

Principles for

RESPONSIBLE MANAGEMENT EDUCATION

Sharing Information on Progress Report 2021–2023

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**PRME – Principles for Responsible
Management Education**
unprme.org

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Photographs by

Teemu Leinonen, Hiski Hämäläinen and LUT,
Olkkonen's photo on this page by Ville Tulkki

A word from

THE DEAN

We are happy to report growing teaching, research and partnership impacts. Since we established responsible business skills as a programme-level learning goal in our BSc and MSc programmes during the previous reporting period, the share of students meeting the responsibility-related learning objectives now varies from 83% to 100%, according to our latest assessments. We look forward to broadening our sustainable business offering at the bachelor's level even further and extending mandatory responsibility and sustainability content to cover our doctoral programme.

Since our last Sharing Information on Progress report, we received initial AACSB accreditation in 2022. This accreditation keeps us on an ongoing path to develop the quality of our education and research. We are driven to work on our focus areas of driving sustainable growth and creating value in the digital economy. During this reporting period, we launched several new research projects that create novel insights on topics such as sustainable consumption, digital transformation, collective action and carbon neutrality.

As one of the three schools in LUT University, we are proud of the university-level achievements

of recent years. In 2022, LUT University ranked ninth in the world in climate action in the Times Higher Education (THE) Impact Rankings. LUT was the only Finnish university to improve its position, and this result shows that our actions have an impact. Other LUT highlights include a new professorship in electric transportation and a partnership to build Finland's first production plant for synthetic methanol. We, as the LUT Business School, are there to help create efficient business models to promote this kind of great invention that saves the climate.

One noteworthy achievement for us was the award for SIP reporting at the PRME Global Forum in 2022. The recognition of our school's report as winner of the 'Emerging' category encourages us to aim even higher in our sustainability goals and actions and keep track of our progress. We are especially putting effort into staying in dialogue with our active student community and with industry leaders. We are also developing systematic ways to measure and leverage the impact and thought leadership of our publications.

The work for sustainability is not done. We are proud to be part of the PRME community and do our best to keep earning our membership.



A handwritten signature in black ink, consisting of stylized, flowing letters that appear to read 'S. Saarenketo'.

Professor Sami Saarenketo
Dean of LUT Business School

WHAT IS PRME?

The United Nations (UN)'s Principles for Responsible Management Education (PRME) are a voluntary initiative that aims to raise the profile of sustainability in business and management schools around the world. PRME was established by the United Nations in 2007 and has over 800 member organisations.

Working through six principles, PRME engages business and management schools to ensure that they provide future leaders with the skills needed to balance economic and sustainability goals, while drawing attention to the Sustainable Development Goals (SDGs) and aligning academic institutions with the work of the UN Global Compact.

LUT University focuses especially on seven UN SDGs: Decent work and economic growth, Industry, Innovation and infrastructure, Responsible consumption and production, Affor-

dable and clean energy, Climate action, Clean water and sanitation and Partnerships for the goals. LUT Business School (LBS) has been involved in PRME since 2015 and published four sharing information on progress (SIP) reports.

“ See the beginning of each section in this report for our key achievements in the past two years, and our goals for future development.

Associate Professor Laura Olkkonen

LBS's last SIP report won first prize in its category at the PRME Global Forum in 2022. The 'emerging' category was for schools that have published between two and four reports.



LUT BUSINESS SCHOOL

LUT Business School (LBS) is an agile and sustainably thinking business school located in a university of technology. We are a public, medium-sized business school operating in three locations – the main campuses in Lappeenranta and Lahti and the LUT Mikkeli regional unit. Students in our research-based degree programmes graduate as bachelors, masters and doctors of science in Economics and Business Administration.

Sustainability is a cross-cutting theme in all LBS programmes, and the school follows the attainment of sustainability-related learning goals. While BSc students are expected to understand the key concepts and frameworks related to responsibility and sustainable business, MSc students are expected to have a profound understanding of their discipline-related responsibility issues and the ability to critically evaluate business decisions from a responsibility perspective.

In 2023, our name was updated to LUT Business School (formerly LUT School of Business and Management).

The LUT Business School is one of the world's top 150 business schools in the Times Higher Education (THE) World University Rankings 2023 by subject.

LBS Key Numbers

1,626

students: bachelor's, master's and doctoral

128

academic staff

3

locations: Lappeenranta, Lahti and Mikkeli

31

student nationalities

7

master's programmes

14

million euros in funding from the Ministry of Education and external funding

1991

year of establishment

LBS Vision

Drive the sustainable business revolution, powered by curious minds.

LBS Mission

We educate research-based and responsible business professionals in an inspirational learning community rooted in a university of technology. We create impactful research and business-relevant knowledge for the benefit of students, businesses, the academic community and the sustainable development of society.

LBS Strategic Focus Areas

Driving sustainable growth
Creating value in the digital economy

LBS Degree Programmes

Bachelor's Degree in Economics and Business Administration with five specialisation areas:

- » Accounting
- » Business Analytics
- » International Marketing
- » Strategic Finance
- » Supply Management

Master's Degree in Economics and Business Administration

- » Master's Programme in Accounting (LAMO)
- » Master's Programme in Business Analytics (MBAN)
- » Master's Programme in International Business and Entrepreneurship (MIBE)
- » Master's Programme in International Marketing Management (MIMM)
- » Master's Programme in Knowledge Management and Leadership (TIJO)
- » Master's Programme in Strategic Finance and Analytics (MSF)
- » Master's Programme in Supply Management (MSM)

Doctoral Degree in Economics and Business Administration

- » Doctoral Programme in Economics and Business Administration

Since our establishment over

30

years ago

4,000

master's degrees had been awarded by 2021 and

2,000

bachelor's degrees by 2022.

By 2023, over

140

PhDs have been completed.

Overview of

LUT UNIVERSITY

LUT University (Lappeenranta-Lahti University of Technology) is a pioneering science university in Finland. LUT was the first university of technology in Finland to award degrees in economics and business administration. Today, LUT University continues to bring together the fields of technology and business. In autumn 2023, LUT will launch new degree programmes in social sciences and communication sciences.

The university is organised into three schools: the LUT School of Energy Systems, the LUT

School of Engineering Sciences and the LUT Business School. Our community is composed of 7,110 undergraduate and postgraduate students and 1,237 members of faculty and staff, representing 98 different nationalities. The main campuses are located in Southern Finland in Lappeenranta and Lahti.

The social science programmes will be incorporated into the LUT School of Engineering Sciences. LUT offers a total of 33 master's programmes and six English-language bachelor's programmes.

Strategy Emphasises Systemic Thinking

Since 2015, our Trailblazers strategy has directed us to address issues that matter to the world and to help society and businesses in their sustainable renewal. Our strategy emphasises systemic thinking – how clean energy, water and air are life-giving resources for which we seek new solutions with our technology and business expertise.

LUT's new social sciences programmes open perspectives on the relationship between humans and technology, on what opportunities technology opens up for humans but also on how communities influence technology. LUT is committed to considering its environmental, financial and social responsibility in all its activities: scientific research, academic education, societal interaction and support functions at both LUT campuses.

LUT is characteristically a challenger university. We seek to conduct high-quality research relevant to society and industry. We also promote business generated by scientific research. This is demonstrated by the university's own investment company, Green Campus Innovations, which supports LUT's research-based start-up companies.

Together with the LAB University of Applied Sciences, LUT University is part of LUT Universities, a corporate group consisting of two autonomous institutions.

[See LUT's key facts.](#)



Sustainability at LUT

We focus on influencing particularly the following UN Sustainable Development Goals.

University-level actions for sustainability at LUT University are led by the Rector and coordinated by our Sustainability Manager and Quality Manager. Sustainability experts with academic and industrial backgrounds sit on the highest decision-making body of the university, the University Board, and on the Advisory Board. Our students are represented in the university's administrative bodies, such as the University Board, the Quality and Environmental Management Committee and the Well-Being Commission.

LUT Values

- Courage to succeed
- Passion for innovation through science
- Will to build well-being



WE ARE:

- A UN Global Compact signatory
- Committed to the United Nations Sustainable Development Goals (SDGs)
- A SDG Accord signatory
- Certified by World Wildlife Fund (WWF) Green Office since 2012
- A signatory of Society's Commitment to Sustainable Development, initiated by the Finnish National Commission on Sustainable Development
- A 100% renewable energy user
- Pursuing a low-carbon footprint as part of our investment strategy
- Consuming 5% of the electricity produced by on-campus solar panels
- Enabling remote work and distance learning
- Using LED lamps to light LUT's facilities
- Enabling the use of city bikes on our campuses
- Encouraging our employees to commute by train
- Using a bioscale that measures the amount of food waste in our campus restaurant
- Aiming to be carbon-negative in 2024
- Further information: lut.fi/sustainability

LUT Highlights

LUT Ranks Ninth in the World in Climate Action

LUT University was the only Finnish university to improve its position in the 2022 THE Impact Rankings. The rankings rate universities based on how well they promote the UN SDGs and highlight the university's role as a responsible and sustainable partner and problem-solver in the climate crisis.



“ LUT genuinely contributes to solving the global climate crisis, says Jari Hämäläinen, LUT's Vice Rector for Research and Innovation.

According to Hämäläinen, the university's Trailblazers 2030 strategy successfully aligns with the UN SDGs. The practical outcomes of the strategy include the fact that international students choose LUT because of its climate actions and that highly regarded climate reports increasingly cite LUT's ambitious research. For instance, the most recent report by the Intergovernmental Panel on Climate Change (IPCC) widely cites LUT's research and technological solutions.

In addition, LUT is among the world's top 350 universities in the THE 2023 World University Rankings. The areas assessed in the rankings are research, citations, teaching, international outlook and industry income. This time around, the rankings included ten Finnish universities, with LUT in shared third place.



Promoting Electric Transportation

In 2022, LUT established Finland's first electric transportation professorship and a new Master's programme in Electric Transportation Systems in the City of Lahti. The professorship is funded by the City of Lahti and businesses and foundations in the surrounding Päijät-Häme region. Pekka Timonen, Mayor of Lahti, says it is especially important to the city that the university and local businesses collaborate: 'Lahti has a significant electric transportation cluster, with over 30 businesses. It is boosted by research, development and collaboration with experts in the field'.

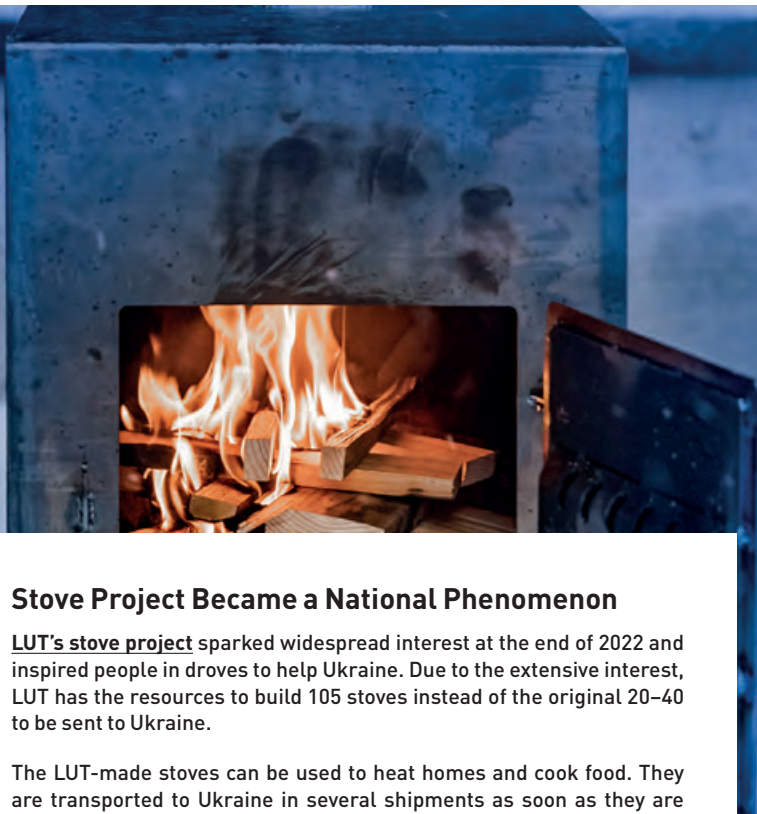
The new master's programme focuses on key technologies and skills related to electric transportation, such as electro-mechanical drive trains, power electronics, battery technology and related information technology. Indirect electrification methods and e-fuel technologies are also considered, and the environmental impacts of different technology solutions are analysed.



Finland's First Production Plant for Synthetic Methanol

Collaboration between LUT University and the energy company St1 has led to plans to build Finland's first production plant for synthetic methanol. The pilot plant will neighbour a cement factory in the City of Lappeenranta, home to LUT University.

The Ministry of Economic Affairs and Employment of Finland has granted the synthetic methanol production plant in Lappeenranta 35.4 million euros in funding. The funding decision is conditional and requires approval by the European Commission. If the plans progress favourably, the production plant will be operational in 2026.



Stove Project Became a National Phenomenon

LUT's stove project sparked widespread interest at the end of 2022 and inspired people in droves to help Ukraine. Due to the extensive interest, LUT has the resources to build 105 stoves instead of the original 20–40 to be sent to Ukraine.

The LUT-made stoves can be used to heat homes and cook food. They are transported to Ukraine in several shipments as soon as they are ready for freight. Local authorities in Ukraine will deliver them to those most in need. LUT released the technical drawings of the stove online for anyone to use. By February 2023, 1,300 stoves had already been delivered to Ukraine by various donors across the country.



New Position: Human Resource Development Vice Rector

To increase employee well-being even further, LUT has established a new rector position, the Human Resource Development (HRD) Vice Rector. This new position is LUT University's board's purposeful investment in the well-being and work capacity of the university's most important asset, human resources, in building a more multicultural working community and in enhancing LUT's national and international competitiveness.

LUT has appointed Professor Truus Poels, PhD, LLM as the new Vice Rector for HRD. Truus Poels, originally from the Netherlands, has extensive experience in human resource management and development and in strengthening human capital. In addition, she is an expert in engaging personnel. She will be transferring to LUT from Webster University Leiden. Poels's 4-year term is from 1 April 2023 to 31 December 2026.

PURPOSE

PRINCIPLE 1: 'We 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'.

KEY ACHIEVEMENTS: We have continued to integrate sustainability and responsibility into our teaching and research in alignment with our strategy. We have demonstrated our commitment to the continuous development of our quality and societal impact by achieving AACSB accreditation in 2022. We have involved all bachelor's and master's programmes in measuring our students' responsible business skills.

FUTURE GOALS: We will continue to increase our societal impact on sustainable business renewal through research, education and communication.

As a business school in a university of technology, we draw on the potential for education and research with the aim of creating new knowledge and solutions that promote sustainable business renewal and thus well-being on Earth. LBS's vision is to be an internationally acknowledged European business school for our impact on the sustainable business revolution. We combine social, technological and business expertise to drive sustainable growth and create value in the digital economy. As such, sustainability is a strategic focus area in our research and is firmly a core element of the strategic work in our school and at the university level.

Our responsible management education received further international recognition when LBS was awarded initial [AACSB Accreditation](#) in 2022. Only 5% of the world's universities offering business degrees have received this accreditation. After implementing systematic assurance of the learning process during the AACSB accreditation process, LBS is now well equipped to evaluate the level of its graduates' sustainability-related competence

and thus the realisation of Principle 1 in each educational programme.

Accreditation is not a one-off exercise, however, but an ongoing process in which quality practices are integrated into everyday activities. Our ambition level is high, and we are committed to further improving the quality and international recognition of our education.



” AACSB-accredited schools are generally considered to be the best in the world. By establishing a high-quality business education system at our school, we will

be able to foster the next generation of responsible business professionals and make a positive impact on the world.

Dean Sami Saarenketo

Since 2011, sustainability and experimentation with solutions developed at LUT have been an active and visible part of our campus. LUT seeks

to have an impact on sustainable development by focusing on research that promotes environmental well-being and by training sustainable academic experts and decision-makers. Our environmental policy also commits the organisation to maintaining and developing its management of environmental issues and the knowledge of its employees on environmental issues. We monitor, measure and review the development of our environmental protection and sustainable development efforts and allocate sufficient resources to ensure continuous improvement. The results of the monitoring are published regularly in our [Sustainability Report](#).

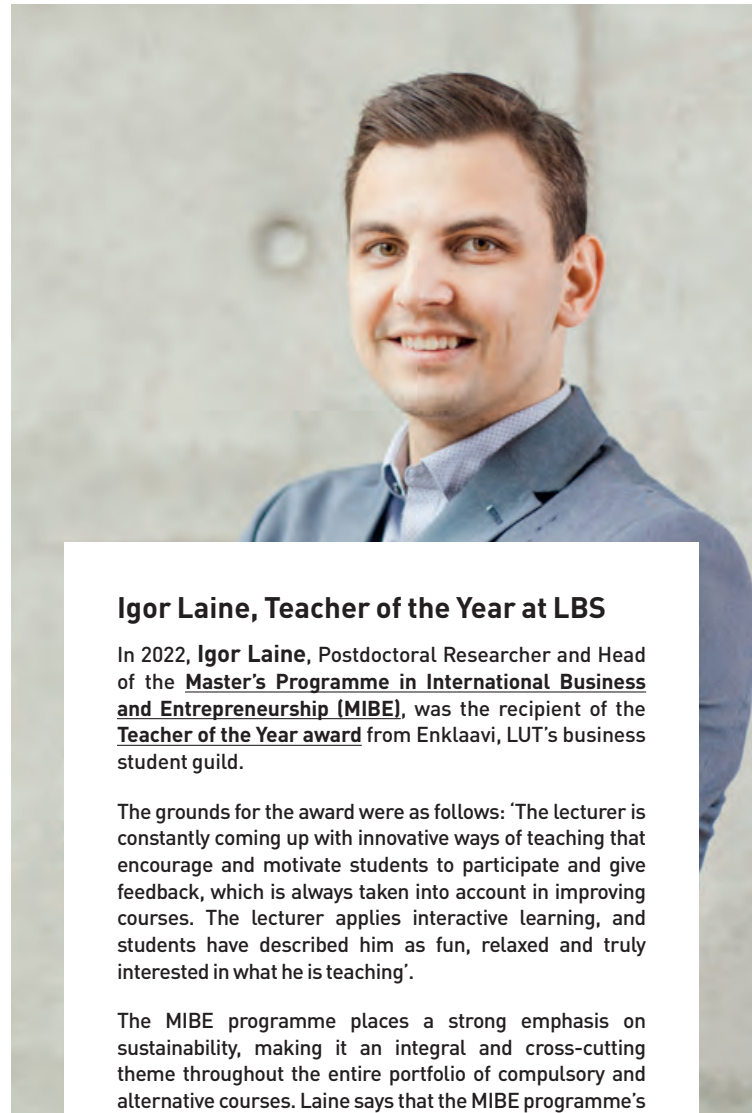
LBS has integrated sustainability as a cross-cutting theme across its programme portfolio and academic research to deliver our mission of educating responsible professionals in the field of business and management. The head of the degree programme is responsible for the development of the education and, together with the programme directors, ensures that the education LBS provides is developed from sustainability and responsibility perspectives.



“ We need future leaders who are capable of making complex decisions and considering the long-term implications of those decisions from the sustainability perspective. We are clearly on the right track, as according to our most recent assessment round, the share of students meeting responsibility-related learning objectives in our BSc and MSc programmes was between 83% and 100%

Hanna Salojärvi, Head of Degree Programme

AT LBS, we believe that inspirational learning happens when students are motivated to take further actions in their own learning and seek more advice and information on the topic. Our business students are exposed to the latest technological developments and interact with engineering students as part of their coursework or in a variety of extra-curricular activities, such



Igor Laine, Teacher of the Year at LBS

In 2022, **Igor Laine**, Postdoctoral Researcher and Head of the **Master's Programme in International Business and Entrepreneurship (MIBE)**, was the recipient of the **Teacher of the Year award** from Enklaavi, LUT's business student guild.

The grounds for the award were as follows: 'The lecturer is constantly coming up with innovative ways of teaching that encourage and motivate students to participate and give feedback, which is always taken into account in improving courses. The lecturer applies interactive learning, and students have described him as fun, relaxed and truly interested in what he is teaching'.

The MIBE programme places a strong emphasis on sustainability, making it an integral and cross-cutting theme throughout the entire portfolio of compulsory and alternative courses. Laine says that the MIBE programme's commitment to sustainability ([for more information, see p. 44](#)) is evident in its curriculum, which provides students with a strong foundation in becoming responsible and ethical global business leaders. 'Through their exposure to sustainability-related topics in a variety of courses, MIBE students are well equipped to navigate the complex challenges facing businesses today and make a positive impact on society and the environment'.

In December 2022, the Research Foundation of Lappeenranta University of Technology rewarded Igor Laine with 2,000 euros for teaching merit.

as through LUTES, the LUT entrepreneurial society, or student projects at the J. Hyneman Center, a unique rapid prototyping lab (see Principle 6, Dialogue, for more information). The informal and flexible campus culture, along with a tight-knit student community, also offers many opportunities to form cross-disciplinary ties as part of everyday student life.

VALUES

PRINCIPLE 2: “We will incorporate into our academic activities, curricula and organisational practices the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact”.

KEY ACHIEVEMENTS: Our LUT-level commitment to sustainability initiatives has been strengthened by our participation in the **Race to Zero Campaign**. We have updated our university-level equality and non-discrimination plan based on a workplace survey.

FUTURE GOALS: We aim for interdisciplinary cooperation in the community by bringing in our expertise in sustainable business. We will continue to diminish our overall carbon footprint with our LUT-level Climate Action Plan.

The LUT Business School educates research-based and responsible professionals to create impactful research and business-relevant knowledge for the benefit of students, businesses, the academic community and the sustainable development of society. LBS nurtures a student-centred pedagogical culture that places a greater emphasis on learning than on teaching. This means that learning is an iterative process that the students own. LBS encourages the use of entrepreneurial teaching methods to educate students who are creative and able to take initiative, tolerate risks and transform challenges into opportunities.

The objective of LBS’s research is to create a better understanding of sustainable value creation and business renewal, especially in our defined strategic focus areas of driving sustainable growth and creating value in a digital economy.

Sustainability at LUT is driven by our environmental policy and environmental programme. We have been a member of the UN Global Compact since March 2021 to support the initiative through research and education and to further develop our own activities as a responsible and sustainable organisation.

LUT adheres to the guidelines for the responsible conduct of research established by the Finnish Advisory Board on Research Integrity (TENK), which is appointed by the Ministry of Education and Culture. Its guidelines are formed in cooperation with the Finnish research community. These guidelines promote the responsible conduct of research – concerning, for example, data gathering, the role of funders and the publication of results – and provide guidance on how to handle alleged violations. The TENK guidelines apply to both

LUT faculty and students and are integrated into LUT's guidelines on good scientific practice and ethical guidelines for academic studies.

LUT advises paying special attention to good scientific practices and research ethics when any research involves experimental settings or when the research may cause harm to the environment, animals, plants or humans. For these cases, LUT has established guidelines and an internal process for applying for a preliminary ethical review and for obtaining a statement from an ethics committee chaired by LUT's Vice Rector for Research and Innovation.

LUT has procedures in place for handling misconduct in research and student work. Issues related to cheating and plagiarism are discussed in courses and seminars throughout all programmes and communicated in course materials on course websites. The electronic enrolment system obligates new students to read the guidelines before they can complete enrolment for the first semester. Each new doctoral student at LUT also receives a copy of the guidelines. In spring 2023, we have also instructed our students on the responsible use of artificial intelligence (AI)-based tools.

Furthermore, the LUT Doctoral School offers a course on research ethics that is open to all postgraduate and undergraduate students and faculty. The course deals with questions such as ethical theory, preparing an ethically sustainable research plan and the researcher's ethical responsibilities.

LUT's Equality and Non-discrimination Plan

The LUT Universities' community does not accept inappropriate treatment, discrimination or harassment. **The Equality and Non-Discrimination Plan (2023–2024)** of LUT University and the LAB University of Applied Sciences was updated in December 2022. The equality and non-discrimination situation is monitored through the equality and non-discrimination indices and statements in staff surveys. The latest biennial workplace survey was carried out in 2021, and the next one will take place in 2023.

Gender pay trends are monitored annually through pay statistics. To support zero tolerance of harassment, a harassment reporting form has been introduced to enable employees who experience harassment, inappropriate treatment or bullying to report it in accordance with the LUT Universities' guidelines. Equality and harassment contact persons have not been appointed, and an equality working group has not been established because there has been no evident need for them. However, **Enklaavi, LUT's business student guild** and LUT's Student Union have appointed harassment contact persons for students.

As LUT is a university of technology, gender segregation continues to contribute to the smaller share of women in engineering professorships. We tackle this problem, for example, as a member of the Women in Tech network, which encourages more women to consider careers in tech by offering networking events, sharing role model stories and highlighting job opportunities. **Women in Tech** has over 40 member organisations.





Supporting Sexual Minority Rights in Skinnarila Pride

In September 2022, several student organisations at LUT and LAB co-organised the first Skinnarila Pride event at LUT's Lappeenranta campus. The event was sponsored by the City of Lappeenranta, professional associations and companies.

Code of Conduct

Since 2011, LUT has followed a Code of Conduct that describes the policies and actions to ensure ethical and responsible behaviour across all decision-making processes in the university. The LUT Code of Conduct guarantees an equal and transparent basis for each member in the university's community to act in line with ethical expectations when faced with situations requiring ethical reasoning. Responsibility requires engagement in societal, environmental, managerial, social and economic issues with respect to the university's stakeholders and the surrounding society. The LUT Code of Conduct stems from both national and international regulations and agreements, human rights agreements and the fundamental principles of the world of work. Furthermore, academic and business ethics and the university's internal rules are reflected in the code, which is enforced, updated and monitored by the university's board of directors.

Supporting Mental and Physical Health

The Covid-19 pandemic has increased the importance of student and employee well-being. Since 2022, LUT has transferred to hybrid mode, which means that people are working and studying partly on campus and partly remotely. The delivery mode of the LBS BSc programme is contact teaching on campus, and the MSc programmes rely on blended learning. Although most students would prefer studying remotely, according to a study conducted by the Student Union of LUT University in 2022, almost half of the students felt that they did not belong to any group or community.

Constant work is done at both campuses to reduce feelings of loneliness. For example, students are offered Finnish Student Health Services, a study psychologist who offers individual sessions, lectures and webinars, study guidance and university pastors regardless of religion or denomination. In addition, student organisations offer many hobby and leisure activities.

Both campuses also include a gym that is free of charge for students and staff. LUT staff are offered, for example, occupational health care, a bicycle benefit, massage therapy and public swimming pool tickets. In addition, a well-being week for all campus students and staff is held every autumn and spring.

METHOD

PRINCIPLE 3: 'We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership'.

KEY ACHIEVEMENTS: We have measured our students' responsible business skills in all our bachelor's and master's programmes. The share of students meeting the responsibility-related learning objectives now varies from 83% to 100%, according to our latest assessments. The proportion of responsibility- and sustainability-related master's theses at LBS increased to 18% in 2021 and 23.5% in 2022. Our students estimate that their skills in evaluating business problems from an ethical and sustainable point of view are above the national average.

FUTURE GOALS: We will continue to educate sustainable business professionals and leaders with strong skills in sustainable business. We will strengthen sustainable business content in mandatory studies, especially at the bachelor and doctoral levels.

LBS bachelor's students are expected to demonstrate their proficiency in sustainable business by being able to explain key concepts and frameworks related to sustainability and responsibility and by assessing sustainable business practices. Graduates at master's level are expected to have a profound understanding of discipline-specific responsibility issues and the ability to critically evaluate the consequences of business decisions from a responsibility perspective. We have begun to measure the level of students' skills in all our bachelor's and master's programmes. As before, all our incoming students are introduced to sustainability thinking at LUT as part of their study orientation.

Our students' skills in responsibility and sustainability are measured in a national survey by the Finnish Business School Graduates. According to the latest report published in 2022, our 2021 graduates estimate that their skills in evaluating business problems from an ethical and sustainable point of view are

above the national average. In 2021, we had 269 graduates, of which 87.4% answered the national survey.

Henni Savolainen, a master's student in LBS's International Business and Entrepreneurship programme, says that sustainability and responsibility themes attracted her to apply to LUT:



I had worked in customer service for ten years, but the child of nature in me needed something more. I understood that I can also make a difference through my work. Corporate responsibility, sustainability, diversity and human rights issues are really important to me. LUT's focus on corporate responsibility aligned with my own interests.

Our students rate their skills in sustainable development and ethical conduct above the national average in the annual survey of Finnish business school graduates.

Sustainable Business and Corporate Responsibility Included in All Programmes

At the master's level, we integrate discipline-specific sustainability and responsibility issues into every curriculum ([see detailed programme descriptions at the end of this report, p. 44](#)). This means that sustainability and responsibility are emphasised in each programme's core studies and learning goals.

Since 2018, all bachelor's students have completed the Introduction to Corporate Social Responsibility and Sustainability course as part of their mandatory studies. In addition, bachelor's students have mandatory sustainability-related content either in their basic studies or specialisation studies. The course offerings for bachelor's students on sustainability and responsibility are continually developed further as part of our curriculum work.

At the MSc level, anyone who wishes to explore these subjects in more depth than what the compulsory courses allow can choose the Sustainable Business study module for their minor studies. For example, a core studies Business Ethics course, which is compulsory for some programmes, examines topics such as data ethics and the limits of growth. The course also touches on topics such as the loss of biodiversity, forced labour and the ethics of robotics. In the intermediate Advanced Topics in Business Ethics course, students study responsible data, human rights, forced labour and human trafficking in supply chains, employee diversity and responsible and ethical investment.

Sustainable Business: A Five-Course Package

LBS offers students the opportunity to deepen their knowledge and skills in sustainable business with a versatile and extensive

Sustainable Business minor (24 ECTS). After completing the minor, students are able to understand sustainable business at both the company and societal levels, apply extensive sustainability know-how in business and evaluate businesses from the perspective of business ethics.



“ Loss of biodiversity, the climate crisis and value pluralism create new expectations for businesses. The minor subject Sustainable Business provides students with concrete tools to carry out changes in their future jobs,

says Associate Professor **Anni Tuppura**, who is in charge of the Sustainable Business minor at the LUT Business School.

Students can take the whole five-course package or individual courses. The package includes the following courses: Project Course on Sustainable Business, Sustainable Strategy, Business Ethics, Advanced Topics in Business Ethics and Sustainable Reporting and Communication. Corporate collaboration is part of the minor studies. Students get to choose a company that interests them and develop its responsibility at a practical level.

Read student testimonials in the article '[All Jobs Deal with Sustainability Issues – LUT's Minor Subject Shows How to Address Them](#)'.

Students' Interest in Sustainability is Growing

Compared to our last report, the proportion of responsibility- and sustainability-related master's theses at LBS increased to 18% in 2021 and 23.5% in 2022. Amongst our existing programmes, responsibility- and sustainability-related theses are currently most popular in Supply Management, Accounting and International Marketing Management (MIMM). In the MIMM programme, the number of responsibility-related master's theses has climbed from 11.9% to 36.7% in the years 2019–2022.

Figure 1. Responsibility- and sustainability-related master's theses in LBS programmes, 2016–2022

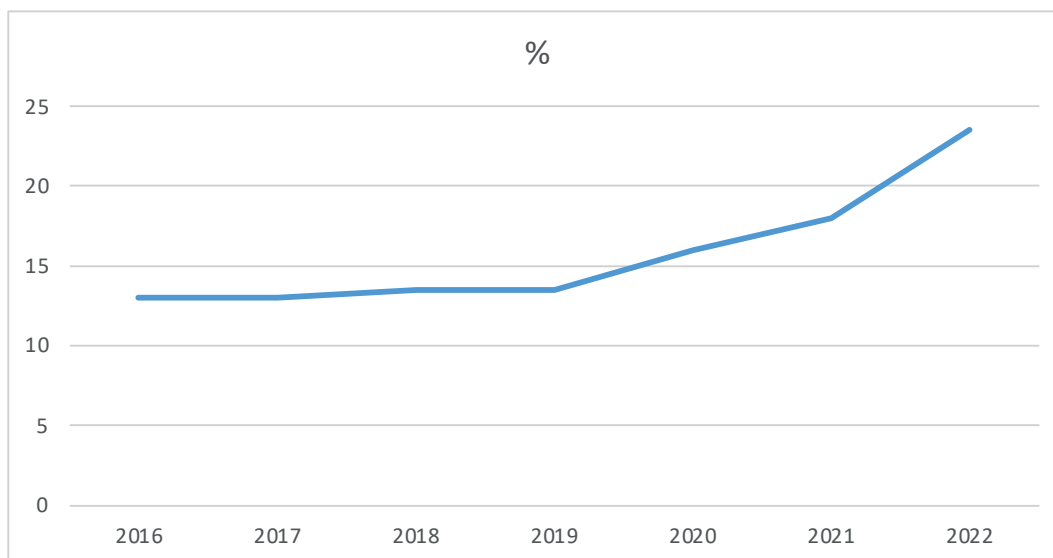
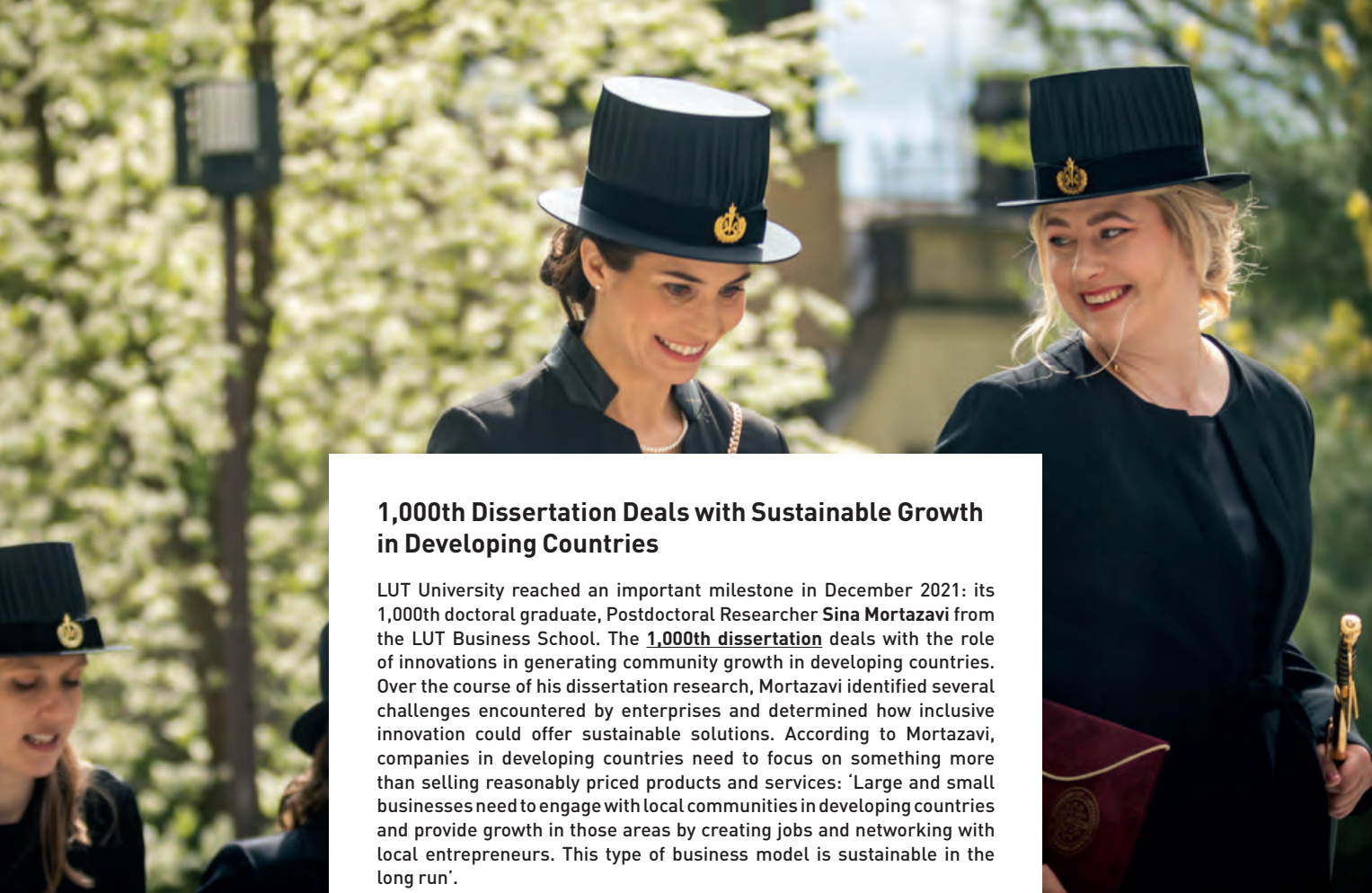


Table 1. Responsibility- and sustainability-related master's theses in LBS programmes (%)

	2019	2020	2021	2022
MBAN			10.0	14.3
MIBE			13.3	25.0
MIMM	11.9	14.0	18.4	36.7
LAMO	14.3	19.3	10.0	11.8
MSF	5.9	9.6	12.5	22.9
MSM	14.0	21.9	26.4	37.8
TIJO	0.0	4.8	10.3	9.8

There has also been positive development in the number of sustainability-related dissertations. At the doctoral level, the following LBS doctoral graduates have completed dissertations related to sustainability: ‘Sustainable Entrepreneurial Processes in Bottom-of-the Pyramid Settings’ by **Jackson Musona**, ‘What Constrains the Sustainability of our Day-To-Day Consumption? A Multi-Epistemological Inquiry into Culture and Institutions’ by

Tiia-Lotta Pekkanen, ‘Responsible Business Practices in Internationalized SMEs’ by **Maria Uzhegova** and ‘Mechanisms for Fostering Inclusive Innovation at the Base of the Pyramid for Community Empowerment: Empirical Evidence from Public and Private Sector’ by **Sina Mortazavi**. We have also launched plans to integrate responsibility and sustainability topics into the mandatory content in the doctoral programme.



1,000th Dissertation Deals with Sustainable Growth in Developing Countries

LUT University reached an important milestone in December 2021: its 1,000th doctoral graduate, Postdoctoral Researcher **Sina Mortazavi** from the LUT Business School. The **1,000th dissertation** deals with the role of innovations in generating community growth in developing countries. Over the course of his dissertation research, Mortazavi identified several challenges encountered by enterprises and determined how inclusive innovation could offer sustainable solutions. According to Mortazavi, companies in developing countries need to focus on something more than selling reasonably priced products and services: 'Large and small businesses need to engage with local communities in developing countries and provide growth in those areas by creating jobs and networking with local entrepreneurs. This type of business model is sustainable in the long run'.

In 2021, the LUT Doctoral School admitted more doctoral students than ever before: over 150 in all (almost 120 in 2022). On average, the LUT Doctoral School has admitted 100 doctoral students a year.

KATAJA Doctoral Course Theories and Research in Business Sustainability and Responsibility

LBS is co-organiser of a doctoral course on the concepts, theories and research traditions of corporate sustainability and responsibility. The course will be offered for the third time in May 2023 as part of the Finnish Doctoral Programme in Business Studies KATAJA curriculum, which is open to doctoral students from 12 universities across Finland.

The course takes a multidisciplinary approach to corporate sustainability and responsibility, sustainability science and systems science, integrating the current debate and state of the art from business in society, management and organisation and additional research fields. During the intensive one-week course, students have the opportunity to discuss and reflect on various sustainability- and responsibility-related challenges, issues and

topics (including social-ecological systems, planetary boundaries, business collective action, cross-sectoral partnerships/interactions and sustainability-oriented innovation) with the other participants and established corporate sustainability and responsibility scholars. Finally, the course enables students to develop their scientific writing, research and teamwork skills. They are also able to evaluate and justify the theoretical and methodological approaches used in their own studies on business sustainability and responsibility.

Our aim is to engage our students in responsibility and sustainability as part of their mandatory studies. In our bachelor's programme and in all seven master's programmes, at least two mandatory courses relate to responsibility or sustainability.

100%
of new students are introduced to sustainability at LUT University in their orientation

100%
of LBS's bachelor's students complete a course on corporate social responsibility and sustainability

100%
of LBS's bachelor's and master's students learn about their discipline-specific responsibility and sustainability topics

83–100%
of LBS's students meet the responsibility-related measurable learning objective

RESEARCH

PRINCIPLE 4: 'We 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'.

KEY ACHIEVEMENTS: We have launched eight new research projects related to sustainability and responsibility and been actively involved in LUT's interdisciplinary research platforms. Our share of high-quality journal publications has increased, and we have published research related to several UN SDGs, especially SDG 9, SDG 12 and SDG 8.

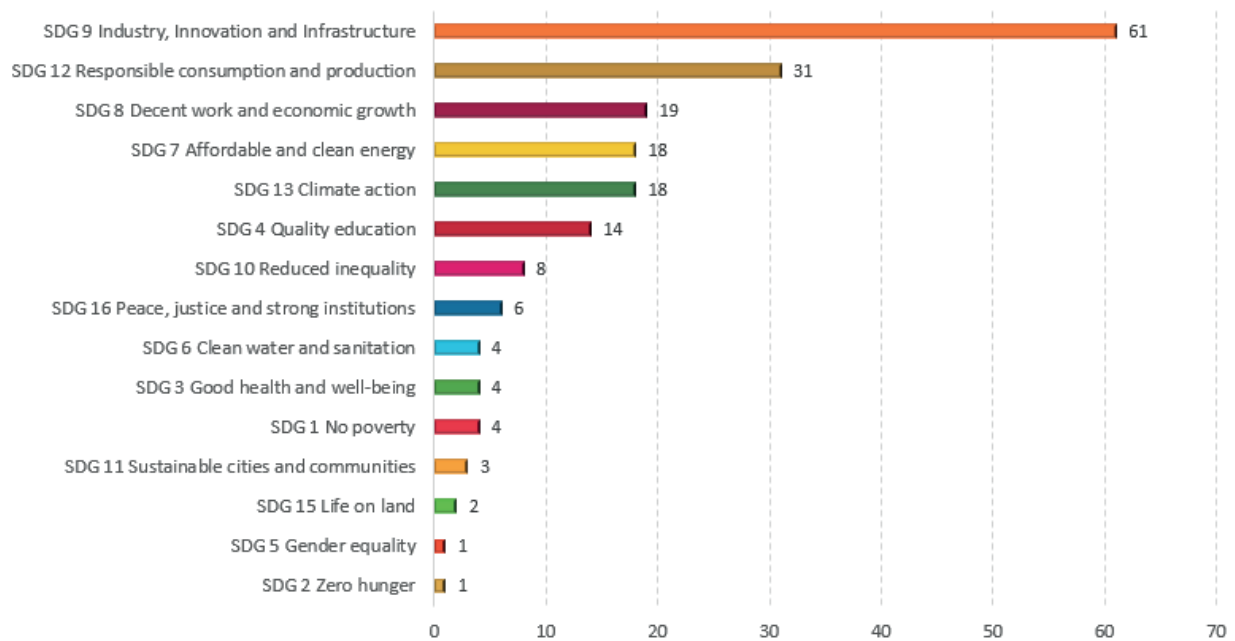
FUTURE GOALS: We will continue to pursue a higher number of sustainability- and responsibility-related publications in top journals and new research projects. We aim to monitor our research impact even further and to work to implement our research in society's use more efficiently to spread sustainable thinking and action. As stated in LUT's strategy, we aim for greater international visibility and impact.

Research at LBS focuses on driving sustainable growth and creating value in the digital economy. We produce research of a high standard that can be applied in practice by companies and the public sector in development and societal decision-making. Our objective is to develop a better understanding of the factors that lead to sustainable value creation and the approaches that will ensure that companies are successful in international competition while operating in a way that is economically, ecologically and socially sustainable. We seek to better understand the role of businesses and management in addressing the big problems faced by humankind. We focus on changes and growth opportunities driven by new and digital technologies and new forms of organising. Our core strength is close collaboration with the business world combined with strong theoretical, analytical and methodological expertise.

The most recent information on our publications is available on the LUT Research Portal (research.lut.fi -> Publications). Currently, 524 publications are listed on the portal under the focus area 'Sustainable Renewal of Business and Industry'. As part of LUT's sustainability activities, we are developing the monitoring of sustainability-related publications.

According to an analysis of our publications published between 2019 and 2022, 131 of 367 (36%) publications by our core faculty addressed at least one UN SDG. The three most frequent SDGs addressed in our publications were SDG 9, Industry, innovation and infrastructure, SDG 12, Responsible consumption and production and SDG 8, Decent work and economic growth. In the spirit of LUT's and LBS's strategic focus, we are committed to increasing the impact of our research by targeting top journals.

Figure 2. LBS' publications related to UN SDGs published between 2019 and 2022 (source: Scopus/SciVal)



Among the Top 150 Business Schools

The business and economics subject category of the 2023 THE World University Rankings places **LBS among the top 150 business schools**. The subject ranking encompasses multiple disciplines, including business and management, accounting and economics and economics and econometrics, comparing universities based on 13 rigorous performance indicators. LBS's particular strength in the rankings was citations, as in the previous rankings. Our performance also improved in terms of industry income and international outlook indicators. The ranking highlights LBS's success in publishing impactful and relevant research.



Research Projects

Externally funded projects are part of our regular research activities, with new projects launched annually. During the reporting period, we started new research projects that relate to sustainability or responsibility, including projects with funding from prestigious research funding bodies, such as the EU, the **Academy of Finland** and **Business Finland**.

Some of the new projects are a result of internal collaboration with LUT's other schools

in interdisciplinary research platforms that combine expertise from energy systems, engineering sciences and business. All LUT's interdisciplinary platforms are closely tied to LUT's strategy, specifically in relation to the sustainable renewal of business and industry and the transition to a carbon-neutral world.

Below are some examples of research projects executed during the reporting period that have explored sustainability and responsibility from different perspectives.



Improving the Framework Conditions and Capacities of Social Enterprises and their Ecosystems, 2023–2027

The ESF+-funded consortium project includes 11 partners with a total budget of about 10M euros. It gathers actors working among social businesses and the social economy to build a coherent and strong network that can coordinate and facilitate data, statistics, knowledge, skills, results and action. The main goal is to strengthen the national and regional ecosystems of the social economy, which include social enterprises, educational establishments, non-governmental organisations (NGOs), investors and public officials. This will enable the creation and spread of new social innovations and operating models.

The LBS team includes five members, led by Professor **Kaisu Puumalainen** and Associate Professor **Helena Sjögrén**. Their role is to (1) integrate insights from academic knowledge and networks into the national ecosystems, (2) develop tools for social impact evaluation and accounting and (3) develop systematic data collection and analysis of Finnish social enterprises and impact-driven businesses, including international comparisons. This will enhance social enterprises' capacity to combine financial viability with sustainable impact and support evidence-based innovation policy.



ACTION4COMMONS: Integrating Business–Stakeholder Value Creation with Polycentric Governance, 2022–2026

Funded by the Academy of Finland, the principal investigator is Professor **Laura Albareda**, LUT Business School, LUT University, in a consortium with the principal investigator Professor **Johanna Kujala**, Faculty of Management and Business, Tampere University.

The project aims to theorise on collective stakeholder action as a framework to understand how the business sector participates in the governance of commons, together with societal and public actors. Commons are natural resources, such as vital ecosystems and biodiversity. Addressing the struggle of commons requires collective action at multiple levels of society and among various stakeholders to create and maintain long-term value.

Building on the interface between collective action theory and stakeholder theory, we ask: How can collective stakeholder action be conceptualised as a solution that integrates joint value creation with polycentric governance to solve the struggle of commons?

Main researchers at LBS/Sustainable Circularity of Inorganic Materials (SCI-MAT) Platform: Professor **Laura Albareda**, Professor **Jarkko Levänen**, **Jaan-Pauli Kimpimäki** and **America Quinteros Condoretty**.



RELIEF: Recycling of Lithium from Secondary Raw Materials and Further, 2022–2024

The Recycling of Lithium from Secondary Raw Materials and Further (RELIEF) consortium consists of 12 partners, of which six are small- and medium-sized enterprises (SMEs) (ABEE, EXT, EURICE, IST, PEG and TC), four are non-profit RTOs (IMNR, INEGI, ZSW and NOVA) and two are universities (LUT and ULB), with one associated industrial partner (LANX).

Thus, it has a very high amount of industry involvement, entirely in the form of innovative SMEs covering the technological and also the impact maximisation-related aspects of the project, a perfect combination of basic research methodologies, chemical process and analysis capabilities, technology development in an industrial environment and strong ties to the recycling and battery industry and policymaking entities inside the EU.



Consumers' Conflicting Reactions to Sustainable Consumption, 2021–2024

This project is a postdoctoral research project funded by the Academy of Finland and is led by Jenni Sipilä. While consumer awareness and perceived importance of sustainability issues have increased, a gap exists between consumers' attitudes towards sustainability and their actual consumption behaviour. This discrepancy is among the most important challenges for academics and practitioners aiming to promote sustainable consumption.

In this project, the broad objective is to address this discrepancy by generating new theoretical insights into consumers' conflicting reactions to sustainable consumption. This goal will be reached by

- (1) synthesising existing research into an overarching theoretical framework of consumers' conflicting reactions to sustainable consumption,
- (2) developing novel theoretical insights on the structure of consumers' conflicting reactions to sustainable consumption and
- (3) theorising and empirically testing individual and situational aspects that influence coping with conflicting reactions to sustainable consumption.

These insights will be used as a basis for testing effective sustainability communication to promote sustainable consumption.



REDI: RMIT European Doctoral Innovators, 2021–2025

The LUT Business School is involved in an international research consortium that has a budget of 9M euros. The RMIT European Doctoral Innovators (REDI) doctoral training programme is headed by the global RMIT University.

For LUT, this collaboration means that LBS has hired four new junior researchers. They study the circular economy, digitalisation, sustainable development and international business. Corporate partners are the special advantage of the REDI research consortium and one of the keys to its success.

All the appointed junior researchers will have a chance to collaborate with corporate partners. In Finland, Digital Media Finland, Miksei, RePack and LUT Integrated Energy Conversion Machinery (INERCOM), with its extensive network, are involved in the programme. LBS Professor Juha Väättänen is the programme head at LUT's end. The REDI programme is funded by the EU's Marie Skłodowska-Curie Actions (MSCA) COFUND Grants.



EINST4INE: The European Training Network for Industry Digital Transformation across Innovation Ecosystems, 2021–2024

EINST4INE aims to develop new concepts, approaches and methods in the area of digital transformation and brings together a unique group of world-leading experts in the areas of open innovation, Industry 4.0, digital transformation and innovation ecosystems.

Fifteen graduate students have been recruited for the project, including two at LUT Business School. The doctoral students started work in autumn 2021 and will complete part of their studies in close cooperation with companies. The doctoral students are familiarising themselves with the digital transformation of industry, robotics and AI, human-machine collaboration, ecosystems and digital platforms. The doctoral students recruited by LUT, **Jessica Fishburne** and **Christina Häfliger**, are doing their dissertations on the organisation of innovation ecosystems.

‘There are many opportunities associated with innovation ecosystems. Digital change has provided ways to speed up both innovation ecosystems and the circular economy’, says Fishburne.

EINST4INE receives funding from the Marie Skłodowska-Curie Innovative Training Networks scheme and employs 16 ESRs in different institutions. Professor **Paavo Ritala** from the LBS represents Finland in the EINST4INE team.



Carbon Neutrality Empowered by Handprint, 2021–2023


The project ‘Carbon Neutrality Empowered by Handprint’ is advancing companies’ business opportunities and competitiveness by developing an international framework for them to reliably and credibly show their

- (1) climate neutrality and
- (2) positive environmental impacts (handprints) of circular economy solutions.

These issues are the key focus of the project that is coordinated by VTT and carried out in close cooperation with LUT University, together with Finnish partners covering several industries and perspectives.

The research project is jointly funded by Business Finland, industrial partners, VTT and LUT University. LBS participants include Professor **Satu Pätäri**, Associate Professor **Anni Tuppur**a and Associate Professor **Juha Soininen**.

Their work focuses first on understanding how to create sustainable competitive advantage through positive environmental impacts, especially the drivers and challenges of creating value based on environmental sustainability. Second, the focus is on impact investing and the investment criteria investors use to assess investments.



ScreenME-Net: Twinning for Sustainable and Visible Excellence in Screen Media Entrepreneurship Scholarship, 2021–2023

The challenges surrounding misinformation and responsibility in media are vast. We need to enhance dialogue between media scholars and practitioners and create more impactful and relevant research for industry and society. ScreenME-Net, a Horizon 2020 project led by Tallinn University (TLU), aims to boost the overall understanding of current dynamics in the media industry. The project is organised as a consortium with six European partners, with LBS's activities administered by Associate Professor Päivi Maijanen.

The topics focus on sustainable digital business models, sustainable entrepreneurship and media responsibility and ethics. In addition to enhancing screen media entrepreneurship scholarship at Tallinn University, the project promotes and strengthens collaboration between the following partner universities: Technical University Ilmenau (Germany), LUT (Finland), Jönköping International Business School and its Media Management and Transformation Centre (Sweden), Aarhus University (Denmark), Cork Institute of Technology and its Hincks Centre for Entrepreneurship Excellence (Ireland) and Vrije University Brussels (Belgium).



GreenBallast: University-based Cleantech Innovation 2021–2022

GreenBallast is a Research to Business project funded by Business Finland. The aim of the project was to prepare the commercialisation of a university-based cleantech innovation related to ballast water treatment (BWT).

The project involved a technical team from LUT School of Energy Systems (led by Heikki Handroos) and a commercial team from LBS (led by Jaakko Metsola and Liisa-Maija Sainio). The technical team focused on applying a novel sodium-ferrate technology in BWT and designing a related mobile system used in ports and other logistic waterway points.

The role of the commercial team was to search and analyse market information, such as that of competitors and potential customers, and in collaboration with the technical team and other stakeholders, develop a business model that would enable commercialisation of the BWT system. Ballast water concerns are topical, as ballast water-stabilising ships on their international routes can bring invasive species to new areas and cause serious harmful environmental, economic and social effects to the areas they visit. Thus, an international BWT convention has been created to push ships to treat their ballast water properly and thus encourage companies to develop viable BWT systems to be used.

The GreenBallast project has good opportunities to provide a competitive spin-off company or other commercial options to this growing multi-billion market and solve ballast water problems, not to mention the possible entrepreneurship and related far-reaching economic and social benefits to South Karelia and Finland as a whole.

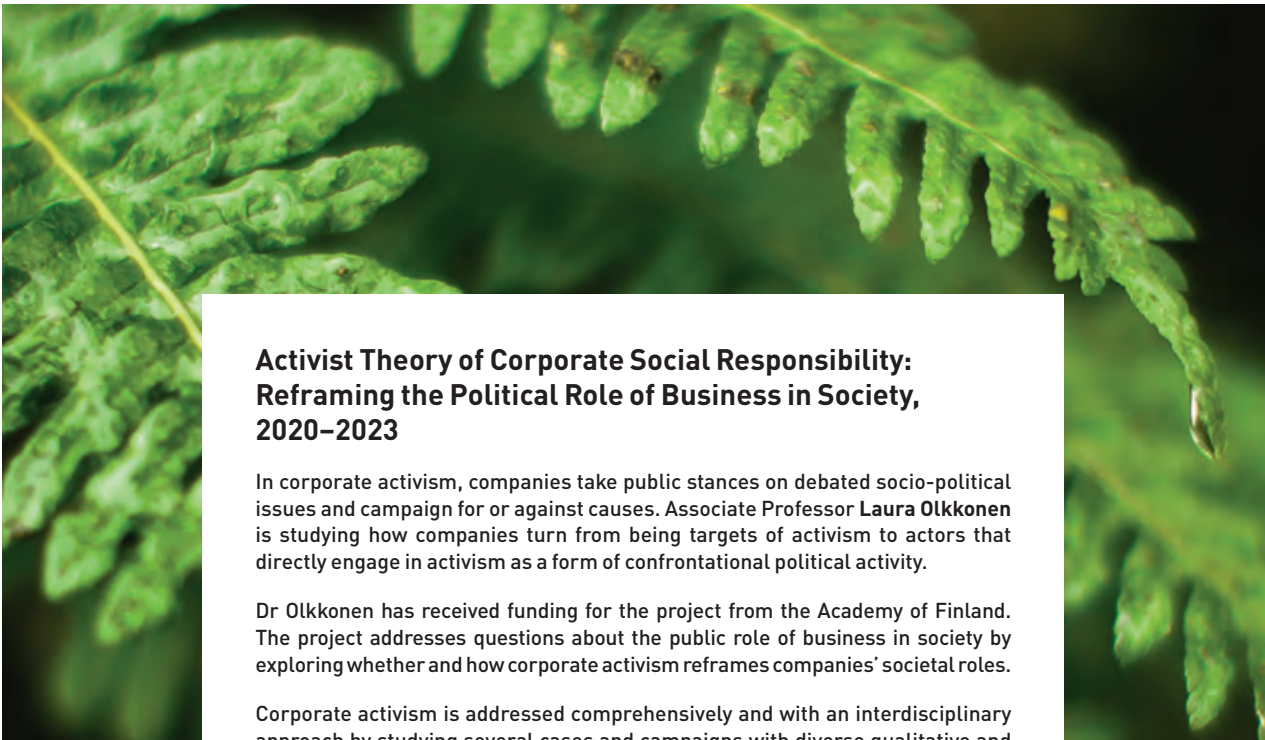


Public procurement change: From Price-Centric Mindset to the Value Creation for the Society, 2020–2024

In a recently launched four-year project, a research consortium of LUT and Tampere University and international collaborators from the University of Twente aim to explore how public procurement and its suppliers can create value for society.

Having received funding from the Academy of Finland, the project is led by Professor **Katrina Lintukangas** with team members **Anni-Kaisa Kähkönen**, **Elina Karttunen** and **Iryna Maliatsina**. The project addresses the challenges of the current cost- and resource-based approach to public procurement, which fails to realise value for society.

Over the course of the project, the research consortium aims to find out how public procurement can create value for citizens and boost sustainability with innovative private sector suppliers and capable public procurement. In practical terms, the project will offer insights into how to improve the capabilities of public procurement and the supplier relationship practices of local government organisations to achieve long-term value creation.



Activist Theory of Corporate Social Responsibility: Reframing the Political Role of Business in Society, 2020–2023

In corporate activism, companies take public stances on debated socio-political issues and campaign for or against causes. Associate Professor **Laura Olkkonen** is studying how companies turn from being targets of activism to actors that directly engage in activism as a form of confrontational political activity.

Dr Olkkonen has received funding for the project from the Academy of Finland. The project addresses questions about the public role of business in society by exploring whether and how corporate activism reframes companies' societal roles.

Corporate activism is addressed comprehensively and with an interdisciplinary approach by studying several cases and campaigns with diverse qualitative and quantitative data in collaboration with scholars of management, communication and activism. In a major data collection effort, the project has gathered a database of more than 1M tweets from Nordic companies as the basis of analysis. The project has collaborators in Nordic and Dutch universities.



PACKAGE-HEROES: New Packaging Solutions for People, Planet and Business, 2019–2023

Package-Heroes is a five-year research project funded by the Strategic Research Council functioning under the Academy of Finland. The objective is to study and develop packaging solutions that can simultaneously address food protection and the global and ever-increasing concern over plastic packaging waste.

Package-Heroes focuses on the following research questions:

- (1) How can sustainable food packaging go mainstream?
(led by the Natural Resources Institute Finland);
- (2) How can business ecosystems for sustainable food packaging be enabled?
(led by LUT/LBS);
- (3) How can consumers be encouraged to favour novel packaging solutions
(led by Åbo Akademi);
- (4) Which new packaging solutions (e.g. those based on cellulosic materials) are both environmentally and economically sustainable?
(led by the Natural Resources Institute Finland); and
- (5) How can political decision-making promote sustainable packaging?
(led by VTT Technical Research Centre of Finland).

LBS's activities are led by Professor **Henri Hakala**.

The project will produce detailed scientific knowledge about the environmental effects of different packaging materials and solutions and the ways in which new packaging innovations can be commercialised and meet consumer preferences. The overall goal is to construct a joint vision and pathways to a sustainable food packaging future for Finland and the world.



Media Organizations in the Era of Contradiction: Toward Sustainable Business Models, 2020–2022

Funded by the Helsingin Sanomat Foundation, this project, led by Professor **Paavo Ritala**, examined the potential of sustainable business models in the Finnish media sector. The project team included Associate Professor **Päivi Maijanen** and Junior Researcher **Jaan-Pauli Kimpimäki**.

The project took a specific interest in the hybrid nature of media organisations as businesses and as societal actors. The project data were collected using qualitative methods in two successive working packages, the first focusing on the broad range of business models in the industry and the second examining media organisations' internal tensions. A general view of economically and socially sustainable media business models and their role in society was developed.

LUT's team worked in close cooperation with an international group of media management researchers from Jönköping International Business School (Sweden), Lucerne University of Applied Sciences and Arts (Switzerland) and Tallinn University (Estonia). The project involved a diverse range of case organisations from the Finnish media industry, including Yle, Alma Media, Sanoma, Keskisuomalainen, MustRead, Longplay and Rapport. In addition, the project examined media business models in European markets, including innovative media start-ups and is benchmarking media sustainability and responsibility practices.



INCROBB: Inclusive Cross-Border Business Networking of Tomorrow, 2020–2022

The INCROBB project was funded by the South-East Finland–Russia CBC Programme, a cross-border cooperation initiative supporting the EU’s external actions, with financing from the EU, the Russian Federation and the Republic of Finland. The lead partner was LUT University, and the other partners were Peter the Great St. Petersburg Polytechnic University, Saint Petersburg Chamber of Commerce and Industry, Etelä-Karjalan Yrittäjät and SaimaanVirta.

The team at LBS included Associate Professor **Laura Albareda** and Researcher **Igor Dukeov**. The project aimed to reveal the potential of and obstacles to sustainable cross-border cooperation among SMEs in the region and to propose ways to solve problems through cross-border information exchange and cooperation. The project’s activities included matching Russian and Finnish SMEs in different areas to increase the sustainability of companies involved in the pilot group.

The project also involved unemployed people in the area in SMEs’ activities to lower unemployment rates and prevent labour force drain from the border regions. Finally, the project offered solutions for accelerating circular economy principles in the context of cross-border activity by regional SMEs.



HUGE: Hydrogen Utilization and Green Energy, 2019–2022

HUGE was a three-year project funded by the EU’s Northern Periphery and Arctic Programme with the ambition of raising awareness of the use of green hydrogen as a viable energy vector for remote and rural communities in housing, transport and industry. The project consortium consisted of eight partners from seven countries and included LBS, where activities were led by Professor **Mikko Pynnönen**.

The project’s objective was to develop a hydrogen utilisation business model and offer generic scenarios, implications and guidance for creating business models for hydrogen product and service development. The project also outlined relevant management tools and knowledge required to orchestrate the ecosystem.

In Finland, a country with many sparsely populated regions, the project had practical relevance related to providing communities with energy security and self-sufficiency.



Fast Teams as Catalysts for Greenreality Network Development, 2019–2021

As part of a two-year research project, Professor **Kirsimarja Blomqvist** and Junior Researcher **Pia Adibe** looked to further advance the Greenreality Network's capabilities in executing domestic and international projects. The Greenreality Network, comprised of companies from the energy and environment sectors, research institutions and the City of Lappeenranta, offers growth and business opportunities to those pursuing a more responsible and sustainable future.

More specifically, the goal of the project was to introduce solution teams to the network that will utilise digital tools and best practices in co-development to solve Greenreality challenges. The initial stages of the project involved co-creating recommendations for the Greenreality Network to build an ecosystem that facilitates knowledge development and sharing. As a second step, the project brought 100 partners, community experts and domestic and international students together in teams to work on various problems and opportunities concerning the Greenreality Network. Afterwards, these fast solution teams were piloted across a minimum of five municipalities, cities and companies; the pilot served as an opportunity to learn and further develop the cooperation model.

Ultimately, the outcome in the form of new practices should provide benefits for many stakeholders. Municipalities, businesses, academics and students can solve important challenges while simultaneously expanding their networks and arranging opportunities for collaboration.



Building the Theory and Creating the Practice for Multi-Tier Sustainable Supply Chain Management, 2019–2021

With funding from the Foundation for Economic Education, Professor **Anni-Kaisa Kähkönen** led a three-year project investigating how sustainability could be managed, pressured and practised in multi-tier supply chains with lower-tier suppliers.

The research project, which studied sustainability from the perspective of purchasing and supply management, took a multi-tier approach to supply chains and explored the direct suppliers of a company and its lower-tier suppliers (i.e. the suppliers' suppliers). Using case studies, the aim of the project was to trace supply chains back to the original raw material suppliers and to study how sustainability was managed throughout the entire supply chain. Specifically, the project investigated the sustainability practices firms use in their purchasing practices and how these practices can be diffused to their suppliers.

Additionally, the study examined what kinds of paradoxical tensions could emerge when managing sustainability in multi-tier supply chains and how companies respond to these tensions. On a practical level, the goal was to create new knowledge and approaches for the management of sustainability in multi-tier supply chains.

Research Highlights

Determinants of Supply Chain Engagement in Carbon Management

Lintukangas Katrina, Arminen Heli, Kähkönen Anni-Kaisa, Karttunen Elina

Journal or series: *Journal of Business Ethics* (FT50-ranked)

To fight climate change, firms must adopt effective and feasible carbon management practices that promote collaboration within supply chains. Engaging suppliers and customers in carbon management reduces vulnerability to climate-related risks and increases resilience and adaptability in supply chains. Therefore, it is important to understand the motives and preconditions for pursuing supply chain engagement of companies that actively engage with supply chain members in carbon management. In this study, a relational view was applied to operationalize the supply chain engagement concept to reflect the different levels of supplier and customer engagement.

Based on a sample of 345 companies from the Carbon Disclosure Project's supply chain programme, the determinants of engagement were hypothesized and tested using multinomial and ordinal logistic estimation methods. The results indicate that companies that integrate climate change into their strategies and are involved in developing environmental public policy are driven by moral motives to engage their suppliers and customers in carbon management.

Full reference: Lintukangas, K., Arminen, H., Kähkönen A.-K., & Karttunen, E. (2022). Determinants of supply chain engagement in carbon management. *Journal of Business Ethics*.

link.springer.com/article/10.1007/s10551-022-05199-7

Polycentric Governance of Privately Owned Resources in Circular Economy Systems

Patala Samuli, Albareda Laura, Halme Minna

Journal or series: *Journal of Management Studies* (FT50-ranked)

The circular economy is about using residual waste and sidestreams accruing from processes of other organizations: they are privately owned and not readily for sale like virgin resources in the linear economy. Many of them do not have a clear market price, and knowledge regarding such residual resources is often withheld as a business secret. These issues pose governance challenges, yet have not received much attention in management research. Inspired by the work of Elinor Ostrom and colleagues, our research empirically investigated three circular economy systems in Finland, Spain and the US. We analysed how multiple actors overcome the above challenges and developed models to collectively govern the sustainable use of privately owned residual resources.

This paper elaborates on a theoretical lens building a new conceptualization of polycentric governance for privately owned resources. The findings show how polycentric governance is developed by mutual adjustments among actors, practices that build collective agency as well as new structures for sharing resources. These findings build a body of research focusing on commons and polycentricity in management studies, while giving managers and other decision-makers new insights on how to design collective action to solve grand sustainability challenges.

Full reference: Patala, S., Albareda, L., & Halme, M. (2022). Polycentric governance of privately owned resources in circular economy systems. *Journal of Management Studies*, 59(6) 1563–1596.

onlinelibrary.wiley.com/doi/full/10.1111/joms.12810

Digital Platforms for the Circular Economy: Exploring Meta-Organizational Orchestration Mechanisms

Blackburn Outi, Ritala Paavo, Keränen Joonas
Journal or series: *Organization & Environment*

Digital platforms enable circular economy business models that facilitate the reduction, reuse and recycling of resources and materials across large ecosystems of platform actors. However, little is currently known about the inner workings of such platforms and how they are organized. Framing these platforms as meta-organizations, this study examined the orchestration mechanisms deployed by platform owners to facilitate economic value creation with a circular business model among a large group of actors.

Building on an inductive analysis of ten European platform organizations, this study identified five meta-organizational orchestration mechanisms and developed an empirically grounded model that explains how the focal firm orchestrates value creation with a platform-based circular business model. This study advances existing knowledge on orchestration mechanisms in platform-based meta-organizations in a circular economy context and highlights novel implications for theory and practice. For practitioners, the study helps to identify critical management practices in setting up, scaling and managing a digital platform that helps to achieve circular economy goals and economic feasibility.

Full reference: Blackburn, O., Ritala, P., & Keränen, J. (2022). Digital platforms for the circular economy: Exploring meta-organizational orchestration mechanisms. *Organization & Environment*.
journals.sagepub.com/doi/10.1177/10860266221130717

A Processual Model of CEO Activism: Activities, Frames and Phases

Olkkonen Laura, Morsing Mette
Journal or series: *Business & Society*

Chief executive officers (CEOs) engage in activism when they take public stances on sensitive socio-political issues. In this study, we addressed the less-explored activities that constitute CEO activism beyond single stances, as the activism is maintained over time. The data cover six years of campaign and media materials from a case company with several CEO-initiated activist campaigns. Our findings from an inductive analysis contribute to CEO activism theorizing in three ways.

First, we extend CEO activism conceptually by identifying five underlying activities that support a public stance: anchoring motivations, modelling action, taking agency, enduring criticism and normalizing activism.

Second, we bridge individual- and organization-level analyses by depicting how a CEO involves a company in activism through activities that justify the interrelated topic frame and role frame.

Third, we develop a processual model that includes the pre-stance, stance-taking and post-stance phases and explains how the underlying activities are interrelated and follow a pattern that serves to maintain CEO activism. Accordingly, CEO activism includes activities through the pre-stance, stance-taking and post-stance phases, whereby a CEO deliberately engages personally and through a company in public debate about sensitive socio-political issues and the role of businesses in addressing them.

Full reference: Olkkonen, L., & Morsing, M. (2022). A processual model of CEO activism: Activities, frames and phases. *Business & Society*.
journals.sagepub.com/doi/full/10.1177/00076503221110184

The Role of Psychological Distance in Organizational Responses to Modern Slavery Risk in Supply Chains

Quarshie Anne, Simpson Dayna, Segrave Marie, Kach Andrew, Handfield Robert, Panas George, Moore Heather

Journal or series: *Journal of Operations Management*

Modern slavery is used to describe forms of coercive labour exploitation that affect more than 40 million people globally. Such practices are difficult to identify given that they exist in the informal economy and involve vulnerable individuals. Addressing modern slavery by organizations requires awareness of its context and complexities.

While corporations have increasingly sought to manage modern slavery risk in their supply chains, their understanding of what modern slavery is and what should be managed remains limited. We argue that a key problem with firms' efforts to manage modern slavery risk is that it is a psychologically distant concept for them. We apply construal-level theory to explore how organizations' psychological distance from modern slavery risk affects their management of risk. We interviewed purchasing executives at 41 global organizations in Australia, Finland and the US and identified four approaches to managing modern slavery risk at different levels of psychological distance.

We also identified that conflicts between organizations' approaches to risk and what they identify in their operating environment precede important construal shifts that help to improve organizational understanding of labour-related risk. We highlight ways that organizations' understanding of modern slavery risk plays a role in their governance of such risk in supply chains.

Full reference: Simpson, D., Segrave, M., Quarshie, A., Kach, A., Handfield, R., Panas, G., & Moore, H. (2021). The role of psychological distance in organizational responses to modern slavery risk in supply chains. *Journal of Operations Management*, 67(8), 989–1016.
onlinelibrary.wiley.com/doi/full/10.1002/joom.1157

PARTNERSHIPS

PRINCIPLE 5: 'We 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'.

KEY ACHIEVEMENTS: We have involved approximately 80 companies in teaching collaboration in our courses. We have appointed a new professor of practice to further strengthen our partnerships related to responsible business.

FUTURE GOALS: We will set up a school-level advisory board with representatives from the private and public sectors to strengthen our impact on business practices and society at large.

At LBS, we regularly run collaborative research projects with company partners to ensure the practical relevance of LBS research among corporate stakeholders. We have a cooperation network of over 300 companies, of which approximately 80 companies participated in educational cooperation in 2021–2022.

Students work directly with companies in teaching and through thesis projects and internships. In Finland, the master's thesis is an important bridge between university studies and business life. The master's thesis, accounting for 30 ECTS, is a large-scale independent project in which students apply theoretical knowledge to analyse contemporary business issues and challenges. Most theses have an empirical part, and our students are expected to produce actionable managerial recommendations and/or relevant business implications. During the thesis work, most students collect data at one or more companies. A master's thesis project is an extremely common way to recruit talented university students before graduation. Some of our research projects also employ students to complete their master's theses as part of the project.

High-Quality Thesis Award About Sustainability

Some of our students have received awards for high-quality theses in responsibility and sustainability. Recent successes include **Antti Kontio's** master's thesis 'Management of Sustainability-Related Risks in Multi-tier Supply Chains', which was selected as the best master's thesis of the year by the Finnish Association of Purchasing and Logistics (LOGI) in 2021. The jury stated, 'Antti Kontio's thesis deals with a current and important topic. The study produced a versatile overview of the consideration of liability risks in multi-level procurement chains, as well as many practical tips that companies can use to map liability risks and reduce them. Kontio also developed an operating method that allows companies to get lower-level suppliers to adopt different responsibility risk management tools or methods, and thus companies can increase the controllability of responsibility risks in long supply chains'. In addition, Kontio's thesis received an honourable mention in the Best Thesis in Business and Organizational Ethics competition (2022) of the European Business Ethics Network.



LBS students have the option to include a voluntary internship (national or international) in their degree, worth a maximum of 12 ECTS, of which 2–6 ECTS are acceptable for master's degree core studies; two weeks of internship corresponds to one credit. Furthermore, we have invited influential scholars as visiting professors and prominent industry experts to serve as professors of practice, bringing their vast practical experience to benefit our LUT community. These visiting professors and professors of practice actively engage in our teaching and research projects.

Partnership Highlights

International Entrepreneurship Challenge

The [International Entrepreneurship Challenge](#)

(IEC) at LBS challenges students to help growth entrepreneurs develop internationalisation plans for their businesses. Over the years, the IEC course has brought together over 500 students with dozens of enterprises. The role of sustainable business keeps growing in LUT's courses, and the university's spin-off company Bionido Oy is an example of this development. Bionido has developed Cupponen, a fibre-based, compostable seedling pot for salads, herbs and flowers, to promote low-plastic farming through cross-disciplinary development work. 'Companies profit from concrete strategy proposals on how to grow and internationalise. Students get concrete experience in working for a growth company or SME and in strategy development', says Professor **Olli Kuivalainen**, who is in charge of the IEC course.



New Professor of Practice, Sami Sykkö

At LBS, we aim to increase our cooperation with companies. One example is the appointment of a new Professor of Practice, **Sami Sykkö**, a journalist and business director and editor-in-chief at [Fashion Finland](#). Sykkö focuses on responsible business and the turning point of customer behaviour. Responsible business not only comprises responsible manufacture and transport of products, but also the company's operating culture and treatment of customers and personnel, for example.

In 2023, Sykkö has increased cooperation between LBS and business life by inviting top Finnish company executives to visit our Lappeenranta campus and interviewing them in live interaction with students and other audience members.

Sami Sykkö is widely known in Finland, and his appointment received huge media attention. The news about his professorship was published in at least 25 different media publications in Finland. Sykkö's professorship was made possible by four banks in the Päijät-Häme region.

Finnish Prime Minister Sanna Marin visited LUT in March 2023 and was interviewed by Professor of Practice Sami Sykkö.

Partnerships with the Public Sector

LUT has close collaborative relations with the cities where we have activities: Lappeenranta, Lahti, Mikkeli and Kouvola. Our main campus sites are Lappeenranta and Lahti, both of which are forerunner cities in environmentally friendly activities. Lahti was the European Green Capital for 2021, and Lappeenranta received the European Green Leaf Award in the same year. In cooperation with the university and a large range of enterprises and other organisations, the cities create a platform for sustainable innovations.

Partnerships with the Private Sector

Academy of Finland Postdoctoral Researcher **Jenni Sipilä** at LBS participated in a marketing campaign of the City of Lahti in 2021. Sipilä works at LUT's Lahti campus and is carrying out consumer research funded by the Academy of Finland and talks about her sustainability research in an [interview published by the City of Lahti](#) among their sustainability-related online news and in a marketing video published on its YouTube channel.

LBS researcher **Anne Quarshie** participated in the Kauniainen High School hackathon in 2022 as a member of the jury. Kauniainen is a city located in southern Finland. The X Fazer Foodtech hackathon in October 2022 gathered students to compete for the best healthy snack idea. This cooperation works on the one hand as part of LUT Junior University and on the other hand as part of Quarshie's personal work as a mentor (she lectured in one social studies course and attended a mentoring meeting with students and other mentors).

Interdisciplinary Research Platforms at LUT

LUT has [five interdisciplinary research platforms](#) to accelerate cooperation between the three schools at LUT and to bring together expertise on energy systems, engineering sciences and business. LBS has a stake in all five platforms and a leading role in the Analytics-Based Management for Business and Manufacturing Industry (AMBI) platform, which aims to help companies create sustainable value in the digital economy. Other research platforms address the

topics of Green Hydrogen and CO₂ for Industry Renewal (GREENRENEW), Integrated Energy Conversion Machinery (INERCOM), Modelling Reality Through Simulation (MORE SIM) and Sustainable Circularity of Inorganic Materials (SCI-MAT).

All five platforms are closely tied to LUT's strategy, specifically in relation to sustainable renewal of business and industry and transition to a carbon-neutral world.

Sustainable Circularity of Inorganic Materials (SCI-MAT) Platform

LBS Professor **Laura Albareda** says, 'This cross-disciplinary platform brings together 17 research teams across LUT University, with LBS's expertise focusing on sustainable business, such as cross-sector interaction and systemic change and sustainable sourcing and supply management. We work on the sustainable circularity of inorganic materials with projects that demonstrate the circulation of inorganic materials on a larger scale. We include technological lab research related to chemical engineering and the separation of impurities from material streams, following the principles of the circular economy, including sustainable and circular business models. LBS expertise brings business model development, and go-to-market strategies are carried out at higher TRL levels closer to the market interface jointly with commercial partners'.

Partnerships and Memberships in Networks and Associations

Since 2017, LBS has been a member of Finnish Business & Society (FIBS), a non-profit organisation that acts as the leading network for CSR and sustainability in Finland. FIBS currently has over 300 member organisations, including companies, NGOs, educational institutions and government agencies. LBS members have access to training and events that FIBS organises on a regular basis.

In 2018, LBS joined the Network for Business Sustainability (NBS), an international network of more than 170 sustainability research centres coordinated by the Ivey Business School in



Canada. NBS aims to advance business sustainability by bringing researchers, managers and stakeholders together. LBS's engagement in the NBS is especially pronounced in its participation in the NBS Sustainability Centres Community. As described in Principle 1, Purpose, LBS joined the PRME Chapter Nordic in 2017 and interacts with the chapter through annual meetings.

Our researchers regularly collaborate with other universities and internally collaborate with other schools within our university. Several of our projects are organised as consortia between universities, and we have master's level double-degree agreements with several universities in Europe. In addition to individual projects and teaching cases, in-house collaboration takes place in interdisciplinary research platforms that all relate to sustainability and in larger educational projects, such as Climate Action – Solutions for Carbon-Neutral Transport, a MOOC launched in 2020.

LUT Junior University

The goal of LUT Junior University is to awaken the future generation's interest in science, technology, business and university studies. The programme draws on over 20 years of collaboration with different schools around Finland and supports the education of children and youth by offering engaging activities and developing skills, knowledge and positive attitudes around various sustainability themes.

Since its launch in 2017, LUT Junior University has enabled phenomenon-based collaboration between young students and LUT researchers and arranged events and courses for preschool,

primary and secondary school students. During the 2021–2023 SIP reporting period, approximately 3,200 preschool, primary and secondary school students in Lappeenranta were involved in activities organised by LUT Junior University, and approximately 80 teachers participated in related training. The role of LBS has been to introduce local primary school (fifth-grade) pupils to the concept of a sustainable business model and sustainable entrepreneurship.

Orientation to Sustainability Thinking for LAB University of Applied Sciences

LBS organises a course on the basics of sustainability for all students at the LAB University of Applied Science. LAB, which is part of the same parent group as LUT University, offers bachelor's and master's degree programmes in Health Care and Social Services, Technology, Business, Tourism and Hospitality and Design and Fine Arts. LAB has over 8,500 students, making it the sixth largest university of applied sciences in Finland. The course is mandatory for all programmes.

As part of their course activities, students complete assignments about the SDGs, planetary boundaries and LUT's own sustainability activities and ambitions. The students also test their own environmental footprints and assess how they can modify their behaviours in more sustainable directions, both as consumers and as future professionals. The course offers LBS an opportunity to leverage our expertise in sustainability thinking and to increase the impact of our work on future professionals in a wide range of fields. Since its launch in April 2020, the course has been completed by more than 3,600 students.

DIALOGUE

PRINCIPLE 6: 'We will facilitate and support dialogue and debate among educators, students, business, government, consumers, media, civil society organisations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability'.

KEY ACHIEVEMENTS: We have increased our media coverage in sustainability-related issues. In addition, our faculty members have been invited to serve as experts by Finnish ministries and by Parliament. We have sponsored student events that raise funds for societal causes.

FUTURE GOALS: We will continue boosting communication and media cooperation to spread knowledge within the national and international community. We will also continue to increase cooperation with students and facilitate cooperation between students and companies.

Through the actions described in the previous sections, we engage in dialogue with our internal and external partners and stakeholders through different formal and informal points of contact. Company and NGO representatives, along with students, serve as members of our administrative bodies, and we have long-term partnerships with local actors, such as companies and city

administrations, and with other universities and companies operating nationally or internationally.

Through the external experts who serve in our administrative bodies, professors of practice and visiting professors, we are closely connected to numerous organisations that are relevant to our strategic focus areas.



According to a study in 2022 by Taloustutkimus (a Finnish market research company), LUT ranks in the top three Finnish universities on recognition, attractiveness and overall assessment. Another study from 2022, the national bachelor's feedback survey, says that LUT University has the most satisfied students in Finland. LUT gets an overall average score of 3.87 out of 5.00 for student satisfaction. This is the best result among 13 Finnish universities when considering the average of all fields. In business studies, we share second place in Finland (satisfaction with education by field of study).

As our curricula include a wide range of elements that support the corporate learning experience, dialogue with companies is an important part of our teaching. Some of our courses include field projects involving empirical company data, and in

some courses company representatives are involved in designing, outlining and evaluating student assignments. Corporate learning is also fostered through the analysis of real-life companies based on public information available on the Internet, academic articles and company reports. In many of our courses, we use case-based learning.

Our faculty engage in teaching and research visits abroad and are involved in several scientific communities, such as the Academy of Management (AOM), the International Purchasing and Supply Education and Research Association (IPSERA), the International Society for Professional Innovation Management (ISPIM) and the European Marketing Academy Conference (EMAC). Most of our researchers engage in these communities as regular academic members, while some are involved in administrative tasks. For example, since 2018, LBS Professor **Anni-Kaisa Kähkönen** has been a member of IPSERA's executive committee.

LUT's communications team and LBS's own marketing communications specialist produce content with a strong focus on sustainability issues for the [LUT website](#). They also handle media relations and arrange media visits to both campuses in Lappeenranta and Lahti.

Dialogue Highlights

Plant a Tree – a New Tradition among the LUT Community

This is an event in which we plant a tree for every student who starts their studies at LUT University. The aim of planting trees is to help the climate through carbon sequestration. In the first event in 2021, 50 LUT students planted 2,500 pine and larch saplings in an area near the Skinnarila campus. A similar event was organised again in 2022. Plant a Tree was organised with the City of Lappeenranta, the Finnish Forest Centre and several companies, including Stora Enso, a leading global provider of renewable solutions in packaging, biomaterials, wooden construction and paper.



Representatives of Companies

We also have a long tradition of inviting representatives of companies, the public sector and NGOs as guest lecturers in our courses. We have hosted guests from large publicly listed companies, SMEs, consultancies, non-profit networks and NGOs relevant to sustainability. For example, in November 2022 Wärtsilä's CEO, **Håkan Agnevall**, visited LUT and gave a guest lecture, 'Wärtsilä Shaping the Decarbonisation



of Marine and Energy'. Wärtsilä is a global leader in innovative technologies and lifecycle solutions for the marine and energy markets and has 17,000 professionals in more than 200 locations in 68 countries.

Media Seminar at LUT Business School

According to a Finnish study, the number of journalists who encounter hate speech is on the rise. At the same time, people expect the media to provide ready-made answers in an increasingly complex world. A free press, customer engagement and media research were at the heart of discussions at the Media in the Era of Contradictions seminar, held in the City of Lappeenranta in September 2022. The seminar was organised by LBS, and approximately 20 people participated, including local and national journalists, other media representatives and researchers from Finnish and international universities.

Protolab – the J. Hyneman Center

LUT's protolab, the Jamie Hyneman Center (JHC), part of LBS, progressed with its race-



worthy electric motorbike called JHC Ukkonen. LUT organised a friendly public competition in Lappeenranta with the University of Twente and their electric motorbike. The event attracted the interest of a great number of both Finnish and international journalists, and LUT's work for electric transportation received wide public attention.

JHC Ukkonen was also used as a course example at LBS. In the Digital Marketing in Action course piloted in 2021, students concentrated on three



JHC projects. They created content for JHC's social media channels and website, illustrating the progress of the protolab's projects. They also innovated ideas for digital marketing content. Students can utilize the outcomes in their portfolios, for example. The course is still available to students.

Since 2018, this rapid prototyping centre has given student teams space and opportunities to create new ideas and build and test prototypes. The centre is a well-equipped workshop that links students, university research and expertise and business enterprises. Consequently, JHC is closely connected to student entrepreneurship and the university's innovation activities. The centre was designed and built in cooperation with LUT's honorary doctor and Professor of Practice, Jamie Hyneman, whose name the centre carries. Since its launch, JHC has organised several events in which student teams introduce their projects executed in the protolab. Among the projects that are innovations for sustainability are how to reduce waste and the use of plastic.

Media Coverage

LBS appears regularly in local and national media – about 100 times per year. For example, LBS's experts have been invited to TV interviews by Yle, the Finnish Public Service Media Company, and MTVUutiset, Finland's leading commercial TV company. In addition, LBS appears regularly in local newspapers in the campus cities and in Helsingin Sanomat, the largest daily newspaper in Finland.

The media have been interested in our expertise in responsibility and sustainability issues, but also in our knowledge of trade relations with Russia during the war in Ukraine. In addition, since COVID-19 changed our working habits perhaps permanently to a hybrid mode, LBS's research on remote work and the development of the fast expert teams (FET) model afforded several media appearances. In 2023, LBS expertise was needed by the media in the trending AI discussion and use of ChatGPT and other advanced chatbots.

The appointments of our new professors of practice, inventor and product developer Jamie Hyneman (in November 2021) and journalist and author Sami Sykkö (August 2022), received huge media attention, as dozens of media outlets reported the nominations.

LBS Faculty Members Invited to Serve as Experts

Our faculty members have been invited to serve as experts by Finnish ministries and the Parliament. In 2022, Professor **Kirsimarja Blomqvist** presented for OECD twice virtually and once physically about her concept of fast expert teams (FET) for social collaborative innovation. The FET model is about a new way of organizing collaborative innovation digitally. It has been reported in two OECD publications and won second place in the Knowledge Management and Intellectual Capital Excellence Awards at the ECKM conference in September 2022. In addition, Blomqvist has collaborated closely with the national [Work2030 programme](#) (a development programme for work and well-being at work) and, based on their request, published a FET workbook, [which is freely available online](#).

Blomqvist has also served as a vice-chair of the National Committee on AI and Digitalization, where scholars and civil servants participated in writing a statement about the AI Act for the EU.

In 2023, Professor Blomqvist was invited as an expert to provide a written and verbal statement about Finland's digitalisation strategy for Finnish members of parliament in February 2023.

Postdoctoral Researcher Anne Quarshie briefed the Finnish government officials on her knowledge of crisis management in 2021.

In the project PACKAGE-HEROES, our faculty interact with Finnish ministries and sectoral industry associations as partners in the



Material Efficiency Commitment, which serves as a voluntary 'green deal' that aims to improve profitability and reduce the environmental impacts of food production, packaging and distribution.

Sustainability Enthusiasts from 30 Different German Universities Visit LUT

In October 2022, 30 different German universities and institutes of applied sciences visited LUT University's Lappeenranta campus. During their visit, they learned four essential points about how LUT promotes and maximises the impact of the UN SDGs.

The two-day visit was organised in cooperation with LUT by a foundation called Stiftung Innovation in der Hochschullehre. The goal was to transfer knowledge, share sustainability practices and get to know the university's day-to-day life behind them.

The group comprised 33 people: students, teaching and research staff, university administration and management. The visit included introductions on different aspects of LUT's sustainability work, a full day of workshops, a visit to the Jamie Hyneman Center and informal activities, such as a biotrail walk in a forest. Dr **Esther Bishop**, dialogue and networking officer of the German foundation, planned the



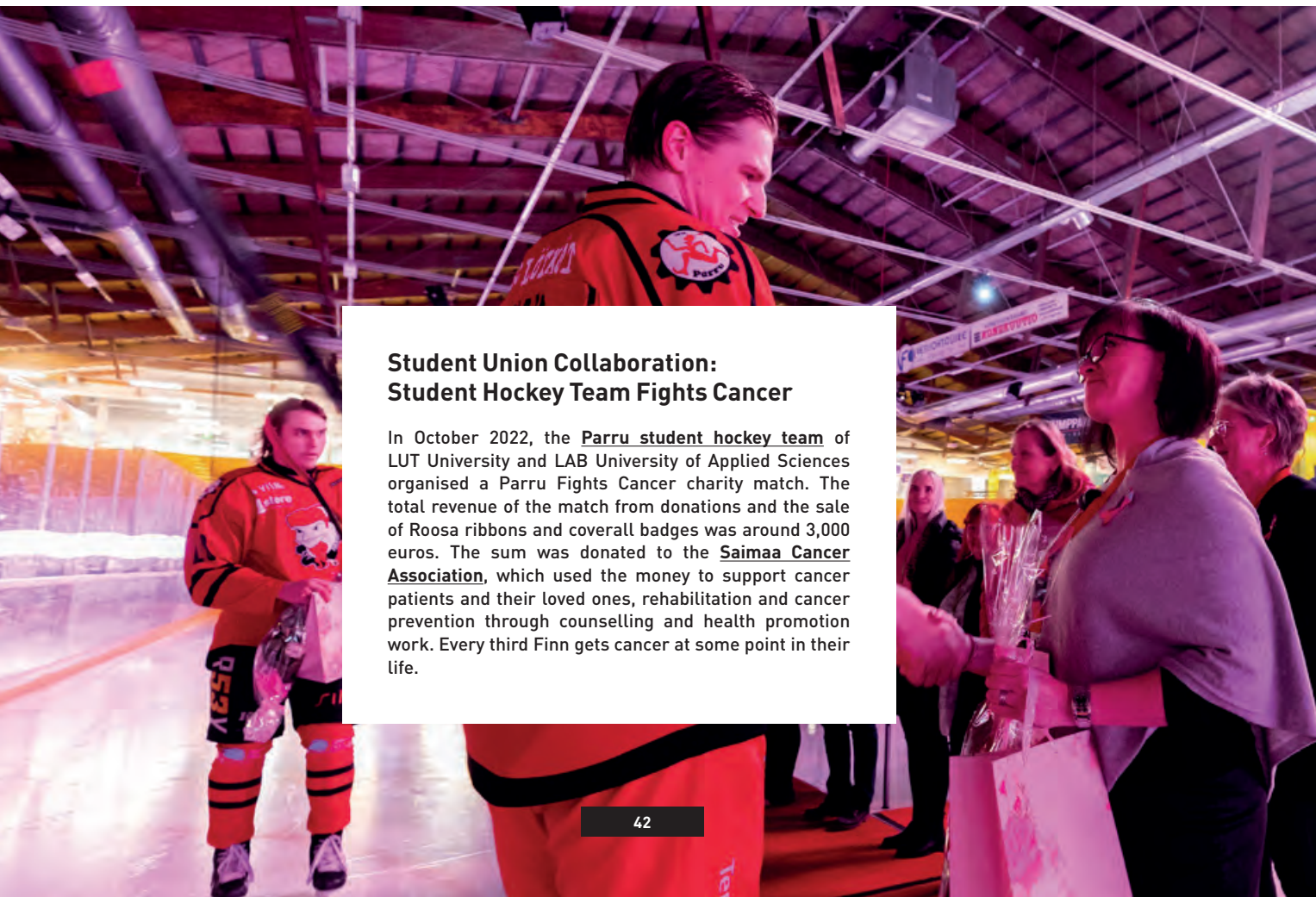
“ I asked the Finnish Ice Hockey Union whether games of this level have ever had as many spectators. According to the organisers, there were 1,302 people in the Kisapuisto ice rink in Lappeenranta. They didn't remember a similar example in the union,

says Anton Harju, captain of Parru hockey team (HT) and Project Manager of Enklaavi, LUT's business student guild.

Parru HT organised the next charity event, Parru Hockey Night, on 25 January 2023, and the theme was student's mental health.

Read more: [Student Anton Harju keeps pulling in donations for good causes](#)

Photo: Topi Lainio, VMH Productions Oy



Student Union Collaboration: Student Hockey Team Fights Cancer

In October 2022, the Parru student hockey team of LUT University and LAB University of Applied Sciences organised a Parru Fights Cancer charity match. The total revenue of the match from donations and the sale of Roosa ribbons and coverall badges was around 3,000 euros. The sum was donated to the Saimaa Cancer Association, which used the money to support cancer patients and their loved ones, rehabilitation and cancer prevention through counselling and health promotion work. Every third Finn gets cancer at some point in their life.



programme with LUT's sustainability manager, **Kati Koikkalainen**. About 25 people from LUT shared their experiences and best practices with the visitors. Bishop said the German group had many key takeaways after the visit. 'First, LUT focuses on doing rather than talking, which is a much-needed attitude in climate issues. Second, the visit showed us how people at LUT live up to the Land of the Curious slogan- it's not just empty words. Third, we saw how leading sustainable change is built on trust, not just indicators', Bishop summarises.

Alumni Cooperation

An example of our alumni work is LUT's Curious People Alumni webinar, which presents current topics of each faculty member by turns. In the first alumni webinar of the year in January 2023, Academy of Finland Postdoctoral Researcher **Jenni Sipilä** talked about 'The Psychology of Sustainable Consumption: Conflicts, Challenges and Solutions'. Sipilä helped us understand the challenges of sustainable development from the perspective of consumer psychology.

Sustainability Communication

In the course Sustainability Reporting and Communication organised during the first period of the academic year 2022-2023, 57 LBS students evaluated LUT's sustainability communications.

The idea was to provide a mutually beneficial learning process for both the students and LUT University: the students would learn about the strategic value and tools of sustainability communication, and LUT University would get feedback and ideas from students for further development of its communication in different channels (e.g. the LUT website, social media accounts, the sustainability report and campus visibility).

The course was organised by Associate Professor **Päivi Maijanen** and Professor **Laura Albareda**, and it was provided in collaboration with LUT University's Sustainability Manager and communications specialists.

Sustainability and Responsibility in LBS Programmes

Bachelor's Degree in Business Administration

All BSc students participate in the Introduction to Corporate Social Responsibility and Sustainability course. The course aims to familiarise students with the basics of CSR and sustainability, including common critiques of these concepts and their potential to achieve positive change. Upon completion of the course, all our BSc students should be able to, for example, recognise and assess various environmental, social, economic and ethical issues caused by and affecting companies operating in a global context.

In addition, current themes related to responsibility, such as the energy crisis and the green transition, are a natural part of, for example, other introductory courses, such as Microeconomics, Macroeconomics and Introduction to Environmental Economics. Our BSc programme, therefore, produces solid general knowledge about responsibility issues and, thus, a good foundation for MSc studies. Responsibility thinking and themes are deepened during specialisation studies with more in-depth courses such as Supplier Management and Sustainable Purchasing.

Master's Programme in International Business and Entrepreneurship

The programme places a strong emphasis on sustainability, making it an integral and cross-cutting theme throughout the entire portfolio of compulsory and elective courses. From the first semester, students are exposed to sustainability-related topics in courses such as the Global Business Environment, Internationalization of the Firm and Global Marketing, which each include a two-hour lecture devoted to sustainability. These lectures provide a comprehensive overview of sustainability issues at both the macro and micro levels of the international business domain.

In the foundational entrepreneurship course, Dimensions of Entrepreneurship Theories, students are introduced to sustainable, social and green entrepreneurship as viable forms of business. The course includes two separate lectures on 'Sustainability and Entrepreneurship' and 'Ethnicity and Gender in Entrepreneurship', where sustainability is discussed in detail and the concept of inclusive entrepreneurship is introduced.

In the International Business Strategy course, students explore theoretical underpinnings related to sustainability in strategic decision-making through lectures and practical insights shared by guest speakers. In addition, students participate in a business simulation game that requires them to develop their company's sustainability policies as an integral part of the overall business strategy and manage their environmental, social and governance (ESG) index.

In addition, the Contemporary Issues in International Business and Entrepreneurship course combines economic, social and environmental sustainability aspects with managerial and entrepreneurial issues concerning international business. This course prompts students to critically analyse and address ways forward in solving the global challenges we are facing, and it was showcased in a recent journal article by the teaching team.

Master's Programme in International Marketing Management

Sustainability topics, such as CSR in marketing strategies, how sustainability can be measured (ESG), responsibility and sustainability in the value chain, the value chain of eco-design, green marketing and competitive advantage and sustainability and the ethics of technology, are integrated into the curriculum from the first courses. In a consumer behaviour course, topics like ethical consumer marketing and consumer rights are important. Other courses bring in more international elements, such as sustainability and responsibility in internationalisation and international marketing strategies. On the International Entrepreneurial Challenge course, for example, students are challenged to consider various environmental impacts of the company when producing a global or international marketing strategy. This can also include the various environmental and regulatory contexts that may be imposed on targeted new territories.

In the Managing International Marketing course, sustainability is accounted for in the lecture in which points of view about sustainability and responsibility in international marketing from both academic and invited guest lecturers (from industry) are listened to and discussed in class. Also, sustainability considerations of the multinational corporation, especially in their marketing, have to be presented and reflected upon in the final report, and one-sixth of the exam marks come from the sustainability question discussion.

We also have an elective course unit, 'Responsibility in International Business', in the programme and encourage students to take a minor focusing on sustainability.

Master's Programme in Accounting

Sustainability themes are covered comprehensively in the Master's Programme in Accounting. In our programme, we offer one specific course that focuses solely on themes related to sustainability and CSR reporting.

In this course, students learn, for instance, to prepare and write a sustainability report chapter and to identify and analyse alternative ways of communicating sustainability as part of the business strategy. In other accounting courses, sustainability- and CSR-related themes are also covered from many angles. For instance, different types of CSR activities and their effect on firm performance, sustainable investing and assurance of sustainability reports are discussed in several courses.

Master's Programme in Supply Management

Supply management has a crucial role in ensuring a company's sustainability along its whole supply chain. Therefore, sustainability is an overarching theme in the Master's in Supply Management programme. Sustainability themes are highlighted first in the Strategic Supply Management course from the strategy formation, value chain and business perspectives. Sustainability themes are deepened in the Sustainable Global Sourcing course, in which students learn supply practices to prevent sustainability problems and proactively promote sustainability in sourcing.

A variety of issues, such as carbon management in supply chains, social and ethical concerns in supply networks and diversity are emphasised through real-life case assignments in this course. The Risk Management in Supply Chain and Supply Chain Improvement courses highlight the importance of analysing and mapping supply chains to prevent or mitigate the possible negative impact of sustainability-related risks for business. The role of digital transformation is emphasised in students' learning of tools and methods in managing sustainability in supply chains, for example, in the Supply Chain Analytics Projects elective course.

In the External Resource Management capstone course, sustainability themes are raised from the supplier collaboration and relational points of view. In this course, the students analyse, apply and combine previously learned issues in practice in their assignment, which is conducted in different companies or organisations. Finally, for many of our students, sustainability in supply management is either a main topic or considered taken into account from divergent perspectives in relation to purchasing and supply chain management in their master's theses.

Masters' Programme in Strategic Finance and Analytics

Sustainability is an integral part of the curriculum of the Master's in Strategic Finance and Analytics. It is taught in different courses from relevant perspectives. For example, the following compulsory courses include thematic topics. In the International Financial Management course, student groups analyse the international financial management practices of a hypothetical multinational corporation that students create themselves. It is emphasised that students think about the ESG issues of their corporation. This ensures that students learn the risk-return paradigm of an international business from the sustainability point of view. Many groups voluntarily choose the type of company and its business from an environmentally friendly point of view.

In the Banking and Insurance Finance course, we target the assessment of responsible business skills from the investments and decision-making point of view. The objective is that a student acquires an understanding of the topic-related responsibility issues and can critically evaluate the consequences of business decisions from a sustainable investment perspective. The course includes a 'Sustainable Investments' lecture in which the main contents include key concepts of responsible investments, the findings of a global CSR survey and CO₂ emissions and risk assessment from the investment banking perspective.

In addition to these compulsory courses, we also address the issues of sustainability in elective courses, such as Sustainability Reporting and Communication. Besides these courses, we also encourage students to work on a sustainability-related topic in their final dissertation. During the last five years, several such dissertations, which critically analysed sustainability issues in finance and business analytics, have been approved and published by Master's students.

Master's Programme in Knowledge Management and Leadership

The strongest connection with the sustainability themes is present in the Business Ethics course. In this course, themes such as stakeholder theory, normative business ethics, descriptive business ethics, degrowth and diversity and inclusion are covered by means of, for example, quizzes on business ethics theory, reflective learning diaries on business ethics and essays on business ethics topics relevant to knowledge management and leadership.

In addition, sustainability and responsibility-related issues are present in several other courses, including Social Capital and Trust, as we look through the lenses of trust within an organisation (e.g. how to treat employees or colleagues fairly).

The latest additions of the theme are implemented in the Leadership and Expert Work (about responsible supervisor work) courses are knowledge-based management of individuals (responsibility issues related to knowledge protection and sharing), and entrepreneurship (social entrepreneurship). In addition, in the Organizing in Knowledge-based Networks course, a case company operating responsibly is introduced to the students. All the above-mentioned courses are compulsory for the students in the programme.

Master's in Business Analytics

Sustainability is a cross-cutting theme across many of the courses offered this programme. The programme includes a mandatory business ethics course, and the topics of sustainable management, sustainable decision-making and sustainability quantification (measurement), reflecting its tangible and less tangible aspects, are present in many courses.

Sustainability-related concepts also play a crucial role in decision support and evaluation models and are discussed in the relevant courses, and sustainability-related variables are applied in financial modelling and complex timeseries prediction models. As such, the students are equipped with the skills to quantify, assess, control, manage and report on sustainability in companies and to perform the analytics tasks related to sustainability management.

A rather specific but still relevant topic is the sustainability of analytics itself in terms of the data and energy requirements needed to perform the analyses, the optimality of the algorithms being used and the ability to utilise resources (including data) available in the current time, making up for their imperfection, incompleteness or potential uncertainty. This topic is also discussed in the courses and, most importantly, in the master's theses. Sustainability, CSR, greenness and related topics are also a frequent topic or at least a significant part of the analytics theses written for companies.

SUMMARY OF PROGRESS

Objectives 2021–2023	Actions and progress 2021–2023	Objectives 2023–2025
LUT-level goals		
Monitoring and mapping of responsibility and sustainability topics in our programmes and courses.	<p>Across all three schools at LUT, the percentage of programmes that have a learning goal relating to sustainable development is currently 94% (up from 80% in the previous report). 100% of LBS programmes have had learning goals relating to sustainable development since the last reporting period.</p> <p>We have set up instructions on how the course-specific SDG relation will be informed to students and reported at LUT. The system implementation is still in progress.</p>	Ongoing objective with positive progress.
LUT graduates at the bachelor's and master's levels will assess that their sustainable development expertise has increased more compared to students from national reference universities.	<p>Monitored as part of the LUT Environmental Management System. Based on the newest national bachelor's graduate survey (2022), the sustainability skills of graduates from LUT bachelor's programmes develop more strongly than at other universities in Finland (LUT mean 3.7, national average 3.1, survey excluding University of Helsinki and Åbo Academy).</p> <p>Based on the latest available (2021) master's graduate surveys, the sustainability skills of MSc graduates of programmes in engineering and technology develop more strongly than the average in reference universities nationally. Graduates from master's programmes in business administration evaluate their sustainability skills in second place nationally.</p>	Ongoing objective.
The number of scientific publications related to LUT's strategic SDG categories (6, 7, 8, 9, 12 and 13) is increasing.	<p>Monitoring has begun after updating the monitoring principles. The number of publications is monitored according to the publication category in the Scopus SciVal database.</p> <p>The latest numbers of publications are from 2021 (numbers from 2020 are in parentheses):</p> <ul style="list-style-type: none"> - SDG 6: 53 (56) - SDG 7: 127 (123) - SDG 8: 38 (27) - SDG 9: 124 (107) - SDG 12: 75 (48) - SDG 13: 79 (59) <p>(See below for LBS-level numbers.)</p>	Positive progress related to all SDGs apart from a slight decrease for SDG 6. Ongoing objective.
We will continue to diminish our overall carbon footprint with our Climate Action Plan.	<p>The goal is monitored based on the Greenhouse Gas Protocol. In 2021, LUT's carbon footprint was 1593 tonnes of carbon dioxide equivalent (CO₂eq). More detailed calculations are available in the sustainability report. Calculations for 2022 will be ready during spring 2023.</p> <p>The steering group for quality and sustainability work monitors implementation of the Climate Action Plan twice a year and reports to the university management.</p>	Ongoing objective.
We will be carbon-negative by 2024.	The goal is monitored based on the Greenhouse Gas Protocol, and progress is reported yearly in the sustainability report.	Ongoing objective.

Objectives 2021–2023	Actions and progress 2021–2023	Objectives 2023–2025
LBS-level goals		
Principle 1: Purpose		
<p>We will continue to increase our impact on sustainable business renewal with new projects, partnerships and high-quality publications.</p>	<p>We have continued to integrate sustainability and responsibility into our teaching and research in alignment with our strategy, as follows:</p> <ul style="list-style-type: none"> - Continuous development of our quality and societal impact (evidenced by our AACSB accreditation in 2022) - Systematic analysis of the responsible business skills of our BSc and MSc students - All bachelor's and master's programmes involved in measuring our students' responsible business skills. <p>In addition, LBS was placed among the top 150 business schools (previously among the top 200) in the business and economics subject category of the 2023 THE World University Rankings.</p>	<p>Objective updated to the following:</p> <p>We will continue to increase our societal impact on sustainable business renewal through research, education and communication.</p>
Principle 2: Values		
-	<p>We joined the Race to Zero campaign as LUT University.</p> <p>We have updated our university-level equality and non-discrimination plan based on a workplace survey.</p>	<p>We aim for interdisciplinary cooperation in the community by bringing in our expertise in sustainable business. In particular, we will execute a set of interdisciplinary studies for the new social sciences programmes at LUT.</p>
Principle 3: Method		
<p>We will develop our degree programmes to offer a cross-cutting approach to responsibility and sustainability.</p>	<p>We have measured our students' responsible business skills in all our bachelor's and master's programmes. The share of students meeting the responsibility-related learning objectives now varies from 83% to 100%, according to our latest assessments.</p>	<p>We will continue to educate sustainable business professionals and leaders with strong skills in sustainable business.</p> <p>As part of LUT-level development, we will identify the linkages between the UN SDGs and our course offerings.</p>
<p>We will continue to develop and integrate discipline-specific responsibility perspectives more deeply into each programme.</p>	<p>A new English-language BSc programme in Sustainable International Business is in preparation with a newly appointed steering group. A new mandatory course related to responsibility and sustainability is under preparation for the doctoral programme, with the first course descriptions submitted for academic year 2023-2024.</p>	<p>We will strengthen sustainable business content in mandatory studies, especially at the bachelor's and doctoral levels.</p>
<p>The share of master's theses dealing with sustainability and responsibility is monitored.</p>	<p>The share of responsibility- and sustainability-related master's theses at LBS increased to 18% in 2021 and 23.5% in 2022. This is positive progress compared to the previous reporting period, when the share was 13.5%–16%.</p>	<p>Positive progress, ongoing objective.</p>
Principle 4: Research		
<p>We will increase the number of our research projects concerning the theme of sustainability.</p>	<p>Active application especially in Academy of Finland project calls, programme calls and strategic council calls and in Business Finland calls.</p> <p>During the reporting period, we launched 8 new projects related to sustainability (7 projects during the previous reporting period). The new projects are funded by the Academy of Finland (2 projects), the EU (4 projects) and Business Finland (2 projects).</p>	<p>Positive progress, ongoing objective.</p> <p>We aim to monitor our research impact even further and work to implement our research into society's use more efficiently to spread sustainable thinking and action.</p>
<p>We will increase the number of publications in top journals, especially related to sustainability and responsibility.</p>	<p>The monitoring of sustainability-related publications was updated as part of LUT's sustainability activities and now focuses on the SDGs. According to an analysis of our publications published between 2019 and 2022, 131 of 367 LBS publications by the core faculty address at least one UN SDG (36%). The three most frequent SDGs addressed in our publications are SDG 9, Industry, innovation and infrastructure, SDG 12, Responsible consumption and production and SDG 8, Decent work and economic growth.</p> <p>We have also updated the monitoring of the number and level of Academic Journal Guide (AJG) publications to now focus on our core faculty. The number of AJG 3–4 publications was 55 in 2021–2022 (out of 111 AJG publications). The total number of publications was 160, which makes the share of top AJG publications 34.4% and the share of all publications 69.4%.</p>	<p>Positive progress, ongoing objective.</p> <p>We will continue to seek impactful research that leads to international visibility.</p>
Principle 5: Partnerships		
-	<p>We have involved 80 companies in teaching collaboration on our courses.</p> <p>We have appointed a new professor of practice to further strengthen our partnerships related to responsible business.</p>	<p>We will set up a school-level advisory board with representatives from the private and public sectors to strengthen our impact on business practices and society at large.</p>
Principle 6: Dialogue		
-	<p>Our faculty members have been invited to serve as experts by Finnish ministries and by Parliament.</p>	<p>We will continue to boost communications and media cooperation to spread knowledge within the national and international community.</p>
-	<p>We have sponsored student events that raise funds for societal causes.</p>	<p>We will continue to increase cooperation with students and facilitate cooperation between students and companies.</p>



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