



Connected for Better: Exploring the Positive Societal Impact of Business Schools

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Introduction

For over 100 years, AACSB-accredited business schools have been known for delivering high-quality education and research; in the next 100 years that superior quality will be known for its positive impact on society.

In the context of the 2020 business accreditation standards, the term societal impact refers to the ways in which a school’s mission and strategic plan guide actions that positively influence society—at local, regional, national, or international levels. Business schools are empowered to define impact objectives and strategies that align with the communities they serve.

Effectively answering the call for positive societal impact requires the cultivation of meaningful relationships with business partners and communities, built on trust and action. It is through co-creation of knowledge, collaborative innovation, and integrated leadership that business schools advance solutions and strategies that are relevant, effective, and sustainable.

This report offers business schools and their business and community partners some ideas to further define, understand, and realize the societal impact they seek to achieve through strategic management, learning experiences, thought leadership and research, and outreach efforts.

We encourage schools to use this initial framework as a tool for better understanding and articulating how societal impact is—or could be—infused into their missions and activities. These frameworks can also be used to spark the building and strengthening of collaborative relationships with business and community partners. And that leads to a world where business education is connected for better.

Societal Impact From the Lens of



Business and Society



Business Education and Business Schools



AACSB



Business and Society

Achieving and providing evidence of societal impact is an increasingly important factor for companies large and small, with local or global significance. Organizations are addressing societal impact in operations, financial planning, and the ways they engage talent, customers, and communities.

Multinational Company Influencers

The call to societal impact is amplified through global firms that use their reach and visibility to reinforce its importance, prominently featuring societal impact in their purpose statements and creating internal frameworks to inspire and guide employee actions and decisions:

“Our purpose is to build trust in a society and solve important problems.”

—PwC Global¹

The PwC Code of Conduct’s five key areas include “Make a Difference,” which encourages actions that positively impact colleagues, clients, and societies.

“Our purpose as a firm is to help create positive, enduring change in the world.”

—McKinsey & Company²

One of three pillars on a social responsibility agenda, “Working with Purpose,” focuses on efforts to “weave societal impact throughout all of our client engagements across three themes: environment, workforce and community, and consumer well-being.”³

“Our Corporate Purpose states that, to succeed requires ‘the highest standards of corporate behavior towards everyone we work with, the communities we touch, and the environment on which we have an impact.’”—Unilever⁴

In addition to Unilever’s Corporate Purpose, the Code of Business Principles offers a framework for the values the company must uphold through its management and treatment of employees, consumers, and shareholders. Additionally, it articulates an expected accountability of business partners and stakeholders to also conduct business responsibly and with positive societal impact.

1 “Purpose and Values,” PwC Global, 2020, www.pwc.com/gx/en/about/purpose-and-values.html.

2 “Our Social Responsibility,” McKinsey & Company, 2020, www.mckinsey.com/about-us/social-responsibility.

3 McKinsey & Company, *Social Responsibility Report 2019: Helping Create Positive, Enduring Change in the World*, 2019, www.mckinsey.com/-/media/McKinsey/About%20Us/Social%20responsibility/Social-Responsibility-Report-2019-final.pdf.

4 “Our Values and Principles,” Unilever, 2020, www.unilever.com/about/who-we-are/our-values-and-principles/.



MSME Drivers

Many micro-, small-, and medium-sized enterprises (MSMEs) are focusing beyond financial gain and including their impact on society as an indicator of quality. The International Council for Small Business (ICSB), for example, included the “need to meet the sustainable development goals (SDGs)” as a top-10 trend for MSMEs in 2020, stating that these organizations should be aware and actively pursuing the United Nations’ 17 SDGs for global peace and prosperity, making them “a prominent selling point” for consumers, as well as embedding those priorities within their operating models and influence on consumer recognition.

ESG Motivators

An explosion of companies’ environmental, social, and governance (ESG) performance metrics and frameworks in recent years provides investors around the world with information to guide decisions aligned with their societal impact values. These frameworks nevertheless reflect increasing consumer, investor, and employee demand for performance measures that go beyond a firm’s financial success.

In the European Union, more than 6,000 companies (public firms with over 500 employees) are required by law to provide evidence on their policies and practices related to five areas, including environmental protection, social responsibility and the treatment of employees, respect for human rights, anti-corruption and bribery, and diversity on company boards.⁵

In the U.S., 181 corporate CEOs became signatories to a Business Roundtable Statement on the Purpose of a Corporation, committing to leading their companies for the benefit of all stakeholders, rather than shareholders.⁶

Since 2007, B Corporation Certification has been evaluating and acknowledging over 2,500 companies in more than 50 countries that “meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.”⁷

Through their collective efforts, B Corps are spurring a global cultural shift in defining business success, to include “positive impact for their employees, communities, and the environment” and create inclusive and sustainable economies.⁸

⁵ “Non-Financial Reporting,” *European Commission*, n.d., ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/non-financial-reporting_en.

⁶ “Business Roundtable Redefines the Purpose of a Corporation to Promote ‘An Economy That Serves All Americans,’” *Business Roundtable*, Aug. 19, 2019, www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans.

⁷ “About B Corps,” *Certified B Corporation*, 2020, bcorporation.net/about-b-corps.

⁸ *Ibid.*



Learner Aspirations

Recent graduates are also searching for employers who uphold the value of “doing business for good,” and recent research suggests this desire may have become heightened as a result of the COVID-19 pandemic. Results from the Deloitte Global Millennial Survey 2020, which captures the views of more than 27,500 millennial and Generation Z perspectives on business and other global issues, found that 76 percent of millennials and 74 percent of Gen Z respondents believe that the pandemic has brought about awareness of new issues for them, making them “more sympathetic toward the needs of different people around the world.” Similarly, 74 percent of millennials and 73 percent of Gen Z respondents answered, “In response to the pandemic, once restrictions are lifted, I will take actions to have a positive impact on my community.”⁹

Taken together, these trends suggest the business leaders of tomorrow are likely to experience increased motivation, as well as increased accountability, for positive societal impact. Business schools, in their roles as educators, knowledge creators, and community partners, play a key role in strengthening these organizational and community outcomes.

Purpose-Driven Leaders

INFLUENTIAL LEADERS



Sarah de Carvalho

Alma Mater: University of Surrey,
Surrey Business School (United Kingdom)

Sarah de Carvalho has dedicated 25 years to protecting children around the world from abuse, exploitation, and trafficking, but she isn’t slowing down. Her “It’s a Penalty” campaign relies on global cooperation, celebrity endorsement, and networking to reduce crimes against children.



Natalie Paida Jabangwe

Alma Mater: Imperial College London,
Imperial College Business School (United Kingdom)

As one of the youngest CEOs of a fintech corporation in Africa, Jabangwe is committed to helping shape technological solutions and digital inclusion to address the many socioeconomic challenges in Africa. EcoCash is one of Zimbabwe’s fastest-growing mobile money services. The platform has changed the way digital policy and innovation is shaping the economic transformation framework on the continent.

⁹ Deloitte, *The Deloitte Global Millennial Survey 2020: Resilient Generations Hold the Key to Creating a “Better Normal,”* 2020, www2.deloitte.com/global/en/pages/about-deloitte/articles/millennialsurvey.html, p.12.



INFLUENTIAL LEADERS



Nopparat Aumpa

Alma Mater: Sasin School of Management (Thailand)

As the first female general manager in the luxury hotel chain Banyan Tree Bangkok, and one of the few Thai female leader in an industry traditionally dominated by men, Aumpa's leadership acumen is seen across organizational initiatives. In addition to actively leading and participating in the sustainability efforts of Banyan Tree, she proudly works with Banyan Tree's Seedlings program, created to nurture young people at risk of societal exclusion, providing vocational and life skills.



Liz Lowe

Alma Mater: University of California, Berkeley,
Haas School of Business (United States)

In just two years after graduating from the University of California, Berkeley, Haas School of Business, Liz Lowe was already making waves at Adobe in sustainability and helping to lead the way to more diverse and inclusive hiring at the large tech company. In 2016, Lowe was awarded GreenBiz's "30 under 30" recognition for her work in sustainability at Adobe.



Richard Hardiman

Alma Mater: University of Cape Town, Graduate
School of Business (South Africa)

Richard Hardiman founded RanMarine Technology, a drone technology company that specializes in remote-controlled and autonomous drones called WasteSharks that swim through water, extracting unwanted material and gathering data about their respective marine environments. He believes that it won't be governmental and non-governmental organizations alone that will improve the environment; rather, businesses seeking profits will produce the innovations necessary to protect the planet.

For more examples of leaders making an impact, visit aacs.edu/influential-leaders.



Business School's Role in Business and Society



Business schools find themselves in the middle of the cycle of creating positive societal impact through business.

These business schools are a primary source for developing talent and supporting professional growth and agility. Access models and learning environments that reflect values of inclusivity, relevance, and the importance of lifelong learning lead to a talent pool that is more diverse, better prepared, and perpetually evolving.

Strong talent helps drive positive organizational performance, as purpose-driven leaders guide and support capable teams informed by timely business knowledge and acumen.

Organizations that perform successfully, ethically, and sustainably contribute to the well-being of the communities and stakeholders they serve. A healthy, thriving society supports quality education and continues the cycle for creating the next generation of quality leaders.



Business Education and Business Schools

As business schools continue their respective paths for positive impact on society, they will find their efforts amplified through connections to purpose and partnerships. Business schools are the conveners for important conversations and new thinking across the university and with the business community, as well as with government and broader society. But for positive societal impact to take place, conversations must turn into strategic and meaningful relationships, and those relationships must spur action.

Below are five actions business schools can continue to work toward in order to lead impact in the societies they serve.

5 Actions for Societal Impact:



These actions are largely grounded in AACSB's *Collective Vision for Business Education*, which encourages schools to push the boundaries "of traditionally defined business school models and roles" through the actions mentioned above, in addition to others. For business schools to positively lead societal change, they must look beyond themselves and:

Cultivate a position at the intersection of academia and practice, by engaging in strategic relationships with business partners and aligning their teaching, research, and outreach to the needs of business.

Connect with other disciplines, by reinforcing their complementarities to other disciplines in order to find solutions to the world's grand challenges.

Be a driver of innovation in higher education, by helping to lead transformation across the university campus and convening conversations and innovation in the approaches to education, knowledge creation, collaborations, and operational models.¹⁰

10 AACSB, *A Collective Vision for Business Education*, 2016, [aacsb.edu/vision](https://www.aacsb.edu/vision).



For business education, collectively, to be regarded as a driver for positive societal impact, individual schools are called on to be drivers for business as a force for good by making impact an explicit part of their strategic management and school activities and priorities.

This is not an easy feat, and schools are likely to run into challenges and obstacles in doing so. AACSB’s business accreditation standards push schools to think beyond simply introducing a new program that teaches students to be good citizens, for example. Rather, they seek evidence that societal impact is pursued through a strategic effort embedded in a school’s mission, supported through a variety of activities, and accomplished through intentional relationships with individuals across the school and in the community.

Common Challenges Business Schools Face in Defining, Prioritizing, Implementing, and Measuring Societal Impact

Defining
Finding the appropriate degree of specificity in defining the school’s societal impact aspirations
Identifying the school’s intended contribution, i.e., impacts not attributable to other economic or societal factors
Prioritizing
Pressure to “do it all” and the need to be intentional and focused
Creating balance and complementarity with other school priorities
Implementing
Need for courageous leadership
Facilitating broad input and involvement
Balancing various stakeholder priorities
Developing effective partnerships
Enabling and supporting faculty buy-in, contribution, and coordination
Measuring
Overcoming credibility and public perception concerns
Subjectivity of many measurements
Time lag between activity and when value is recognized
Assessing long-term outcomes



The 2020 business accreditation standards serve as one mechanism guiding schools as they define, engage in, and implement societal impact across their activities, but there are important discussions that should be happening within the school and with the school's stakeholders.

Following are a [set of exercises and guiding questions](#) to help ignite these types of conversations. The first exercise challenges business schools to look inward, meaning how societal impact is embedded within their mission and strategic plan. The second exercise challenges schools to look outward through conversations with their business and community partners on how to most effectively co-create solutions for achieving positive societal impact.

EXERCISE 1: Aligning Mission and Societal Impact

The standards place a high emphasis on societal impact, but also stress the importance of pursuing societal impact in alignment with your school's mission and strategic plan. Individually or with your colleagues, follow the exercise to uncover new opportunities your school could take to better align its mission with societal impact.

- Look at your school's mission statement.
- Identify some of the key dimensions that would describe your school's societal impact priorities.
- Write down how your school is defining societal impact.
- Consider individually or with colleagues:
 - What does "societal impact in alignment with mission" mean to you?
 - What does it *not* mean?

TAKE ACTION →

Based on this reflection, what next steps are needed in your role, and/or for your school, to achieve societal impact that aligns with your school's mission?



EXERCISE 2: A Business Lens on Business School Societal Impact: How Are We Connected for Better?

For schools to truly make an impact on society, they must be relevant and effectively engage with business. Schools must be able to understand the needs of business stakeholders, and be able to effectively communicate ways they are contributing to healthy societies.

The following questions can help guide schools as they consider the perspective of their business stakeholders. The questions can also serve as prompts for business partners (e.g., on advisory boards, etc.) for developing rich and action-oriented discussion on business schools' role in creating positive societal impact.

- How is societal impact addressed in our school's mission?
- What values have been put in place that help drive our school's societal impact?
- How is our school addressing the needs, interests, and priorities around societal impact as expressed by students, faculty, industry partners, and community, taking into consideration diversity, inclusion, and belonging?
- How is societal impact being addressed in our school's curriculum, research, and outreach efforts?
- How is our school communicating to its stakeholders (including students, faculty, alumni, industry, media, government, and community) about its values and efforts toward promoting societal impact?
- What does success look like for making positive societal impact?
- Is there a process in place for continuously evaluating efforts around societal impact and making improvements where needed?

TAKE ACTION

Based on this reflection, try to answer the following questions:

- Who are we going to partner with?
- What is our mutual purpose for partnering?
- How should we convene together with our partner(s)?
- How should we work with our partners to turn conversation/ideas into action?



Societal Impact in Action

INNOVATIONS THAT INSPIRE

American University of Beirut, Suliman S. Olayan School of Business (Lebanon)—Business In Conflict Areas Research (BICAR)

BICAR is an innovative research hub supporting entrepreneurship in conflict zones, focusing on poverty reduction and peacebuilding through the development of indigenous businesses in war-torn regions, while bridging the gap between academia and the humanitarian sector.

[Learn more.](#)

Sasin School of Management, Chulalongkorn University (Thailand)—Building a Sustainability & Start-up Ecosystem

With a strategic focus on sustainability and initiatives such as accelerators and incubators, Sasin aims to shape how entrepreneurship is activated in the region and to mainstream sustainability in the startup world. [Learn more.](#)

Gordon Institute of Business Science, University of Pretoria (South Africa)—Nexus

Nexus is a civic leadership program offered by GIBS for middle-to-senior managers who wish to amplify their influence by engaging in and across diverse South African communities, bridging cultural differences, creating learning dialogues, and driving societal impact. [Learn more.](#)

Singapore Management University, Lee Kong Chian School of Business (Singapore)—Ensuring Societal Impact through Business Research

LKCSB actively promotes societal impact from business school research through a coordinated and collaborative approach combining internal funding calls, concept development feedback, securing of corporate and public partners for co-creation, and seed funding for big ideas. [Learn more.](#)

Nicolaus Copernicus University in Toruń, Faculty of Economic Sciences and Management (Poland)—Elderly Unemployed Vocational Activation Strategy

This strategy aims to set incentives for public employment services, businesses, and researchers to form local alliances and develop new effective measures that help integrate Poland’s over-50 unemployed population into the regular labor market. [Learn more.](#)

Georgetown University, The McDonough School of Business (United States)—Georgetown University Pivot Program

The Pivot Program is a 10-month certificate in business and entrepreneurship designed specifically for formerly incarcerated individuals. The program is delivered by Georgetown faculty, in partnership with the Washington, D.C., Department of Employment Services. [Learn more.](#)

For more examples of business schools creating positive societal impact, visit aacs.edu/innovations-that-inspire.

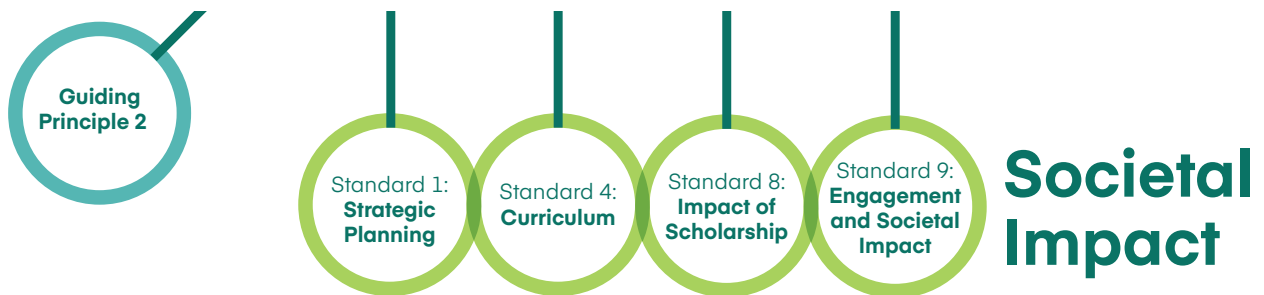


The Role of AACSB

AACSB believes that business can serve the greater good in society and that business schools play an essential role in making that vision a reality. The 2020 business accreditation standards demonstrate the commitment of AACSB and its members to creating a positive societal impact in the world. Just as business schools work with stakeholders, business partners, and communities to achieve success, they also look to AACSB as their partner in fulfilling their missions, goals, and aspirations.

AACSB Accreditation

AACSB’s 2020 business accreditation standards uphold the belief that business schools and business are a force for good in society. Societal impact is explicitly written into the new standards through strategic management, learner success (curriculum), and thought leadership (research and engagement).



Guiding Principle 2

Reflected in AACSB’s vision that business education is a force for good, all accredited schools are expected to make a positive contribution to society, as identified in the school’s mission and strategic plan.

Standard 1: Strategic Planning

The school demonstrates a commitment to positive societal impact as expressed in and supported by its focused mission and specifies how it intends to achieve this impact.

Standard 4: Curriculum

The school’s curriculum promotes and fosters innovation, experiential learning, and a lifelong learning mindset. Program elements promoting positive societal impact are included within the curriculum.

Standard 8: Impact of Scholarship

The school’s portfolio of intellectual contributions contains exemplars of basic, applied, and/or pedagogical research that have had a positive societal impact, consistent with the school’s mission.

Standard 9: Engagement and Societal Impact

The school demonstrates positive societal impact through internal and external initiatives and/or activities, consistent with the school’s mission, strategies, and expected outcomes.

As a connector and convener, AACSB and its members have the power to unite educators and business and inspire them to action through strong relationships across higher education, industry, and government. AACSB’s work in accreditation, thought leadership, data and insights, events, and advocacy creates communities of business school and business leaders who together can create change.

aacs.edu/societal-impact



Business Education.
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