

PRME Governance

This paper is based on the exchanges between several PRME Founding Members and the Global Compact Office in 2009, the agreements reached in those conversations and the accord reached by the PRME Steering Committee in its meeting on 22 January 2010.

PRME is a global UN-supported initiative whose mission is to inspire and champion responsible management education, research and thought leadership globally.

PRME STEERING COMMITTEE¹

- 1. The PRME Steering Committee (PRME SC)** is the governance body of PRME.
- 2. The role of the PRME SC** is to give strategic direction to the initiative, to review PRME's priorities with a commitment to make them visible to business schools, to review and provide guidance on the PRME budget and to contribute to the funding of the initiative. The PRME SC votes on all changes to the Principles before signatories. A simple majority is needed for regular decisions; a two-thirds majority is needed for governance or Principles related issues.
- 3. Origins of the PRME SC:** PRME Founding Members voted in the inaugural meeting on 8 September 2007 to constitute themselves as the *PRME Steering Committee* with the option to invite other organizations to be part of PRME Steering Committee at later stage.
- 4. Members of the PRME SC:** include the Founding Members, and can include other associations that wish to join the Steering Committee.
- 5. PRME Founding Members** are those institutions who drafted and submitted the PRME to the UN Secretary General in July 2007. They comprise the United Nations Global Compact, AACSB International, EFMD, GMAC, GRI, EABIS, Aspen Institute (BSP), and Net Impact.
- 6. Role of PRME Founding Members:** they provide extensive PRME related services to their members; they design changes to the principles and issue new drafts and initiatives for comment. They have the right to be members of the PRME Steering Committee and the right to take a first vote in the Steering Committee on proposals to change the PRME principles and on changes to the governance of PRME.
- 7. Enlargement of the PRME Steering Committee:** New global/regional associations can be invited to join PRME Steering Committee to broaden the regional reach of PRME, after an

¹ See Annex for Steering Committee Members as of January 23, 2010

application review and a formal vote concerning their participation is conducted among existing members of the SC (majority of two thirds), and under the condition that new members commit to PRME principles, develop new activities within their sphere of influence, and contribute financially to PRME initiative. If they are accepted, they become a member of the PRME Steering Committee.

8. Meetings of the PRME Steering Committee: convene at least once per year.

MANAGING THE DEVELOPMENT OF PRME

1. Management arrangements: For its daily activities, PRME works through PRME coordinators of each Steering Committee member, and a PRME Secretariat appointed by the United Nations Global Compact.

2. Role of PRME Coordinators: The role of PRME coordinators is to manage the activities of each Steering Committee member in support of PRME, and to maintain a PRME-related data resource centre, with relevant links including the PRME website.

3. The role of the PRME Secretariat is to manage day-to-day operations: drive and register recruitment of new signatories, conduct proper brand management, coordinate PRME activities in cooperation with Steering Committee members, and to communicate on progress of the PRME initiative to signatories, the Steering Committee, and external partners, based on strategic guidance by PRME Steering Committee.

4. PRME Secretariat and coordinators liaise in order to coordinate daily activities and for the purposes of preparation of Steering Committee meetings and keeping their respective institutions updated on relevant developments of the initiative.

5. Complementary roles: One crucial aspect in managing the development of PRME is the complementary role that individual Steering Committee members and the PRME Secretariat play in relation to the implementation of PRME. A decentralized governance structure and co-ownership is in agreement with the overall goal of the initiative. PRME is not designed to crowd out membership-based organizations. On the contrary, as a value-based open-source platform, it provides the additional space and opportunity for membership-based organizations to thrive. In this respect, coordination efforts through frequent contact between the coordinators of the Steering Committee and the PRME Secretariat, and the role of the PRME Secretariat providing leverage to activities undertaken by Steering Committee members are essential for the good governance of the initiative.

GLOBAL FORUM FOR RESPONSIBLE MANAGEMENT EDUCATION

1. The Global Forum for Responsible Management Education is a Forum organized by the PRME Steering Committee with the participation of signatory institutions with the goals of

taking stock of the initiative, ensuring that the voice of signatories is heard as genuine owners of the initiative, to generate traction and outreach, and to give overall direction to the initiative. Changes to the PRME principles should be ratified by the Global Forum.

2. The UN Global Compact organizes the Global Forum on Responsible Management Education once every three years as a big event at the UN, possibly within the framework of the UNGC Leaders Summit. Between the Global Fora the other PRME Steering Committee members will – on an alternating basis - organize one main PRME event annually. These events could be organized in conjunction with existing events of PRME Steering Committee members.

FUNDING OF PRME

1. PRME is funded by Steering Committee members and other members through their commitment of resources to explicit activities in support of PRME within their own institution.

2. Definition of SC member categories:

“Global Association” is a membership association whose mission is global in scope; provides services such as events, accreditation, or industry research, to the broad management education industry.

“Specialized Association” is an association with a mission that targets and serves the needs of a subset of the industry, often for a specific purpose related to the goals of the PRME.

“Regional Association” is an association whose membership criteria are location specific.

“Student Association” is a membership association where a majority of members are individual students or alumni.

3. Steering Committee members also contribute to the funding of the PRME Secretariat in the following way:

Annual contribution of Steering Committee members to the PRME Secretariat: Global Associations (GMAC, AACSB and EFMD, as members of the Steering Committee, have contributed in the past. EABIS will also contribute as a Global Association from 1 January 2010.

From 2010 annual contributions by PRME Steering Committee members will be a minimum contribution of US \$ 15,000 in the first quarter of the year payable on invoice. Exceptions will be:

- A) Founding Member Specialized and Regional Institutions will be by negotiation with a minimum of US\$ 7500.
- B) Student Associations will be by negotiation with a guideline that they do not pay any contribution.

3. Other funding provisions:

- a) PRME will not introduce fees for participating schools, but the Global Compact reserves the right to come back to the idea of a cost covering contribution at a later stage if present funding model does not work,
- b) The PRME Secretariat will seek additional externally sourced funds from sponsorship, grants and donations through third parties.

STEERING COMMITTEE MEMBERS AS OF 23 JANUARY 2010

Institution	Steering Committee Member Representative	Steering Committee Member Alternate	Coordinators
AACSB	John Fernandes	Brenda Lovell	Amy Memon
Aspen Institute	Rich Leimsider		Rich Leimsider
AMBA	Jeannette Purcell		Robert Owen
CEEMAN	Danica Purg		(tbd)
CLADEA	Jorge Talavera		(tbd)
EABIS	Gilbert Lenssen	Simon Pickard	Ineke Hulselmans
EFMD	Eric Cornuel	Jim Hervolich	Liliana Petrella
GRLI	Pierre Tapie	Mark Drewell	Tavis Jules
Net Impact	Liz Maw		(tbd)
UN Global Compact	Georg Kell	Manuel Escudero	Jonas Haertle