INTEGRATION OF PRINCIPLES OF RESPONSIBLE MANAGEMENT EDUCATION IN REGARD OF SOCIAL RESPONSIBILITY'S LEARNING NEEDS

Irina KOSTADINOVA, Svilen KUNEV

Submitted: 18th January 2019 Approved: 20th February 2019

Abstract

Undoubtedly, business world and global economy has transformed dramatically in the last two decades in direction of orientating their activity towards sustainable business and positive social impact of operations. On the other hand the education system has stayed behind these significant changes. Fortunately more universities, business and management schools have realized their role in the preparation of a new business leader's generation as a key player for the sustainable development and have started transforming their educational programs. As a result of international cooperation among universities in South-East Europe an international study regarding relevant learning needs with respect to Social Responsibility and to Responsible Educational Management has been conducted. Participants in the study were students from Bulgaria, Slovakia and Romania. The survey have been conducted in two phases, the first results were collected during March, the second during May 2017. The questionnaires have been completed and submitted on-line by the students during March and May. This paper aims to fill the void in Responsible Management Education though presenting students perception of their learning needs in regard of social education.

Keywords: Social Responsibility, Responsible Educational Management, undergraduate sustainability education

JEL: (M14, M10, A2)

1. INTRODUCTION

Many scholars have pointed out that the teaching system in business field needs to change because it is lagging behind the pace of global economy development: "Teaching effective management remains the core function of business schools, but since the near-collapse of the global economy, teaching business as usual has lost some of its luster" (Schuetze, C.F., (2013)), (Fleaca (2017)). The authors of this paper don't make an exception and share the same opinion. As a result a study was conducted with the **objective** to analyze students' attitudes and perceptions, and to collect relevant learning needs with respect to Social Responsibility and to Responsible Management Education. It was a part of a project aiming to deliver a common approach related to the learning needs for social responsibility knowledge and civic skills, considering the context of countries involved: Romania (Politehnica University of Bucharest), Slovenia

² Chief assist. prof. PhD, University of Ruse "Angel Kanchev", Faculty of Business and Management, Bulgaria, snkunev@uni-ruse.bg



¹ Chief assist. prof. PhD, University of Ruse "Angel Kanchev", Faculty of Business and Management, Bulgaria, ikostadinova@uni-ruse.bg

(University of Maribor) and Bulgaria (University of Ruse "Angel Kanchev") and more precisely their business orientated faculties. Within the paper the research methodology will be presented, the setting within the specialized literature will be carried out and the conclusions of the study will be described. The **tasks** of this paper are formulated as follows:

Exploratory research on applicable studies regarding Principles of Responsible Management Education and relevant documents;

Comparative analysis of the students' learning needs in regard of social responsibility in the University of Maribor, Slovenia; Politehnica; University of Bucharest, Romania and University of Ruse "Angel Kanchev", Bulgaria.

2. RESPONSIBLE MANAGEMENT EDUCATION

2.1. Principles of Responsible Management Education (RME)

The business world and global economy has transformed dramatically in the last two decades. One of the big changes is the orientation of their activities towards sustainable business and looking for a positive social impact of their operations. On the other hand the education system has staved behind these significant changes although "Change management" as a subject is being thought everywhere. Fortunately, more universities, business and management schools have realized their role in the preparation of a new business leader's generation as a key player for the sustainable development and have started transforming their educational programs. The transformation in business education needs to start from the inside of the institutions of higher education – and of course the driving force of this change ought to be the professors themselves. Several researches have been done in that direction lately (Park (2018)); (Shapiro and Kirkman (2018)).; (Fleaca(2014)). As it has been stated "...business schools must respond to the business world's changing needs by providing relevant knowledge and skills to the communities they serve" (Deer and Zarestky (2016)). This statement corresponds also to the concept of shifting the traditional characteristics of universities towards becoming an entrepreneurial universities, who together with business entities foster the dissemination on new knowledge within the society (Mihajlovic (2015)).

On the other hand the universities also need to make a change in creating an eco-system rewarding the teachers implementing the principles of responsible management education not only theoretically but in practice being a partner or conducting a research of its own that responds to community concerns for example (Gamoran (2018)). Only by being engaged in solving real problems of local communities, society and other stakeholders involved, universities can change public perception of the current value which the higher education offers today (Antonova, et all, (2018)).

Many documents and initiatives have been created during the last years. The Principles for Responsible Management Education (PRME) initiative has started in 2007 as the first organized relationship between the United Nations and management schools and management-related higher education institutions. Based on the SWOT analysis made in the final version of their Strategic Review limited students participation in the initiative is one of prime weaknesses (PRME Strategic Review; 2016). As a result we tried to explore the current state in three European universities in that regard assessing students *Knowledge about Social*



Responsibility Concept; Learning expectations regarding Social Responsibility and their attitude towards business responsibilities. For the participating academic institutions it was important to realize how to incorporate better social responsibility and sustainability into curricula through studying students' values and expectations. Other documents and initiatives that have been analyzed and implemented in our research are: PRME Strategic Review 2016; HEInnovate guide related to the Business/External relationships for knowledge exchange to create value for education and society; "Principles for Responsible Management Education" and "Higher Education Sustainability Initiative Global Event (2018).

In all, they aim at reporting on progress to all stakeholders and exchange effective practices related to these principles with other academic institutions. Utilizing the principles presented below we can react better to the expectations of society and solve some of the issues related to "social responsibility education and civic skills" in order to foster sustainable business development in the future.

Principle 1. Purpose: This principle states that the institutions of higher education 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: This principle states that the institutions of higher education will incorporate into our academic activities, curricula, and organizational practices the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.

Principle 3. Method: This principle states that the institutions of higher education will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

Principle 4. Research: This principle states that the institutions of higher education 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: This principle states that the institutions of higher education 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: This principle states that the institutions of higher education will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.

Unfortunately, as of October 2018, just over 700 institutions have signed the Principles for RME which is only 5 % of all higher education institutions with business orientation. This low number stands for lack of interest in academia world for imposing corporate social responsibility as a main subject in management education throughout the world (Godemann, *et al.*, 2014).

3. SURVEY REPORT ON SOCIAL RESPONSIBILITY'S LEARNINING NEEDS

3.1 Methodology of the survey

The learning needs of students regarding social responsibility from tree European universities (University of Maribor, Slovenia; Politehnica



University of Bucharest, Romania and University of Ruse "Angel Kanchev", Bulgaria) have been a subject of the conducted study and the endeavors of the authors are presented in this point.

Participants in the study were students from Romania, Bulgaria and Slovenia. This paper regards only the results received from 81 Romanian students, 40^{-ty} Bulgarian students and 32 Slovenian students.

The survey have been conducted in two phases, the first results were collected during March, the second during May.

The questionnaires had been completed and submitted on-line by the participants, the questions themselves have been grouped in five main panels.

3.2 Results from the survey

Panel 1. Defining the profile of the respondents in the survey

The questions from this panel aimed to profile the students, analyzing their demographic characteristics - educational level (bachelor/ master); the faculty, in which the students are enrolled and the area of specialization, gender.

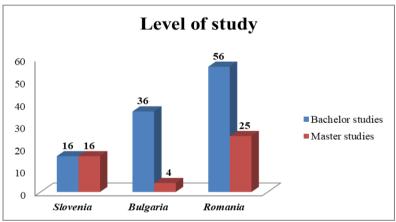


Figure 1 - Profile of the respondents (153 students) (*Source:* Authors own work based on survey data, 2018)

As it is shown on Fig. 1, Romanian and Bulgarian participants in the survey were students predominantly from Bachelor level; only in Slovenia the numbers were equally distributed. Bulgarian students were from "Business and Management" faculty with "Business management and Organization" area of specialization whereas Slovenian students(18) were mostly from "Economic and business" faculty (56 %) and 7 students from Organizational science (22 %) with mostly *Business management and Organization* and *Financing and banking* area of specialization. 68 Romanian students (84 %) were from the faculty of Entrepreneurship, Engineering and Business Management. Regarding the gender characteristics 36 of Bulgarian (90 %) and 22 of Slovenian students (69 %) are female.

Panel 2. Defining Values of Respondents

The aim of this panel was to measure the respondents' values and attitudes towards different aspects of social responsibility regarding their ability and civic skills aiming to support the development of innovative products, new business



creation. The research variables address the toughest sustainability issues to stimulate responsible business and civic values of students. The results from *the second panel* demonstrate students' values towards different aspects of social responsibility concept.

Table 1 Students' values towards different aspects of social responsibility

Table 1 Students values towards different aspects of social responsionity						
Grading	1 - Not at	2 - Less	3-	4 -	5 - Very	Statement
scale	all	important	Indifferent	Important	important	
	important					
Bulgaria		2	4	26	8	
Slovenia	1	1	6	10	14	1. To be involved
						into volunteering
						project during
			10	20	22	faculty
Romania	-	8	12	38	23	
Bulgaria		2	7	18	13	
Slovenia	1	4	5	10	12	2. To earn a lot of
		_				money
Romania		2	5	25	49	
Bulgaria	1	4	2	19	14	
Slovenia	1	-	2	14	15	3.To help
						community and
						people in needs
Romania	-	4	4	42	31	
Bulgaria	1	2	3	10	24	
Slovenia	-	-	-	10	22	4. To be
						successful at
						studies and work
Romania				11	70	
Bulgaria	2	2	4	15	17	
Slovenia	-	-	4	10	18	5.To make the
						world a better
						place
Romania	-	2	2	32	45	
Bulgaria	1	2	3	12	22	
Slovenia	1	1	1	7	22	6. To have a
						comfortable life
						and well-being
Romania	-	-	2	31	48	1

(Source: Authors own work based on survey data, 2018)

The data on Tabl. 1 show that the majority of the respondents consider that helping community and people in needs is "important" (75 students) and "very important" (60 students). These high figures (88 % of respondents) show that students are inclined to perceive CSR as a discipline with strong correlation to volunteering.

It is interesting to note that when it comes to value the importance for the students of *being involved into volunteering project* during their study we receive different results 77 % of respondents. For the majority of the respondents (74 students) it is "important" and for (44 students) "very important". This result confirms the status quo that there is always a difference between theory and practice.

The number of respondents that consider *self-realization* as "important" (31) and "very important" (116) which is altogether 94 % of all respondents. This



result could be explained by the natural wish of the students for a successful academic and career realization

It is worth mentioning that students don't exactly associate success with money judging by the answers they have given to statement 2 (82 %).

When it comes to the respondents' answers to the statement *to have a comfortable life and well-being* we have similar high figures: 92 students considered it as "very important" and 50 students as "important", altogether for 92 % of the respondents. Based on the students' answers from the second panel we could conclude that the respondents are highly motivated individuals having socially responsible values.

Panel 3. Knowledge about Social Responsibility Concept

In this panel we have tried to measure the students' knowledge about Social Responsibility Concept, based on four elements: *Economic responsibility; Legal responsibility, Ethic and Philanthropically responsibility.* As it could be seen from the results shown on Fig. 2 we may state that equal number of students (77) exactly 50 % of the respondents have been acquainted with the 4 elements of the Social Responsibility Model and have some Knowledge about Social Responsibility Concept. For Bulgarian and Romanian students we have 53 % and 51,1 % respectively, whereas for Slovenian students we have 48,9 % which is below the average.

As a main source of information students have chosen Corporate Social Responsibility, Marketing, Organisational Behaviour courses and Erasmus programme. As a conclusion to this panel we could say that large number of students (50 %), which is unfamiliar with the Social Responsibility Concept is worrying but at the same time motivating for professors to work harder in order to change the current situation.

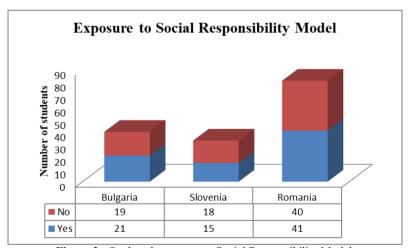


Figure 2 - Students' exposure to Social Responsibility Model (*Source*: Authors own work based on survey data, 2018)

Panel 4. Learning expectation regarding Social Responsibility

Through this panel we tried to measure the learning expectations of students regarding social responsibility in terms of different courses to be taught and learned, as well as their format. As it is shown on Fig. 3 the majority of the students in Bulgaria (47,5 %) still prefers face-to-face as a learning method, in



Romania they are 31,1 % and a similar result of 33% is received from Slovenian students, when it comes to blended learning 27,5 % of the Bulgarian respondents supported it, for Romanian students we had 6,7 % preference and for Slovenian respondents supporting this method we have the highest figure of 66 %. Preferences for the e-learning format have shown 25% of the Bulgarian students from, for Romanian students this is the most preferable channel of teaching and learning – 66 %, on the other hand Slovenian students have shown very little interest in blended learning only 3 %. From this result we could make the conclusion that the new methods of teaching and learning are appreciated by the students but at the same time they still want the personal contact with their professors through the good old fashion channels.

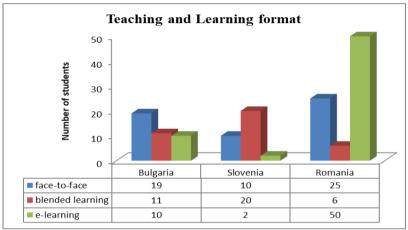


Figure 3 – The preferred teaching and learning method of students (*Source*: Authors own work based on survey data, 2018)

The preferences of Romanian students regarding the courses needed to be included in their education are demonstrated on Fig. 4 and they are slightly different from the opinion of their colleagues from Bulgaria and Slovenia.

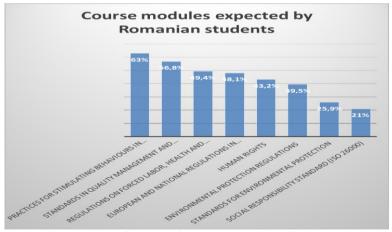


Figure 4 – Preferences of Romanian students for courses (*Source*: Authors own work based on survey data, 2018)



The courses that are considered most interesting and valuable by Bulgarian and Slovenian students are shown on Fig. 5. The highest figure gets "Human rights", "Standards in Quality Management and Risk Management", "European and local regulations" and "Social Responsibility Standard (ISO 26000)".

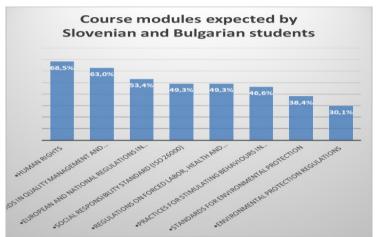


Figure 5 - Preferences of Bulgarian and Slovenian students for courses (*Source:* Authors own work based on survey data)

Panel 5. The statements from the fifth panel tried to evaluate respondents' attitudes towards the social responsibilities of business.

Through the answers of the students in this panel we tried to achieve a clear pic of students' perception of the role of business for the sustainable development and CSR as a whole.

For example, on the statement like *Social Responsibility behaviour could* be in the economic benefit of shareholders" we received the following data for Romania: 33 % of the respondents "strongly agree" and another 49 % "agree" that socially responsible behaviour might bring an economic benefit. The rest 18 % haven't formed their opinion yet. For Bulgaria we have very high number of 37 students (93 %) – 25 % "strongly agree" and another 68 % "agree" on the economic benefits for the shareholder. From Slovenian students we received similar data as from the Romania ones: 28 % of the respondents "strongly agree" and another 44 % "agree" and share this opinion.

Unlike Bulgarian students here a very high figure of 28 % has chosen "indifferent" as their answer. The results shown on Fig. 6 give us the right to conclude that the respondents are very aware of the economic benefits for a company which behaves socially responsible.



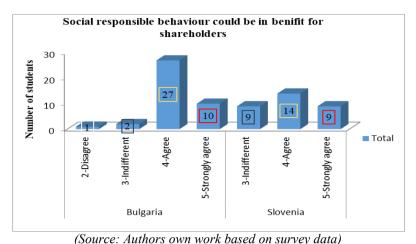


Figure 6 – Opinion of Bulgarian and Slovenian students about benefits for

Another statement from this group is about the increase in the vulnerability of the company having Social Responsibility behaviour through high resources consumption.

shareholders

For Romania we have the following results: 22 % of the respondents "strongly agree" and 20 % "agree" that socially responsible behaviour (SRB) might cause some resource optimization issues for the companies. The rest 37.8 % disagree. For Bulgaria we have very— 20 % "strongly agree" and another 70 % "agree" on the statement that SRB might have a negative impact for the companies. From Slovenian students we had only 17 students 'answers: 29 % of the respondents "strongly agree" and another 18 % "agree" and share the opinion for the negative side of CSR for the companies

On the next statements like "A company willing to build strong reputation has to display a social responsibility behaviour"; "Companies have already too much social power and should not engage in other social responsibility activities", etc. we didn't receive enough answers from Slovenian students to make a comparative analysis on them.

4. CONCLUSIONS

As final words, it can be summarized that the current state in the education needs to be improved in order to enhance its effectiveness. Analyzing students' answers we received some valuable information how a successful transformation could be done. All tree universities can benefit from a better integration of the Principles for Responsible Management Education in their work as educational and research institutions. But scholars, universities, institutions and business need to realize that the change is going to happen only when the curriculum of universities and business schools starts to create a belief in their students that ethics and sustainability is a core value of business.



ACKNOWLEDGMENTS

This work was supported under the project "Innovative Solution for Enhancing Social Responsibility Education and Civic Skills in Creating Sustainable Businesses" - Edu4Society 2016-1-RO01-KA203-024476

REFERENCES

- Alcaraz, M. & Marcinkowska, W., Thiruvattal, E. (2011) "The UN-Principles for Responsible Management Education: Sharing (and evaluating) information on progress". *Journal of Global Responsibility*, vol. 2, no. 2: 151-169
- Antonova, D. & Stoycheva, B. Kunev, S. Kostadinova (2018) "The Concept of Stakeholders in the Context of CSR (A Survey of Industrial Enterprises in Bulgaria)". *Journal of Emerging Trends in Marketing and Management*, vol. 1, no. 1: 115-128
- Fleaca, B. & Fleaca, E., Dimitrescu, A. (2014) "The Entrepreneurship and Social Responsibility in "Business Market a Qualitative Analysis". *Bulletin UASVM Horticulture*, vol. 71, no. 2: 379-386
- Fleaca, E. (2017) "The Entrepreneurship and Social Responsibility in Business Market a Qualitative Analysis". *10th International Conference on Engineering and Business Education*, DOI 10.1515/cplbu-2017-0053
- Yong-Seung Park, St. (2018) "Towards Responsible Management Education: A Transformational Model". *Business Communication Research and Practice*, vol. 1, no. 2: 54-60
- Mihajlovic, I. & Ljubenović, M., Milosavljević, T. (2015) "Preparing the Base for Entrepreneurial University: Academic Activities and Directions of Knowledge Transfer at Technical Faculty in Bor University of Belgrade Serbia". *Journal of Entrepreneurship & Innovation*, vol. VII.: 1-19
- Kotler, Ph. & Lee, N. (2005) "Corporate Social Responsibility". New Jersey: John Wiley & Sons, Inc, Hoboken
- Deer, Sh., & Zarestky, J. (2016). Business Education for Corporate Social Responsibility and Social Justice. Available on-line at https://newprairiepress.org/cgi/viewcontent.cgi?-referer=https://www.google.bg/&httpsredir=1&article=1002&context=aer
- Gamoran, A. (2018). The Future of Higher Education Is Social Impact. Available on-line at https://ssir.org/articles/entry/the_future_of_higher_education_is_social_im pact
- Schuetze, C.F., (2013). "Social Responsibility and M.B.A.'s". Available on-line at https://www.nytimes.com/-2013/10/21/education/social-responsibility-and-mbas.html
- Shapiro, D. & Kirkman, B. (2018). It's Time to Make Business School Research More Relevant. Available on-line at https://hbr.org/2018/07/its-time-to-make-business-school-research-more-relevant



- *** "HEInnovate guide related to the Business/External relationships for knowledge exchange to create value for education and society". Available on-line at https://heinnovate.eu/
- *** "Higher Education Sustainability Initiative Global Event". Available on-line at https://sustainabledevelopment.un.org/hlpf/2018/HigherEducation
- *** "Principles for Responsible Management Education" (2016). Available on-line at http://www.unprme.org/resource-docs/SIPToolkitFINALWeb.pdf"
- *** "United Nations Guiding Principles on Business and Human Rights". Available on-line at http://www.sa-intl.org/data/global/files/SAI-ICCO-UNGP-Handbook.pdf



Copyright of Analele Universitatii 'Eftimie Murgu' Resita. Fascicola II. Studii Economice is the property of Annals of Eftimie Murgu University Resita, Fascicle II, Economic Studies and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.

