

## FOREWORD

### The Sustainability Mindset Principles

As awareness of social and global challenges expands, sustainability education is growing in popularity. This is the case across disciplines and institutions, including business education that, despite falling enrolments, continues to confer the most awarded undergraduate and graduate degrees in the United States. The Association to Advance Collegiate Schools of Business (AACSB), the world's largest and most widely recognized business accreditation body, and the one to which all reputable business schools pay homage, is revising its standards in 2020. The standards now require business schools to demonstrate positive social impact. Standard 4.3 states that accredited schools must document curricular elements within formal coursework that “foster and support students’ ability to have a positive impact on society.” Positive social impact is defined as addressing broader social, economic, business, and/or physical environment issues through internal or external initiatives. In parallel, new rating systems are emerging to assess business schools based on their positive impact in the world. The Positive Impact Rating (PIR) announced at Davos in January 2020 is one such system.

Educating future business leaders who will have a positive impact on society is a noble goal. But how are business schools to do it? Educational strategies have ranged from “making the business case” for social and environmental performance to discourses on ethics, regulatory policies, and new technologies such as Artificial Intelligence and CRISPR, to teaching new metrics from the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). Despite these strategies, indicators of human progress on issues such as climate change and income inequality continue to show worsening trends. This is because sustainability is too often focused on doing less harm, as with corporate goals to reduce carbon emissions or cut waste. Such actions help businesses be less unsustainable. In other words, they reduce the amount of harm done. *Such actions should never be confused with making a positive impact.*

By shining a bright light on the sustainability mindset, Isabel Rimanoczy offers an important new avenue for business educators. Much has been written about changing mindset in business but few educators have, until now, been given a roadmap for how to do it. In this book, readers discover a useful

framework and practical steps to intervene in educational systems where it can make the biggest difference.

Systems scientist Donella Meadows wrote that the highest leverage point at which to intervene in a system is in “the mindset or paradigm out of which the system arises.” About this highest leverage point, she said the following.

The shared idea in the minds of society, the great big unstated assumptions—unstated because unnecessary to state; everyone already knows them—constitute that society’s paradigm, or deepest set of beliefs about how the world works ... [For example] growth is good. Nature is a stock of resources to be converted to human purposes. Evolution stopped with the emergence of *Homo sapiens*. One can “own” land. Those are just a few of the paradigmatic assumptions of our current culture, all of which have utterly dumfounded other cultures, who thought them not the least bit obvious. (Meadows, 1999: 18)

It is no less such a transformation that Dr. Rimanoczy proposes for educators: a powerful shift in individual and collective behaviours based on a revolution in the paradigmatic beliefs, values, assumptions, and social norms that we hold.

The choice facing business schools is to accept the MBA program for what it is, a functional training ground, or to see it as a leadership development opportunity. The institutional role of business in this context increasingly needs to help address social and global issues by creating prosperity for all while contributing to a healthy natural environment and improving human well-being. Without acknowledging such a transformation in the role of business, educators are blindly building—with no thought to relevance—on today’s theories and practices that, at best, tangentially reduce social harm or ecological footprints and, at worst, explicitly contribute to growing social crises and environmental disaster.

Organized around 12 Sustainability Mindset Principles, Dr. Rimanoczy’s years of experience with students and business leaders, amplified through her exchanges and dialogues with educators around the world, provides a trusted guide to transforming mindset. The approach blends scholarship and practice, research findings and inquiry, rational-empirical analysis with direct-intuitive skills. Each of the

12 Principles is made accessible for classroom use through key teaching goals, curricular components, tips & tricks, appreciative inquiry, and exercises. Such pedagogy is particularly effective when grounded in the educator's self-awareness, since the internal aspects of mindset are as important for the educator as they are for the students.

We already have the technical tools and knowledge to make sustainability take hold in business education. Steps are being taken in finance, agriculture, and energy, to name just a few domains in transition. From true cost accounting and regenerative agriculture to supply chains designed for a circular economy and financial market incentives for long-term value rather than fractional trading, the building blocks exist for a sustainable future. What is needed now is a concerted worldwide effort to seriously incorporate these ideas into business school curricula and research agendas, restoring such pedagogy and scholarship to powerful avenues for economic transformation toward a greater good. Dr. Rimanoczy's new volume is an important contribution to this end.

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