

MISTRA CENTER FOR SUSTAINABLE MARKETS

(MISUM)

ANNUAL REPORT 2018



Hosted by:

Funded by:



MISTRA
The Swedish Foundation for
Strategic Environmental Research

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1. Intro

The vivid exchange with the business world has been in the DNA of the Stockholm School of Economics (SSE) since the very beginning. The founding vision of being a “global benchmark for industry collaboration and [...] thought leadership in selected knowledge fields”¹ is particularly important in the realms of sustainability, where intertwined complex problems systematic investigation as well as new ways of thinking and vital partnerships.

Misum is designed as a “Knowledge Center of Excellence” and works at the intersections of research, education and outreach, which means engaging with faculty, students, and different societal stakeholders.

We need a broad understanding of markets to redirect them towards sustainability. To assess issues around long-term development in favor of the society as a whole, and for the planet, a number of different stakeholder groups, their motivations and interactions have to be considered. On the micro-level we speak about individual businesses and households and their respective organization and incentives. On the meso-level, businesses and associations engage individually and in partnerships to address sustainable development. And at the macro-level, formal and informal transnational institutions, political regulations and other drivers (or constraints like information asymmetries or financing) influence the global transformation

¹ <https://www.hhs.se/en/about-us/organization/mission-and-vision/>

towards a sustainable society. To pursue sustainable development, all these complex interactions have to be investigated and understood, and an improved pathway has to be developed.

We organize our research in three big areas (our “knowledge platforms”) to address key questions around:

- *Sustainable Socio-Economic Development*
- *Innovating Markets*
- *Sustainable Finance*

We need a better understanding of the circumstances in which asset owners and managers, and other market actors, can contribute to sustainable development. To what extent does norm-setting and the behavioral patterns of individuals, organizations and transnational institutions, hindered or supported by their governance structures and interplay with regulators and other actors, contribute to sustainable development? How is the public interest represented in this? What is the role of social media in changing mindsets? And how may eco-friendly technologies really be taken into practice to solve global environmental challenges? What kinds of governance systems are needed to solve principal/agent or “tragedy of the commons” problems over the long term?

Misum strives for expanding knowledge about markets and responsible leadership in different disciplines, and integrating it in all educational programs and major activities of SSE. In 2018, we have made important steps on this way and looking forward to future challenges.



Mette Morsing, Mistra Chair of Sustainable Markets and Misum Director

(Photo: together with platform leaders Örjan Sjöberg, Ranjula Bali Swain and Emma Sjöström)

2. A new Vision for the Stockholm School of Economics

The establishment of Misum has facilitated systematic change at SSE: Sustainability is now a core issue at the school and is successively getting integrated in the different operational units, educational programs and across faculty. Lars Strannegård, President of the School, points out the ongoing transformation and the importance of sustainable development for being a global leader in business education:

Interview Lars Strannegård: "Misum is a catalyst for a 'sustainable view'."

Why is it important to have a center like Misum at SSE and foster research and education on the various aspects of sustainable development?

Misum is one of the most important initiatives we have had at this School for a very long time. My firm conviction is that the Stockholm School of Economics would completely lose its relevance if we are not focused on sustainability. These issues are becoming so central, for the planet, but also to the way we are doing business and how we are organizing our society.

What does this mean for the School's role in society: its responsibility but also its reputation?

Mistra initiated the center – they actually came to us and asked if it was not important for SSE to work more with sustainability, and they were right. Even for the School's Board, on the highest level, it is central. Here we have business and societal stakeholders of highest relevance and these issues are on the tables of all the big businesses. Maybe they didn't put it like this, but they are working with sustainability, too. Now we have made this explicit, and this would not have been possible without Misum. A couple of years ago we worked on these issues, but scattered. And we have to take them very, very seriously. The Mistra funding has enabled us to really step on the barricades and say "Sustainability is central. We need to organize our markets and our societies in a completely different way, and we can not prolong this responsibility any longer!"

The idea behind Misum is a kind of capitalism 2.0. We live in a market economy and in a liberal and global society, this is not negotiable, but we need to shape this society in a different way – and we need to re-structure markets and govern them. By only doing "business as usual", SSE would become irrelevant in the future, so what we are doing with Misum is really important to maintain the excellent reputation that SSE has, that have been proven by our peers and by accreditations, and even strengthen it.

What impacts did Misum have so far, internally and externally?

The progress I've seen with Misum is remarkable. It's not only that a complete center has been set up in a very short time, but Misum is really a catalyst for a "sustainable" view, that is now leaking in more and more operations of SSE. We just received our EQUIS re-accreditation which confirms that SSE is "excellent" in the way we treat sustainability. The School got the gold standard from EQUIS, and this would never have been possible without this new focus and Misum.

It was a very deliberate strategy to create a lot of "fireworks" in the beginning, to make the issues of sustainable development visible inside and outside the School. We wanted to clarify that we need to work on them. And the next step is to find the most important research areas around sustainable markets, because rigorous research is the very fundament for solutions. I really appreciate the start-up review that Mistra did, because they were capturing what we were doing, and they supported the view that we need to have a strong research environment. So we are taking this report very seriously, to really create a beacon for sustainable markets with Misum and SSE.

This is what we are doing now: We are going into all the relevant disciplines we have at this institution. Misum is constructing bridges, and this is a prerequisite to really work with sustainability – as the way how we see the world, how we conduct business and, basically, how we live our lives.

I have to say that I am surprised how fast this development has taken place so far. You know, academic institutions establish during a long time, and SSE has developed four core areas where we can be world-class: Finance, Retail, Innovation and Sustainability. The expertise in finance has grown through enhanced research for a very long time, our strength in retailing stems from industry partnerships and teaching oriented on practical challenges. The same applies for innovation: Sweden is an innovative country, and students and researchers come here because they want to figure out how this is working, so our competence is sort of demand-driven. And now we have sustainability and more and more of the faculty realizes: this is really important. We had some remarkable individual researchers before, like Erik Dahmén, who is a well-known economist that claimed "Put a price on the environment". But we needed this push with Misum, to infuse sustainability holistically in this institution.

How does Misum relate to "FRIS" specifically? How can it best support the "FRIS" and also the "FREE" acronyms?

"FRIS" underlines that sustainability is now one of the main pillars of SSE's strategy. This translates exactly

in what you are doing now: Going to all the departments, which are the fundament of the School, and identifying “champions” there to do more research for sustainability - and thereby, eventually, teaching. “FREE” refers to our overall educational objectives, our learning culture, if you want. When we formulated “FREE”, I really thought that this is about sustainability, actually. But we didn’t put it as such, because many understand sustainability education at business schools only as the sustainable business case, but it is so much more than that. Of course our students have to learn about this as well, but they have to understand its limits. Again, FREE as **F**act and science-minded, **R**eflective and self-aware, **E**mpathetic and culturally literate, **E**ntrepreneurial and responsible is the very definition of a sustainability mindset in my opinion. Our students have to understand these issues, really. If you graduate from this institution and don’t understand what sustainability means and which measures need to be taken, then you are not well educated. We have done a fairly good job with Global Challenges, but this is only one program. Now we need to enhance our Retailing program and all our Master programs. And for this Misum will be the key, as it has been a catalyst already for many important changes at SSE.

Kulturdebatt

Lars Strannegård: Vi vill stimulera studenterna att tänka själva

PUBLICERAD 2018-09-10



Lars Strannegård, rektor på Handels. Foto: Elin Åberg

Det bedrivs för lite utbildning om klimatfrågor och ekonomisk ojämlikhet på Handels i Stockholm, skrev fem studenter. Här får de svar av skolans rektor.

Raising Awareness

Misum employs different ways to diffuse sustainability knowledge. The most important channels are curricula and scientific papers and articles, but we see the contribution to the public discussion as equally important to challenge gridlocked societal institutions and mental patterns. Researchers presented insights in different media and online channels like SvT, “Klotet” or EFN and frequently write debate articles and open-eds. We invite politicians, managers and NGOs to public events to point out the importance of sustainable economic development and how it can be achieved. The outreach of Misum has been increasing continuously since its inception, and in 2018 we accelerated further: 89 talks and events were organized, with new qualities in formats and prominent guests (see “Highlights of the Year”).

MISUMS SVENNE JUNKER OM HÅLLBARA FÖRETAG I SVERIGES RADIOS KLOTET

2018-10-24

“Det hållbara företaget - en utopi” - Handelsforskaren Svenne Junker diskuterar hållbarhet, hållbara marknader och hållbarhet i utbildningar i Sveriges Radios program Klotet.

“Det räcker inte med hållbara företag, den hållbara marknaden består av utbyten mellan fler aktörer, som staten och konsumenterna. Att skapa det hållbara utbytet är ett komplext arbete.”

Lyssna på Misums Svenne Junker i dagens avsnitt av Klotet “Det hållbara företaget – en utopi?” - om företagens ansvar för hållbarhet, samt om Global Challenges, vår hållbarhetsutbildning på Handelshögskolan i Stockholm.

(Samt ett inslag om det franska studentupproppet och manifestet där studenter uppmanar de framtida arbetsgivarna att ta hållbarhet på allvar - annars kommer de inte att söka sig dit!)

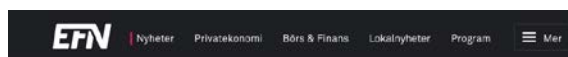
Lyssna till inslaget här.

Det hållbara företaget – en utopi?

44 min - kl 14:03

Kan företagen ta täten i omställningen till ett förnybart samhälle? Och hur vet man om de vackert formulerade miljömålen faktiskt leder till minskade utsläpp?

Lyssna (47 min, AAC) Ladda ner (44 min, MP3) Min lista 6



Klar ESG-profil lockar fler långsiktiga investerare

20 augusti 2018 - 17:33



Det lutar sig för företag att engagera sig i miljömässiga och sociala frågor. Det hävdade Laura Starks, professor i finansiell ekonomi vid University of Texas i Austin, på ett seminarium anordnat av Swedish House of Finance.

Laura Starks varnar bland annat att företag som inte har en ESG-profil (environmental and social responsibility)...

Vita mer

Figure 1. Misum and MFS events attracted a lot of media attention in 2018

We also aim to provide an active platform for sustainable development internally on the SSE campus: Instead of teaching in silos and doing academic “business as usual”, sustainability issues and reflective behavior have to be integrated in the everyday life of students and staff. Misum does a lot of work together with the School’s Art Initiative, for example. In April, communication manager Tinni Ernsjö Rappe and students from the student union’s “Focus

CSR” group invited artist Patrik Qvist, who installed street art criticizing capitalism in front of the school. “Artists have long been concerned with issues of sustainability. Art and aesthetics open both our eyes and our feelings to important issues. A rational debate can be triggered by an aesthetic statement and art is therefore important to sensitize us”, says Tinni, and: “It’s also important for us to invite new crowds to SSE. The school is traditionally seen as quite a closed space and we want to change that. It’s a matter of democracy: who is getting knowledge and information, and who takes part in the discussions.”



Figure 2. Misum works with arts inside and outside the school (left: by Clay Ketter, right: by Patrik Qvist)

Besides this, we want to talk to students about sustainability issues directly and include their opinions in our work. At the beginning of the academic year in August, we used the Academic Fair to talk about the UN SDGs (United Nation’s Sustainable Development Goals) with the new SSE Bachelor and Master students. Topics like climate change, ecological deterioration, innovation and social entrepreneurship, decent work and individual responsibility are becoming more and more central for the students, and we want to support their initiatives to address future employers or politics.

In November, a group of master students organized a seminar about financing sustainable development, for instance – they collaborated with the French embassy and Misum connected them with high-level politicians and investors for this sake (see figure 3).



Figure 3. Students organized a high-level panel discussion on sustainable finance together with the French embassy and Misum

New Institutions and Initiatives

Sustainability has to be institutionalized in the processes and top management of the school as well. On the research side, Misum Director Mette Morsing has established new formats to foster young scholar development and new research projects. There are monthly Work-in-Progress (WIP) seminars to discuss actual working papers on various topics, and Young Scholar workshops quarterly, which are open to all who are interested. They attract PhD students not only from SSE but also the greater Stockholm region and Uppsala, which strengthens sustainability networks beyond disciplinary borders.

With regard to education and outreach for sustainable markets, the center expanded its staff and now includes the coordinator for the flagship program Global Challenges and UN PRME (see section 4) and a full-time research and project manager to support Misum's strategic development and internal and external networking, especially with other universities and within the new "Sustainable SSE" group that has been founded in November to connect different

departments and units at the School to connect, work on a common strategy and eventually change practices.



Figure 4. *Misum @ work: Young Scholar workshop at SSE and at the Academy of Management Conference in Chicago*

We are very pleased that SSE students on both graduate and undergraduate level have begun to demand for more systematic integration of sustainability themselves. Especially graduates from the “Global Challenges” track have raised their voice for more diversity and inclusion in management and teaching, wrote debate articles in i. a. “Dagens Nyheter” and mobilized for the “Swedish Student Manifesto”² (see below). Listening to the student’s perspectives and establish infrastructure for their own action for a sustainable campus and “lab for change” is one of the most exciting tasks that we see for Misum in the coming years.

Step up on your responsibility! The Swedish Student Manifesto

Ylvali Busch has completed the Global Challenges program and calls for more action from both academic institutions and businesses. She spelled out this in the beginning of December with students from seven other Swedish universities by signing the Swedish Student Manifesto, a call-to-action where they demand climate responsibility from their future employers. The manifest was published in DN Debatt, and communication manager Tinni Ernsjö Rappe met Ylvali to talk about activism for sustainable business and leadership

² Cf. <http://studentmanifestet.se/index.php?lang=EN>

Tinni: “Hi, Ylvali. What do you hope the manifesto will lead to?”

Ylvali: “Companies today pick and choose their narratives when it comes to sustainability; they play up the positives while they cover up other parts of their business model. I hope they realize that my generation sees through this. Companies must change in earnest if they expect us to want to work for them.”

In parallel to her studies at SSE, Ylvali is also pursuing a master’s degree in Industrial Economy at the Royal Institute of Technology (KTH), specializing in energy technology and sustainable power generation: “That program is more specific, but at SSE, I’ve gained a broader perspective on sustainability through Global Challenges, which has also given me the inspiration to go out and try to make a difference in society.”

To her, it is crucial that her future employer is serious about their sustainability efforts. She pursues two degrees at the same time to strengthen her future position on the job market: “I don’t want to make any compromises on either my career goals or my personal convictions. I don’t want to devote my brain and my time to a company that doesn’t do good things, and in interview situations, I often emphasize my sustainability commitment as a good thing. I have also dared to ask the question: Do employees have to work on projects that they think are unsustainable from a climate point of view?”

She does not feel alone in her commitment at the school, and she hopes that many others will rally to the cause: “It’s important to get students from here involved, because if there is anyone who trade and industry will listen to, then it’s SSE students. In addition, through Global Challenges, we have also been given the tools to question companies and see through business models.”



3. Highlights of the Year

After the “fireworks” of 2015 and 2016³, Misum has adopted a more and more systematic approach in all three pillars in 2017, which is now maturing and starting to bear fruits.

New Research Projects and Collaborations

Our scientific publications have accelerated in 2018, and we received a range of new major project fundings:

- Svenne Junker – **From compliance to partnership in global supply chains for sustainability.** Handelsbankens forskningsstiftelse, 2018–2020, SEK 1.5 million
- Svenne Junker – **Institutional work in interlaced fields: the case of climate change and corporate political activity.** Handelsbankens forskningsstiftelse, 2018–2020, SEK 1.2 million
- Ranjula Bali Swain Martin Korpi, Marijane Luistro Jonsson, Örjan Sjöberg, Susanne Sweet – **Urban sustainability, sustainably urban? The importance of interlocked markets to (un)sustainable outcomes in Stockholm and beyond.** Marianne and Marcus Wallenberg Foundation, July 2018-June 2022, SEK 4.2 million
- Susanne Sweet, Ranjula Bali Swain, Clara My Lernborg, Ingrid Stigzelius – SEK 5.8 million grant from Swedish Research Council Formas: **Ekonomisk hållbarhet i en cirkulär mode-och klädesindustri (Sustainable economy in a circular fashion industry)**, 2018-2020

On top of this, the by largest external grant for Misum was received in autumn by Lin Lerpold, Örjan Sjöberg and Max Jerneck: they got SEK 18 million from FORMAS for four-year project on sustainable tourism:

The tourist industry and its contribution to sustainable development: Social networks and social capital in the employment of immigrants

(by project leader Associate Professor Lin Lerpold)

“The project focuses on the tourism industry and its contribution to social sustainability through the integration of immigrants into the labor force. We use theories of social capital to understand

³ Title of the start-up evaluation of the Mistra Center for Sustainable Markets by Kuhndt et al., 2017

how, where, and why the Swedish tourism industry has been especially successful in integration and probe the long-term labor market outcomes for migrants in the sector. This requires an understanding of the relational side of labor market entry and the contextual - social, geographical, institutional - factors that serve to differentiate outcomes across individuals, groups, and locations. Our study is multimethod, using deductive methods on register data to examine the effects of social capital resources for migrants labor market integration in tourism and the socioeconomic sustainability of tourism jobs, and inductive qualitative methods allowing for a more detailed understanding of how social capital is created and utilized. As the accommodations and food sector currently employs by far the most immigrants, this study contributes to sustainable development as defined by the Agenda 2030 goals as well as a better understanding of sustainability in the tourism industry. The results will also have broader policy implications that can be leveraged to other industries with similar characteristics. Indeed, a better understanding of the creation and workings of social capital among immigrants can potentially be a fruitful avenue to impact one of our time's largest challenges.”



Figure 5. The leadership team of the “Sustainable tourism” project: Karl Wennberg (LIU), Lin Lerpold (Misum) and Örjan Sjöberg (Misum)

On the other side, Misum has started to invest in new sustainability projects itself, to boost related topics across different departments of the Stockholm School of Economics. The Misum Board decided to spend part of the strategic reserve to launch a stipend initiative from Misum to increase research on sustainability at SSE and to create a network for researchers interested in sustainability among scholars affiliated with SSE. Applications from all seven departments were received and nine projects were granted seed money of in total SEK 308,000. Several of them complement the work of the Sustainable Finance Platform, e.g. an empirical investigation of investor influence on CSR by assessing the proxy voting behavior of socially responsible mutual funds (SRI) on corporate social responsibility (CSR) proposals compared to non-SRI funds, or a study using new ESG data. Other proposals included corporate taxing behavior or the assessment of the role of start-ups for technological innovation in the wind energy industry, which are great extensions of the previous research foci of the Misum knowledge platforms.



Sustainable SSE

In line with Misum's mission to integrate knowledge for sustainable development and sustainable markets in all relevant aspects of the main operations of SSE and in line with the PRME and "FRIS" commitments of the Schools leadership, Misum started a "Sustainable SSE" task force group in autumn 2018. This collective brings together relevant entities which coordinate research, student activities, the School's outreach and campus management and lately includes Vice President Lars Ågren, the department of External Relations, SSE Executive Education, the student union SASSE, and Misum as representative for relevant knowledge generation of all faculty and coordinator of the group. Given the fact that many bodies have (potentially more positive) social and environmental impact, ranging from energy management, catering and academic travel policies over multiple student events and networking initiatives to the directive of corporate relations and the School's "brand", the collective has the aim to map those activities and (re-)direct them more towards sustainability. "There are so many great things going on already, but they are not really communicated or developed further", says

Misum's communication manager Tinni Ernsjö Rappe, “so the first step is to collect all of them and bring them together, to support each other and hopefully grow new ideas.”

At the first meeting in November, it was decided to establish processes of information sharing and identify key areas and measures for a comprehensive sustainability strategy for SSE, like building management, catering and conferences, different student initiatives and strategic corporate partnerships.



Figure 6. Misum works intensively to integrate sustainability in the main operations of SSE, and students are our most important “stakeholders” here.

Pushing the Agenda 2030 and the SDGs

The Sustainable Development Goals proclaimed by the United Nations in 2015 together with the Agenda 2030 are among the most important political frameworks of our time. The head of the Misum knowledge platform “Innovating Markets”, Professor Ranjula Bali Swain, explores how to set the goals up in practice, in different economic contexts, and how to deal with potential trade-offs between them.

In July, she was invited to the United Nations High-Level Political Forum in New York, the most important intergovernmental platform for the Agenda 2030, with more than 100 relevant ministers and even head of states participating. She gave a seminar on her most important findings:

Setting country-specific goals

Instead of universal and thus abstract goals, the SDG’s should be formulated country-specifically and quantified, based on concrete development trajectories and national data.

Developing isolated indicators is misleading

Due to complex inter-relationships, for example between GDP per capita, fertility and child mortality, imply that measuring and implementing goals in silos is inadequate. Using global country level data Bali Swain et al. show that fertility rate decreases when child mortality is low and is weakly dependent on GDP. As fertility rates fall, GDP increases, and as GDP increases, child mortality falls. Thus identifying and quantifying the multiple relationships between all SDG’s is an important prerequisite for implementing an effective policy mix, and Bali Swain is working on this in some of her current projects.

Dealing with of trade-offs

Her research reveals that economic growth and environment have underlying inconsistencies. This implies that in monitoring and implementation of some SDGs, say SDG 1 (No Poverty) or SDG 8 (Decent Work and Economic Growth), there can be a negative impact on SDG 13 (Climate Change). Unveiling such inconsistencies and quantifying their extent is crucial for the Agenda 2030 process.

Policies have to be in combination with technical and behavioral changes

Testing three fundamental policy approaches for keeping emissions under target limits, Bali Swain et al. show that policies can work in combinations with certain thresholds only. These three broad categories include: policies for cutting global emissions through legislation and economic interventions, technological innovations, and behavioral changes.

Specifying different foci for developing and developed countries

Her results reveal that while all three factors (economic, social, and environment) are important for the developed countries, developing countries will benefit most by focusing on social and environmental factors to achieve sustainable development. While the environment factor is critical, the economic factor is the strongest in creating sustainable development in the short run for developing countries.

Bali Swain was further invited to present her work on interlinkages of the SDGs at the United Nations Statistical Division and the Eighth Meeting of the Inter-Agency and Expert Group on the Sustainable Development Goal Indicators in November. This was attended by central statistic organizations, private sector, non-profit organizations and the academia. She has been inducted as a member of the Interlinkages Working Group of the Inter-Agency Expert Group on Sustainable Development Goals (IAEG-SDG) and will be co-writing the UN IAEG-SDG's Second Report on The Interlinkages of the 2030 Agenda, November 2019. The Interlinkages Working Group's mandate is to identify statistical interlinkages between the goals and targets of the global SDG indicator framework, and other international frameworks; identify analyses that have been tested at the national or international level to show examples; identify areas and frameworks that can facilitate the monitoring of those goals, targets and indicators identified as being interlinked; identify best practices of integrated data collection and its transfer to other countries to assist in the development of integrated statistical systems; and propose strategies for using these interlinkages and on how the statistical system can help with bridging policy fields and support a more integrated analysis of economic, social and environmental development as expressed in the SDG monitoring system.

She is furthermore in discussions with Statistics Sweden (SCB) to follow up on her current research on interlinkages within SDGs for Sweden.



Figure 7 a,b. High level engagement for the SDGs in Sweden and globally

Another highlight in the context of the SDGs was the big seminar with Professor and Senior UN advisor Jeffrey Sachs and Her Royal Highness Crown Princess Victoria of Sweden in May. Together with the UN Sustainable Development Solution Network (SDSN) Council, Misum organized productive discussion sessions how the SDGs can be integrated in the different sectors in Sweden. After Professor Sachs' keynote speech on sustainable transition principles, a panel discussion with Carin Jämtin, SIDA, Marie Dahllöf from Postcode foundation, Professor Johan Rockström, Stockholm Resilience Centre and Professor Mette Morsing, SSE took place.



Figure 8. Crown Princess Victoria of Sweden, Professor Mette Morsing and Professor Jeffrey Sachs from Colombia University

4. Principles of Responsible Management Education

In 2016, SSE took the first major step towards responsibility and management for sustainable development education: enabled by the generous support of the Global Challenges Foundation with 40 million SEK, the Global Challenges track (GC) was introduced for the flagship bachelor program “Business and Economics” and accounts for 12,5 % of its content now.

There are four courses which run partly parallel throughout the first two years. Each of the four courses has its own focus, labeled: Knowing, Doing, Being and Expressing, signifying not only a difference in content, but also a deepening of personal engagement for the students.

In 2018, the first cohort of students completed the track, and at the GC expo in May they presented a variety of projects and inspiring attempts for more sustainability in practice (see figure 9 a-d). And there were many positive evaluations, asking for more sustainability education at the School at all levels:

“The strengths of the courses are the freedom and the depth of the area we get to explore by ourselves. This is something all of SSE have to learn!”

“On a personal level, the courses have taught me to trust more in my abilities. I want to become an entrepreneur in the future.”

“Make it longer! Make a specialization or a master’s program related to social entrepreneurship. For those of us who are not so much interested in accounting, finance or any traditional economics subjects, it would be super cool to be able to take a specialization in global challenges or entrepreneurship.”

With the start of the second round, Misum has taken a major lead on the development of the program by welcoming GC coordinator Sven-Olof Junker as part of our team. He reconciles the development with the Advisory Board and students, and the main ambitions are to involve more teachers and integrate the GC content more in the whole bachelor program.

“The ultimate vision is to integrate Global Challenges knowledge into all education at the school. This means that the understanding of global risks and the capacity to work towards sustainability goals is taught to all students at all levels”, says Sven-Olof Junker. A further ambition is to include more recent research from multiple disciplines, and by this expand the multi-layer approach of Misum to make the School internationally renowned institution for sustainability leadership.

In terms of more international engagement for responsible management education, we made the School step up and become an “UN PRME champion” in 2018 to foster “Principles of Responsible Management Education” not only here in Stockholm but by exchanging and accumulating best practices around the world as part a global initiative between business schools and the UN Global Compact. Out of more than 700 universities, SSE is now one of the 38 forerunners collaborate on “advanced tasks and game changing projects that respond to systemic challenges faced by the PRME community, as well as to key issues identified by the United Nations and the UN Global Compact.”⁴ The current cycle is dedicated to ”Mainstreaming the SDG’s in business schools”, and Misum participated at meetings in France and Costa Rica to present the SSE educational approach to all champions. The extraordinary pedagogical methods of the Global Challenges track and the progress of SSE in the integration of sustainability principles as well as outreach and collaborative activities with other universities are highly recognized by the PRME partners, and we are proud to take a leadership position in the PRME organization even more in the future.



Figure 10 a-c. Engagement as champion for UN PRME: Business and management education in very different contexts

5. Acceleration of Research

We have published 15 peer-reviewed journal articles, 6 book chapters, 1 book and 3 reports in 2018. After a plethora of book chapters in the previous year related to the publication of three edited volumes about CSR and sustainable markets we are particularly proud of the improvement of journal publications. There has been not only a rise in the total amount of

⁴ <http://www.unprme.org/how-to-engage/champions.php>

articles over the last four years, but also an increased recognition by highly-ranked journals that are most acknowledged by the international scientific community⁵.

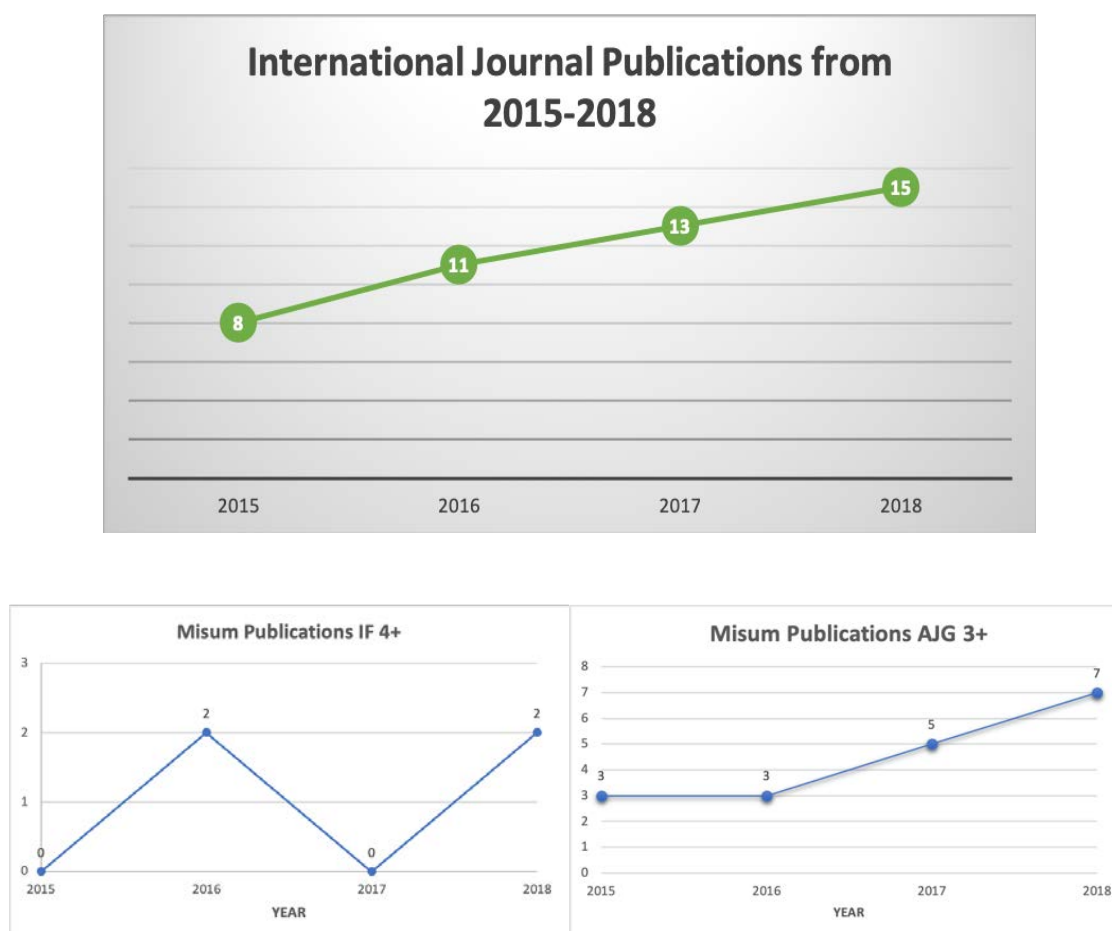


Figure 11 a-c. Increase of Misum publications in peer-reviewed and highly ranked journals

Furthermore, Misum researchers participated at 45 academic conferences. Those are a great way to disseminate and develop research. Papers are discussed with expert peers, and scholars are exposed to an international high-level academic discussion, critique and review with the purpose of further improvement towards final publication. This is often a journey that can take from one to several years. The fact that four Misum PhD students all got accepted papers at the prestigious and highly competitive American annual conference, AoM Academy of Management Conference, in 2018 was truly a recognition of the presentations, reviewing and feedback of Misum research through 2017. In addition to this, Misum's Mette Morsing received a nomination for EGOS Best Paper Award 2018 for "Opening the black box: Advancing micro-

⁵ AJG (Academic Journal Guide, formerly known as ABS) is the most common ranking scheme in economics and business science, but while the IF (ISI Impact Factor) is a general measure but with emphasis on natural sciences.

level perspectives on corporate social responsibility”. Similar to AoM in the United States, EGOS is one of the most renowned European management research platforms.

6. Finances

The Misum budget is divided into five main parts: the three pillars research, education and outreach plus center costs and partnerships. For all these areas spending increased since 2015 due to expansion: For the center, these were costs for administrative staff and Director, as well as for rent to SSE and other costs of running the center. These increased over the first three years as Misum employed more staff. The center costs were below budget however, mostly because the newly employed project manager started in the second part of the year and was partly financed by MFS.

On the other side, research and partnership expenses were higher than planned, due to many conference attendances and Misum welcoming several international research fellows. Research costs increased substantially in 2017 and 2018 after the Mistra Start-Up Evaluation, which stated: “Having broadly speaking focused on education and outreach, we recommend that the next phase should prioritize research in order to underpin the other activities, secure Misum’s place within SSE and the international academic community, and work towards balance between the three pillars.”

Education costs also increased but more gradually as Misum became more involved in activities at SSE and with PRME internationally, and with the Nordic PRME region and the PhD course the region initiated.

Outreach costs remained fairly stable over the years, with numerous academic and public events being held and marketed by the communication manager. Given the fact that we got co-funding for quite a few events, outreach costs yet remained under budget in 2018.

Partnership costs increased from 2016 as Misum’s collaborations expanded, particularly with employing researchers shared with CBS and Lund, bringing in a Visiting Professor regularly and having Research Fellows since 2018.

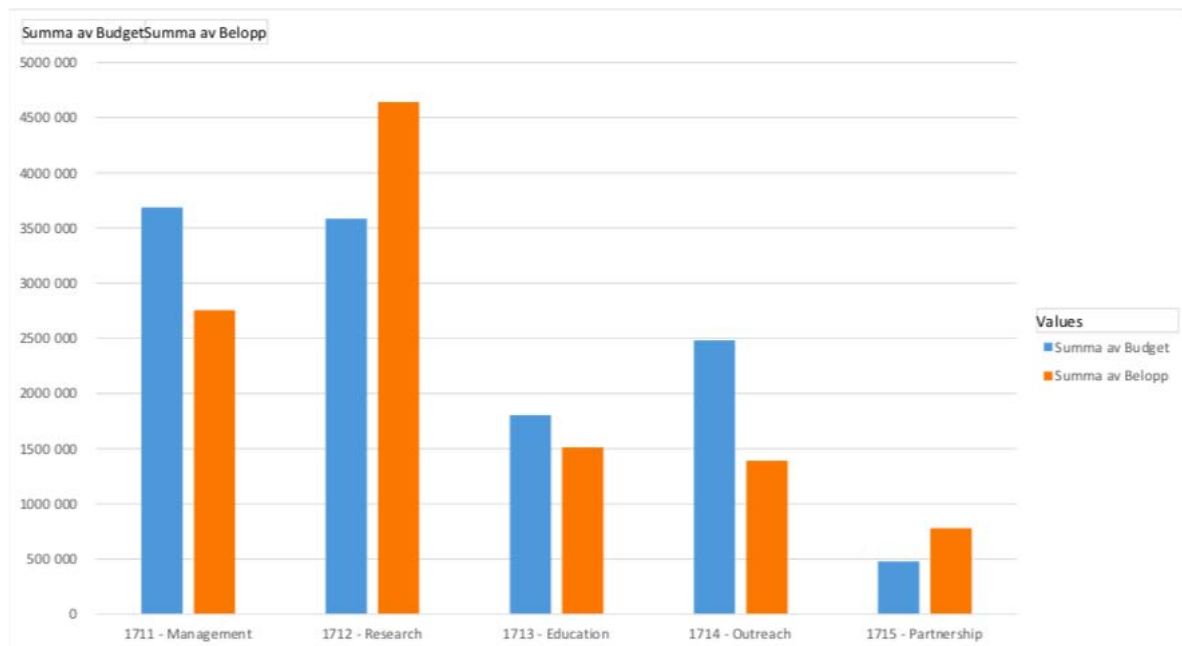


Figure 12. Planned and actual spending of Misum budget in 2018

Category	Budget planned	Budget spent
Center	3 687 316	2 753 554
Research	3 585 131	4 641 277
Education	1 805 630	1 511 986
Outreach	2 482 700	1 390 839
Partnerships	478 271	779 016
Total	12 039 048	11 076 672

Table 1. Planned and actual spending of Misum budget in 2018, per pillar and in total

7. Looking Ahead

Misum has successfully put sustainability on top of the agenda at SSE over a very short period of time. This does not mean, however, that Misum has fully explored and developed the potential for institutionalizing sustainability according to its three pillars research, education and outreach. SSE has expertise in several academic fields, especially the ones depicted by the “FRIS” acronym, which provides a great opportunity for sustainability research as a cross-cutting topic across departments. The knowledge platforms and research management have

evolved significantly over the last four years and our publications are recognized more and more by the international research community. For the next years, the objective is to refine the framing of “sustainable markets” even more and to align it with the major streams of economics, management and finance research and particularly cover the fields that are important for the governance of markets in practice

With regard to education and outreach, Global Challenges and UN PRME are full of opportunities for future development. Misum aims at incorporating sustainable development holistically in the School by providing guidance for and coordinating different operational processes, student activities and outreach formats.

This requires a dedicated focus on developing a direction for the knowledge generation and research produced at Stockholm School of Economics, as well as its educational profile. Of crucial importance is furthermore to inform and engage with students and practitioners as well as with academic peers in Sweden and internationally, to address the “knowledge-solution gap”.