



BEST: Business Education for Sustainability: Teaching Corporate Social Responsibility and Social Entrepreneurship for Sustainable Local and Regional Development

Information Bulletin

Issue No.1

Dear Reader,

This is the first BEST bulletin issued in the framework of the initiative “Business Education for Sustainability: Teaching Corporate Social Responsibility and Social Entrepreneurship for Sustainable Local and Regional Development”. This initiative is supported and co-financed by the Erasmus+ Program of the European Union.

In a series of on-line editions we will present the progress of the initiative and new research on corporate social responsibility and social entrepreneurship. In the context of the prolonged economic crisis and pressing societal challenges, public funds are becoming increasingly insufficient to adequately address social problems, while initiatives in the non-profit sector are often too unsustainable and donor-driven to achieve a lasting impact. Societies in Europe and beyond are therefore looking up to business to assume a greater share of the responsibility for social welfare and environmental sustainability. The consequences of the economic crisis have heightened public expectations and attention to long-term strategic corporate social responsibility and the ethical behavior of firms. At the same time, a substratum of business – the so called social entrepreneurs – have proven able to find innovative solutions to pressing social problems while still operating in a market-driven and entrepreneurial fashion.

Business, responsibility and innovation can go together, bridging social and economic priorities and working for the benefit of societies. Indeed, one of Europe’s key tasks is to create the conditions that they do so. A lot remains to be done. One unfinished task is to fully address the skills needs of social business through education programs. The efforts of the BEST partner organizations are geared in this direction. We hope that our work and the results of this project will raise awareness of the challenges, engage stakeholders and garner support for teaching sustainability in business education.

Yours Sincerely,

The BEST Project Team

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BEST Fact Sheet

Erasmus+ Strategic Partnership in Higher Education

Duration: 36 months,

01.09.2014 -31.08.2017

Project coordinator:

International Management
Institute, Bulgaria

Consortium of implementing organizations:

International School of Law and
Business, Lithuania

Utena College, Lithuania

Asociación INDICO, Spain

Izmir University of Economics,
Turkey

Portuguese Society for Innovation

Politecnic Institute of Bragança,
Portugal

University College Birmingham, UK

Birmingham City University, UK

University of Thessaly,
Department of Regional Planning
and Development, Greece

- ✓ Contribute to research and best practices exchange in the field of social entrepreneurship, social innovation and corporate responsibility, with special focus on the situation in the participating countries
- ✓ Develop innovative curricula and teaching materials that fully integrate the subjects of social entrepreneurship and CSR into business/economics education and pay attention to pressing challenges facing modern societies

Our outputs:

- ✓ Research report "Involvement of business in promoting sustainable development at the regional and local levels in Bulgaria, Greece, Lithuania, Spain, Portugal, Turkey and the UK"
- ✓ Good practices compendium followed by the creation of an electronic database "Millennial Business Europe: Entrepreneurship for Sustainability"
- ✓ Course syllabuses, training and teaching materials for corporate social responsibility, social entrepreneurship and sustainable development
- ✓ E-learning platform with online courses
- ✓ Model procedure for certification of skills and competences acquired by volunteers through participation in corporate responsibility initiatives
- ✓ Establishment of a Centre for Social Innovation and Entrepreneurship
- ✓ Development of a label for business education "Business Education for Sustainability" (BEST)
- ✓ National conferences "Business Education for Sustainability" in the project countries

Our objectives:

BEST Rationale

Education should foster the right mindset and build appropriate skills for social business. Social entrepreneurship remains under-promoted and rarely included in the initial and further training of business leaders and employees, while Corporate Social Responsibility (CSR) is still not well integrated into business education. The policy priority is therefore to include these subjects in the content of education programmes, and to develop channels for the development of skills and the exchange of knowledge and experience.

As outlined in the 2011 Social Business Initiative, the subsequent 2012 European Parliament Report (A7-0305/2012) and the 2011 renewed EU strategy for CSR, the EU has planned measures to improve the visibility and credibility of social entrepreneurship and corporate responsibility. This includes encouraging better understanding of the sector, sharing good practices and replicable models, labelling and certification, and raising awareness among stakeholders and the younger generation. Tackling the low degree of recognition of social entrepreneurship in European education systems is a key priority.

In the current programming period the EU plans to provide even wider and more effective support for social enterprises, thus making them a key element of the business environment. The EU programme for Employment and Social Innovation will create conditions for micro credit. The new “European Social Entrepreneurship Funds” label will allow investors to identify funds supporting European social enterprises, thus boosting the credibility of such funds and facilitating social businesses’ access to private finance. The European Structural Funds will prioritize the sector, too, although the extent to which the social impact of business would be supported within particular Member States depends on decisions taken at national level. This makes the task of raising awareness among future business leaders, entrepreneurs, and stakeholders all the more important. A number of initiatives will continue to promote corporate responsibility, e.g. the Business and Biodiversity Campaign. The insufficient understanding of the changing societal expectations among some companies is another major task that business/economics education in the EU is expected to address.

BEST was designed so as to maximize complementarity and opportunities for synergies with other national and international initiatives in all project countries. It will contribute to research and understanding of the social impact of business, allow for more efficient integration of social entrepreneurship and CSR in business/economics education, contribute to building the mindset and skills that would foster the social impact of business, link volunteering in the framework of CSR with improving youth employability through certification, and promote the visibility of social entrepreneurship and CSR in business studies by developing a credibility enhancing label for teaching. The project is an extension of ongoing efforts of all partners to adapt their academic and training offer to the needs of the society and the business environment.

The overarching task will be to achieve genuine cross fertilization between business studies and disciplines related to sustainable development and public policy. In this way, education would encourage a new mindset geared towards socially responsible business conduct and would foster more complete understanding of pressing social needs and challenges. This approach will help equip future business leaders with skills to identify new business opportunities within particular social and environmental problems and to seek synergies between public and private sustainability initiatives at the community and regional levels.

Our Activities

BEST First Transnational Project Meeting

The first transnational meeting was hosted by the International School of Law and Business in Vilnius, Lithuania on December 16th - 17th, 2014.

The working sessions focused on planning and fine-tuning upcoming project activities, developing quality control mechanism, and clarifying financial and contractual rules for implementation.



A major decision was to develop unified survey questionnaires and templates for national-level research and the collection of best practices. This has ensured that research findings will enable meaningful comparisons across the project countries.

BEST Research

Research work started with the selection of members of the international team of researchers who work simultaneously within their own countries on the development of the BEST research report "Involvement of business in promoting sustainable development at the regional and local levels"

The report outlines the current situation regarding involvement of business in promoting sustainable development and addresses the following issues:

- ✓ review of European and national policies, regulations and ongoing initiatives for promoting sustainable social and environmental development at the local and regional levels
- ✓ contribution of business to sustainable development at the regional and local level in the project countries (e.g. level of development of social entrepreneurship, legal environment for social entrepreneurship, social innovation, corporate social responsibility initiatives, companies' awareness and degree of understanding and support of regional plans and measures for promoting social and environmental sustainability);

- ✓ identification of those aspects of the economic, social and political context that facilitate or hinder the involvement and contribution of business;
- ✓ review of the state of the art towards teaching corporate social responsibility and social entrepreneurship in economics and business studies in the project countries.

To facilitate the research, questionnaires were disseminated among companies, academic faculty, staff, and civil society organizations. The survey was carried out at the national and regional level in the BEST partner countries.



BEST Second Transnational Meeting

The second transnational meeting was held on June 22nd-23rd, 2015 at the University of Thessaly in Volos, Greece. The event was dedicated to presentation of the national-level research in BEST partner countries with the aim to clarify the national contexts and situations and to discuss the transferability of models and good practices regarding CSR and social entrepreneurship.

The researchers present at the meeting discussed and compared the regulation of social business and existing approaches to corporate social responsibility across Europe. BEST researchers recognized

that the social aspects of business are not well integrated in business/economics education in the partner countries, with the boundaries between charity, non-for-profit and public activities remaining unclear from both business and academic point of view. National strategies and regulation of the social impact of business, impediments to the growth of social entrepreneurship and best-practice cases from the BEST countries were discussed and considered as an input in the project research report, database and compendium.



Facts about Social Business

Social enterprises: Organizations and companies that operate in an entrepreneurial fashion but seek to have a social impact.

Corporate social responsibility (EC, 2011): the responsibility of enterprises for their impacts on society, whereby companies integrate social and environmental concerns in their business operation and in their interactions with their stakeholders on a voluntary basis

In the **UK**, consensus appears, at present, to reside on a 'light touch' by government, where the role of

government is mainly to facilitate dialogue between business, regulators and other stakeholders. CSR is considered voluntary and should be business led.

Contributors to a Government Call for Views on CSR in April 2014, identified that there appears disconnect between business and society, particularly at a local level. The respondents further identified that businesses did not know or understand social issues that existed and how they might help. Conversely charities and local communities did not articulate issues well enough

for business to understand how they may play a part.

What emerged from the Government Call for Views was that from a business perspective, there was desire to support local communities, but there appeared a shift away from the philanthropic towards a pursuit of more shared value. It has been identified that there is also the need for greater collaboration between businesses.

Two important non-governmental organizations exist within the UK: Trading for Good and Business in the Community and they have a key role in facilitating relationship building and communication between society and business. (UK team research report at the 2nd Transnational Meeting, 22-23.06.2015, Volos).

There is a growing demand for CSR initiatives in **Lithuania**. Government priorities, international initiatives and existing CSR-oriented national networks of companies are factors that work to support social business. However, overall lack of understanding and support of CSR within society, lack of specialized expertise, insufficient cooperation among stakeholders and insufficient resources tend to stall the emergence of a vibrant social business sector (Lithuanian team research report at the 2nd Transnational Meeting, 22-23.06.2015, Volos).

In the beginning, in **Portugal**, CSR activities were seen mainly in terms of philanthropy. The boom in CSR occurred after the Lisbon Summit of the European Council in 2000. According to recent surveys on consumer behavior, the level of awareness has increased. Consumers have knowledge of CSR though this is not yet reflected in consumer behavior. The Green Growth Initiative is a flagship project of the current Portuguese government. Set against a framework of tight budgetary restrictions, the initiative introduces policies, goals and targets to promote a new development model that reconciles economic growth, lower natural resources consumption,

increased levels of social justice, and promotion of citizens' quality of life (Portuguese team research report at the 2nd Transnational Meeting, 22-23.06.2015, Volos).

In **Bulgaria**, social enterprises are an entirely new phenomenon. The old cooperatives inherited from communism often hire people with disabilities but otherwise have little in common with social business. Most of the social enterprises are created recently with EU financial support and their sustainability beyond donor funding tends to be problematic. Most of the social enterprises that nominally exist are actually inactive. CSR is most developed among Bulgarian branches of foreign companies. In the business sector as a whole, philanthropy or financial support for particular causes are far more common than are strategic approaches to CSR (Bulgarian team research report at the 2nd Transnational Meeting, 22-23.06.2015, Volos).

Greece can be considered among the countries in which the concept of social enterprise is beginning to take hold. However, stakeholders (representatives of public authorities and social enterprises themselves) state that the country currently lacks adequate support structures for social enterprise. Financial costs are considered to be the biggest factor deterring the implementation of CSR initiatives by the Greek companies, followed by lack of information and specialized partners (Greek team research report at the 2nd Transnational Meeting, 22-23.06.2015, Volos).

Social enterprises are not legally recognized as such in **Spain**. Some of the key factors constraining their development are the lack of adequate government support, the lack of developed practice of social public procurement and the difficulties that social enterprises encounter when trying to access finance. In the field of CSR, a CSR State Council is active since 2008 and there are a Sustainable Economy Law from 2011 and a CSR National Plan from 2012 regulating the social impact of business.



In **Turkey**, CSR activities are mostly conducted in the form of collaboration with civil society organizations through sponsorship, fellowships and grants awarded by corporations. However, the financial crisis is a big test for the corporations applying CSR solutions. Despite its negative effects, most of the corporate relations managers of large companies stated that they would not reduce

funding for CSR in their corporations. In Turkey there is no legal and officially recognized definition of “social business”. As a result, all of the related initiatives are “ad hoc” rather than classified as social enterprises. They are implemented by various legal entities such as charities and associations, cooperatives, non-profit organizations and other business initiatives.

The project team is open to carrying out research on good practices suggested by companies with CSR activities or by social entrepreneurs, in view of including them in the electronic database

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