

MISTRA CENTER FOR SUSTAINABLE MARKETS

(MISUM)

***Report on Misum Phase I,
2015-2019***



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1. The objectives of the Mistra Center for Sustainable Markets at the Stockholm School of Economics

In agreement between the Mistra foundation and the Stockholm School of Economics (SSE) ("Avtal om forskningscentrumet Mistra Center for Sustainable Markets (Misum)", hereafter Agreement) from December 2014, the purpose of Misum is to

- A. **Create an internationally renowned research center on sustainable markets.** The center is expected to generate research results of highest relevance, both to the scientific community and to the society at large. In order to maximize the usefulness of the center's output the results ought to be developed in close cooperation with the stakeholders.
- B. **Strengthen Sweden's competitiveness.** The center shall create prerequisites for market actors in Sweden to move in a more sustainable direction by developing methods, products, services, tools and concepts that can be applied to, primarily, Swedish circumstances.
- C. **Develop interdisciplinary and cross-sectorial solutions** for sustainable development in the spirit of the original SSE proposal.

These overall objectives have been specified in three groups of Key Performance Indicators (KPIs) that relate to the **core operational areas of Misum: research, education and outreach**. The KPIs have been followed up on in the annual center plans and in the Misum progress report (2015-2018) which was handed in to Mistra in January 2019. The overall numbers are summarized in table 3 on p. 20, while more details per year can be found in the respective center plans (appendices). On the following pages it is elucidated how Misum has fulfilled the objectives A-C, using the KPIs and highlights. Section 2 accounts for the research performance (A) and chapter 3 sheds light on how Misum's internal activities at SSE and its outreach have contributed to strengthening the Swedish business sector and provided tools and skills for competitiveness in the future (B and C).

The latter has been pursued, first and foremost, by **transforming SSE**. The School is a leading institution for the business world all over Scandinavia and even in Europe, and holds close ties to major companies in Sweden in terms of educational and research partnerships as well as recruitment. Through the successive transformation of course content, operations, student values and stimulating and increasing research output related to sustainable development across all departments, Misum and SSE have developed and keep on developing strong signals for business leadership, and serve as a hub for discussing, testing and facilitating change. At the same time, the focus on markets and sustainability leadership is a particular challenge, since sustainable economic development is a result of multiple interactions between producers, consumers, regulators, and countries and thus exhibits much **more complexity than a pure optimization problem** for a single company or technology, with often **external social costs**.

With regard to this, one of the most important tasks for Misum in phase I has been to specify its research agenda, core competences and role at SSE.

Specification of a Research Agenda for Sustainable Markets – why it is important to focus on the whole system, interactions, and indirect effects

Markets are a pervasive phenomenon in modern societies. With the odd exception, markets have been allowed, indeed encouraged, to assume a core role in most societies worldwide. Enterprises have generated unsurpassed levels of affluence and been instrumental in bringing down the proportion of humankind living in dire poverty. At the same time, the modern global economic structures accelerate the overconsumption of natural resources, environmental degradation, climate change, inequality and exploitation of the weakest parts of the population. In a nutshell, markets are decisive for achieving all 17 UN Sustainable Development Goals (UN SDGs) – or failing to do so. As “The World in 2050” report by “The World in 2050” Initiative at the International Institute for Applied System Analysis aptly points out: “[M]arket-based economic growth alone is rarely socially inclusive and environmentally stable. Without countervailing policies, markets are often reasonably efficient but also highly unfair making the rich richer and the poor poorer. Moreover, producers and consumers rarely have the incentive to protect the air, water, soils, and climate, since most of the damage they cause is incurred by others, including future generations, rather than themselves” (TWI2050, 2018, p. 11).

Against this backdrop, Misum research puts emphasis on the **interdependent patterns** of production and consumption, the **social institutions** that determine the behaviour of firms and consumers, different **governance mechanisms**, and **new innovative business models** for sustainable development. More precisely, research projects are conducted at three different platforms

- **Sustainable socio-economic development,**
- **Sustainable finance,**
- **Innovating markets** (earlier: sustainable production and consumption),

that systematically investigate how individual market actors as consumers, employees, business owners or investors behave and why (**micro-level**), how they relate to each other (**meso- or network level**) and which formal and informal institutions regulate their behaviour and eventually the overall market outcomes with their various environmental and social impacts (**macro-level**). Altogether, the three levels and focus areas (with “Sustainable socio-economic development” representing mostly the macro-level, “Innovating markets” the micro- and meso-level and “Sustainable finance” all three of them) add up to the whole picture of markets and help to understand how the different actors and mechanisms contribute to, or are detrimental for, sustainable development by impacting different stakeholders, like consumers, employees and their families, business partners or political choices, and having a potentially global outreach via supply chains, CSR activities, or the export of values.

Center Set-Up and Development

Being “Center of Excellence” for sustainable markets implies that Misum generates and conveys knowledge to the relevant actors. These are the “natural stakeholders” of SSE as a business school, i. e. students, academia and corporate partners, but also the broader societal stakeholders affected by or affecting them, as political regulators, NGOs, or underprivileged groups.

The core of Misum is scientific knowledge generation to raise awareness and change practices in markets (see figure 1). The **three pillars: “research”, “education” and “outreach”** are thus intertwined and include new methods for the “co-creation” of knowledge and educating about sustainable development.

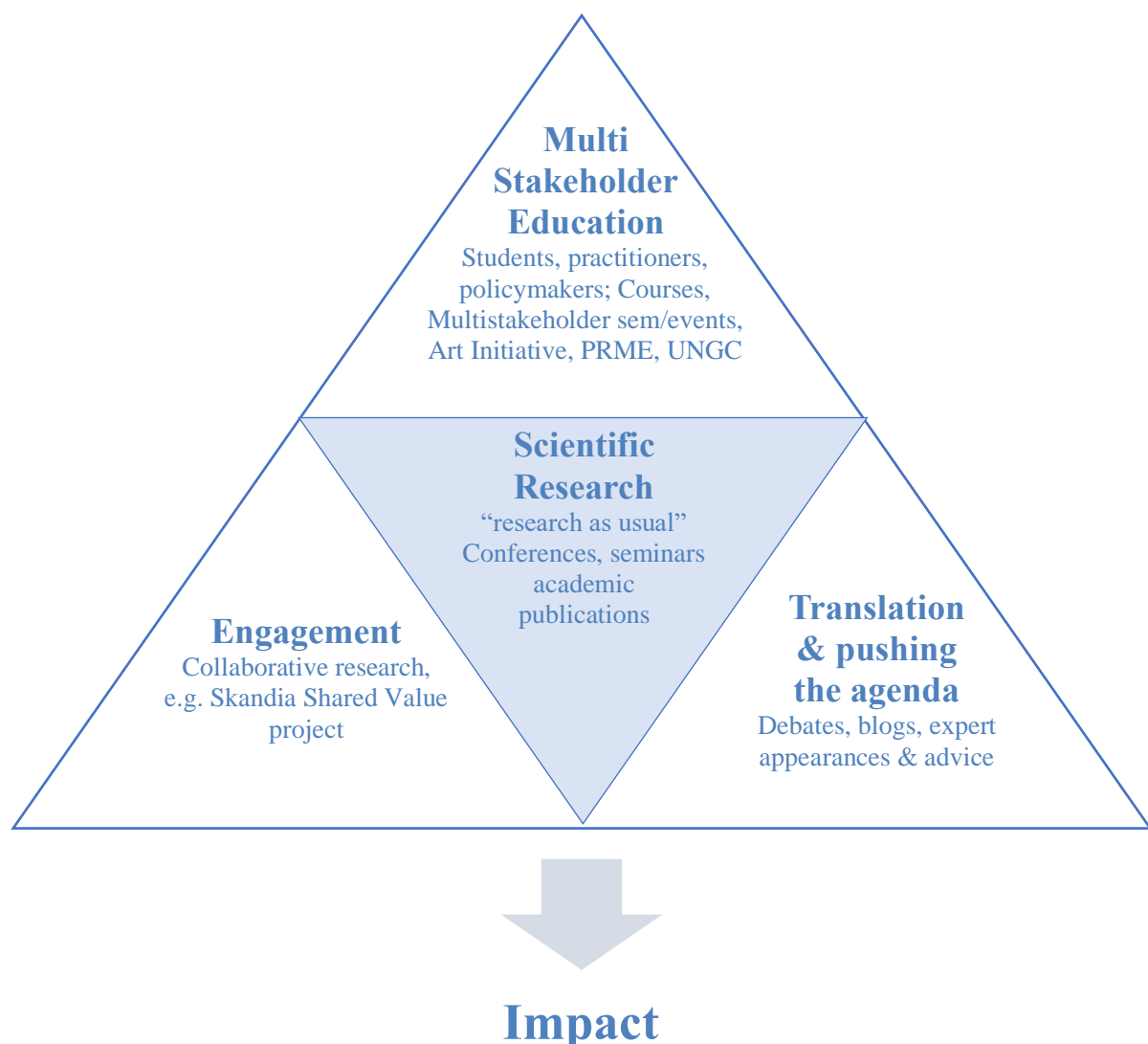


Figure 1: Integrative strategy for Misum research, education and outreach by Lin Lerpold, Executive Director of Misum 2015-2017.

In the first two years, 2015 and 2016, most efforts were spent in establishing Misum at SSE and among the professional community in Sweden. We arranged many outreach events and practitioner dialogues and implemented profound educational changes at the school in all programs.

In the second period, 2017-2019, the focus shifted towards more strategic development and enhancing research procedures and collaboration with international experts. After the Start-up Evaluation of Misum in 2017 and Scientific Director Mette Morsing stepping up as overall Misum Executive Director in January 2018, several formats and routines were established internally and the amount of publications as well as the quality of outlets and conferences paper presentations increased.

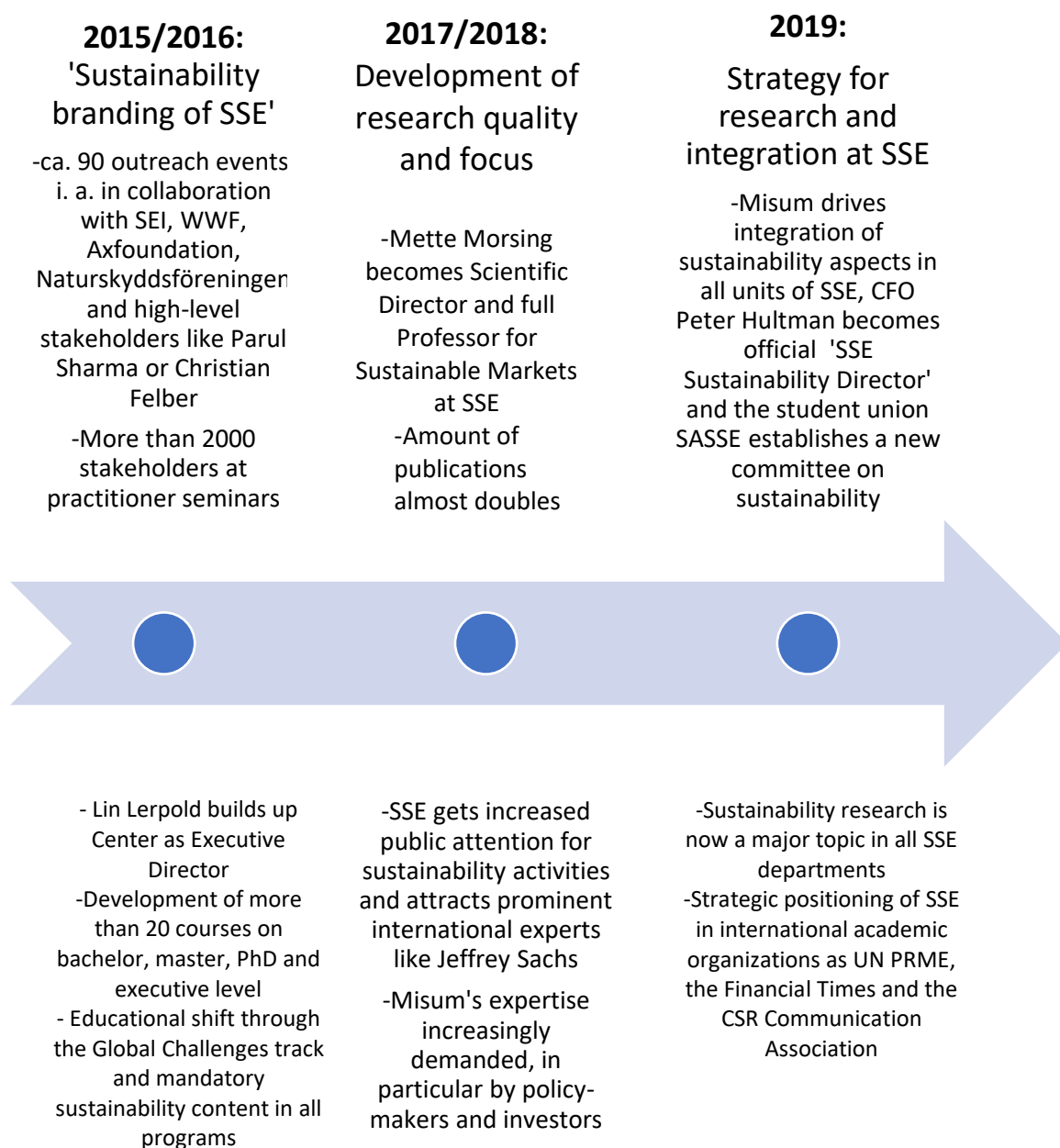


Figure 2: Development and major achievements of Misum 2015 -2019.

2. An internationally renowned research center

The output and recognition of Misum has increased drastically since 2017. In this year, Mette Morsing took over the leadership as new Scientific and Executive Director and put strong emphasis on the development of internationally renowned research in particular by:

- Connecting the center with top management scholars from other European countries and the United States, e.g. by Research Fellowships
- Establishing regular research seminar formats to enhance work in the pipeline, increase interdisciplinary dialogue and prepare and tailor papers for international presentation (Misum WIP (Work in Progress) seminars and Misum Young Scholar seminars)
- Increased participation at international academic conferences as well as key economic fora as the World Economic Forum (WEO) or the United Nations Sustainable Development Solutions Network (UN SDSN) and UN Global Compact Leaders Summit.

All annotations from the Misum Start-up Evaluation 2017 were systematically addressed:

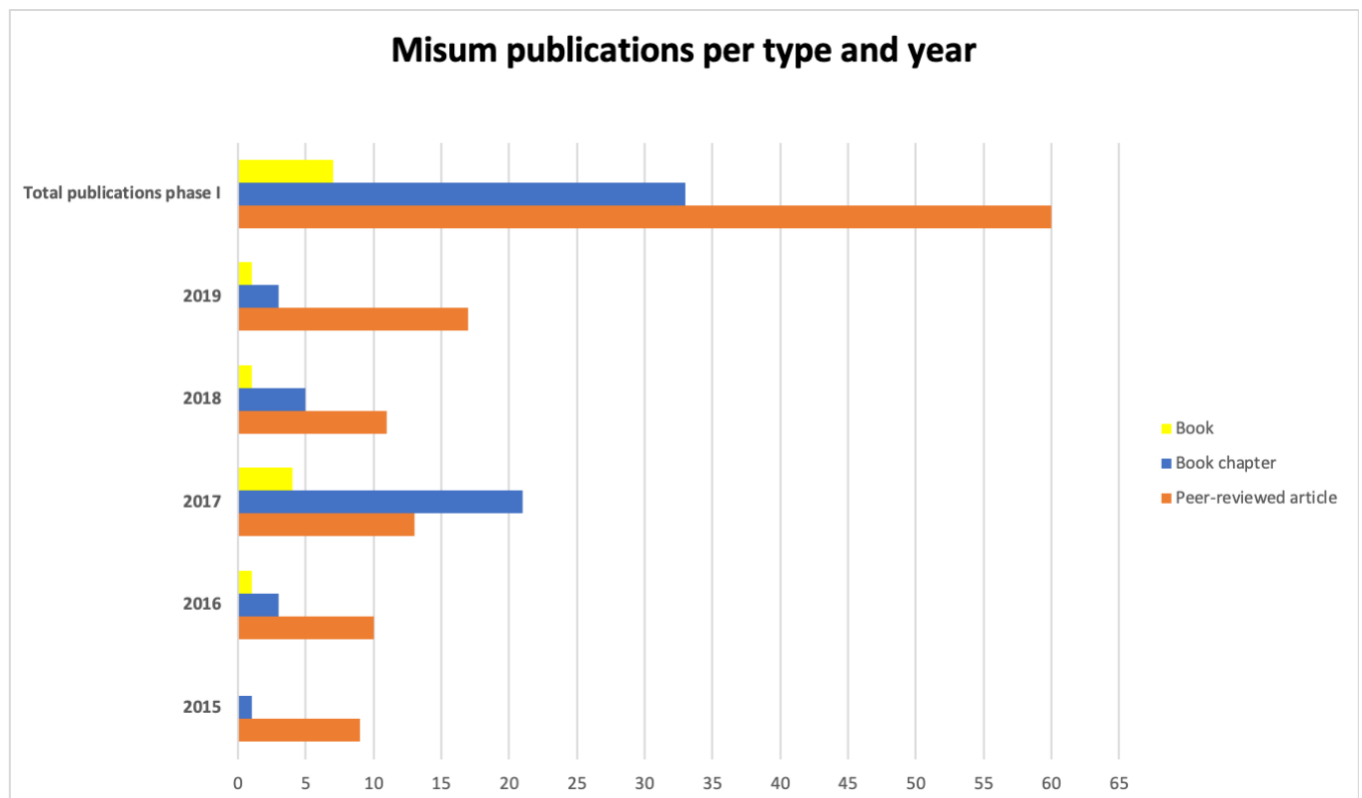
Misum Start-up Evaluation 2017	Development Misum from 2017 onwards
Attendance at high profile international academic conferences is low (e.g. Academy of Management (AoM), European Group of Organisation Studies (EGOS))	Participation in academic conferences increased from < 20 per annum in 2015 and 2016 to > 40 per annum since 2017, including multiple paper presentations at AoM and EGOS from both senior and young scholars, and an EGOS Best Paper Award nomination. In 2019, Misum hosted the international CSR Communication conference at SSE with ca. 100 participants from North America, Europe, Asia and Africa.
Collaboration with international scholars not based in Sweden is low	Visiting scholars from i. a. Copenhagen Business School, CASS University of London and Manchester University; collaborative research with i. a. SEI, SRC, KTH
Publication in ABS (now AJG) listed journals is low	Publications in journals with AJG factor 3 and 4 increased from 6 in 2015-2016 to 16 in 2017-2019
Publications do not follow the topics of the research platforms to any notable degree	Increased focus on CSR and circular economy topics (Innovating Markets platform), ESG research (Sustainable Finance platform), and public-private sector research and network analysis related to e. g. decarbonization, digitalization and sustainable tourism (Sustainable Socio-economic development platform)
Some noteworthy exceptions of individuals working more successfully outside the	Apart from Management and Organization studies Misum research exhibits Economic Geography, Economic Modelling, Data Science,

Management field (e.g. Geography), and academics with international profiles

Sociology, Marketing and Behavioural Economics

Table 1: Enhancement of research output based on Misum Start-up Evaluation 2017.

Research output has accelerated in quantity and quality, and Misum papers were discussed with recognized scholars from various European countries and the United States at conferences and research seminars both at SSE and internationally (see graphs and highlights for international research seminars below).



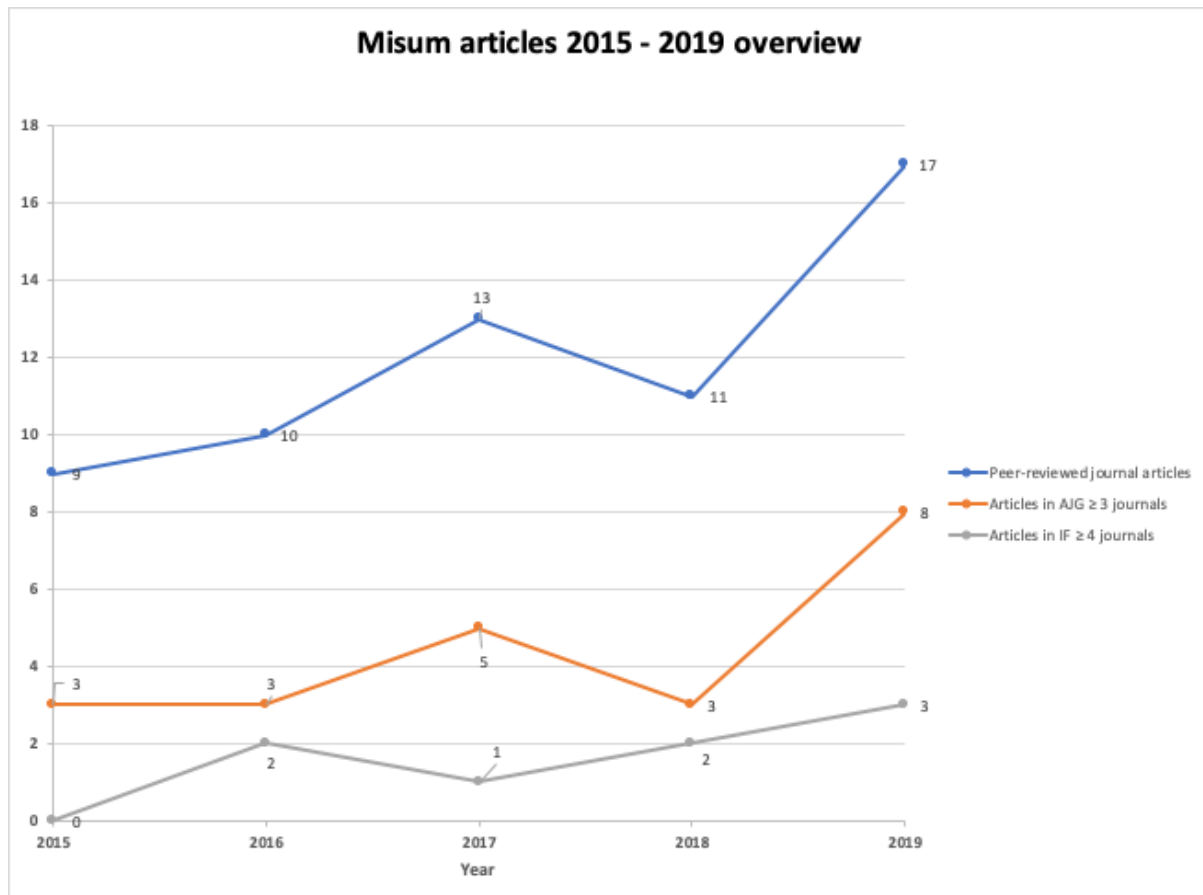


Figure 3a-b: Misum phase I publications by type and in ranked journals.

Highlights of international research events organized by Misum:

September 2019: 5th International CSR Communication conference “CSR communication and reporting in challenging times”, Misum/SSE.

October 2018: Research seminar with Jean-Pascal Gond, City University London, on “Performative theorization: How and when feedback loops make new theories persuasive”, Misum and SCORE.

February 2018: Research seminar with Elizabeth Baldwin, Oxford University, on "To build or not to build: Capital stocks and climate policy", Misum.

January 2017: Research seminar with Professor Cass Sunstein, Harvard University, on “Consumption, Sustainability and Nudging”, Misum.

February 2017: Research seminar with Stefanos Mouzas, Lancaster University, on "How was it possible to reach an agreement on climate change?", Misum.

December 2016: Research seminar with Yannis Dafermos, SOAS University London, on “Building an integrated model for the macro-economy, the financial system and the ecosystem.”, Misum,

May 2016: Research seminar with Harrison Hong, Princeton University, on “Climate Risks and Market Efficiency”, Misum/MFS.

April 2015: Research seminar with Professor Johanna Mair, Hertie School of Governance, on “Social Innovation and institutions for economic and social development”, Misum.



CSRCom2019 – 5th International CSR Communication Conference, 18-20 September 2019, SSE, Stockholm, Sweden

Wednesday, 18 September		
17.00-18.00	Conference registration and coffee	Royal Art Academy Stockholm
18.00-19.00	Welcome to CSR Com 2019 [Prof. Mette Morsing, Stockholm School of Economics and Prof. Wim Elving, Hanzte University of Applied Sciences] Opening Keynote <i>'Communicating Commodified Compassion: Brand Aid in the Woke Age'</i> [Prof. Lisa Ann Richey, Copenhagen Business School]	Royal Art Academy Stockholm
19.00-21.00	Welcome reception with snacks and drinks	Royal Art Academy Stockholm
Thursday, 19 September		
8.00 – 9.00	Registration and coffee	Atrium
9.00 – 11.00	Welcome – a short introduction [Assoc. Prof. Urša Golob, University of Ljubljana, Prof. Mette Morsing, Stockholm School of Economics] To Communicate CSR or Not - That is the Question Keynote <i>'The performativity of communication in the context of CSR'</i> [Prof. Jean-Pascal Gond, Cass Business School] <i>'Greenwashing or greenhushing? A cross-industry comparison of how CSR can be talked into non-existence'</i> [Prof. Dennis Schoeneborn, Copenhagen Business School] <i>'Talking or Being: Dilemmas between explicit and implicit CSR communication'</i> [Prof. Laura J. Spence, Royal Holloway University London] Panel debate [moderated by Prof. Mette Morsing]	Aula
11.00 – 11.30	Coffee	Atrium
11.30 – 12.30	Parallel Sessions 1-4 Session 1: CSR ENGAGEMENT 1 Session 2: CSR REPORTING 1 Session 3: COMMUNICATING SUSTAINABILITY 2 Session 4: CSR PERCEPTIONS	Rooms A120, A348, A536, A538
12.30 – 13.30	Lunch	Atrium
13.30 – 14.30	Parallel Sessions 5-7 Session 5: CSR ENGAGEMENT 2 Session 6: CSR TALK Session 7: COMMUNICATING SUSTAINABILITY 2	Rooms A120, A536, A538
14.30 – 16.00	Parallel Sessions 8-10 Session 8: CSR & DIGITAL MEDIA Session 9: CSR ACROSS INDUSTRIES Session 10: APPROACHES TO CSR	Rooms A120, A536, A538
16.00 – 16.30	Coffee	Atrium
16.30 – 17.30	Keynote <i>'Functional stupidity: on talking responsibility in organizations '</i> [Prof. Mats Alvesson, Lund University; introduction by Assoc. Prof. Laurence Romani, Stockholm School of Economics]	Aula
19.00-22.00	Gala Dinner	Atrium

Friday, 20 September		
8.00 – 9.00	Registration	Atrium
9.00 – 11.00	From Big Tech to Big Emotions: The Shaping and Forming of Communication in the Digital Age Keynotes: <i>'The digital prism: transparency and managed visibilities'</i> [Prof. Mikkel Flyverbom, Copenhagen Business School] <i>'Digitalizing emotions: opportunities and pitfalls of being human on the internet'</i> [Assoc. Prof. Itziar Castello, University of Surrey Business School] Comment by: Senior Lecturer Michael Etter, King's College London Panel debate [moderated by Prof. Christian Fieseler, Norwegian Business School]	Aula
11.00 – 11.30	Coffee	Atrium
11.30 – 12.30	Parallel Sessions 11-14 Session 11: CSR DIALOG Session 12: CSR REPORTING 2 Session 13: Tackling sustainability challenges through digitally enabled forms of organizing (special session) Session 14: CORPORATE SOCIAL IRRESPONSIBILITY	Rooms A120, A348, A536, A538
12.30 – 13.30	Lunch	Atrium
13.30 – 14.30	Keynote <i>'Rethinking Hypocrisy in an Era of Social Responsibility'</i> [Prof. Nils Brunsson, Uppsala University; introduction by Prof. Dennis Schoeneborn, Copenhagen Business School]	Aula
14.30 – 16.00	Parallel Sessions 15-17 Session 15: CSR & NGOs Session 16: CSR & INTERNAL ASPECTS Session 17: CSR & EDUCATIONAL ORGANIZATIONS	Rooms A120, A536, A538
16.00 – 16.15	Coffee	Atrium
16.15 – 17.15	Sustainability and CSR in the Business School Ranking Game Keynotes <i>'Trends on sustainability and CSR in business school rankings'</i> [Research Associate and Responsible Investment Advisor Ellen Quigley, Cambridge University] <i>'How do business schools work with rankings and the role of sustainability in that regard'</i> [Rankings officer Anna von Bergen, Stockholm School of Economics] <i>'Rethinking the criteria for Financial Times' ranking of business schools'</i> [Andrew Jack, Financial Times] Panel debate [Ellen Quigley and Anne von Bergen – moderated by Prof. Mette Morsing (in her capacity as senior advisor to UNPRME Principles of Responsible Management)]	Aula
17.15 – 18.00	Closure of the 5th CSR Communication Conference and farewell drink	Heckscher-Ohlin room

Figure 4a-c: 5th International CSR Communication conference at SSE: Call for Papers and program.

With regard to content, Misum researchers produced new and comprehensive knowledge with an emphasis on a) different approaches to CSR, especially with regard to organization, communication and partnerships; b) how (new) markets develop as interplay between different actors (e. g. public and private); and c) on instruments and processes for sustainable investments and the integration of Environment Social and Governance (ESG) factors. Following the broad themes of the three platforms (cf. p. 2), the list below exemplifies Misums research output by research articles grouped by the three themes:

Corporate Social Responsibility (CSR): Organizational approaches, communication and partnerships

Platforms Innovating Markets & Sustainable Finance

- Morsing, M., Spence, L. (2019). **CSR Communication and SMEs: The governmentality dilemma of explicit and implicit CSR communication.** Human Relations, 72(12), 1920-1947.
- Sendlhofer, T., & Lernborg, C. M. (2018). **Labour rights training 2.0: The digitalisation of knowledge for workers in global supply chains.** Journal of Cleaner Production, Vol. 179, pp. 616-630.
- Rasche, A, Morsing, M. and Moon, J. (Eds.) (2017). **Corporate Social Responsibility – Strategy, Communication and Governance.** London (Cambridge University Press).
- Kallifatides, M. and Lerpold, L. (Eds.) (2017). **Sustainable development and business.** Stockholm (SSE Institute for Research (SIR) Yearbook 2017). (all chapters available online: <https://www.hhs.se/en/research/institutes/institute-for-research/sir-publications/sirs-yearbook-2017/>)
- Borglund, T., De Geer, H. & Sweet S. (Eds.) (2017). **CSR och Hållbart Företagande,** Stockholm (Sanoma Förlag).
- Fontana, E. (2017). **Strategic CSR: a Panacea for Profit and Altruism? An empirical study among executives in the Bangladeshi RMG supply chain.** European Business Review. 29(3), 304-319.

Sustainable Development of Markets: New business models, public-private partnerships and interactions

Platforms Sustainable Socio-economic Development & Innovating Markets

- Bali Swain, R. and Wallentin, F.Y. (2019). **Achieving Sustainable Development Goals: Predicaments and Strategies.** International Journal of Sustainable Development and World Ecology, 27(2), 96-106.
- Ranganathan, S., Nicolis, S., Bali Swain, R. & D. Sumpter (2017). **Setting development goals using stochastic, dynamical system models.** PLoS One, Vol. 12(2), 1-19.

- Mattsson L.G. (2016). **Bridging the gaps between policies for sustainable markets and market practices.** The IMP Journal, Vol 10, Issue 2, 339-356.
- Tarras-Wahlberg, H., Cronjé, F., Reyejke, S. and Sweet, S. (2017). **Meeting local community needs: The cases of iron ore mining in Sweden and South Africa.** The Extractive Industries and Society, 4(3), 652-660.

Sustainable finance: Instruments, processes and ESG factors

Platform Sustainable Finance

- Testa S., Nielsen K. R., Bogers, M. and Cincotti, S. (2019). **The role of crowdfunding in moving towards a sustainable society.** Technological Forecasting and Social Change, 141, 66–73.
- Puroila, J. and Mäkelä, H. (2019). **Matter of opinion: Exploring the socio-political nature of materiality disclosures in sustainability reporting.** Accounting, Auditing & Accountability Journal, 32(4), 1043-1072.
- Sophie Nachemson-Ekwall (2019). **Personalälgande – en modernare form av företag?**, Organisation & samhälle.

3. Strengthening Swedish competitiveness and developing interdisciplinary, cross-sectorial solutions

Knowledge transfer and collaboration with key stakeholders in Sweden – three stages

“Developing interdisciplinary and cross-sectoral solutions for sustainable development” (purpose of Misum section C) is challenging due to two things in particular: positive and negative externalities of the activities of individuals, businesses and other stakeholders affect communities and the environment in multiple ways but are not reflected in market prices, and the time horizons for decision-making are mostly short-term, while sustainable development needs a lot of foresight. A predicament for sustainable markets is thus to understand how market actors interact and depend on each other, and the motivations and rationales behind these patterns. Against this backdrop, the work of Misum started with a lot of networking activities, raising awareness and start a dialogue with key stakeholders from the business sector, politics, and other academic disciplines. Through these “fireworks” in 2015 and 2016, Misum successfully established itself and the Stockholm School of Economics on the radar of Swedish authorities, big and small businesses, central academic institutions, and various NGOs. We have partnered with representatives from the Nasdaq OMX Large Cap companies as well as small innovative businesses, covering the most important sectors of the Swedish economy. Then again, we have been collaborating with NGOs and policy-makers to pick up important topics of sustainable development that might not be a priority for businesses.

Especially in the first three years of Misum phase I, many collaborations manifested in terms of joint events, panel discussions and media engagements. At the same time, a considerable fraction of Misum research projects is based on case studies or data from specific businesses and institutions, e. g. interviews or process observations, and most projects of the three Misum platforms are related to the “Swedish model”, in terms of a strong collaborative culture between businesses and politics, innovative business approaches in digitalization, clean tech, sustainable supply chains and circular economy, or green investments. In general, Misums work to engage with stakeholders for sustainable markets can be categorized in three stages (cf. Misum Progress Report, p. 52).

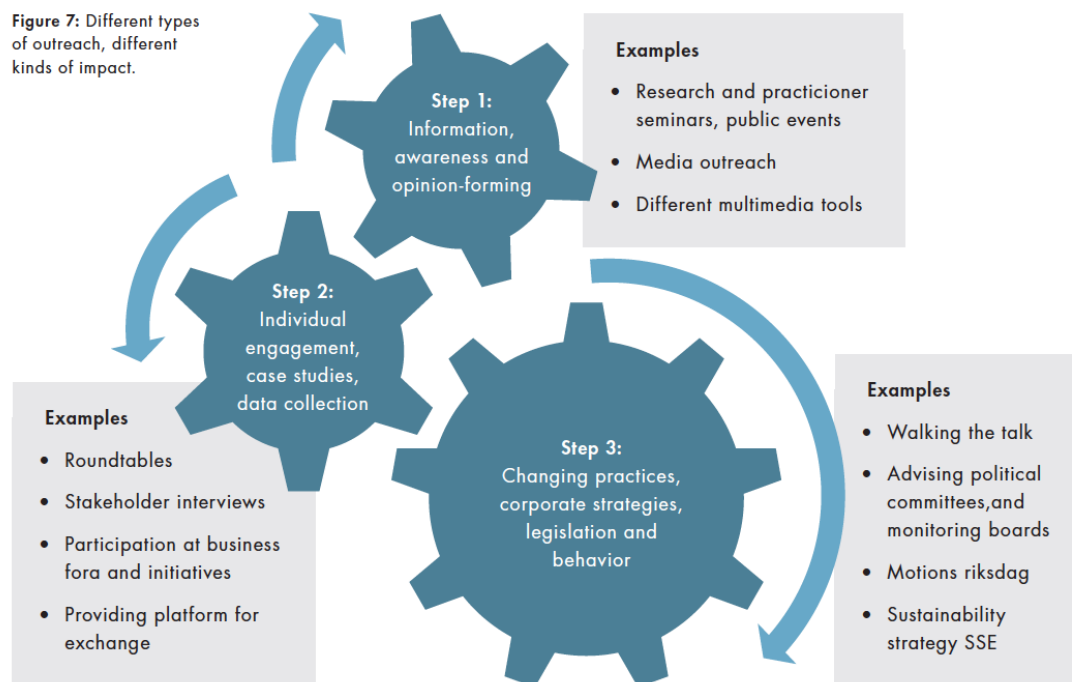


Figure 5: Types and examples of Misum outreach.

For each of the subsequent stages to strengthen Swedish competitiveness for the future, Misum targeted key stakeholders from the business sector and politics in Sweden, brought in thought leaders, and reached out to the media. Examples are illustrated in the following.

I. INFORMATION, AWARENESS AND OPINION FORMING

- Misum has organized about 280 events for researchers, stakeholders and the general public
- Ca. 20 large public events with 100+ participants, for example:

May 2019: “Finance driving Sustainability – exploring opportunities and obstacles” – Conference organized by the Stockholm Sustainable Finance Centre (Misum and SEI) and the Northern European Partnership for Sustainable Finance (NEPSF), in collaboration with WWF.

May 2019: “Theory U and transforming business, society and self”, seminar series with Otto Scharmer, Massachusetts Institute of Technology, Misum and Global Challenges.

April 2019: “Building shared value for social inclusion” practitioner seminar based on the 5-year project with Scandia and Skanska. Speakers: *Lena Hök*, Senior Vice president and Head of sustainability Skandia, *Bo Jansson*, Head of Retail Shopping Centers and Residential, Skandia Real Estate, *Kim Waller*, Fryshuset, *Marc Pfitzer*, Managing Director FSG, the global Shared Value think tank and consulting firm, Ingrid Stigzelius, Misum.

January 2019: "Impact Management and Measurement" Practitioner seminar with Bob Eccles, Visiting Professor Oxford University, and Clara Barby.

September 2018: Mistra Future Fashion Closure Conference: Presentation of research results for academic community and consortium of corporate partners with more than 100 business participants, Misum and Mistra Future Fashion.

May 2018: “Sustainable Development in Sweden: Where are we going from here?” Conference at SSE with Professor Jeffrey Sachs and the UN Sustainable Development Solutions Network (UN SDSN), with the participation of Her Royal Crown Princess Victoria of Sweden.

November 2017: “Global challenges – Global solutions” Aula seminar with former Deputy Secretary General United Nations Jan Eliasson and minister Ardalan Shekarabi - a joint initiative of the European Commission, the United Nations Development Programme and Misum at the Stockholm School of Economics.

March 2016: ”Från invandring till vinnvandring - Migration value creation” Fully booked Aula seminar on the concept Vinnvandring (the benefits of migration) in cooperation with the Axfoundation. Guest speakers: Jan Eliasson from the UN, Pia Höök of Skanska and Karl Wennberg of SSE.

January 2016: “Nu kör vi mot 2030 – Hur blir din affärsidé en vinnare?” A Misum/WWF/Stockholm Environment Institute Aula seminar on the effects of the Paris Agreement for the business community. Speakers: Johan Kuylenstierna, Håkan Wirtén, WWF; and Mats A Andersson, 4 AP fonden.

- Frequent appearance in important media outlets as Dagens Nyheter, Svenska Dagsbladet, Svt, Sveriges Radio, Dagens Industri, Aktuell Hållbarhet;

Debate article ”Regeringen missar målet: konsumtionen måste minska” in Dagens Nyheter in October 2016 caused reaction of Swedish Minister for Financial Markets and Consumer Affairs back then, Per Bolund, at a big press conference where he acknowledged that

systematic change was needed, and said that the government will work on education for sustainable consumption and tangible measures towards a circular and sharing economy by e. g. investments in public transport or subsidies for reparations. In January 2017, he accepted Misums invitation to a public seminar to discuss the government's strategy for sustainable consumption and the challenges around new welfare measures beyond GDP.

- Interviews, podcasts and short films on the Misum website; Misum blog

II. INDIVIDUAL ENGAGEMENT, CASE STUDIES, DATA COLLECTION

More than half of the research publications of Misum phase I assess the conceptual or practical approaches of corporate sustainability, draw from concrete business cases, or specific market conditions. While the study designs and related to that the degrees of engagement with practitioners differ, all those results can be used to inform decision-makers about pros and cons of certain policies and tools. Unlike engineering, social sciences don't produce ready-made applications but rather insights on societal and economic dynamics that can be adapted to the context under consideration.

- All seven PhD theses published in Misum phase I are based on data from business partners and NGOs: Enrico Fontana, Tina Sendlhofer, Clara My Lernborg, Emilia Cederberg, Ingrid Stigzelius and Sofia Altafi Nilsson all conducted comprehensive qualitative data analysis on how business practices can become more sustainable, e. g. with respect to supply chain management, ESG reporting, partial organization, employee engagement and producer consumer cooperations. They conceptualized interviews, workshops and frameworks that can help partnering organizations to better understand and improve their CSR activities. Marijane Luistro Jonsson, then again, conducted behavioural experiments with more than 800 students in Sweden, South Africa and the Philippines to assess cooperative behaviour under different conditions, which has fed into her subsequent research on the design of nudges for sustainable behaviour.
- The Shared Value project with Scandia and Skanska (2014-2019): The project is based on the concept of shared value by Porter & Kramer (2006) about the combination of business and social benefits. International research has shown that companies that are committed to improving local communities in the long run also benefit economically, but what how can companies act now and concretely to create shared value together with the communities they operate in? How can companies see social problems as an arena for development and innovation? How can companies help solve social problems with their products and their way of working? The collaborative study between Misum, Örebro University and the business partners has put emphasis on the real estate industry and partnerships for social sustainability in particularly vulnerable areas based on the examples Frölunda torg in Gothenburg and Vivalla in Örebro. The final report is being published in 2020.

- The Sustainable Finance Action Lab (2017-2018): One of the barriers to aligning financial market activities with long-term sustainability goals is the lack of non-financial information in the capital market conversation. In 2017, Misum a Vinnova-funded Action Lab, to explore if and how ESG issues could be included in corporate quarterly earnings calls (where corporations update financial analysts on the latest financial developments). The project included a panel of corporate and investor representatives and a series of interviews and workshops to figure out barriers and potential strategies for integration.
- Misum scholars have designed several teaching cases for Master and Executive Programs where students analyse concrete businesses with regard to their sustainability performance using particular frameworks. The master course “Corporate Sustainability and Responsibility”, goes even a step further and is devoted to a live case in cooperation with an organization (corporation, GO or NGO), addressing a sustainability problem/challenge that the organization needs input or solution to. Students work in groups to analyse and tackle the challenge and present back to the organization at the end of the course. The live cases have included, i. a. Save the Children, Granit, Myrorna, Filippa K, IKEA and Ernst and Young.

III. CHANGING PRACTICES, CORPORATE STRATEGIES, LEGISLATION AND BEHAVIOR

Our scholars have been invited to consult committees at the national level, including the Swedish Chemicals Agency, the Ministry of Finance and the Riksdag. But also on a more informal level, politicians throughout the political spectrum contacted us to ask for consultation related to sustainable economic policies. Examples and highlights of Misumers consulting for change based on their research findings are:

- **Support of policymaking:**

Misum’s researchers have been appointed to different boards and public committees: Emma Sjöström, for instance, was called as an expert in a public enquiry on green bonds and a public inquiry on investment funds; Svenne Junker has been selected as member of the government committee for “Green savings”; and Lin Lerpold acts as Vice Chair on the AP2 Board of Directors. Apart from this, Misum has had regular interactions with political spokespersons and there were several presentations related to sustainable investments and sustainable economic policy in the Riskdag. More formally, the “Walking the talk” report by Lin Lerpold and the book “Ett Sverige där anställda äger” by Sophie Nachemson-Ekwall were sources for two motions of the Riksdag in 2017 and 2018: in the first, parliamentarians proposed to include sustainability performance of businesses in manager payments, and underlined the need to keep track with suitable measures. The latter aims at establishing a national center for solidary economy to pursue appropriate legislation and measures. On an international level, Misum’s Ranjula Bali Swain is a senior advisor for the UN SDSN where she works on systematic measures and strategies for achieving the SDGs. In 2018, she was invited as a speaker to the United Nations High-level Political Forum in New York, where she gave a seminar on “SDG Measurement, Challenges and Policies”. The forum is the highest international platform for sustainable development policy coordination, with

national ministries and even head of states participating. Members of the Sustainable Finance platform have been involved in roundtables of the European Union (see below), and Svenne Junker worked one year as OECD policy officer (and Mistra Fellow) in Paris and produced a report about contact points and procedures for the “OECD Guidelines for Multinational Enterprises”, a guiding framework for responsible business conduct in a global context.

- **Impact of the “Walking the talk” reports**

One of the big achievements of Misum phase I is the “Walking the Talk” report series, published by Lin Lerpold and a team of SSE students in 2015, 2017 and 2019. “Walking the talk” analyses the CSR activities of the biggest corporate players in Sweden, the Nasdaq OMX large cap companies, in terms of their sustainability aspirations that they communicate to their stakeholders (“talk”) – and what they actually do to follow up on them (“walk”). The first edition created a stir by showing a large discrepancy between promises and actions. Results were published in renowned business magazines and networks like Svenska Dagbladet Näringsliv, Aktuell Hållbarhet and Fair Finance Guide Sweden and even in prominent Norwegian and Finnish outlets. As a consequence, a range of the listed companies used the study and its specific indicators to change their CSR and reporting practices. The subsequent reports showed not only an increase of both “talking” and “walking” scores, but also more strategic inclusion of CSR issues, in terms of explicit responsibilities of the corporate leadership team. Besides this, almost all of the listed companies had defined some explicit targets in 2017, and there are now more follow-up reports on them (cf. Misum progress report p. 55 for more information and the hhs.se website for the full reports). In order to enhance business practices with regard to sustainability issues, more effectively, Misum established a stakeholder forum in 2019, to discuss indicators and measures related to the “walking” and “talking” scores with company representatives, which got a lot of popularity.

- **Capacity building for Sustainable Finance**

Initiated and funded by the government, Stockholm School of Economics and the Stockholm Environmental Institute launched the Stockholm Sustainable Finance Center (SSFC) as “a unique collaboration [which] brings together a leading research university in financial markets and economics, and a highly ranked institute working on environmental impact and broader sustainable development issues to accelerate and promote the shift in capital investments required to deliver the Sustainable Development Goals (SDGs) and climate targets”¹. This novel platform for research-based dialogue between key actors has become a hub for investors and policy-makers in Sweden, and Emma Sjöström from Misum, who is the Deputy Director of the SSFC, has been facilitating numerous research initiatives, education courses and expert roundtables, on e.g. blue bonds, impact measurement, and sustainable urban planning and has engaged in a range of policy briefs and EU legal proposals. Misum’s Sustainable Finance platform has produced two reports and one policy paper for the SSFC (on Active Ownership, the inclusion of long-term perspectives in investment analysis and the Swedish market for socially labelled bonds), and the resulting from the collaborative

¹ <https://www.stockholmsustainablefinance.com>

research format “Action Lab” (see stage 2 above), one of the participating companies – who chose not to integrate ESG into their call during the project, despite initial intentions to do so – to now actually include it in the call.

Strengthening Sweden’s competitiveness for the future: Sustainability as new core pillar in SSE’s strategy and education

As pointed out in chapter 1, the biggest impact of Misum has been putting sustainable development on top of the agenda of SSE. Graduates are highly demanded by corporates and SSE alumni constitute a considerable fraction in Swedish business leadership: 18 % of the executive management members, 27 % of the board members and 41 % of the female board members of the Swedish OMX30 companies have a background from SSE.²

Before Misum’s establishment, research projects related to sustainability or CSR were rare and scattered at different departments, so that they were not recognized by colleagues and SSE stakeholders. At the same time, only very few students were interested in respective topics which is evidenced in only a small amount who chose these as topics on bachelor and master theses. This stands in clear contrast to the situation today: the faculty concerned with sustainability research has grown drastically, with not only the Misum personnel expanding year by year (from 17 persons in 2015 to 30 (affiliated) researchers and full-time employees) but projects accelerating across all faculties, stimulated by e. g. Misum research events and especially the “Misum Seed Funding” initiative (cf. chapter 7.5.6 Misum progress report). In the course of the EQUIS accreditation process 2018, SSE has emphasized sustainability as one of four key areas of competence, and the review committee commended in its final assessment report:

“SSE is a leading business school. Since the last EQUIS re-accreditation, it has repositioned itself as an international business school in Sweden eschewing its former positioning as a Swedish business school with international elements. SSE has exceptional corporate contacts and the School works in close collaboration with the wider business community to ensure the rigour and relevance of its research and educational programmes. It also houses the SSE Business Laboratory which is a small business incubator. SSE is rightly and highly regarded as a leader in ethics, responsibility and sustainability.”³

Broadly speaking, Misum’s work has manifested in two major areas: education and strategic dialogue with other entities of the School.

- **Driving sustainability in education in all programs**

In its second “Sharing information on progress” (SIP) report for the UN initiative “Principles of responsible Management Education” (UN PRME), SSE committed that “All degree programs at SSE have CSR/Sustainability in their programs since programs that started in 2016. Each of the programs have either mandatory, stand-alone courses on the topic, or

² <https://www.hhs.se/en/outreach/corporate-relations/>

³ <https://www.hhs.se/en/about-us/news/2018/sse-granted-five-year-re-accreditation-from-equis/>

else have articulated how the topics are integrated into discipline-focused core courses” (p. 45).

Undergraduate level:

Most outstanding is beyond doubt the **“Global Challenges”** (GC) track established in 2016 for the SSE flagship bachelor program “Business and Economics”, in collaboration with and funded by the Global Challenges Foundation. The track stretches across several semesters in different modules and Misum not only developed much of the content but is also responsible for the progression of the program in close dialogue with the Global Challenges Foundation and students. The modules address different aspects of global challenges, progressively moving from understanding risks to confronting them. In their final year, BSc students choose specializations and two elective courses to finally develop their own project. “Today the global community faces a number of global problems and risks: climate change, other large-scale environmental degradation, politically motivated violence, extreme poverty and continued rapid population growth. It is my hope that the Global Challenges track at the Stockholm School of Economics will provide future decision makers with knowledge and insight enabling them to contribute to a safer and more sustainable world”, says Laszlo Szombatfalvy, financial analyst and funder of the Global Challenges Foundation.

The new format has been highly appreciated by students: quite a few participants stated that they chose SSE in particular because of GC. In the internal evaluation that is done for each course for further improvements, teachers got feedback like:

“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!”

“It was advantageous to get constant feedback during the workshops. It has been very important regarding the progress and guidance of the projects, but also as inspiration when hearing about other group’s issues and ways of thinking.”

“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. I think two more courses on the bachelor level that are electable as a specialization would be a really cool addition. 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.”

Graduate and executive education:

Ranked among the global top 100 by the Financial Times⁴, the SSE MBA has been revised profoundly in the last years, and Misum, especially former Executive Director Lin Lerpold, played a decisive role in this: A whole new course, “CSR and Sustainable Management” was

⁴ <https://www.hhs.se/en/about-us/accreditations-rankings/international-rankings/>

developed and made mandatory for the program, and one of three “live cases” is dedicated to this topic. The MBALive® pedagogy aims at developing an understanding of the complexity and dynamics of organizations, and students are supposed to integrate and apply theoretical management concepts and frameworks to actual challenges of real companies.

In the context of Master and PhD studies, the portfolio has been extended as well and includes, for instance, the mandatory course on “Global leadership” in the MSc. International Business, or the international PhD course on “CSR and Sustainability in the Nordic Context”, a joint project launched by the UN PRME Nordic Chapter in 2016, which is held every two years on four different Scandinavian Business Schools, one of them being SSE.

Systematic approach and interdisciplinary integration

After the initial focus on developing and teaching specialized course on CSR and responsible leadership, Misum has worked on more systematic integration at all levels. As higher education is very decentralised and the development of programs up to the respective program directors and eventually individual teachers, Misum did a systematic review of all bachelor, master, PhD and MBA courses with regard to sustainability content and the SDGs, to develop a comprehensive map of SSE curricula with regard to sustainability content and use this as a base for dialogue with teachers how to progress. The mapping has taken into account concrete themes, the fractions of contact hours and pedagogical approaches. Results show that issues related to the SDGs appear quite frequently, but often in an indirect manner. Institutional or macroeconomics, for instance, address inequality, social dilemmas and market failures throughout all lectures, but focus on mathematical formulations. On the other hand, there is a large assortment of courses and seminars dedicated to innovation and risk management, and reflective, change-oriented leadership approaches are very prominent in management studies, but these rarely refer to specific societal or environmental problems. For students, it is therefore not always obvious that such methods and concepts can be used for sustainable development. To move forward, those issues have to be communicated more explicitly, and Misum has been working on establishing a platform for this, e. g. in sustainability workshops for faculty or the multi-stakeholder umbrella group “Sustainable SSE” (SSSE).

	Fraction of courses with sustainability content	Fraction of courses with sustainability content $\geq 25\%$	Fraction of courses with explicit sustainability content
BSc Business and Economics (core)	71,43	62,86	25,71
BSc Retail Management (core)	68,18	27,27	13,64
Aggregation bachelor core courses (mean)	69,81	45,07	19,68
Bachelor Electives	87,5	75	18,75
MSc International Business (core)	57,14	28,57	0
MSc Finance (core)	50	0	0
MSc Business Management (core)	83,33	33,33	0
MSc Economics ((core)	75	50	12,5
MSc in Accounting, Valuation & Financial Management (core)	50	37,5	0
Aggregation master core courses	63,1	29,88	2,5
Master Electives	54,29	48,57	25,71

Table 2: Overview “Sustainability in SSE curricula” mapping results (spring 2019).

- **Driving sustainability integration in SSE’s operations and strategy**

SSE president Lars Strannegård has underlined Misum as “one of the most important initiatives we have had at this school for a very long time” and being a “catalyst for a sustainable view” (Misum progress report p. 59). As described above, Misum activities have drastically increased sustainability education and research capacity at SSE, and in the 2018 self-assessment report for its EQUIS re-accreditation, sustainability and responsible leadership have been highlighted as new priorities in the School’s research and education portfolio, embodied in the two acronyms “FRIS” (**F**inance, **R**etail, **I**nnovation, **S**ustainability) for the former and “FREE” (**F**act and science-based mindset, **R**eflective and self-aware, **E**mpathetic and culturally literate, **E**ntrepreneurial and responsible) for the latter.

To undergird these new priorities with a concrete and overarching strategy that include core entities and operations (e. g. the seven departments, program management, campus

management, students), and assess possibilities for a systematic integration of relevant sustainability issues in all of them, Misum started the “Sustainable SSE” task force group in autumn 2018. This collective brings together all relevant entities that coordinate research, student activities, the School’s outreach and campus management and include Misum staff including the coordinator for UN PRME and GC, the Chief Financial Officer of SSE, SSE Quality Assurance, the Equality and Diversity Manager, the Facilities Director, the External Relations department, SSE Executive Education and student representatives. Given the fact that the majority off the School’s bodies has different social and environmental impacts, ranging from energy management, catering and academic travel policies over multiple student events and outreach initiatives to the directive of corporate relations and the School’s “brand”, the SSSE group has the aim to coordinate such activities and (re-)direct them in a more sustainable direction. The group meets at least quarterly and has formed several sub-groups under 2019 to address the most material concerns for sustainable development at SSE, i. e.:

- 1) Sub-group for food and catering
- 2) Sub-group for climate impacts and the “Klimatramenverk” initiative⁵
- 3) Sub-group for an integrated strategy
- 4) Sub-group for communication
- 5) Sub-group for waste management and recycling

In addition to these umbrella groups, Misum has initiated a new, permanent entity in the student organization SASSE to foster extra-curricular projects, knowledge and reflections on sustainability. It is steered by a Board of four students that is elected through SASSE every year and gets its core funding from Misum. During the first year, the SASSE sustainability group (SSG) organized an impressive number of events with prominent speakers, and was very active in social media. They also reached out to corporate partners and NGOs like the Axfoundation, which lead to i. a. the sponsoring of new water-saving tabs in several lavatories of SSE and a potential new case competition for students.

Except for SSG and the recycling group, Misum is part of all SSSE units and has been driving the work for an integrated strategy in particular. The group has conducted a materiality analysis for SSE with regard to sustainability to identify the most important activities, and based on this formulated a vision and a set of objectives to communicate with the School’s executive management team, the head of departments, program directors, and students. A few months after the SSSE group has started its work, President Lars Strannegård appointed the Chief Financial Officer (CFO) of the School as official Director of Sustainability, which laid the ground for including respective topics in the agenda of the executive management team and in SSE Board meetings that the CFO takes part in. As a result, sustainability materializes in explicit strategic goals and actions in the SSE strategy 2020-2024 (to be published) which leverage the work and capacity of Misum significantly to the main entities of SSE.

⁵ For more info and signatories see <https://www.kth.se/om/miljo-hallbar-utveckling/klimatramverket-1.903489>

4. Summary: Misum phase I in KPIs

Dimension	KPI's
Research	<ul style="list-style-type: none"> • 60 articles in international peer-reviewed journals • 22 articles in journals with AJG factor 3 or 4 (benchmark for top quality in business and management studies), 8 articles in journals with an Impact Factor ≥ 4 (benchmark of high quality in journals of all disciplines; indicator for interdisciplinary recognition) • 154 international research conference participations • Selected academic collaborations: Copenhagen Business School, Hanken School of Management, Royal Holloway University, CASS University London, Manchester University, SEI, SRC, KTH, GU and CTH • Increasing amount of additional research grants, in total > SEK 30 million, prominently from FORMAS, Vinnova, Skandia, Handelsbanken forskningsstifelse and different government bodies • 7 PhD students
Education	<ul style="list-style-type: none"> • 129 lectures and seminars on CSR and sustainability developed and delivered at SSE • Sustainability-related courses at all levels (bachelor, master, PhD and ExecEd), sustainability topics mandatory for all programs since 2016 • Focus of individual capabilities, reflection and empathy in GC, variety of case studies, arts • PRME champion since 2018, Nordic chapter leadership 2016-2018 and initiation of Nordic PRME PhD course (collaboration between PRME universities in 5 Scandinavian countries)
Outreach	<ul style="list-style-type: none"> • Organisation of about 280 outreach events (more than 30 practitioner seminars, 47 open research seminars and 19 large public events) • Arts Initiative, Focus CSR, RAMP, FRIS, increase of corporate donations linked to sustainability profile of the school, increased student interest in and demand for sustainability education (e.g. 1718 subscriptions Misum newsletter and media debates of GC students, support of the Swedish student manifesto)

	<ul style="list-style-type: none"> • Stakeholder partnerships with different Swedish government bodies, various financial and retailing companies, Svensk Handel, Naturskyddsföreningen, SCB, international research institutions, UNSDSN, UNSD, Un Global Compact and PRME or the European Commission, among others (cf. figure) • Background material for 2 motions of the Riskdag, Policy consultancy in 3 government inquiries, and through the SSFC, 14 reports (incl. MFS program output), support of the UNSDSN and the statistical working group UN IAEG-SDG, Practical tools and EU TEG⁶ support MFS • Large public events attracted 150 to 400 participants; media debates on sustainable consumption and sustainable behavior • Acknowledgement of the innovative approach including stakeholder-orientation and education by influential personalities like Cass Sunstein, Jan Eliasson, Björn Stigson, Egil Myklebust or Henrik Lampa. • Repeated appearance in most important Swedish general media as well as science and industry outlets: Dagens Nyheter, Svenska Dagbladet, Dagens Industri, Veckans Affärer, Göteborgs-Posten, Sydsvenskan, SvT, Sveriges Radio, Miljörapporten, Miljöaktuellt and Miljö & Utveckling, Affärsvärlden, Dagens arbete, Dagens arena, Extrakt, Forskning.se, Aktuell Hållbarhet, EFN and in international media like The Huffington Post, the Atlantic, The Guardian, The Independent, Reuters • 633 followers on facebook, 1681 followers on Twitter, continuously increasing since 2015
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Table 3: Misum phase I in KPIs.

5. References

TWI2050 - The World in 2050 (2018). Transformations to Achieve the Sustainable Development Goals. Report prepared by The World in 2050 initiative. International Institute for Applied Systems Analysis (IIASA), Laxenburg, Austria.

This final report refers explicitly to the 2014 Agreement between Mistra and SSE, the Misum Start-up Evaluation 2017, the Misum Progress Report 2018 and SSE's second 'UN PRME SIP'

⁶ European Commission's Technical Expert Group on Sustainable Finance

Report. All those documents were handed in to Mistra before or by January 2019, together with detailed lists for Misum output 2015-2018 and complementary material as Misum Center Plans, Misum reports etc. Relevant output and figures for 2019 can be found in the Misum Centerplan for the respective year that has been send to Mistra in November 2019. An updated list of academic publications by Misum researchers for 2015-2019 can be found as an appendix to this document.