Facilitating Shared Understanding of Business Responsibility

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ABSTRACT

Responsibility, as a crucial notion in pursuing the SDGs, is an important theme on the education development agenda in business schools around the world. Our study focuses on responsibility as mindset instead of extensive knowledge base and assumes the development of shared understanding of responsibility among participating actors as the main target for responsibility education. Based on empirical data from a master's level business course our research paper shows how a responsibility mindset among business students can be facilitated through the creation of shared understanding. More specifically, we aim to answer the following research questions: How to facilitate the creation of shared understanding for a responsible mindset in higher business education? Our findings point at the inherently dynamic and dialogic nature of shared understanding of business responsibility. Creating shared understanding of responsibility is not a linear learning process but the continuous iteration of (re-)creating individual and shared understanding. Shared collaborative learning enables individuals to continuously connect and scrutinize their understandings (discipline specific knowledge) with a bigger picture of responsibility (other disciplines' specific knowledge). That way, business leaders become responsibility agents who embrace responsibility as a mindset with a collective, and continuously evolving (i.e., never finished) nature.

Keywords: Responsibility 1, SDG 2, learning 3, process 4.

1. INTRODUCTION

Recently, Business Schools in higher education have been assigned a more significant role in educating future business leaders with a responsibility mindset (Akrivou and Bradbury-Huang, 2015; Forray, et al., 2015; Muff, 2012). Therefore, responsibility represents an increasingly important theme on the education development agendas in Business Schools. We draw on facilitator experience and student feedback from a discipline-inclusive master's level course at Oulu Business School, University of Oulu, in Northern Finland to understand how business responsibility can be better facilitated. One of the key goals of the course (and the master's program more generally) is to enable our graduates to be able to act as future generators of sustainable value for business and society. To build necessary responsibility competencies in our education, our aim is to bring business students of different disciplines together to collaborate, interact and create a shared understanding of what responsibility means in business and economics. This, we argue, requires the use of modern teaching methods based on collaborative

learning which we strive to intertwine with the opportunities of digital learning environments.

The purpose of this research paper is to elaborate how we can create a space for collaboration in a digital learning environment and, thus, enable students with diverse backgrounds to form shared understanding of responsible business in a global context. Importantly, shared understanding is not only about understanding content, but it is the ability to integrate different viewpoints. We hence ask: *How can the creation of shared understanding for a responsible mindset in higher business education be facilitated?*

Given the complex nature of responsible business in a global context, enabling its learning and, moreover, the development of the associated mindset, represents a major challenge in business education. In the core of responsibility is the understanding and knowledge of the interconnectedness of global business and the importance of balancing between different stakeholder expectations and needs. The importance of networks, shared value creation, and, hence, relationships with many

stakeholders both within and outside of organizational boundaries is growing.

We first open the meaning and changes of responsible business in a global context which emphasizes the importance of shared understanding. Then we introduce "Globally Responsible Business" as our case course and our observations of how we can facilitate our students' learning of the skills and knowledge that enable them to actively participate in generating sustainable value for business and society.

2. GLOBALLY RESPONSIBLE BUSINESS AND LEADERSHIP

Companies are taking a proactive and strategic role in solving societal issues (Crane and Matten, 2016; Maak, 2009) through innovations in products, services, and operational processes as well as overall business models and partnerships (Gitsham, 2012). Business leaders have a key role in driving activities aimed at responding to higher standards of ethics, accountability, and sustainability in business, and they are thus key to advancing business responsibility (Waldman and Siegel, 2008). Recent research indicates that shared forms of leadership support responsibility integration (Mirvis et al., 2016), as does top management's personal commitment to responsibility initiatives. Shared forms of leadership enable adaptive, fluid, and flexible ways of responding to situations in leadership. In addition, when more people are included in leadership there is a higher potential for considering and considering the variety of needs in the surrounding society (Pearce et al., 2014).

If we understand responsibility this way, then we need to consider also teaching methods which respond to this kind of need in business leadership. Educators should enable students to learn how to respond to multifaceted issues around global responsibility and develop skills necessary to deal with and preferably contribute positively to responsible business practices (Forray et al., 2015). Thus, we in business schools should focus on teaching our students capabilities that allow them to form a shared and more holistic understanding of responsibility in business which includes and integrates different stakeholders (Muff, 2012, 2013). Also, Mirvis et al. (2010) wonder whether we should frame leading responsibly from the individual to collective level as serially dependent and hierarchical or as simultaneous and circular?

Learning from one's own experiences is central to integrating abstract corporate responsibility goals into practice (Gitsham, 2012; Maak and Pless, 2008) because personal experience and emotional tension are essential in turning from abstract awareness to actual commitment to action and change. Leaders should leave space for open discussions and for everyone's opinions and ability

to form shared understanding of how to go forward (Gitsham, 2012; Mirvis et al., 2016).

3. CONSTRUCTING SHARED UNDERSTANDING OF RESPONSIBILITY

In this chapter we first define what is shared understanding and how it can be developed while facilitating the learning of responsibility. Facilitating shared understanding should enable dynamic interaction between a student's personal meaning and the group's collaboration. When students in a group explore the matter in hand the shared understanding among group members begins to appear (Stein et al., 2007*).*

Shared understanding has been referred to as the concurrence of individuals' values, interpretation, and mental models about a certain object (Bittner and Leimeister, 2014). It is the outcome of coordinating the realization of common objectives such as mutual knowledge, beliefs, assumptions (ibid.) through conceptual learning (i.e., exchange, reflection and refinement of facts and concepts), feedback mechanisms (i.e., structuring the in-group communication process and encouraging reflection), and motivation (i.e., subjective expressions of the 'value' of the learning situation) (Mulder et al., 2002).

The creation of shared understanding has been described as dynamic in nature. It is a dialogic and interactive process between the group's individuals and the group, in which the expression of individual understandings leads to verification and negotiation among the group (Stahl, 2004). This negotiated-shared understanding becomes individuals' tacit knowledge, available as a resource for (re-)building further new understanding (ibid.). Hence, shared understanding is created through a continuous re-interpretation process between individual and group levels (Mäkitalo-Siegl, 2008).

Based on the existing literature related on shared understanding and responsible business education, we suggest a theoretical framework for designing education supportive of the development of shared understanding (see Figure 1). Skills and competencies in responsible business are less about knowledge bases and individually embedded understanding, but a complex combination of both individually and socially embedded knowledge creation behaviors. Shared responsibility understanding can be divided into three main elements: shared language & knowledge, collaborative competence building and application & stance taking. These elements interact through different kinds of learning activities or knowledge creation processes. For example, the transformation of knowledge from individual to group knowing requires responsibility skills which are connected to the mindset but also acting socially within an organization and wider networks. Furthermore, to act,

individuals need to be empowered, that a mere construction of shared understanding does not alone result in responsible business behaviors, but students need to be empowered towards application and stance-taking as well. Based on these, new knowledge and innovative actions are generated.

Figure 1. Elements of shared responsibility understanding and their interactions

In the following empirical part, we will elaborate this theoretical understanding through examining the
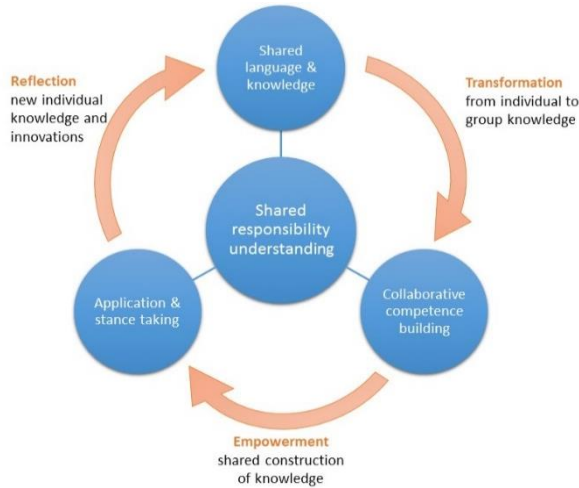
elements and interactions in our empirical data.

4. EMPIRICAL METHODS

Following a social constructionist approach, we firstly assume that our use of language shapes our sense of self as well as our social arrangements such as relationships, organizations, and understandings of different phenomenon. Secondly, our explanations of social phenomena are grounded in patterns of interaction and social practices and, thirdly, history and culture affect our knowledge and understanding of social phenomena.

We empirically examined data from the "Globally Responsible Business" Master's level course which we also developed and taught in 2016-2017. Empirical data used in the analysis includes students' learning material produced during two implementations of the course in 2016 and 2017. During that time altogether 376 students completed the course. We connected evidence of (re-)created individual and shared understanding to the utilization of certain learning methods embedded in the course design. To analyze the data (see table 1), we employed qualitative analysis techniques, mainly categorizing qualitative data from student learning reports and discussions. Quantitative data from student feedback and group work survey was analyzed for the purpose of preparing illustrative summaries of the distribution of students' answers to support the analysis process of the qualitative data.

Next, we will first describe the case course to demonstrate its design and how the shared understanding elements and interactions were embedded within it.

Table 1. Empirical data

Course part	Type of data	Amount of data *(for this paper only a share of the data was analyzed)*
1	- Learning report (Individual) - Discussions related to SDGs (Open)	376 reports (approx. 2800 words per report)
2	- Student videos (Group) - Video discussions/reflections (Group) - Learning report (Individual)	230 videos (approx. 5-10 mins each) 230 reports (approx. 700 words per report)
3	- Blog writing (Group) - Group chats (Group) - Blog discussions (Open)	38 blog writings (approx. 600 words per writing)
4	- Home exam (Individual)	142 exams (approx. 2700 words per exam)
5	- Real-life case analysis report (Group) - Group chat (Group)	17 reports (approx. 2800 words per report)

5. CASE COURSE

The development of the 6 ECTS Master's level course called "Globally Responsible Business" was initiated in fall 2014 at Oulu Business School, University of Oulu, in Northern Finland. A pilot version of the course was organized in early 2015 for students that could take the course as an elective. As the development of shared understanding of globally responsible business represented a key learning objective, we started by developing an assignment integrating a holistic real-life

case study conducted with group work pedagogy. Based on face-to-face teaching, we divided the students into multi (business)-discipline groups in which the students were to work throughout the course. Face-to-face teaching sessions were organized in which different business disciplines' views to responsibility were covered and in which the groups needed to advance their overall case assignment.

The pedagogical approach chosen was based on collaborative learning emphasizing group working activities and student engagement. To enhance collaboration and sharing, we intertwined both individual learning assignments and collaborative tasks (see Figure 2). In 2016/2017 the course was organized using online and blended methods, based on the school's teaching development objectives. We focused especially on developing the kinds of assignment that would enable the development of shared understanding among the students in groups and tried to avoid a situation where the students would simply divide responsibilities and simply merge individually carried out parts. As a result of this pilot, we developed an assignment in which groups needed to conduct a holistic analysis of a local business from the responsibility perspective. Students were able to identify and choose the company by themselves, collect data and write a report of their analysis and suggest development efforts based on that analysis. Students presented the report and were engaged in reflective discussions afterwards.
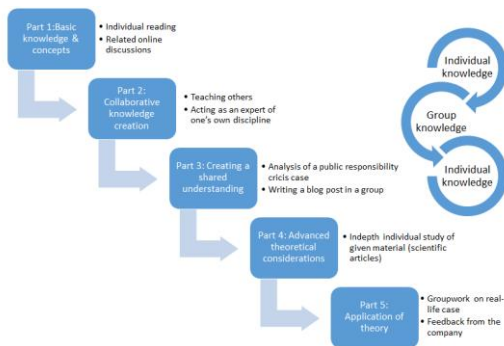

Figure 2. Course overview

The course begins with first offering *basic knowledge and concepts* about different perspectives to responsibility in business, which is studied individually with some required online discussions related to learning materials. After the initial knowledge, we create a space for *collaborative knowledge creation* where students in groups examine the phenomenon of responsibility holistically from diverse perspectives. Students from different business disciplines share their own expertise to create a holistic understanding of responsibility. They focus on the specificities of responsibility in their own business discipline (accounting, finance, economics, international business management and marketing) and teach each other's in multidisciplinary groups. Making a video about responsible business from the perspective of

one's own discipline and sharing this with group members from different business disciplines enabled the students to engage in joint discussions and holistic sense making on the topic. Important in this was the fact that each student participated the collaboration with their own expertise - they all had an integral role to play in the learning of the whole groups.

In the third part of the course students actually needed to create a shared understanding of responsibility in the assignment in which they were to jointly analyse holistically a public responsibility crisis and write an argumentative blog post of the lessons learned thought that case. Blog posts were read and commented by other students in the class online. After this, students were to engage themselves in intensive individual study of the more *advanced theoretical considerations* as they needed to read assigned scientific articles and conduct a home exam on that. The intention was to provide students with theoretical knowledge on alternative approaches and explanations of the responsibility issues that they were able to raise jointly in the previous part. In the final part of the course, in *application of theory*, our aim was to make the students apply their knowledge, gained through collaborative and individual learning processes, into practice. The students were associated with a real life company case and they were to analyse their business from the responsibility perspective and to provide suggestions for development. Students were provided with interview videos of representatives of their group's case company and they also needed to acquire additional material for their analysis. Students also need to send the final analysis reports to the company representatives.

6. EMPIRICAL METHODS

We will next discuss the empirical data based on the theoretical pre-understanding according to which development of shared understanding takes place through three learning elements; 1) shared language and knowledge, 2) collaborative competence building and 3) application and stance taking. In our case course activities, these elements were both embedded in the different assignments but also used as the main structure of the course design.

Shared language and knowledge

The students studied the United Nations' 17 Sustainable Development Goals. Based on that they participated in online discussions based on the following issues: Which three goals are important to you and why? If you were a corporate responsibility manager what would you do to advance SDGs in practice? Tell your own opinion and comment also on others' opinions. Students discussed and formed shared language and knowledge in online discussion platforms:

"If I was a corporate responsibility manager and my task was to advance the sustainable development goals in

practice I would evaluate the goals that I could really improve with my scarce resources. One company or one individual doesn't have that much power to make huge change but when there are plenty of these individuals trying to make a change it starts to make things happen. The thing that is common to everyone is environment so that is something we should focus on improving to make this global world more sustainable. I believe that improving possibilities to educate yourself is the base to these 16 other things in the long-term. All the innovations and other factors to succeed rise from the educated people who want to make change in some areas of life." (Student 1)

Collaborative competence building

The students made a video presentation about responsibility in their discipline using the materials and questions provided in the study package as well as relevant additional material of their own choice. They shared the video presentation with other group members and after that studied the videos made by other students. Afterwards, they wrote an individual learning report where they elaborated two questions: What is the key responsibility aspect in each of the disciplines? What do you think was the most interesting issue in making and watching the videos? Students engaged in collaborative competence building as the following learning report excerpt illustrates:

"The most interesting aspect in watching the other videos was for me to hear how responsibility is really connected to the different disciplines in a company. Usually one just thinks companies should act responsible, but one does seldom think from which parts or departments of companies this responsible behavior should arise. So hearing which roles for example accounting, management or marketing can play themselves was very helpful. It was especially interesting for me to hear about the connection of majors to sustainability that I would usually not have connected too much to responsibility. For example, I have never thought of accounting as an important field for sustainability of companies. But sustainability reporting and the adequate valuing of sustainable practices, which Accounting student mentioned in her video, have convinced me that accounting is indeed playing a vital role in terms of sustainability." (Student 4)

Application and stance taking

In the final phase of the course the students conducted group work in multidisciplinary groups around real life case companies which all had positive social/environmental impact and were working with responsibility issues. Case company data was gathered through online interview videos, internet sources and other public materials. Each student group prepared a final report in written form about the case based on given theoretical frameworks and made development

suggestions towards socially and/or environmentally more responsible corporate conduct, as the following group report excerpts show:

"It should be also noted, that since the strategic use of CSR inevitably makes company de-facto political actor (Scherer & Palazzo, 2007), such actions could alienate the opposing spectrum of customers. We see such contingency not only plausible, but potentially moderately costly. Since Case Company's clients set their own responsibility requirements, using their supply chain power, there exist risk of bureaucratic compliance to these wishes. This might create moral blinds spots if company just systematically follows accepted procedures, thereby enabling disassociation from individual moral confederations (Ten Bos, 1997). Furthermore, such "outsourcing" of morals to governing structures, is what arguable engenders the systematic forms of corporate fraud." (Group 2)

7. DISCUSSION AND CONCLUSIONS

We set out to understand how the creation of shared understanding for a responsible mindset in higher business education be facilitated. Our research findings point at the inherently dynamic and dialogic nature of shared understanding of responsibility. Creating shared understanding of responsibility is not a linear learning process but the continuous iteration of (re-)creating individual and shared understanding. Shared collaborative learning enables individuals to continuously connect and scrutinize their understandings (discipline specific knowledge) with a bigger picture of responsibility (other disciplines' specific knowledge). That way, business leaders can work as responsibility agents who embrace responsibility as a mindset with a collective, and continuously evolving (i.e. never finished) nature.

The facilitation of a dynamic shared understanding creation builds on alternating individual and collective work forms of learning. Through individual and shared reflections students are able to grasp the non-finished and dialogic nature of business responsibility. Practically, this awareness shall lead business graduates to continue the creation of shared understanding in business practice as evolving and alternating process between individuals and groups. Thus, shared understanding is not a stable outcome of the linear process.

While facilitating the learning of responsible business we, as facilitators, should enable a learning process where students can have joint experiences in addition to individual reflection. In that way they open up the perspective to different viewpoints of responsibility. We also noted that in shared understanding of responsible business, it is important that the professional identity of a student is acknowledged as a part of the learning. Strengthening the student's professional identity and

relating it to the responsible business can facilitate the development of responsibility as a mindset rather than a mere knowledge base. Also, we found that in designing teaching, it is useful to utilize modern generic working methods - when students learn to communicate their views related to responsibility in a modern digital environment, they might be more likely to do that in real life as well. For example, in our video assignment, students reported useful learning experiences not only related to content, but also in terms of skills related to making a video and communicating through it. Furthermore, complex assignments without clear progression guidelines and expected outcomes seem to prepare students to manage in an environment involving continuous change and complexities, as is the case in globally responsible business.

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