and recognizes that how humanity responds today to the consequences of ecological and economic global change will reverberate well into the future and across generations.

Systems Thinking and Sustainability (ORBH 418). Organizational Behavior. Instructor: Christopher Laszlo. Sustainability is introduced as a movement in business to create value by responding to social and environmental problems in ways that meet current needs without reducing future capacity. Students are introduced to systems thinking skills, such as whole system mapping, causal loop modeling, emergent hypotheses, stakeholder analysis, and engaging productive dialogues.

Health Policy and Management Decisions (HSMC 456). Organizational Behavior. Instructor: J.B. Silvers. The course focuses on the conflict and collaboration between federal health care policy for social good and corporate decision making about health care options.

MBA Institute In Sustainable Value and Social Entrepreneurship I (ORBH 430). Organizational Behavior. Instructors: Sayan Chatterjee and David Cooperrider. This course deals with environmental and business leadership and organizational change.

Introduction to Nonprofit Management (MAND 401). Public and Non-profit Management. Instructor: David Hammack. This course takes an examination of the social history of nonprofit organizations in the United States, to develop a historical perspective and a sense of magnitude, scope, and functions of the nonprofit sector and its relationships with business and government.

Leadership in Nonprofit Arts and Cultural Organizations (MAND 486). Public and Non-profit Management. Instructor: Janice Small. The course examines current societal issues impacting arts / culture organizations and related challenges being addressed by organization leaders.

Ethics and Professionalism for Nonprofit Leaders (MAND 405). Public and Non-profit Management. Instructor: Steven Feldman. This course is an application of ethical frameworks and analysis to nonprofit organizations.

Ethics and Professionalism for Nonprofit Leaders (MAND 405). Public and Non-profit Management. Instructor: Steven Feldman. Socio-economic impact assessment, environmental economics, cost-benefit analysis, wealth distribution, environmental quality, community / inclusive capitalism, and urban reinvestment are among the topics discussed.

Managing in a Global Economy (MGMT 460). Strategy. Instructor: Leonard Lynn. The course addresses a number of social issues, including the social and environmental impact of globalization, clashes of different civilizations and cultures in international business, national economic security, environmental protection, retaliation against unfair labor practices, and others.

Management Ethics (MGMT 464). Strategy. Instructor: Steven Feldman. This course is built around two core learning tracks. The first is extended analyses of case studies, which identifies ethical problems, diagnoses import, and develops strategic programs to address them. The second learning track uses short pieces of fiction to explore issues of ethical character, leadership, and organizational responsibility.

Principle 3

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

Weatherhead is the home of *Appreciative Inquiry* (AI), a whole-systems change method that engages stakeholders in strategy and decision making. Used by Fortune 500 companies, the United Nations Global Compact, the Dalai Lama, cities all over the world, and even the country of Nepal, AI is rooted in positive psychology and Peter Drucker's idea that "leadership is creating an alignment of strengths, so that a system's weaknesses become irrelevant."

Meanwhile, the Fowler Center for Sustainable Value is the hub of Weatherhead's sustainability-related efforts. The center customizes curriculum supplements and works with the school's Net Impact chapter to develop student experiences that address sustainability. Another project of the center is the World Inquiry, started in the 1990s as a process for students to gather and disseminate stories of business innovations that benefit the world.



Andrew Watterson, the City of Cleveland's Chief of Sustainability (and a Weatherhead graduate student), speaks at "Sustainable Cleveland 2019," an Appreciative Inquiry summit facilitated by the Fowler Center for Sustainable Value, August 2009.

Appreciative Inquiry

Appreciative Inquiry (AI) was developed at Weatherhead by Organizational Behavior scholars **Ron Fry** and **David Cooperrider** and continues to evolve through their scholarship and application of the process, informed by thousands of practitioners all over the world.

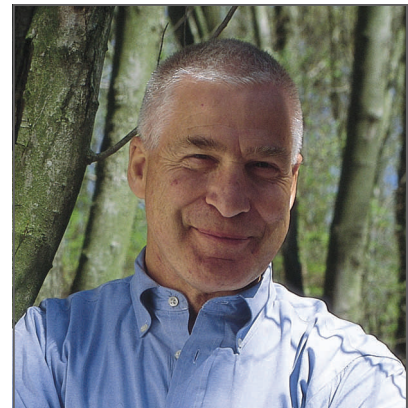
The following excerpt is from the AI Commons, an online resource, created by AI leaders: "AI is about the coevolutionary search for the best in people, their organizations, and the relevant world around them. In its broadest focus, it involves systematic discovery of what gives 'life' to a living system when it is most alive, most effective, and most constructively capable in economic, ecological, and human terms.

"AI involves, in a central way, the art and practice of asking questions that strengthen a system's capacity to apprehend, anticipate, and heighten positive potential. It centrally involves the mobilization of inquiry through the crafting of the 'unconditional positive question' often involving hundreds or sometimes thousands of people. In AI, the arduous task of intervention gives way to the speed of imagination and innovation; instead of negation, criticism, and spiraling diagnosis, there is discovery, dream, and design."

The Fowler Center for Sustainable Value

The Fowler Center for Sustainable Value upholds the Weatherhead School of Management's commitment to *Sustainable Enterprise* as a core interdisciplinary initiative. The Fowler Center is the hub of a community of students, businesses, academics, governments, and non-profit leaders deepening the knowledge, awareness, and understanding of sustainable practices and bottom-line value. Key to these efforts are Weatherhead's strengths: the *Appreciative Inquiry* methodology, the school's relationships with its stakeholders, and the school's commitment to design.

In 2009, Weatherhead welcomed **Roger Saillant** as the new Executive Director of the Center. Saillant is a recognized authority in renewable energy and sustainability, worked 30 years at the Ford Motor Company, and has served as a pioneer in fuel cells, energy policy, and holistic management techniques. His extensive corporate experience includes seven years as CEO of Plug Power, a cutting-edge fuel cell company.



Roger Saillant joined Weatherhead in 2009 as the Executive Director of the Fowler Center for Sustainable Value.

The World Inquiry

The World Inquiry began in the 1990s as a way for students to collect and disseminate stories of business innovations that are for-profit and have social and / or environmental benefit. Students interview entrepreneurs or businesspeople who have created and implemented innovations that are, at best, replicable, scalable, and profitable. The interview protocols include questions rooted in positive psychology and *Appreciative Inquiry*, and have been used by thousands of students to engage with business people making a positive impact.

The resulting online collection now has hundreds of stories, and Weatherhead professors and PhD students are using the data to investigate why and how businesses engage in responsible leadership and social and environmental stewardship.



For more World Inquiry stories or information on how to participate, visit: <http://worldbenefit.case.edu/>

A story from **The World Inquiry** “Tom’s Shoes: From Soul to Sole”

Key Ideas

TOMS shoes are the harbinger of what has been christened the ‘one to one movement’—for every shoe a customer buys, TOMS donates a pair to a child in need. Going beyond corporate philanthropy, TOMS has integrated the spirit of positive world impact in the very heart of its business, making it a truly sustainable model.

Innovation

The organization’s undying commitment to help the children around the world and its unique shoe design form a potent combination that uses the force of business for generating societal benefit.

The novelty of the product resides in an improvisation on the design of traditional Argentinean rope-soled shoes called ‘alpargata’ to reflect the needs of the American market. Alpargata are light-weight and resilient slip-on shoes with a breathable canvas top and soft leather insole, traditionally worn by Argentinean workers. Craftsmen in Argentina and China are enlisted to produce a more durable rubber-soled version of this canvas shoe. The shoes are a unique slip-on design comprised of clean lines and lightweight fabrics in vibrant colors and prints. These are sold through some of the best stores in retail with many celebrities using and appreciating the product. The multiplicity of colors, design, fabrics and categories of shoes resulted in the organization bagging the coveted People’s Design Award from the Cooper-Hewitt National Design Museum.

In what the organization calls ‘shoe drops’, they match every pair of shoe purchased with a donation of a pair to a child in need. Efforts are also made toward elimination of a disease called Mossy Foot or Non-Filarial Elephantiasis caused by a soil of volcanic origin.

Selling the shoes online helped the company grow rapidly. While the margins are still lower than a traditional shoe company, the publicity generated by the raison d’être of the organization has provided the impetus for the ever-expanding customer base. The organization provides opportunities for the customers to be involved in more than just buying shoes—they can volunteer for the shoe-drops and provide the word of mouth to help the business grow.

The organization also partners with other agencies to create awareness and generate sales. The pop band Hanson has been instrumental in doing so in what they call their “walk tour” where they walk one mile with fans, sometimes barefoot, to bring awareness to the difficulties of living without basic necessities like shoes. The audience is also encouraged to buy TOMS shoes.

Impact

Since TOMS was founded in May of 2006, it has given over 100,000 pairs of shoes to children in Argentina and 50,000 pairs in South Africa. The projected figures for 2008 are 200,000 pairs of shoes to children in need around the world. The organization, growing rapidly as a business, hopes to expand its reach to children in other parts of the developing world.

Inspiration

TOMS describes its mission as making life more comfortable for those in need. This statement was inspired by the founder Blake Mycoskie’s experience of viewing abject poverty and health issues in Argentina. Too poor to afford shoes, children develop cuts and scrapes on their feet that lead to serious infections. By matching every pair sold with every pair donated, TOMS is making the lives of many children easier.

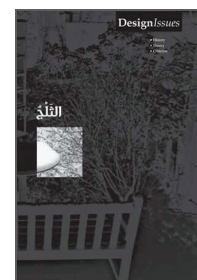
TOMS shoes are what they profess to be—the shoes of tomorrow—comfortable, wearable, and trendy, making a statement not just about the style of the customer but also about her values. As the founder of the company claims, it’s impossible to wear a TOMS shoe without feeling good about it.

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.

Weatherhead professors are committed to innovative teaching and research that will advance the core interdisciplinary initiatives of the school. Through our faculty 's efforts, Weatherhead is redefining management education. The school is also the editorial seat of two academic journals: *The Journal of Corporate Citizenship* and *Design Issues*.

Along with their own academic publications, book reviews, news articles and interviews, our professors encourage cutting-edge work from our students. From undergrads to MBAs and PhDs, our students have the opportunity to participate in research that advances their understanding of management as an opportunity for world benefit.



Weatherhead professor Richard Buchanan is an editor of Design Issues (above), a leading academic journal from MIT Press.

Academic publications: a sample of our faculty ' s work

The following listing shows a small sample of our faculty ' s recent work related to initiatives such as the UN PRME and the UN Global Compact.

- Avital, M., Boland, R., Cooperrider, D. L. (2007). *Designing Information and Organizations with a Positive Lens* (vol. II). Oxford: Elsevier Science Series on Advances in Appreciative Inquiry; Elsevier Science.
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Inamori Research Fellow to continue inquiry on leadership and CSR

Garima Sharma, a third-year doctoral student in Weatherhead 's Department of Organizational Behavior was awarded the 2010-2011 Inamori Research Fellowship to continue her work on leadership and Corporate Social Responsibility (CSR).

Case Western Reserve University 's Inamori International Center for Ethics and Excellence selected Sharma's proposal "Ethical Leadership and Sense-making for Innovations of Mutual Benefit" after reviewing a pool of high-quality proposals.

Sharma intends "to encourage knowledge creation in the area of ethics and ethical leadership" by exploring "how leaders make sense of issues related to CSR, how this sense-making leads to actions and outcomes in the form of business innovations for mutual benefit, and how CSR as a process of sense-making describes ethical leadership." Sharma will travel to eight different organizations to complete her research project.

Sharma has served on Weatherhead 's World Inquiry editorial board since 2008, is certified in *Appreciative Inquiry*, and has facilitated organizational behavior work for many projects, including the Global Forum for Business as an Agent of World Benefit. One of her mentors, **Ron Fry**, is Chair of the Department of Organizational Behavior, co-developed *Appreciative Inquiry*, and co-designed the World Inquiry.

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.

Executive Education programs offer us the opportunity to show management leaders how concepts such as *Emotional Intelligence*, *Manage by Designing*, *Appreciative Inquiry* (AI), and *Sustainable Enterprise* can add significant bottom-line value to their organizations. As the home of these concepts, Weatherhead has led the way in providing managers with the kind of content they need to make a difference—financially, socially, environmentally.

Our alumni relations work constantly engages leaders all over the world in sharing wants and hopes for the school and curriculum. We're heavily involved in businesses throughout Case Western Reserve University's vicinity in Northeast Ohio, and are conscious of giving back to the community at large: our work with "Sustainable Cleveland 2019" convenes thousands of business leaders and stakeholders in an AI dialogue on how to improve the region's economy.



Richard Boyatzis concludes a program on Emotional Intelligence, a concept he co-developed with fellow Weatherhead professor Daniel Goldman.

Weatherhead Executive Education programs: a sample

Weatherhead offers 70 unique programs for business managers, all designed to make them more effective in facing today's pressing business challenges. Enhancing leadership through Emotional Intelligence, creating whole-systems change, learning to think like designers, and finding sources of value in social and environmental issues—more than 3,000 business leaders from nearly 400 companies enroll each year.

Leadership through Emotional Intelligence

Introduction to Emotional Intelligence
Unlock the leadership potential in yourself and others.
October 25, 2010 -or- January 19, 2011 -or- April 12, 2011 -or- May 18, 2011

Building Leadership Capability through the Power of Intentional Change
Learn a proven framework for emotional intelligence development and personal renewal.
October 26, 2010 -or- April 13, 2011

NEW! Developing Your Emotional Intelligence: Core Competencies for Great Leadership
Learn a skill-based approach to building four principal emotional and social competencies.
October 27, 2010 -or- January 21, 2011

NEW! Using Influence to Effectively Sell Ideas, Products and Services
Find the key to achieving successful outcomes.
November 10, 2010

NEW! Cognitive Agility: Reaching New Levels of Openness, Flexibility and Focus
How to quickly and efficiently adapt to fast-paced, dynamic environments.
December 14, 2010

Boyatzis on Leadership, Resonance and Renewal
Hear the latest research on sustainable leadership from world-renowned expert and New York Times best-selling coauthor.
January 20, 2011 -or- June 15, 2011

Creating and Communicating Vision
Create a shared vision that ignites passion, imagination, and innovation within your organization.
January 28, 2011

NEW! Inclusive Leadership
Increase performance exponentially by tapping the full potential of your team.
March 1, 2011

Coaching for Intentional Development
Learn to coach using Emotional Intelligence for increased performance. Includes per-

sonal coaching with 360° feedback.
April 14 - 15, 2011 & June 13 - 14, 2011

Retain Your Focus on What's Important: The Power of Mindfulness
Spark your attention and awareness with tools and practices that enhance creativity, flexibility and effectiveness.
May 11, 2011

Team Leadership through Emotional Intelligence
Apply EI and leadership strategies in the team setting.
May 20, 2011

NEW! Inspirational Leadership: Lessons from Successful Nonprofits
Transform your employees, customers and other stakeholders into champions for your business
June 16, 2011

Positive Change through Appreciative Inquiry

NEW! Seizing Innovation in a Greening World
Maximize profits even as costs and customer expectations increase.
November 15 - 16, 2010

Foundations and Frontiers in Appreciative Inquiry
Immerse yourself in the thinking and tools of AI to develop your capability as a leader for positive change in any setting.
December 7 - 10, 2010 (Longboat Key, FL)
-OR-
February 21 - 24, 2011 (Cleveland, OH)

Igniting Positive Change through Appreciative Inquiry
Find out how revolutionary the AI positive approach to change can be for you and your organization.
May 17, 2011

Advanced Workshop in Appreciative Inquiry
Deepen your understanding of process and application of AI tools and methods.
August 22 - 24, 2011

Manage by Designing

Manage by Designing: Approaches for Everyday Innovation
Acquire a powerful skill set for flexible thinking and creativity, based on groundbreaking re-

search by Fred Collopy, PhD. and his Weatherhead colleagues.
February 16, 2011

Visual Thinking for Managers
Communicate and stretch your ideas on a visual level for greater impact, using design-based techniques.
February 17, 2011

Innovation by Design: Creating Powerful Customer Experiences and Solutions
Discover the next frontier in customer value.
March 23 - 24, 2011

Sustainable Value

NEW! Seizing Innovation in a Greening World
Maximize profits even as costs and customer expectations increase.
November 15 - 16, 2010

Foundations and Frontiers in Appreciative Inquiry
Immerse yourself in the thinking and tools of AI to develop your capability as a leader for positive change in any setting.
December 7 - 10, 2010 (Longboat Key, FL)
-OR-
February 21 - 24, 2011 (Cleveland, OH)

NEW! More Than Ethics: Expressing Values in Voice & Practice
Move beyond theoretical business ethics - learn how to demonstrate, in practice, what you believe to be right.
June 7, 2011

NEW! Creating Actionable Sustainability Plans
Learn and practice a step-by-step process for creating a sustainability plan that works and is workable.
March 17, 2011

NEW! Launching and Implementing an Impactful Sustainability Program
Take your sustainability plan, and turn it into a powerful business proposition.
March 18, 2011

NEW! Being a Sustainability Leader
Take advantage of "green collar" opportunities, and position yourself as a sustainability leader.
May 4, 2011

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.

We understand that our own organizational practices should serve as example of the values and attitudes we convey to our students.

Facilitating whole-systems *Appreciative Inquiry* summits, hosting design talks and sustainability lectures, researching in the field, consulting, interviewing with MSNBC and the *New York Times*—these are just a few of the ways Weatherhead's faculty and staff encourage business leaders to engage in critical issues related to global social responsibility and sustainability.

Weatherhead also serves as Secretariat of the U.S. Network of the United Nations Global Compact, and hosts two meetings each year designed to bring leaders together in dialogue related to one of the principles of the Global Compact. Sustainable Cleveland 2019 and the Global Forum for Business as an Agent of World Benefit are two more initiatives facilitated by Weatherhead faculty.



A group of business leaders, designers, educators, and civil society members brainstorm sustainable business solutions at the Second Global Forum for Business as an Agent of World Benefit, facilitated and organized by Weatherhead, June 2-5, 2009.

Secretariat of the UN Global Compact, U.S. Network

Weatherhead serves as Secretariat of the United Nations Global Compact, and organizes two symposia each year with network members from the public and private sectors. The U.S. Network also hosted a webinar for members and facilitates the monthly calls of the U.S. Network Steering Committee.

Spring 2010 Symposium

"Business and Sustainable Cities." May 10 at PricewaterhouseCoopers in Chicago. Sponsored by PricewaterhouseCoopers.

Fall 2009 Symposium

"The Boardroom Imperative: Redefining Corporate Governance in the 21st Century." October 19 at PricewaterhouseCoopers in San Francisco. Sponsored by PricewaterhouseCoopers.

Spring 2009 Symposium

"Integrating CSR Into Public Policy Initiatives." May 13 at the United Nations Foundation in Washington, D.C. Sponsored by PricewaterhouseCoopers.

Sustainable Cleveland 2019

Cleveland will become a model of sustainability and a leader in the emerging green economy over the next 10 years through the efforts of Sustainable Cleveland 2019.

The community-wide work accelerated in August 2009 when nearly 700 people from across greater Cleveland and across the nation gathered at Public Auditorium for the first annual *Appreciative Inquiry* summit focused on **Building an Economic Engine to Empower a Green City on a Blue Lake**. This decade-long effort will support business growth, protect the environment, and create opportunities for individuals to prosper. Weatherhead's **David Cooperrider** and **Ron Fry** facilitate the annual summits.

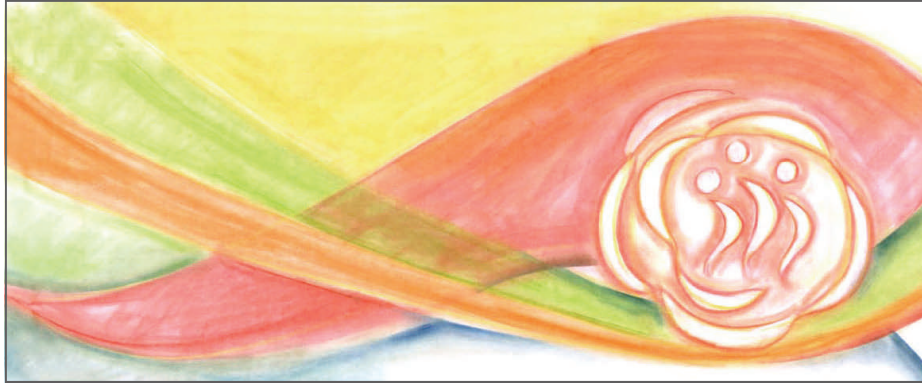
Fowler Center Speaker Series



Once each semester, the Fowler Center for Sustainable Value hosts an expert speaker to talk on sustainability and business. In spring 2010, the inaugural Fowler Center Speaker Series talk was given by **Darcy Winslow** (pictured at left) and was titled: "Innovate for a Better World: Insights and Stories from the Nike Journey."

In the spirit of one of Nike's most famous mantras, "There Is No Finish Line," Winslow's message called for us to sustain the integration of equal parts innovation and inspiration in all that we do to further progress toward a sustainable and regenerative future.

The Global Forum for Business as an Agent of World Benefit



The Global Forum for Business as an Agent of World Benefit was held June 2-5, 2009, at Case Western Reserve University and was called **“Manage by Designing in an Era of Massive Innovation.”** Co-convened by the Weatherhead School, the UN Global Compact, and the Academy of Management, the event called participants to contemplate what the world could be like if business leaders thought more like designers, if more designers sought business opportunities in the world’s biggest social and environmental issues. How might design thinking be used to enliven management education and reinvigorate business around the world for the benefit of all?

At this Global Forum for BAWB, 500 leaders of design, art, sustainability, business, policy, and management envisioned and designed ways to enhance their fields and meet today’s pressing social and environmental needs—together, with an appreciative eye.

Below are some of the participating organizations.

Companies

IBM
P&G
The Dow Chemical Company
Fairmount Minerals
Accenture
Herman Miller
Ford Motor Company
Cisco Systems
Patagonia
Wal-Mart
American Greetings
Boeing
Microsoft
Moen
Timken
Eaton
Sherwin-Williams
Energizer
Symantec
Progressive Insurance
Intel
Clarke Mosquito Control
GoJo
HAVI Global Solutions
Lube Stop
MetLife Insurance

Business schools

Carroll School of Management, Boston College
University of Michigan
IEDC Bled School of Management
Queensland University of Technology
Auburn University
Mendoza Business College, University of Notre Dame
University of Madeira
Pepperdine University
Naval Postgraduate School
Carlow University
Eindhoven University of Technology
Nyenrode Business Universiteit
Montana State University
George Mason University
Penn State University
University of San Diego
Trinity College
University of Massachusetts Dartmouth
University of Redlands
The Wharton School University of Pennsylvania
Saïd Business School, University of Oxford
Rotterdam School of Management, Erasmus University
Rotman School of Management, University of Toronto
Desautels Faculty of Management, McGill University
Kellogg School of Management, Northwestern University
Haas School of Business, University of California at Berkeley
Copenhagen Business School
Goizueta Business School, Emory University



In early 2009, Case Western Reserve University announced a \$7.5 million commitment from **Char and Chuck Fowler '90** (pictured above). The commitment was offered to support *Sustainable Enterprise* initiatives at the Weatherhead School of Management, and will add significantly to the university's ongoing efforts in Sustainable Business and Social Entrepreneurship. Mr. Fowler is the President and CEO of Fairmount Minerals, and is a graduate of the Weatherhead Executive MBA program and a member of Case's Board of Trustees.

Conclusion

Each year Weatherhead improves upon its PRME-related efforts. The principles of the PRME are already integrated into a large portion of what we do, and the research, academic programs, and events listed within this report will continue to be developed in the 2010-2011 academic year.

For one example, Weatherhead is becoming more involved in campus-wide efforts in sustainability, including the Sustainability Alliance, one of Case Western Reserve University's several Strategic Alliances. Weatherhead is also working to connect more students with businesses seeking solutions for sustainable value creation and for sustainable design.

Our incoming first-year MBAs will have more opportunities than ever before to engage in sustainability-related learning. Starting in the fall semester, the Fowler Center for Sustainable Value will sponsor a day-long interactive seminar each semester on sustainability for all first-year MBAs. First-years will also be enlisted to help write case studies showing how companies apply sustainability, design, and ethics-driven leadership to create bottom-line advantage.

The principles of the UN PRME exemplify Weatherhead's values, and as our related programs strengthen, we look forward to seeing our students gain even more capacity for lifelong learning and leadership amid a growing set of global environmental and social challenges—or as we call them at Weatherhead, opportunities.

