Social Responsibility Practices in Business Schools: A Longitudinal Analysis of PRME Reports

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Research Domain: International contexts and perspectives (ICP)

Abstract: The societal role of universities has been under increasing scrutiny in recent years. The diffusion of New Public Management practices and institutional pressures are calling on universities to demonstrate their accountability, responsibility and impact on society. While universities are responding to these pressures, and improvements are observed when it comes to their curricula, it remains unclear the extent to which social responsibility is institutionalised in broader organisational practices. This study draws on new institutional theory and examines empirically the context of business schools to understand how they adapt their organisational practices in response to institutional pressures that support social responsibility. The study draws its findings by examining a large sample of social responsibility reports published between 2010 and 2021 using a combination of text analysis and social network analysis. Findings uncover the sources of institutional pressure (i.e. coercive, normative or mimetic) and documents changes to organisational practices vis-à-vis social responsibility.

Paper: Introduction and theoretical background

The role of business schools in society has been under increasing scrutiny in recent years (Morsing and Rovira 2011; Rasche and Gilbert 2015). Business schools influence how socio-economic activities are carried out and how companies deal with social and global challenges. Their norms and values affect the development of the leaders of tomorrow. The global financial crisis from 2008, coupled with high calibre corporate accounting scandals have increased attention to the social responsibility of business schools. They have been criticised for developing a narrow shareholder orientation while neglecting other stakeholders and the role of business in society (Morsing and Rovira 2011).

In response to that, a number of initiatives have emerged that are pressuring business schools to deliver responsible management education and research, and be more engaged with local stakeholders, including companies, non-governmental organisations, government and the broader society (Meyer and Sporn 2018). This pressure stems from the schools’ institutional environments (DiMaggio and Powell 1983), and namely from coercive forces (governmental regulations), mimetic forces (practices adopted by leading institutions) and normative forces (accreditation agencies and networks that support social responsibility).
Many business schools have responded to these legitimacy concerns by adapting their curricula to include courses on ethics, corporate social responsibility and sustainability (Morsing and Rovira 2011). While these efforts are undoubtedly important, business schools are called upon to look beyond curricular changes and take a more holistic approach to the integration of social responsibility. As such, they are increasingly called upon to ‘practice what they preach’ (Sporn and Badelt 2011) and integrate social responsibility into their management, education, research and outreach functions, and show actual evidence of impact.

Research objectives

This study draws on new institutional theory to understand how business schools adapt their organisational practices in response to institutional pressures that support social responsibility. The objective of this study is twofold. First, it aims to identify the key institutional forces (i.e. of coercive, normative or mimetic origin) influencing business schools’ responses to social responsibility. Second, it aims to understand the types of organisational responses that emerge as a result of these institutional pressures. The study applies a longitudinal perspective to understand, one the one hand, the changing nature of institutional forces influencing social responsibility in business schools, and on the other hand, the changing nature of organisational practices emerging in response to these institutional pressures.

Research design and methods

Higher education institutions, business schools including, increasingly publish reports to communicate their activities and achievements. They do so to a large extent for accountability and transparency reasons. At the same time, reports also serve as so-called legitimation accounts, which are “linguistic devices employed whenever an action is subjected to valuative inquiry” (Scott and Lyman, 1968, 46). The communication used in such reports is not only important for schools to gain legitimacy and trust, but is also fundamental to institutionalisation processes (Meyer et al., 2013). Reports also serve as communication devices to keep key stakeholders informed about organisational activities and achievements. This communication is being signalled through reference to specific actors, standards or policies, i.e. important constituents of the institutional environments of business schools.

This study will examine longitudinally, using a combination of text and social network analysis, the social responsibility reports published by business and management schools that are part of the Principles for Responsible Management Education (PRME) initiative. PRME was founded in 2007 and supported by the United Nations to advance social responsibility in business and management schools across the world. It promotes six principles devised to advance social responsibility across the organisation, and namely in the purpose, values, education, research, partnerships and dialogue with the public. PRME signatories comprise more than 800 institutions worldwide, who are asked to submit a Sharing Information on Progress (SIP) report, in which they document and communicate their efforts and achievements in implementing the six principles. This study will draw on social responsibility reports published by institutions from different geographical regions.
Implications for research and practice

This study informs research on social responsibility and its practical application in higher education. Namely, it illustrates the importance of different institutional forces that influence the adoption of social responsibility practices in business schools. Furthermore, it confirms the strong explanatory power of new institutional theory in examining the nature of social responsibility practices in universities. Finally, the study provides a methodological contribution, by showing the potential of big data approaches to answering relevant questions in the field of higher education.

References: References


