
Frameworks and Focus Are Essential for Change



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The crucial role business schools must play in building a better world.

Business schools have a crucial role to play in enabling the critical transformation to a more equitable and sustainable society. Although there are positive signs that many are stepping forward to help with that change, it is also clear that more needs to be done to accelerate the process.

INSEAD has long understood that business, and therefore business schools, must do more to tackle the challenges of society. It was this understanding that first drove the school's vision of business as a force for good. Yet ten years ago, that vision was still focused on the potential of business to drive economic growth. The mission seemed very simple: How could we train our students to become better at business so they could drive greater economic growth and eradicate poverty?

However, it became increasingly clear that this was not enough. Leading business schools also have a responsibility to examine the ways that businesses and business leaders can help alleviate the increasingly evident

tensions between business and society. We needed to make sure that business wasn't just focused on making a profit but also addressed the interests of society and the needs of the planet.

Understanding the impact of business

To do so, it is vital to understand how to achieve this transformation. Scientists are doing their part in recording the data and highlighting the existential threats our planet faces, but business schools need to be bringing clarity to the debate around the impact of business on society. Our role is to show people the models that work, the behaviours that need to change and the actions that will have a real impact.

In fact, one of the main reasons behind the creation of the [Hoffmann Global Institute for Business and Society](#), with the support of André and Rosalie Hoffmann, back in 2018 was to eradicate the fluff around these discussions.

That means challenging statements that are not based on science and examining and debunking the conflicting arguments about what we should do to address these issues. While there has been huge progress on this front, there is still a lot out there that is not credible. Once you start saying things that are not supported by serious research, it can backfire and leave people and organisations open to accusations of greenwashing.

The establishment of the Hoffmann Institute, which recently celebrated its fifth anniversary at the [Business and Society Summit](#), has allowed INSEAD to be at the frontier of confronting these challenges.

A systematic approach

From the start, the Hoffmann Institute took a systematic approach by using the framework of the United Nations Sustainable Development Goals (SDGs). The focus was on addressing the challenges of meeting the SDGs through four main pillars: knowledge creation, teaching and learning, engagement and walking the talk as a school. Although INSEAD has been a pioneer in this field, the reality is that the school has been moving forward at different speeds in different areas.

In terms of knowledge creation, over 44 faculty from every academic area of the school are now engaged with the Hoffmann Institute, writing papers focused on issues related to the SDGs. While knowledge, papers and cases

are generated on these topics, this research is only useful if it is conducted with rigour and relevance. Research needs to be founded on data and sound theories and must have implications for real-world problems.

The other challenge facing business schools is making sure that this research-based knowledge is getting into classrooms and courses for students and executives. This ambition is what led INSEAD to complete a major review of our MBA curriculum. Starting in January 2024, the school will be integrating sustainability topics and themes into all 14 of its core courses. Before students graduate, there will be a mandatory three-day capstone course where they are given a specific case of a company facing sustainability challenges relating to their business, and must solve these issues.

Many business schools now have centres and initiatives focused on inequality or sustainability dedicated to research and teaching. While this is important, INSEAD has looked to take things one step further by integrating sustainability into all aspects of the school's operations.

The idea is to demonstrate that change is possible, and to develop responsible models that show how it can be achieved. INSEAD has removed plastic from all campuses, made its buildings more sustainable and made a concrete carbon reduction pledge to reduce Scope 1 and 2 emissions by 67 percent by 2035 – and has realised 45 percent of that target in the first year.

A collective effort

These successes have only been possible with the buy-in of all stakeholders within the school and the community – that means the faculty, the students, the staff and, of course, the global alumni network. They are the business leaders and entrepreneurs. They are the people with the potential to make a difference in the real world.

Of course, no business school can change the world alone, which is why it is pleasing to see others follow suit and try to engage on these issues. It is why INSEAD has looked to reach out beyond its own community to share research and best practices. It is why the school is a member of the United Nations-supported [**Principles for Responsible Management Education \(PRME\)**](#) and why INSEAD joined seven of Europe's leading business schools to become co-founders of the [**Business Schools for Climate Leadership Initiative**](#), which presents future leaders with better tools to combat the

climate crisis.

It is also why INSEAD is a partner in the [Responsible Research for Business Management](#) network, and recently sponsored their annual summit on its Europe campus. The aim is to offer a forum for various faculty and other stakeholders from the research ecosystem to gather to discuss the need for integrity and rigour in research and how to better disseminate impactful research. These events act as accelerators for this process through the opportunities they offer for the exchange of ideas.

It is also crucial for business schools to look to engage outside the academic sphere. The Hoffmann Institute has been at the World Economic Forum at Davos since 2018. Through the SDG Tent in collaboration with InTent, INSEAD faculty have engaged in discussions on a range of issues ranging from gender inequality to circularity.

The Hoffmann Institute has also spent the last five years as the lead academic partner of [ChangeNOW](#), an annual forum for social impact organisations. Incidentally, this was created by two INSEAD alumni, which demonstrates the ripple effect that business schools can have on wider society.

Although it is important to recognise how far INSEAD and other business schools have come in the last decade, there is much more to be done. The reality is that we still lack credible theoretical frameworks and insights to ensure the smooth transformation to a more sustainable society.

It's not just about writing more papers; it's about offering greater clarity and focus in addressing these issues. It's about removing the fluff. It's about creating the frameworks, the strategies and the reporting tools so CEOs can learn how to properly address the issues currently impacting the environment and society. And it's about accelerating our efforts on these fronts, because all the data is telling us that change cannot take five or ten years. It needs to happen now.

Find article at

<https://knowledge.insead.edu/responsibility/frameworks-and-focus-are-essential-change>

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About the series

Crossroads: Business & Society

The **Hoffmann Global Institute for Business and Society** at INSEAD explores the intersection of business and society. The challenges of our times are unprecedented, and the decisions made by leaders today determine the future. HGIBS aims to equip these leaders to make decisions in ways that deliver positive outcomes for business, communities, people and our planet in line with globally agreed sustainability goals.

The UN Sustainable Development Goals offer a cohesive and centralised framework for discussing a new development model that is good for all people and the planet. INSEAD is aligning more closely with the SDGs as more businesses use the 17 global goals to enhance their contributions to society.

This series provides much-needed clarity regarding what the SDGs mean for strategies, operations and business models.