The Institute for Ethical Leadership at Rutgers Business School

Annual Report 2012

We strengthen ethical leadership to enhance civil society.
Inspire

When we first began, almost ten years ago, we could never have imagined the scope and breadth of initiatives, activities, and programs that are a part of the Institute.

With a seed grant from The Prudential Foundation and the Rutgers Business School’s willingness to accept and support us, we now influence hundreds of students to become future ethical leaders, and we educate and support current nonprofit, for-profit, and government leaders as they work to positively influence their organizations and enhance civil society.

None of this could have happened without our incredible staff and board of advisors. In addition, the resources we receive from our growing cadre of financial supporters, our advocates at the Business School and within the University, and the hundreds of program participants who provide feedback and encouragement are what make our programs possible.

Many thanks to Professor Ann Buchholtz, the Institute’s Research Director, who leads our growing academic program and guides us to work more effectively with our faculty and administration colleagues.

This annual report touches on many of the highlights from the past year and provides a glimpse into our future.

Unfortunately, our work in the field of ethics will never be completed. Each day brings news of ethical breaches across the spectrum — nonprofit and government leaders, business executives, and even religious leaders are not immune to them. In our work, we strive to mitigate these negative impacts on our citizens and our society.

Recently, the Institute was awarded a significant multiyear grant to support operations for the next four years. Our biggest challenge now is to ensure the Institute’s long-term sustainability through endowment-building and a naming grant.

Enjoy the Institute for Ethical Leadership 2012 annual report.

With best wishes,

James Abruzzo
Co-founder

Alex J. Plinio
Co-founder

2013 Goals

Expand business and government programming and education

Continue to serve as a nonprofit leadership development resource

Instill ethics across all business disciplines at Rutgers

Strengthen ethics-related research and teaching at Rutgers

Message From Our Founders

James Abruzzo
Alex J. Plinio
Good leadership requires skill, critical-thinking and decision-making abilities—not to mention strong values and a lot of inspiration. The Institute for Ethical Leadership provides support in all of these areas to business, government, education, and nonprofit leaders. Our programs offer formal learning opportunities, practical training, coaching, and peer-to-peer support. We help guide current and emerging leaders, empowering them to improve the ethical and organizational culture at all levels—and inspiring them to be the best leaders they can be.

Ethical Leadership Conference

The Institute’s Third Annual Ethical Leadership Conference was an outstanding success. This year’s theme was Higher Education Governance and Executive Leadership, which drew more than 150 education leaders and business executives to discuss ways to evaluate an academic institution’s ethical culture and its readiness to respond to difficult situations.

Featured keynote speakers:

- Ralph Izzo, Chairman, President and CEO of PSEG and Chair of Rutgers Board of Governors
- Michelle Lee, President, Northeast Region, Wells Fargo Bank
- Anthony Marx, New York Public Library President and former Amherst College President

Fall Speaker Series

Each fall, the Institute offers a speaker series to inspire good leadership in a range of environments. Last year, we partnered with IOR Global Services to welcome intercultural training and development expert, Doug Stuart. The event, Ethical Leadership and Intercultural Competence in Global Business, examined the ethical challenges faced by people working in diverse environments and global business. Participants discussed how to address these challenges using different levels of intercultural competence and sensitivity.

Impact

Number of People the Institute Served by Sector

Total number of individuals served through 2012 programs 2,876

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2012 Program Highlights

94% of participants rated the conference as “Good” or “Excellent”

95% of participants said they would recommend it to others

100% of participants rated the session as “Good” or “Excellent”

100% of participants said they would recommend it to others
Capacity Building Conference

In October, the 2012 Nonprofit Capacity Building Conference brought together more than 100 people to strengthen skills and engage in new ways of thinking about leadership. Attendees—all grantees of the Victoria Foundation and The Prudential Foundation—examined social and political trends in the nonprofit sector and exchanged tools and techniques for organizational strategy-building and how to achieve long-term fundraising goals.

The following speakers appeared at this year’s event:
- Jenifer Holland, BoardSource
- Margarita Muñiz, Newark’s Deputy Mayor for Community Engagement
- Paul Schmitz, author of Everyone Leads: Building Leadership From the Community Up and national CEO of Public Allies

The Prudential Foundation Nonprofit Executive Leadership Fellows Program

The Institute also offers a more in-depth leadership development program to nonprofit senior executives. Sponsored by The Prudential Foundation, participants meet once a month from September to June for two years. Each session includes formal instruction provided by practitioners as well as peer-to-peer discussions led by a group facilitator. Every participant also receives ongoing one-on-one coaching and access to emotional intelligence training. The inaugural cohort will meet for a convocation ceremony in June 2013 to conclude the program and share progress on goals.

Leaders Common Ground

The Institute offers group-oriented support in the form of the Leaders Common Ground program. The sixth class from this program wrapped up in June 2012, and the current group of nine nonprofit leaders meets on a monthly basis (from September to June) to discuss issues of governance, board and staff relations, strategic planning, and other topics of common concern. The facilitator-led sessions create a supportive environment where participants can confidentially share mutual challenges and practical solutions.

“The Leaders Common Ground experience acknowledged our strong points and made them stronger, unearthed our weaknesses and challenged us to face and overcome them, and shaped us into stronger and wiser CEOs capable of directing our organizations to greater success.”

— Leaders Common Ground participant
Nonprofit Executive and Emerging Leaders Certificate Program

Nonprofit executives and mid-level managers can earn the Nonprofit Executive and Emerging Leadership Certificate by attending our three-day program offered each year. Last year, 34 participants received training and education focused on board relations, creativity in leadership, data collection, emotional intelligence, ethics, financial management, fund development, and the power of storytelling.

This year’s program featured the following speakers, among others:

- Richard Brown, Vice President, American Express Foundation
- Kevin J. Slavin, FACHE—President and CEO, East Orange General Hospital
- Warren Tranquada, Vice President and CFO, New Jersey Performing Arts Center

This year’s alumni will come together again in June 2013 to connect with peers and discuss challenges and progress in relation to goals they made during the program.

Victoria Emerging Leaders Program

To build knowledge and critical-thinking skills among emerging nonprofit leaders, we launched the Victoria Emerging Leaders Program (also known as the Nonprofit Emerging Leaders Fellows Program) in September 2012. Over the course of a year, participants meet once a month to focus on a specific leadership or management topic. Experienced nonprofit leaders and guest speakers offer expertise on common challenges and tested solutions, helping troubleshoot individual participant questions, concerns, and obstacles. Participants engage with peers, share goals, and commit to strengthening their leadership capacity and managerial skills.

“I was challenged to reflect on what it means to be a leader, what it means to be ethical, and how I can apply those strategies daily at BBBS of NYC. At the end of the three days, I felt both rejuvenated and enlightened.”

— Geraldine Thomas, Big Brothers Big Sisters of New York City, Nonprofit Certificate Program participant
Executive Education and Speaking Engagements

In an effort to engage more directly with leaders and provide support for the unique ethical challenges they face, the Institute offers in-depth and customized leadership training for executives, as well as targeted speaking engagements. This past year, presentations focused on a range of topics related to ethical leadership and leadership management best practices.

The Institute’s co-founders, James Abruzzo and Alex J. Plinio, as well as research director, Ann K. Buchholtz, Ph.D., executive director, Judy Young, and program director, Margaret Della, made presentations throughout the year in various locations:

- Ethics and Compliance Officers Association (ECOA) Annual Conference
- Horizon Blue Cross Blue Shield of New Jersey
- Inspectors General Association of New Jersey
- The Institute for Ethical Leadership and Social Responsibility at Rosemont College
- International Association for Business & Society (IABS) annual conference
- Leadership Newark
- N.Y. Chapter of the Investment Management Consultants Association
- Prudential Financial
- Rising Tide Capital
- The Rotary Foundation Professional Group Study Exchange - Colombia
- Rutgers Business School MBA Accounting Orientation
- Rutgers Business School’s Sixth Annual Fraud Seminar
- Wake Forest University, Branch Banking and Trust Company Center for the Study of Capitalism’s Speaker Series

“The entire presentation was informative. It contained a number of relevant points, and the group discussions were highly engaging.”

— Executive Education Program Participant
We build meaningful relationships with other organizations that have similar values and missions to our own. These partnerships make it possible to reach a broader audience of leaders and emerging leaders in business, education, government, and the nonprofit sector within the context of specific disciplines.

**Merck Summer Bioethics Institute**

In partnership with the philosophy department at Rutgers University–Newark, the Institute hosted the 2012 Rutgers–Merck Summer Bioethics Institute, July 8–14. Offered for seven years running, the Bioethics Institute introduces high school students to ethical theories within the context of some of the most important contemporary bioethics issues. This year, 30 students attended the in-residence program focused on ethics and robotics, an interdisciplinary area that combines computer science, engineering, biology, philosophy, linguistics, and the neurosciences. The following speakers participated in the opening and closing ceremonies:

- James Abruzzo, Co-founder, Institute for Ethical Leadership
- Levi Barnes III, Ethics Officer, Merck & Co., Inc.
- Jeff Buechner, Bioethics Institute Director, Philosophy Department, Rutgers University–Newark
- Dr. David Perlman, University of Pennsylvania Bioethics Center and Eclipse Educational Technologies

**Emerging Leaders in the Arts**

In March, the Institute hosted 18 graduate students from the Institute of Arts and Media Administration at Freie Universität in Berlin, Germany. Their annual visit includes a trip to Rutgers Business School and a presentation by James Abruzzo, Institute co-founder. The visit this year included a tour of the New Jersey Performing Arts Center (NJPAC); an intimate interview with James Abruzzo and John Schreiber, president and CEO of NJPAC, on arts leadership; and a tour of historic downtown Newark with Rutgers–Newark history professor, Thomas McCabe.
The Institute works closely with Rutgers Business School and Rutgers University to offer programs that help graduate and undergraduate students learn to link their personal values to their actions. These collaborations teach students to address ethical dilemmas at school and in their personal lives now, so that they will be empowered to make complex decisions as strong leaders in the future.

“\textit{The issue of unethical behavior is extensive in business, and the question that continues to surface is how can business schools train and influence our future leaders to be more ethical? We strive, through both example and instruction, to instill ethics across all business disciplines at Rutgers to prepare our future business and community leaders. The Institute’s programs collectively underscore the significance of personal values and that the only way of doing business well is by doing it ethically.}”

— Glenn Shafer, Dean, Rutgers Business School, Institute Advisory Board Member

Business Forum

The Institute teaches two undergraduate sessions on ethics and leadership as part of the Business Forum course on the New Brunswick campus. The Business Forum sessions focus on ethical leadership, moral courage, emotional intelligence, values, and how to address ethical dilemmas. Students enhance critical-thinking by working with the Institute’s decision-making tool, case studies, and an ethical dilemma survey.

Personal and Leadership Development MBA Course

Last fall, the Institute offered Personal and Leadership Development: Empowering Leaders to Create a Civil Society. The MBA course, taught by co-founder James Abruzzo, serves as a primer on leadership in both for-profit and nonprofit sectors. Students develop the skills needed to serve as successful senior executives by examining real-world case studies, and corporate, nonprofit, and government leaders share their expertise. Topics covered include ethics, leadership development, a survey of the nonprofit sector, the role of the board and executive management, emotional intelligence, life and career planning, and more.

“This course and Professor Abruzzo have demonstrated various factors and tools that will assist me in being an effective and ethical leader. The course led me to think long term about my career path. It also provided great information and resources on how to improve on areas that require additional leadership development.”

—Rutgers Business School MBA student
Student Ethics Groups

In 2012, the Institute and Net Impact partnered with the Pharmaceutical Club at Rutgers to host Maggie Kohn, director of Merck’s Corporate Responsibility Division. Kohn led a discussion on Merck’s Shared Values—or how the organization is applying its expertise, resources, and diverse, global talents to address some of the world’s biggest health, environmental, and economic challenges. Net Impact is an international nonprofit organization with a mission to inspire, educate, and equip students to use the power of business to create a more socially and environmentally sustainable world.

The Institute also partnered with the Student Center for Public Trust (SCPT), a recently launched undergraduate ethics club, to promote ethical thinking in the developing character and conscience of students. In 2012, the SCPT hosted Wanda Kaminski, director of ethics and compliance at KPMG LLP.

Research

The Institute has a mission to strengthen the role of business ethics at Rutgers Business School. Our funding provides resources to support business ethics research, scholarship, and teaching. Ann K. Buchholtz, research director at the Institute, supports Rutgers Business School faculty and doctoral students undertaking research with an ethics component. She also serves on university committees that address ethical issues and engages with the academic community to help expand ethics scholarship and research throughout the university. Institute funding also has provided travel and research assistance for business ethics faculty and doctoral students, including the following projects in 2012:

- Dean’s Summer Fellowship to support doctoral student Akiko Shigemoto in her study of corporate responsibility in China
- Travel expenses for doctoral student Lutisha Vickerie to attend a human rights conference at The Hague

The Institute also provides Kinder Lydenberg and Domini (KLD) data to all Rutgers faculty and doctoral students through Wharton Research Data Services (WRDS). The KLD database is the most widely used measure of corporate social responsibility in academic research. It provides scholars with the data needed to address research questions related to corporate responsibility. Providing data in the WRDS format enables any Rutgers Business School faculty member or doctoral student to access it for research.

“Rutgers Business School has a long, rich history of promoting ethical behavior and enabling business to be a positive influence in society. We aim to continue to celebrate and strengthen ethics-oriented research and teaching at Rutgers.”

— Ann K. Buchholtz, Ph.D., Research Director, Institute for Ethical Leadership and Professor of Leadership and Ethics
Steven J. Diner Ethical Leadership Award

In December, the Institute honored Mary Sue Sweeney Price, museum director and chief executive officer at the Newark Museum, with the annual Steven J. Diner Ethical Leadership Award. This award is given to an individual who demonstrates a long-term commitment to strengthening civil society through ethical leadership. Steven J. Diner, former Rutgers–Newark Chancellor, served with dedication and distinction in his nearly 10 years as the head of the Newark Campus.

This year we honored Mrs. Price’s long-term commitment to strengthening civil society in the City of Newark. She has devoted her professional and personal life to educating and developing understanding among the various people that make up New Jersey’s cultural tapestry. Her values and ethical leadership are evident in all that she has accomplished as an arts and community leader. In addition, as part of the award, Mrs. Price chose Saint Vincent Academy to receive a monetary award for its exceptional work in empowering young women to become future leaders.

Major Donors and Business Members

The Institute would like to extend a heartfelt thanks to our major donors and business members. Without their help, our programs would not have the reach and success that they do today.

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U.S. Trust
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Annual business membership in the Institute is available at $1,000, $2,500, $5,000, $10,000, $15,000, $25,000, and $50,000 levels, with benefits including recognition in Institute literature, free invitations to Institute programs, sponsorships, a customized ethical leadership training session, and more.
“My decision to join the Institute for Ethical Leadership was one of my top three strategic decisions in 2012. I am an organization/leadership development consultant, and ethics is always part of the discussion. The Institute’s variety of programs has been useful in supporting other parts of my business, too.”

—Roy Lee, Institute Member

Individual Membership

Membership with the Institute is open to individuals who share a commitment to making ethical behavior and personal integrity an important part of their lives. Member contributions support our mission and the programs and services we offer to help inspire and educate leaders and emerging leaders. Annual participation levels are $25, $50, $100, $250, $500, and $1,000 with benefits including discounts on Institute programs, invitations to VIP events, and more. More information on membership can be found at business.rutgers.edu/iel/support/membership.

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About Rutgers Business School

Rutgers Business School—Newark and New Brunswick is an integral part of one of the nation’s oldest, largest, and most distinguished institutions of higher learning: Rutgers, The State University of New Jersey, founded in 1766. Rutgers Business School has been accredited since 1941 by the Association to Advance Collegiate Schools of Business (AACSB) International, a distinction that represents the hallmark of excellence in management education.

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business.rutgers.edu

Rutgers Business School is ranked 34th overall and 12th for faculty research in the Aspen Institute’s Global 100 of Beyond Grey Pinstripes. This ranking spotlights innovative full-time MBA programs that most successfully integrate social, ethical, economic, and environmental realities into mainstream business education and research.

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