



CEU Integrity  
Education final  
external  
evaluation -  
SIEMENS  
Integrity  
Initiative

Preliminary draft final report

March 11 2016

# Glossary

<b>Business Advisory Council (BAC)</b>	Business Advisory Councils are voluntary advisory committees comprised of business leaders and academics in relevant disciplines in the five target countries (Armenia, Georgia, Kazakhstan, Kyrgyzstan, Russia) to advise Integrity Action on business engagement in integrity education, business integrity initiatives, creating a fair business environment, and developing content for university curricula and Executive Education. <sup>1</sup>
<b>Center for Integrity in Business and Government (CIBG)</b>	The Center for Integrity in Business and Government was established in 2011 to serve as a regional center of excellence in integrity education. CIBG received the top level of funding from Siemens AG in the first round of its integrity education initiative
<b>Integrity Curriculum Framework (ICF)</b>	Integrity Curriculum Framework (ICF) is an educational curriculum in business integrity that focuses on the regional needs and specificities of Eastern Europe and the former Soviet Union. The framework was developed as part of the project integrity education project.
<b>Integrity Partner</b>	Central European University (CEU) a non-profit educational institute
<b>Project Partner</b>	Integrity Action (formerly known as Tiri) is an international non-profit organization working globally to promote integrity with governments, businesses, NGOs and education systems
<b>SMART indicator</b>	The acronym <i>SMART</i> refers to performance indicators that are <u>S</u> pecific (to measure the information required as closely as possible); <u>M</u> easurable (to ensure that the information can be readily obtained); <u>A</u> ttributable (to ensure that each measure is linked to the project’s efforts); <u>R</u> ealistic (to ensure that the data can be obtained in a timely fashion with reasonable frequency, and at reasonable cost) and <u>I</u> targeted (to the objective population). <sup>2</sup>

<sup>1</sup> Integrity Action: Business Advisory Council (BAC) – Integrity Education Concept Note.

<sup>2</sup> The World Bank (2009): Impact Evaluation in Practice.

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# Executive Summary

*The Executive Summary will be drafted subsequent to the approval of the preliminary draft final report.*

# 1 Introduction

## 1.1 Background and scope of the evaluation

The subject of the present report is the external evaluation of the “*Integrity Education: Leveling the playing field in emerging and transitional markets of Central and Eastern Europe and the Former Soviet Union project*”, implemented by the Central European University. The evaluation is performed based on the evaluation criteria set out in the “*CEU and Integrity Action Final External Evaluation Criteria – Siemens Integrity Initiative 2011-2016*” document. The primary objective of the evaluation is to assess the impacts and the success of the implemented project along the pre-defined SMART indicators.

The Proposal for the external evaluation of the CEU Integrity Education - SIEMENS Integrity Initiative was submitted on 4 December 2015. The approval of the proposal and the project kick-off took place on 10 December 2015.

## 1.2 The evaluation team

The evaluation team of KPMG Hungary consists of advisory professionals with international evaluation background and relevant policy knowledge. An external subject matter expert was involved in the evaluation as well with specific experience in higher education, and integrity education in particular. The member of the evaluation team are as follows.

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### **Gábor Cserhádi**

*Director responsible for quality assurance*

Gábor acts as the quality assurance leader of this evaluation, ensuring that all deliverables are of high quality.

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### **András Kaszap**

*Project manager and key evaluation expert*

András is the key evaluation expert and the project manager in this evaluation. He is responsible for assembling an effective and diverse evaluation team, overseeing the applied methodological approach and taking part in key client meetings.

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### **Dr Katalin Pallai PhD**

*Higher education and public sector integrity expert*

Katalin serves as an external subject-matter expert and is responsible for the expert assessment of the teaching materials developed in the framework of the project, i.e. the Integrity Curriculum Framework.

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**Balázs Dobos**

*Evaluation expert*

Balázs is responsible for the organisation of the data collection and operational management of the evaluation team's work. He participates in key client meetings, the closing workshop of the project and takes part in all phases of the evaluation.

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**Éva Krisztina Maklári**

*Evaluator*

Éva is responsible for data collection and the synthesis of the information obtained through stakeholder interviews and desk research. She also takes part in analysing and reporting tasks.

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**Dóra Vajai**

*Evaluator*

Dóra is responsible for data collection and the synthesis of the information obtained through stakeholder interviews and desk research. She also takes part in analysing and reporting tasks.

## 2 Methodology and data collection

This section outlines the methodological approach of the evaluation and the main tools of data collection.

### 2.1 Methodological approach

Following the requirements of the Tender Specifications, the evaluators applied a mixed approach, i.e. both quantitative and qualitative data collection and analytical tools were used throughout the evaluation. Ensuring the involvement of the widest possible range of stakeholders and interviewees in the evaluation was another principle. Quantitative data from surveys and CEU databases, anecdotal evidence and perceptions of various stakeholders (including project donors, CEU management, academic staff, students, business executives and representatives of NGOs) were all important evidence to judge the effects of the activities performed and the fulfilment of project objectives.

The evaluation activities consists of four phases, namely the

- **Structuring phase:** This phase of the evaluation covered the kick-off meeting with the representatives of the Integrity Partner and the Project Partner. The finalization of the data collection plan and timetable was also part of this phase. The evaluators participated in the closing workshop of the integrity education project between December 10-12 2015, gaining valuable insights into the highlights of the project and establishing contacts with multiple stakeholders.
- **Observing phase:** The observing phase covers the main steps of the data collection process, i.e. the literature review, semi-structured interviews with the relevant stakeholders, direct data requests regarding the indicators and the review of the project and the education program documentation, according to the final data collection plan.
- **Analyzing phase:** This step of the evaluation built on the collected data and anecdotal evidence. The synthesis and triangulation of the collected quantitative and qualitative evidence enables the evaluators to assess and formulate findings regarding the fulfilment of the project objectives.
- **Judging phase:** In this final phase of the evaluation judgment was formulated based on the analysis performed in an internal KPMG workshop, resulting in a draft final report. After a quality assurance review, the draft report was shared with project leadership for review and feedback. Based on their inputs, the final report was compiled and shared with the relevant implementing stakeholders.

### 2.2 Data collection tools

For assessing the project indicators and the fulfilment of the objectives, a data collection plan was drafted in the structuring phase of the evaluation. Following the approval of this data collection plan by CIBG, the following data collection tools were applied for collecting reliable quantitative and qualitative evidence for our analysis.

#### Desk research and document analysis

As a first step of the data collection, the available documentation was reviewed, already in the structuring phase, to have a clear picture about the subject, the content and the main objectives of the integrity

education project and to identify the main groups of stakeholders to be contacted during the evaluation (e.g. the Integrity Partner and the Project Partner Organization staff, and project donor).

Further documentation was requested from both the Integrity Partner and the Project Partner Organization for the calculation of the project indicators. The table below summarizes the main documents that were reviewed in this first step of the data collection.

**Table 1: List of documents reviewed**

<b>Name of the document</b>	<b>Provided by</b>	<b>Review status</b>
Closing workshop presentations and documentation	Central European University	Review complete
Siemens Annual Progress Reports 2010-2011, 2011-2012, 2012-2013, 2013-2014, 2015	Central European University	Review complete
Global Integrity Survey Report	Central European University	Review complete
Feedback report of Bucharest training	Central European University	Review complete
Business Integrity, Transparency and Compliance report on workshop and pilot executive training	Central European University	Review complete
"Managing Integrity: What Executives Need to Know" Tbilisi training	Central European University	Review complete
Report on CIBG workshop "Business Leaders on Integrity in Practice"	Central European University	Review complete
Report on the Business Integrity, Transparency and Compliance - Almaty Workshop	Central European University	Review complete
Student and executive evaluations	Central European University	Review complete
Budapest Summer course summary	Integrity Action	Review complete
Evaluation Report, Budapest Course, Summer School (2010-2011, 2013, 2014, 2015)	Integrity Action	Review complete
Calendar of events	Integrity Action	Review complete
List of workshops conducted by IA	Integrity Action	Review complete
List of Public Administration/Civil Servants Training Institutions that Received Training from Integrity Action	Integrity Action	Review complete
Business Advisory Council Concept Note for Armenia, Georgia, Kazakhstan, Kyrgyzstan, Russia	Integrity Action	Review complete
Business Advisory Council revised concept note Integrity Action	Integrity Action	Review complete
Survey Report LMI- Accountability, Business, Electoral 2014, 2015	Integrity Action	Review complete
Siemens Integrity Initiative Annual Reports (2011-2015)	Siemens Integrity Initiative webpage	Review complete
Report on Saratov Student Conference	Integrity Action	Review complete
List of Materials translated	Integrity Action	Review complete
Calendar of events	Integrity Action	Review complete

Number of cumulative new students	Integrity Action	Review complete
Dissemination of the ICG	Integrity Action	Review complete
Curriculum assessed by country	Integrity Action	Review complete
Lessons learned and incorporated	Integrity Action	Review complete
Brief report on results of questions related to student attitudes about integrity and experience with integrity challenges in real life	Integrity Action	Review complete
2015 Academic Survey Europe and Central Asia	Integrity Action	Review complete
Final Progress Report	Central European University	Review in progress

### Semi-structured stakeholder interviews

Semi-structured interviews were used to explore the main expectations of the relevant stakeholders towards the project and their perceptions on the fulfilment of the objectives. A two-step approach was applied for conducting interviews. First, in the beginning of the data collection process, the questionnaires used were more open and interviews were conducted in an explorative manner. Afterwards, the interviews and the lists of questions became more focused on specific issues, objectives and indicators, in line with the knowledge of the contacted interviewees. This enabled the evaluators to have an overall picture on the project first, then gaining more nuanced insights regarding the individual project objectives and indicators. Involving a wide-range of stakeholders was an explicit requirement of the Tender Specifications and also of our methodological approach. The interviews covered CEU's and Integrity Action's management, academics, business executives, current and former students of the MBA and EMBA program and other involved stakeholders. The following table summarizes the interviews conducted as of 11 March 2016 (in the order of the date of the interviews conducted).

**Table 2: List of interviews conducted**

Interviewee	Institution	Date of interview
Ellen Goldberg	Integrity Action	10.12.2015
		30.12.2015
		05.01.2016
		19.01.2016
Harutyun Aleksanyan	Integrity Action	11.12.2015
Birgit Forstnig-Errath	SIEMENS AG	14.12.2015
Orsolya Pájer	SIEMENS Zrt.	11.01.2016
Lotta Westerberg	Integrity Action	19.01.2016
Alan Barlow	Integrity Action	21.01.2016
Liviu Matei	Central European University	22.01.2016
Péter Hardi	Central European University	26.01.2016
Mel Horwitch	Central European University	27.01.2016
Armen Khachikan	Yerevan State University	09.02.2016.
Rumen Stefanov	Bulgarian New University	02.03.2016.
Stepan Orlov	Stolipin Institute of Public Administration	23.02.2016.

Kamil Ramazanov	Stolipin Institute of Public Administration	23.02.2016.
Khatuna Chapichadze	Georgian Technical University	16.02.2016.
Trisha Tanner	Central European University	25.02.2016.
Tara Stone	Central European University	04.03.2016.
Davide Torsello	Central European University	25.02.2016.
Noémi Alexa	Central European University	26.02.2016.
Dénes Doszpod	Hungarian Business Leaders Forum	02.03.2016.
András Hanák	American Chamber of Commerce Hungary	08.03.2016.
Mai Nomura	Central European University	29.02.2016.
Ágnes Schram	Central European University	29.02.2016.
András Kárpáthy	Central European University	29.02.2016.
Marat Atovmyan	Lawyer, Business Advisory Council member in Armenia	03.03.2016.
John Shattuck	Central European University	<i>scheduled for 16.03.2016.</i>
Balázs Máthé	Magyar Telekom	<i>scheduled for 25.3.2016.</i>

#### Identification of good practice examples in integrity education in the focus countries

As part of the document review and interviews with country coordinators, academics and students from the focus countries, good practice examples were identified regarding integrity education and collective actions. The aim of this task is to identify the potential effects of the integrity education project on the work of academics and students who participated in any of the Curriculum Development Workshops, summer courses or any other events organized within the framework of this project. These good practice examples highlight the spill-over effects of the project as well.

# 3 Overview and objectives of the integrity education project

This section provides background information on the SIEMENS Integrity Initiative and its role in the education project. Afterwards, the main facts about the education project, its the objectives and the main project activities are outlined.

## 3.1 The Siemens Integrity Initiative

On July 2, 2009 the World Bank Group announced a comprehensive settlement with Siemens AG.<sup>3</sup> In light of the settlement, Siemens AG has launched a global Siemens Integrity Initiative with a total budget of USD 100 million in December 2009 with the main objective of supporting organisations and projects fighting fraud and corruption and creating fair market conditions for all participants through projects submitted under two sub-themes of “Collective Action” and “Education and Training”.

The sub-theme “Collective Action” to which two thirds of the available funds is allocated calls for proposal which raise compliance standards while those under “Education & Training” rather focus on capacity building, integrity and knowledge sharing between institutions and stakeholders.<sup>4</sup>

As indicated in the Selection Criteria applied, The Siemens Integrity Initiative aimed and will aim to attract applicants from various backgrounds<sup>5</sup> submitting project proposal that directly affect business environment, have objective and measurable results and have the potential to be replicated.<sup>6</sup> The criteria was complemented with the importance of having a more global outreach, meaning that the selected projects are not limited to one country exclusively but have the potential for a wider impact through a network of partners.<sup>7</sup>

The funds provided by Siemens will be allocated in several funding rounds over 15 years. The maximum funding per project proposal is USD 5 million. Over 30 projects from more than 20 countries were selected for funding in the first funding round and received an overall funding of up to USD 37.7 million<sup>8</sup> The first group of projects under the second funding round to receive USD 30 million was announced in

<sup>3</sup> World Bank Group comprehensive settlement with Siemens. Available at: <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:22234573~pagePK:34370~piPK:34424~theSitePK:4607,00.html>

<sup>4</sup> Siemens Integrity Initiative website: <http://www.siemens.com/about/sustainability/en/core-topics/collective-action/integrity-initiative/key-information-on-siemens-integrity-initiative.htm>

<sup>5</sup> Recognized non-profit organizations, including, but not limited to: non-governmental organizations (NGOs), international organizations, in particular inter-governmental organizations, business associations, and academic institutions. For more information see: <http://www.siemens.com/about/sustainability/en/core-topics/collective-action/integrity-initiative/eligibility-and-selection-criteria.htm>

<sup>6</sup> Siemens Integrity Initiative Selection Criteria. Available at: <http://www.siemens.com/about/sustainability/en/core-topics/collective-action/integrity-initiative/eligibility-and-selection-criteria.htm>

<sup>7</sup> Mentioned during the interview with Birgit Forstnig-Errath, Director for Collective Action Corporate Legal and Compliance, LC CO C, Siemens AG Österreich.

<sup>8</sup> Siemens Integrity Initiative website. <http://www.siemens.com/about/sustainability/en/core-topics/collective-action/integrity-initiative/status-funded-projects/>

December 2014 while the remaining share of the available funding is yet to be allocated in the upcoming years.<sup>9</sup>

### 3.2 The education project of Central European University supported by the Siemens Integrity Initiative

Within the first round of the selection process of the above described Siemens Integrity Initiative program, Central European University in cooperation with Integrity Action<sup>10</sup> has been awarded USD 3.09 million<sup>11</sup> to implement the project titled “*Leveling the playing field in emerging and transitional markets of Central and Eastern Europe and the former Soviet Union*”. As described in the Funding Agreement between Siemens AG and Central European University, CEU was selected as the Integrity Partner, while Integrity Action was named as a Project Partner Organization<sup>12</sup>.

The Central European University, Budapest, is a graduate institute where faculty and students come from more than 100 countries to engage in an interdisciplinary education. The university offers education programs in the fields of business, social sciences, humanities, law and public policy. The CEU Business School was the first educational institution in the region to train managers by offering a western graduate business program leading to an American MBA.

Integrity Action is an organization and an active network of committed NGOs, universities and policy makers, working closely with governments, media organizations, businesses and peers to identify ways of making integrity work in some of the world’s challenging settings. The organization was founded in London in 2003 in response to challenges facing the anti-corruption movement with the belief that integrity offers one of the largest opportunities for improvements in equitable and sustainable development.

The aim of the project was to shape and influence the behaviors of approximately 16,000 undergraduate and graduate students and 3,500 executives in Central and Eastern Europe and the former Soviet Union in the time-span of 5 years.

The project had three main objectives, as follows<sup>13</sup>:

- **Objective 1:** To increase quality, impact and sustainability of integrity education by establishing an institutional product (a regional center of excellence in integrity education) and an intellectual product (an integrity education curriculum framework);
- **Objective 2:** To institutionalize integrity education in graduate and executive education programs at the CEU Business School and CEU School of Public Policy, aiming to engage at least 800-1,040

<sup>9</sup> Joint press release by Siemens, World Bank and the European Investment Bank in December 2014, Munich.

<sup>10</sup> Formerly known as Tiri – Making Integrity Work.

<sup>11</sup> Siemens Integrity Initiative Annual Report (2011). Available at: [http://www.siemens.com/about/sustainability/pool/en/core\\_topics/collectiveaction/siemens\\_annual\\_report\\_world\\_bank\\_2011\\_en.pdf](http://www.siemens.com/about/sustainability/pool/en/core_topics/collectiveaction/siemens_annual_report_world_bank_2011_en.pdf)

<sup>12</sup> Siemens Integrity Initiative Funding Agreement between Siemens AG and Central European University Annex 6: Project Partner Organization Confirmation

<sup>13</sup> Siemens Integrity Initiative Funding Agreement between Siemens AG and Central European University regarding funding for: Integrity Education: Levelling the Playing Field in Emerging and Transitional Markets of Central and Eastern Europe and the former Soviet Union. November 1, 2010.

graduate students and 1,140-1,560 junior, mid-level and senior business executives and public sector practitioners over the next 5 years;

- **Objective 3:** To improve the reach, quality and institutionalization of integrity education in undergraduate, graduate and executive education programs throughout target countries in the region of Central and Eastern Europe and the former Soviet Union, aiming to engage at least 320<sup>14</sup> universities and building capacity of 5 professional training institutions over the next 5 years

In terms of geographical scope the project focused on Central and Eastern Europe and the former Soviet Union, especially Armenia, Bulgaria, Georgia, Hungary, Kazakhstan, the Kyrgyzstan, Ukraine and Russia.

The demand for such project arose from the corrupt practices which impeded economic development in the region distorting market equilibrium required for the free and fair operation of a competitive market. This limited the efficiency of public services, weakened democracy and the rule of law. In a weak governance environment such as in Central and Eastern Europe and the former Soviet Union practitioners often perceived corruption as a method for gaining competitive edge.<sup>15</sup>

The project was based on the idea that integrity is a professional and organizational attitude that can be learned and cultivated. Thus, it targeted students and executives in their professionally formative years using education to shape ethical standards, practices and mindsets on a broad scale. In addition the project aimed to influence the business and public policy context that stimulates corruption.

### Overview of project activities and expected outcomes

CEU Business School provided the institutional framework for cross-disciplinary teaching and research on issues of integrity and anti-corruption and created the integrity curriculum in graduate and executive education programs at CEU. The main activities of the project are listed below:

- As a first step, the **Center for Integrity in Business and Government** was created (CIBG). The center currently serves as a regional resource of excellence in integrity education, and together with the project partner, Integrity Action, helps to build the capacity of targeted institutions of higher learning across the region through facilitating local curriculum development. The CIBG responsibility was to oversee the Integrity Education project and to strengthen and increase the university's role in the field of integrity education in the region.
- This included the establishment of the **Integrity Curriculum Framework** (ICF). The main aim of ICF was to develop an educational curriculum in business integrity that focuses on the regional needs and specificities of Eastern Europe and the former Soviet Union. This framework follows a modular structure to ensure flexibility and cover different topics that make up the complex fields of integrity and corruption. The purpose of ICF was to serve as a model for the development and implementation of integrity curricula at the Integrity Partner and throughout the region with the aim to be adapted to other regions. ICF was also integrated into the CEU Summer University Curriculum.
- In addition, the project partner, Integrity Action was responsible for **training integrity educators** to develop contextually relevant curricula and supporting materials for undergraduate, graduate and executive education courses in business and public administration developing and utilizing different teaching material including case studies.

<sup>14</sup> Initially planned target number: 400, modifications approved by Siemens

<sup>15</sup> Siemens Integrity Initiative Funding Agreement between Siemens AG and Central European University: Annex 1: Project Work Plan

In broad terms, the division of tasks was the following:<sup>16</sup> The CIBG was responsible for developing the Integrity Curriculum Framework and cover the post-graduate education and reaching out to the private sector, while the Project Partner Organization was responsible for covering integrity education in the respective regions and covering the training and education of stakeholders from the academia and public sector through workshops and trainings based on their own teaching materials and the curriculum developed by CIBG.

<sup>16</sup> Interview with Mr Peter Hardi on January 26, 2016.

## 4 Assessment of the fulfilment of Objective 1

In this section the indicators of Objective 1 are assessed followed by the overview and analysis of the relevant activities. This serves as the basis for the assessment of the fulfilment of the objective.

**Objective 1:** To increase quality, impact and sustainability of integrity education by establishing an institutional product (a regional center of excellence in integrity education) and an intellectual product (an integrity education curriculum framework)

### 4.1 Indicator 1.1: Quality of integrity education delivered as a result of the Integrity Curriculum Framework

Table 3: Overview of the indicator 1.1.

Sub-indicators	Achievement of the target (Fully achieved, partially achieved, not yet achieved)	Source of evidence
1.1.1 CIBG successfully established	<b>Fully achieved</b>	Interviews with Peter Hardi, Mel Horwitch, Davide Torsello, Noémi Alexa, Liviu Matei Review of the CIBG website Siemens Integrity Initiative Annual Report (2011)
1.1.2 Successful establishment of the Integrity Curriculum Framework	<b>Fully achieved</b>	Interview with Peter Hardi, Davide Torsello Review of the curriculum by an external expert Review of available documentation
1.1.3 Student and executive evaluations of the quality and relevance of their integrity education (guided by the ICF) at CEU and at universities across the region	<b>Fully achieved</b>	Student evaluation forms provided by CEU Group discussion with former and current MBA and EMBA students of CEU Interview with Stepan Orlov, Khatuna Chapichadze
1.1.4 Faculty reports of student activities at CEU, including an evaluation of student preparedness	<b>Fully achieved</b>	This sub-indicator was covered by the stakeholder interviews, as no specific faculty reports are available
1.1.5 Peer review of curricula through Curriculum Development Workshops	<b>Fully achieved</b>	Expert assessment by Katalin Pallai Review of the two Educators workshop documentation and the Methodological workshops Minutes from curriculum development workshops
1.1.6 Feedback from corporate and regulatory entities through the	<b>Fully achieved</b>	Feedback from corporate and regulatory entities through the project steering

Sub-indicators	Achievement of the target (Fully achieved, partially achieved, not yet achieved)	Source of evidence
project steering committee, country-level business advisory councils, guest speakers in CEU classrooms		committee, country-level business advisory councils Notes from Business Advisory Council meetings Business Advisory Council concept note for Armenia Business Advisory Council revised concept note Integrity Action Global Integrity Survey Report Interview with András Hanák, Dénes Doszpod, Marat Atovmyan

#### 4.1.1 Overview and assessment of activities

##### The establishment and operation of the Center for Integrity in Business and Government

The establishment and successful operation of the CIBG was the first key activity undertaken by the Integrity Partner to fulfill the project objectives and increase quality, impact and sustainability of integrity education.<sup>17</sup> In the first year of the project USD 184,276 was allocated to this task and the actual costs reached USD 157,608.<sup>18</sup> These included costs of local and regional personnel, travel and other additional costs. The physical infrastructure of the center was provided by the Central European University<sup>19</sup> and is nested in the CEU Business School. The center started its operation in December 2010, firstly functioning with a Director and a Coordinator, while the number of staff gradually increased over the years.

Prior the launch of the CIBG, there was an already existing research center at the CEU Business School, the Center for Business and Society offering the first Corporate Social Responsibility course in the region. This center also had good international networks and partners in the region which provided a solid background for the successful launch of the CIBG and enabled the stakeholders to establish partnerships with international business networks, leading universities, business schools and major international NGOs. The Siemens grant also enabled the Integrity Partner to expand scope of cooperation with other units of CEU.<sup>20</sup>

The center started its operation in 2011 and serves as a regional center of excellence in integrity education, bringing new research and teaching tools to this field. CIBG's operation includes a great variety of activities, including:

- development of an innovative curriculum for MBA and executive students;

<sup>17</sup> Siemens Integrity Initiative Annual Report 2011. Available at: [http://www.siemens.com/about/sustainability/pool/compliance/integrity\\_initiative/siemens\\_annual\\_report\\_world\\_bank\\_2011\\_en.pdf](http://www.siemens.com/about/sustainability/pool/compliance/integrity_initiative/siemens_annual_report_world_bank_2011_en.pdf)

<sup>18</sup> Annual Progress Report 2010/2011 – Status September 2, 2011

<sup>19</sup> Interview with Mr Peter Hardi on January 27, 2016.

<sup>20</sup> Interview with Mr Liviu Matei January 22, 2016.

- development of teaching materials and supporting tools relevant to specific areas of business integrity;
- the organization of regional trainings and international workshops;
- the preparation of case studies;
- research in integrity related fields.

In addition, the foundations of the Integrity Information Center were laid down in the first year of the project<sup>21</sup> and it was gradually extended over the years reaching a total of 384 available academic publications (books, journal etc.) related to the topics of integrity and corruption by 2016 within the CEU library.<sup>22</sup>

The evaluation points to the direction that the Center remains sustainable after the completion of the project and plans to broaden its scope by introducing a new Ph.D in Business Administration in which one out of the three tracks will focus on integrity.<sup>23</sup>

### The establishment of the Integrity Curriculum Framework

In the project work plan a significant emphasis was put on developing the Integrity Curriculum Framework that had a major importance in achieving the objectives and served as a guideline for a series of learning outcomes and a guideline for local curriculum development across the region. This process required a thorough preparation and assessment on both demand and supply side and resulted in a detailed planning and preparation process undertaken by the CIBG with the support of the Project partner organization. The main expectation of the key stakeholders was not to develop courses but a framework to have common elements and certain topics that can be applied diversely.

The biggest challenge the project faced was to develop a curriculum and test it in real life situation with students and executives with diverse backgrounds. To fulfil this indicator, first, the Integrity Partner looked at already existing practices in integrity education mapping out the possibilities for creating the curriculum. The aim was to develop a framework that is truly multidisciplinary, combining different academic fields e.g. management science, law, anthropology and philosophy. This process proved that at that time there was no similar integrity education framework in place at the region or elsewhere which shows the importance and the unique nature of the project.

This initial mapping of already existing processes was followed by a thorough analysis on the demand side of integrity education. For this purpose two focus groups discussion were organized involving 21 participants, mostly business leaders and executives representing various sectors and companies such as Magyar Telekom, IBM Hungary, Tata Consultancy Services, Siemens Hungary, MÁV Start Zrt. and Hewlett-Packard. The aim was to shed light on what corporate executives and compliance officers think should be part of an integrity education curriculum, what knowledge, skills and values they expect from MBA graduates to create and maintain an integrity culture on a workplace.

<sup>21</sup> Annual Progress Report 2010/2011 – Status September 2, 2011

<sup>22</sup> Data provided by the Library of the Central European University on January 26, 2016.

<sup>23</sup> Interview with Mr Mel Horwitch January 27, 2016.

The three tracks are the following: Technology, innovation and entrepreneurship; Business, Government, Society; Management and Strategy

To have a more thorough and detailed picture in the above mentioned questions a global integrity survey was launched in 2012.<sup>24</sup> This survey was aimed at company leaders and distributed to more than 3,000 companies around the world. The survey combined close-ended and open-ended questions focusing on the relevant issues in practice that were previously identified during the focus group discussions. A total number of received responses was 492 out of which 299 were considered valid. Respondent companies were mainly from Western Europe (29%), Eastern Europe (24%), Northern America (21%) and India (18%), from the ICT or financial sector but from other sectors as well.

The identified knowledge and skills related to integrity education included recognizing situations leading to loss of integrity in the company, promoting zero tolerance culture for corruption and distinguishing between corrupt and non-corrupt business practices. The breadth of topics also demonstrates that integrity related issues appear almost all spheres of work and of practicing managers. Thus, the results supported the idea that the Integrity Curriculum Framework should be multidisciplinary covering a wide range of academic fields. In addition, the results backed up the development of a framework consisting of core and elective courses linked to each other but focusing on specific subjects.

In order to finalize the Integrity Curriculum Framework, the project partners also looked at the supply side and organized two educators workshop<sup>25</sup> with 26 participants from different academic fields and universities i.e. Tilburg University, University of Nottingham, Wirtschaftsuniveristät Wien, University of British Columbia and Yale University.<sup>26</sup>

As a result of the above outlined approach, the ICF<sup>27</sup> was established and finalized in March 2014. The ICF is structured in 3 core courses and 5 electives. A detailed assessment on the Curriculum is presented later in this Section. The development of the curriculum was mostly undertaken by the Integrity Partner but the Project Partner Organization supported this process by developing additional teaching materials and disseminating the curriculum.

The usefulness of the Integrity Curriculum Framework was proven by several success stories over the previous years. The students participating at the the Integrity in Business course were invited to an international Business Ethics Case Study Competition<sup>28</sup>, and participated successfully for four years in a row. Twice, the CEU team won the first prize, while once the team was selected division champion, showing serious commitment and dedication to the project and providing positive feedback on the impact of integrity education on their future employment perspectives.<sup>29</sup>

<sup>24</sup> Center for Integrity in Business and Government (2013): Global Integrity Survey

<sup>25</sup> One in Budapest to cover region specific issues and one in the United States to discover already existing practices

<sup>26</sup> Siemens Integrity Initiative Annual Report 2012. Available at:  
[http://www.siemens.com/about/sustainability/pool/en/core\\_topics/collective-action/siemens\\_annual\\_report\\_world\\_bank\\_2012\\_en.pdf](http://www.siemens.com/about/sustainability/pool/en/core_topics/collective-action/siemens_annual_report_world_bank_2012_en.pdf)

<sup>27</sup> Integrity Curriculum Framework (2014) Available at: <http://business.ceu.edu/projectSetup/files/icf/icf-summary.pdf>

Themes discussed included: corruption – definition, causes and consequences, corruption –symptom of bad society management, corruption risk assessment, methodological guidelines, institutionalization of the combat against corruption, ethics codes against corruptive behavior conflict of interests and corruption

<sup>28</sup> Making the case: MBAs win international ethics competition Available at: <http://archivebusiness.ceu.hu/news/2013-06-04/making-the-case-mbas-win-international-ethics-competition>

<sup>29</sup> Interview with Mr Peter Hardi on January 26, 2016

## Student and executive evaluations of the quality and relevance of their integrity education at CEU and at universities across the region

In order to assess how students and executives perceive the quality and relevance of integrity education a group discussion was organized with former and current students of the MBA and EMBA programs. During this group discussion the participants elaborated on their motivation to study integrity, their main expectations towards the topic and what skills and knowledge they gained during the course.

One of the main identified motivation factors for students to participate in the course was to get a global perspective on business ethics, different practices and cultural differences, reflect on organizational structures and tools for management in addition they were driven by curiosity to explore the “behind the scenes” aspects of business integrity cases through the case study approach. The balance between theory and practice was perceived as highly useful as the theoretical background enabled students to structure their practical experiences and use them more efficiently in real-life situations. Thus, the great variety of academic fields involved was welcomed by all participants which backed by the practical insights through the case studies was assessed as highly useful.

However, when assessing the general perceptions of students, participants agreed that students did not always see the relevance of this topic at first, as they were unsure what to expect from the course. Nevertheless, a positive change occurred in recent years, and the recognition of the topic is constantly growing. Based on the evidence collected, the differences in interest among students can be explained by region specific differences. For students coming from the US it is already among the top priorities while for student from the former Soviet countries it is slowly gaining importance.

Group discussion participants agreed that the integrity education provided by CIBG is useful and relevant in all business areas and academic fields. Nevertheless, point out that this usefulness was not understood equally among students. The perceived benefits were more profound in the case of EMBA students as they already had real life experience and often faced integrity dilemmas throughout their professional career while MBA students did not always understand the importance of the topic.

## Faculty reports of student activities at CEU

*For a detailed overview of the Faculty report of students activities at CEU see Section 4.2.1*

## Feedback from corporate and regulatory entities

The aim of the Global integrity Survey<sup>30</sup>, as the main tool for feedback from corporate and regulatory entities, was to explore the opinion of leaders of small and large companies worldwide. Their concept of integrity, the importance they give to the integrity of their companies and their expectations towards integrity education. Three components of the survey results should be mentioned before evaluating the ICF:

1. According to the open-ended survey questions, the key expectations towards integrity education<sup>31</sup> were to teach:

<sup>30</sup> Center for Integrity in Business and Government (2013): Global Integrity Survey

<sup>31</sup> Table 5 in the Global Integrity Survey report

- a) Values (32% of the respondents),
  - b) Compliance & Corporate Policy (27% of respondents)
  - c) Knowledge of Corruption (21 % of respondents).
2. The most important Knowledge and Skill components<sup>32</sup> that respondents chose from a rating scale question were:
- a) Recognizing situations leading to loss of integrity in the company (4,34 on 5 to 1 scale)
  - b) Promoting a zero tolerance culture for corruption (4,30)
  - c) Distinguishing between corrupt and non-corrupt practices (4,13)
  - d) Risk assessment tools (3,93) and measuring risks and costs of corruption for the company (3,73 )
3. The most prevalent answers for the question “What constitutes corruption?”<sup>33</sup> were the payments to public officials (92% of respondents) and politicians for various benefits (81% of respondents).

From these results, in agreement with the conclusions of CIBGs the main conclusions that can be deducted for the curriculum design:

- 1. strengthen moral values and self-awareness of students
- 2. support intra-firm decision making related to compliance
- 3. enhance students’ understanding of the company’s external relations

#### Peer review of curricula through Curriculum Development Workshops<sup>34</sup>

As defined, “The main aim of ICF was to develop an educational curriculum in business integrity that focuses on the regional needs and specificities of Eastern Europe and the former Soviet Union bloc.”<sup>35</sup>

Based on the review of the ICF course materials, the ICF elaborated conceptual underpinnings for the design of the courses, defined the list of core and elective courses and developed the Two-level Modularity (2LM) concept to support multiple uses of courses and course components. Three components of the conceptual underpinning of the ICF are important to mention before discussing the courses.

<sup>32</sup> Table 6 in the Global Integrity Survey report

<sup>33</sup> Table 9 in the Global Integrity Survey report

<sup>34</sup> The evaluation was prepared on the basis of the report on the Global Integrity Survey, the IFC concept document, course outlines and syllabi, and the program of an executive training. For some courses outlines were available that contained a list of the sessions, and for each session a short content description (in most cases one sentence), the indication of the teaching method and the readings..

<sup>35</sup> Integrity Curriculum Framework p.1.

One is that corruption and integrity development are conceptualized as complex phenomena and therefore the curriculum should be based on a multidisciplinary approach.

The second is a deliberate decision that the focus of ICF should not be on the study of corruption and a moral analysis and judgement on corruption but on how integrity can be taught from a holistic perspective.

The third is that the basic unit of analysis in the ICF should be the business transaction. The concept is that persons, firms, and social and governmental institutions engage in a range of specific and semi-regular transactions and interactions governed by formal and informal norms. These real-world transactions can be analyzed by different economic, psychological and social theories. The theories and multidisciplinary approaches are the foundation of a theoretically sound curriculum, and the knowledge that students gain through the reading, learning and discussion of these concepts prepare them for complex reflection on real life problems and dilemmas and for responsible decision making in the work situations.

The strength of the conceptual underpinnings of the ICF are clear enough to guide teachers towards compatible approaches and wide enough to leave appropriate freedom for teachers to include a wide range of questions, theories and technical methods related to building integrity in business. The other strengths is that the focus on transactions assure that the curriculum responds to real-needs of students and executives and, at the same time, it also allows multiple uses of the elaborated teaching materials.

The ICF is built on a Two-level-Modularity (2LM) concept (i.e. on two-level understanding of curricular modularity) and it is based on a granular approach: "granular understanding of both business transactions and ethical concepts". The constituting units of the 2LM are the sessions within the courses and the types of transactions they discuss. The idea is that typical kinds of transactions have a multitude of economic, psychological, social, and ethical features that can be analyzed and taught. Individual sessions of the courses explore real-life transactions from different theoretical and professional angles. Often producing multiple teaching units and tools for the same type of transaction. The teaching units that originally belong to one course can be also ordered into a general thematic structure reflected by the cells of the modular conversion table. The table has two axes: one is the "Locus of activity/transaction", the other is the "Nature of relevant norms". The locus of the transaction can be personal, intra-firm or extra-firm, and the relevant norm can be informal (ethics and culture) or formal (law and other types of formal regulation). Each session of a course can be assigned to a cell in the conversion table according to the type of transaction and the relevant norms it discusses. The result of this granular approach is that sessions, and the teaching materials elaborated for the sessions, can be "detached" from the course to which it was originally designed and be re-used in the design of sessions of other courses. This granular structure allows to form different, highly-tailored curricula on the basis of the "detached" teaching materials.

According to the concept the core and elective courses are generic "off-the-shelf" course curricula, prepared for the curriculum of the degree education. These academic courses materials that include the discussion of various transactions, can be deconstructed to sessions, and the sessions and cases can be assigned to one or more of the cells of the modular conversion table. If all teachers who elaborate courses, assign their session to the compartments of the table, a system is created that makes individual units, sessions and material easily "searchable". When new courses are planned this system helps designers to find teaching materials that are already available and can be fit into or adapted to the new course. This granular nature facilitates the multiple re-use of the materials (with or without adaptation) not only in academic courses but in pro-integrity/anticorruption (PIAC) capacity building and in executive trainings as well. For example it can save time and preparation costs when some components that had already been elaborated for the degree course can be inserted into a new training course. In these cases,

on the basis of the result of the needs assessment carried out before a new course design and the design decisions regarding the content of the new training course, the existing materials can be searched and material for certain sessions may be selected.

The 2LM structure in the ICF and the modular conversion table are an innovative system that is very valuable. The table offers an excellent structure to systematically record existing materials and support flexible use of the developed material. It provides support for review, choice and selection. It makes the material "searchable". However, it must also be stated that in the materials available for the evaluator, the conversion of only one course was included. It is possible that the conversion was not executed systematically for all courses. As long as the developed materials are available only for "insiders" who know all courses, it may not even seem necessary to complete the conversion. Insiders can easily select materials without such conversion tables. However, if the purpose of the project is to disseminate results, and make the materials available for other institutions or a wider network, as well, the conversion needs to be completed.

### **The courses within the Integrity Curriculum of the MBA and EMBA**

The key level of the 2LM, where most of the work was done, is the modular structure for the academic education (in the case of CEU a track within the MBA and EMBA programs). The academic curriculum in the ICF is composed of 3 core courses and 5 elective courses that cover relatively wide academic and professional fields with multidisciplinary approaches. The obligatory core courses together build a sound understanding of the field and the electives offer more depth in certain more specific domains.

#### *Core Courses*

1. Integrity in Business (2 credits)
2. Recognizing and Controlling Corruption (2 credits)
3. The Legal, Political and Policy Environment of Markets (2 credits)

#### *Electives*

4. The Social and Cultural Dimensions of Global Management (2 credits)
5. Corporate Intelligence in Managing Risk and Integrity (2 credits)
6. Introduction to Business Anthropology (2 credits)
7. Legal and Market Instruments in Controlling Corruption (2 credits)
8. Managing Integrity Challenges in Business Transactions (2 credits)

### **The description and evaluation of individual courses**

#### *Core Courses*

1. Integrity in Business (2 credits)

This course offers an excellent introduction to business integrity through a comprehensive overview of the relevant themes. The first session is an introduction to the concept of integrity. The following sessions discuss different challenges and instruments using articles and case descriptions that prepare the discussion of integrity in real-life contexts. The course content is clearly structured. Sessions are based on lectures and the discussion of articles, case studies and other assigned materials. According to the syllabus the course applies a range of interactive teaching styles in order to initiate group and personal reflections and facilitate students to contextualize what they learn.

Assignments for students are well incorporated in the learning process. Students prepare short integrity issue papers in groups on a given topic, and write an executive letter with argumentation on a freely selected other issue. Both assignments go through either an electronic or a face-to-face peer review process with fellow students and the review of the professor. These tasks support students in developing their skills in identifying, analyzing and discussing integrity challenges and critically appraise the contributions of integrity related interventions to business and to society.

The structure of the course is adequate to build a good, comprehensive understanding of the field. The content is sufficient to offer an insight to the challenges and instruments of business integrity. The applied methods and the assignments give ample possibility for the students to discuss key elements of the integrity practice, as well, to reflect on their own context and ideas, and start forming their own understanding of the issues.

## 2. Recognizing and Controlling Corruption (2 credits)

Based on the available documentation, the course examines corruption phenomena from a multitude of angles and disciplinary fields, critically discusses different anticorruption concepts and mechanisms and many practices. The reading lists indicate a balanced use of theoretical sources and case studies, and the methodological notes are equally indicate balanced in the use of lectures, case discussions, group and individual work.

At the same time regarding session 7 the question must be raised whether all the 8 cases listed can be discussed in a single session in adequate depth or digested by students in a meaningful manner.

## 3. The Legal, Political and Policy Environment of Markets (2 credits)

The course aims to give keys to the understanding of the legal, political and policy environment of business activities and to discuss possible non-market strategies of companies. The content perfectly responds to the expectation formulated by business managers during the Global Integrity Survey. At the same time it is a courageous enterprise to fit all this content in a single course. The syllabus describes a clearly structured, rich and dense program that expects substantial work from the students. The didactical approach of the course design is equally clear: it gradually builds up the multidisciplinary toolkit whose elements can be applied for the analysis of concrete problems of business-government interactions, and during the final classes the teacher demonstrates their application on major cases.

The syllabus presents a four pages long explanation for an elaborate system of rules of class attendance and evaluation. These rules, without doubt, are excellent to encourage students' work and to enhance their complex learning experience during the course. At the same time, these rules are unique and much more complex than the rules of other courses. The question is whether these rules can be adequately followed or are a heavy toll on students.

### *Electives*

## 4. The Social and Cultural Dimensions of Global Management (2 credits)

The short topic descriptions in the outline are more explanatory than in the previous one, and offer a sketch of a presumably rich and interesting course on cultural differences and management. Sessions focus on the informal dimensions: perceptions, norms and relations and also discuss the impact of the informal on the formal rules and transactions. The course presents many cultural practices especially related to the personal and intra-firm cells of the curriculum table. It gives insights and a nuanced understanding of the working of culture and its impacts on companies' life and decisions.

Among the methods lectures, cases and two simulations are listed. These are three methods that are generally adequate for creating a balance of passive learning and interactivity during university level, academic education. Nevertheless, in the case of this course, knowing that students come from all parts of the world and represent a wide variety of cultures, the question needs to be raised whether larger room for experiential teaching methods should be given in order to exploit the diversity.

#### 5. Corporate Intelligence in Managing Risk and Integrity (2 credits)

This is a highly technical course presenting how corporate intelligence tools function and can be applied in business environments. A large part of the content is on the analysis and use of data for due diligence, risk assessment and decision making on mitigating threats and building companies' responses and strategies but the course also tackles the practical and regulatory risks of collecting and storing vast amounts of data. The course explains the process of analytics and the responsibilities of different stakeholders in the process, and offers an excellent opportunity to learn about different intelligence tools and quantitative methods, and to discuss how analysis can be used for decision making and for the presentation of results. Each of the 8 sessions of the course focus on a key domain where companies use intelligence for managing risks and building integrity. They introduce students to various the method and to the reflections on their potential uses through cases and the sharing of the experience of an internationally renowned practitioner. The lecture and discussion format is perfectly adequate for the subject.

#### 6. Introduction to Business Anthropology (2 credits)

Business anthropology is a relatively new method that introduces the study of cultural and social factors in business studies providing insights into local cultures and behavioral motivations of actors. The purpose of the inquiry in business anthropology is to contribute to the development of management methods that work effectively in a given local environment. This introductory course offers an overview of methods of business anthropology and ample space to discuss why and how culture matters in companies and to understand various cultural responses and practices. The course focuses on the intra-firm and extra-firm cells of the curriculum conversion table. As such it is a complement to the course on Social and Cultural Dimensions of Global Management. It is hard to judge on the basis of the short outline that is available but the course seem to better exploit the international student group for interaction and for experiencing the impacts of culture, thus, for helping students to develop better coping strategies with cultural diversity.

Anthropology is unfortunately not a standard part of integrity curricula in other programs. The inclusion of this course into the curriculum is an innovative idea and it reflects the effort of the designers to confront local practices with openness and inquiry – probably the only approach that can lead to “implementable” responses in the face of cultural diversity.

#### 7. Legal and Market Instruments in Controlling Corruption (2 credits)

The course teaches a wide range of legal and market instruments which promote integrity and prevent corruption. International, supranational and national anticorruption legislation, government-company interactions and intra-company management tools are equally part of the content. In accordance with the ICF's aim to focus on the regional needs and specificities of Eastern Europe and the former Soviet Union bloc, the course discusses many regional cases and has one session at the end of the course to discuss the specific regional challenges.

A strength of the course is that assignments in this course demand not only critical analysis from students, as most of the other assignments do. Students have to make business decisions on the basis of the analysis of different constellations and design anticorruption instruments and their implementation. The peer review of the designed instruments has the potential to open ample room for reflection on

methods and their applicability, and to lead to confrontation of opinions. The confrontations with the diverse reactions of peers to the proposals is an experiential learning component – good complement to the other sessions that are based nearly exclusively on cognitive methods.

#### **8. Managing Integrity Challenges in Business Transactions (2 credits)**

Among the many rather academic courses this course approaches business integrity from a practical point of view. It discusses integrity management not as a moral question but as a strategic decision to ensure competitiveness. It presents the latest trends in supply chain management, human resources management and procurement and offers in-depth discussion of strategies, processes and management tools that are applied in these fields. Through the detailed discussion on how companies manage these fields students acquire familiarity with management ideas and tools potentially applicable in their own practice.

It is an important feature of this course that beside the usual case analysis and presentation assignment, students also have to design an integrity tool. Students receive feedback from peers in a first round for the concept of the tool and at the end of the course for the developed tool. The intellectual struggle with the design is a learning experience in its own. During the peer review students potentially experience diverse reactions of peers and have to react to unexpected comments. This can potentially add one more experiential learning component to the other more cognitive learning components.

#### **Evaluation of the content of the courses**

The core courses offer a comprehensive introduction to personal integrity, to integrity in business, to the intra-firm analysis and control of corruption and give an overview of the extra-firm environment. This means that the content of the core courses together are an adequate response to the demand expressed in the Global Integrity Survey. The first two courses, 'Integrity Business' and 'Recognizing and controlling corruption', cover all subjects that are high on the list of expectations towards integrity education and they also include the knowledge most demanded in the responses to the question related to the Knowledge and skill components. The third core course, 'The Legal, Political and Policy Environment of Markets', is an excellent response to the fact that the three most prevalent sources of corruption according to the perception of respondents are transactions with public officials and politicians. All three core courses are based on a multidisciplinary and practice oriented approach and together create a sound foundation for understanding corruption and integrity in business.

The elective courses are designed to present specific professional areas related to integrity. They discuss corruption control and integrity development mechanisms from multiple perspectives. They also present the application of corruption control and integrity building instruments in a wide variety of areas and cases. This variety of the materials allow students to select courses according to their preferred concentrations.

While it is obvious that the knowledge components of the demand expressed in the Global Integrity survey are covered by the degree courses, two remarks must be made here. One is that the ICF courses are delivered with academic methods. They cover all demands related to knowledge but cannot fully cover the expectations related to skills. Measuring risks or promoting zero tolerance are professional competences that are also included into the list of expected Knowledge and skills. The ICF courses do not aim to develop these professional competencies and the academic approach alone would not even be sufficient for it.

The other remark is that the ICF concept is not identical with the demand expressed in the Global Integrity Survey. The survey results reflect a strong focus of respondents on compliance and reveal a widely shared expectation that students should be able to clearly distinguish between corrupt and not

corrupt practices, define, judge and control corruption and learn how to promote a zero tolerance culture for corruption. While these expectations can be part of a compliance focus, the curriculum reflect a focus on integrity. The compliance and the integrity approach are not the same. Nevertheless, as these courses are part of an Integrity Curriculum Framework, it is a definite strength of the curriculum that many courses and sessions go beyond the compliance approach and discuss practices related to the value-oriented component of integrity development offering a more comprehensive knowledge of the field of business integrity than the one reflected in the responses of the majority of company managers.

Another difference between the expectations reflected in the survey and the learning produced by the courses is that some of the opinions expressed in the survey convey a wish to have clear answers to questions, like what is right and wrong, what is corrupt or not and how to implement zero tolerance. Instead of definite answers and applicable toolkits the ICF courses offer a multidisciplinary approach, a capacity to critically reflect and analyze complex phenomena and an orientation towards integrity. As it is clear that there are no universal answers and universal strategies to building integrity, or method to implement zero tolerance, the reflective strategy of the ICF and the course designers is the defendable one.

A connected feature of ICF is the strong representation of cultural studies in the courses. The approach of the 'Recognizing and controlling corruption' course and the inclusion of the 'Business anthropology' course into the curriculum are unusual and deliberate decisions. These courses make an important contribution to teaching students to look at the various local practices with openness and cultural sensitivity and seek contextualized responses and integrity methods. Probably the only possible approach to design effective solutions.

In most integrity education programs ethics is a separate course. Although the ICF does not include a business ethics course, discussions of ethical dilemmas and decisions are included in many courses. The result is that the topic of business ethics is discussed in depths but with a clearly academic approach. In a university degree program this academic approach is adequate. Still, business ethics courses when implemented with experiential training methods can give deeper experience and more effective practice in ethical reasoning and in solving ethical problems and dilemmas. Such practice could bring additional value into the program.

### Teaching method

The stated aim of the ICF is to "focus on real needs of managers and leaders"<sup>36</sup> Without any doubt the areas and issues on which managers and leaders should reflect is covered by the content and the focus of the ICF is on the real needs. Regarding the method the picture is not so clear. Most courses in the ICF are classical academic courses where students are expected to read selected texts, participate in classroom debates and do home assignments. In the assignments students are expected to reflect and analyze problems individually and groups and elaborate contextualized solutions. The strength of this methodological approach is that through the lectures, readings and debates a vast amount of cognitive knowledge is conveyed. The readings and debates widen students' horizons and teach critical analysis and clear argumentation. The reflection and argumentation within different theoretical frames and the application of multidisciplinary approaches sharpen their cognitive skills and help responsible decision making.

<sup>36</sup> Integrity Curriculum Framework p.1

It is also excellent that beside the evaluation teachers give to students, many teachers use self-reflection, peer review and even 360 degree evaluation. In most cases some of these methods are incorporated in the learning process in the classroom contributing to improved learning outcomes.

Notwithstanding the quality of the product, the question can be raised whether the cognitive content conveyed through mostly academic teaching methods is enough to respond to needs of managers and leaders who have enrolled to an integrity track in an MBA program. In order to discuss this question the ICF cannot be used for reference. While regarding the conceptual, structural and the content coordination the ICF has many innovations and an excellent strategy, it does not discuss teaching methodology. In the domain of teaching method the ICF does not promise methods other than the traditional academic methods. At the same time, the syllabi indicate that some courses probably apply some experiential methods as well, or have some activities that produce learning impacts beyond the cognitive knowledge transfer but such components seem to represent a small minority within the integrity education program. Without deeper knowledge of the courses no definite judgment can be formulated but the question should, nevertheless, be raised whether competence-building components could be included into the curriculum and wider application of experiential methods could better respond to the “real needs of managers and leaders” learning in an Business integrity program.<sup>37</sup>

## 4.2 Indicator 1.2: Impact of the Integrity Curriculum Framework on the knowledge and skills of future and current leaders taught an integrity education at CEU

Table 4: Overview of the indicator 1.2.

Sub-indicators	Achievement of the target (Fully achieved, partially achieved, not yet achieved)	Source of evidence
1.2.1 Graduate students exposed to integrity topics by CEU increased by 200-260 per year for 4 years	<b>Fully achieved</b>	Annual Implementation Reports, Student Feedback forms
1.2.2 Business and public sector executives exposed to integrity topics by CEU increased by 285-390 per year for 4 years	<b>Fully achieved</b>	interview wit Péter Hardi, Noémi Alexa, Davide Torsello, Dénes Doszpod, András Hanák, report on the Almaty, Bishkek, Bucharest, Tbilisi trainings/workshops
1.2.3 Number of students and executives who cite an improvement in intentions and/or behaviour as a percentage of the total number of students and executives taught an integrity education at CEU	<b>Fully achieved</b>	student evaluation forms, Brief report on results of questions related to student attitudes about integrity and experience with integrity challenges in real life
1.2.4 Qualitative feedback from staff and faculty of the CIBG and other CEU colleagues employing the	<b>Fully achieved</b>	interview with Peter Hardi, Davide Torsello, Alan Barlow, Siemens representative, Liviu Matei, Mel

<sup>37</sup> Ibid

Sub-indicators	Achievement of the target (Fully achieved, partially achieved, not yet achieved)	Source of evidence
Integrity Curriculum Framework on its impact		Horwitch, John Shattuck, additional feedback form the School of Public Policy
1.2.5 Qualitative feedback from the project steering committee and country-level project advisory councils on the impact of the Integrity Curriculum Framework	<b>Fully achieved</b>	interviews with, Sherin Suzhikova, Kamil Ramazanov, Marat Atovmyan
1.2.6 Qualitative feedback from Integrity Education Network members on the impact of the Integrity Curriculum Framework	<b>Fully achieved</b>	interviews with Armen Khachikan, Rumen Stefanov, Sherin Suzhikova, Kamil Ramazanov, Stepan Orlov, interview conducted during the conference "Evaluating Integrity education and its impact": Khatuna Chapichadze, Kamil Ramazanov presentation materials from the conference

#### 4.2.1 Overview and assessment of activities

##### Graduate students exposed to integrity topics by the Integrity Partner

For a detailed overview and assessment on graduate students exposed to integrity topics by the Integrity Partner see Section 5.1.1.

##### Business and public sector executives exposed to integrity topics by the Integrity Partner

For a detailed overview and assessment on business and public sector executives exposed to integrity topics by the Integrity Partner see Section 5.1.1.

##### Improvement in intentions and/or behaviour as a percentage of the total number of students and executives taught an integrity education by the Integrity Partner

Since Autumn 2014, every semester the Project Partner Organization send pre-and post-course surveys to its network members to distribute among course participants in order to map their attitudes about integrity, skills acquisition and integrity behavior. The matching of the pre-and post-course survey allows for a detailed assessment on the improvement in intentions and behavior of students.<sup>38</sup>

The surveys contain a number of attitude questions on a scale of 1 to 5 (strongly disagree-strongly agree). The net promoter score was calculated for each aggregated pre-course question and the same

<sup>38</sup> Integrity Action: Brief report on results of questions related to student attitudes about integrity and experience with integrity challenges in real life.

was calculated for each aggregated post-course survey. This indicated the change in attitude of all the responding students.

The main results of the attitude questions are the following:<sup>39</sup>

- 35% increase was achieved related to agreeing that openness and transparency increase effectiveness in fighting corruption
- 53% agreeing that a people acting with integrity have more or as much chance to succeed in life than a corrupt person
- 89% increase in desiring to maintain elections on a regular basis rather than allowing a strong leader – even one who gets things done
- 23% increase in students believing that they can make a difference to build integrity in their country

On the other hand, 14 out of 19 students reported that they encountered a integrity challenge recently and 16 decided not to do anything about it. This data shows that students understand what integrity challenges are but they need more practical tools for solving integrity challenges.

#### **Feedback from staff and faculty of the CIBG and other CEU colleagues employing the Integrity Curriculum Framework on its impact**

Interviews conducted with the key stakeholders e.g. professors, guest speakers and other staff members show that the modules developed as part of the Integrity Curriculum Framework were well received among the students and executives who participated in the courses. A focus group<sup>40</sup> discussion conducted at the School of Public Policy reinforces this finding. Students stated that the course was unique and distinctive and found that the case study approach was an effective way to combine theory and practice. The expected learning outcomes<sup>41</sup> were achieved and the methods were well chosen.

The School of Public Policy also introduced courses as part of the integrity education project. Feedback from the faculty depicts that in case of Ethics and Public Policy, interest of the students was difficult to judge since they had to take it as a core part of the curriculum. When exploring the students' interest in the subject many of them indicated skepticism about the usefulness of such a course since they did not feel that normative aspects have much bearing on real life. However, since about half the course covers Integrity Management (practical measures that can be employed by public-sector bodies to decrease the incidence of various types of misconduct) in the concluding session they often changed their outlook on the importance of Ethics.

<sup>39</sup> Note that each academic teaches his/her own course with materials of their own, as well as whatever materials from Integrity Action they have incorporated into their curricula. Courses therefore vary in extent of integrity content and teaching methods.

The professors had not taught integrity content previously, so the changes in attitudes are probably the result of a combination of factors, with some of it related to students' first introduction to integrity in these courses.

<sup>40</sup> Evaluation of focus group results

Course Title: Corruption and Corruption Control

Course Type: elective

<sup>41</sup> In addition of the expected learning outcomes student stated that they gained understanding of the difficulties international organizations face when trying to transfer policies against corruption, saw the various perspectives and the variety of forms in which corruption manifests itself as well as the diverse ways it is perceived.

On the other hand, the Corruption, Corruption Control and Global Governance course is normally one of the most popular electives offered by the School of Public Policy, judging by the number of students registering. There is often a waiting list for registering, and the course normally runs with the maximum number of students admitted to elective courses (15) or close to that. Course evaluations indicate that students find the discussions interesting, and in the concluding session often say that the course changed their view and that they do believe practical measures indeed exist and can decrease corruption in public life.<sup>42</sup>

Besides engaging students in the classroom, the Integrity Partner also put emphasis in involving other academics and educational institutes in the discussion on integrity education. The CBERN conference provided a platform to showcase the integrity framework to North-America. The CEU involvement made for an opportunity to bring a very international dimension of risk and practice into the event. Management theories, issues of ethics, as well as regulatory issues were discussed and debated amongst those concerned about this issue from a teaching perspective and allowed for connections to be fostered among this wide grouping of individuals in a way that is unique and promised to have lasting implications.

Faculty members provided a good sampling of the work and achievements of the CIBG and found that the trainings, teaching and curriculum was in fact relevant to this forum. It reaffirmed the stakeholders that the efforts and capabilities have global relevance. In the context of this conference, it is clear that CIBG is capable of cutting edge research.<sup>43</sup>

#### **Feedback from the project steering committee and country-level project advisory councils on the impact of the Integrity Curriculum Framework**

To reach the project objectives and to improve quality and institutionalization of integrity education in undergraduate, graduate and executive programs throughout target countries of Central and Eastern Europe and the former Soviet Union, the project engaged local businesses to enhance the relevance and sustainability of integrity education, particularly in the business sector. This included:<sup>44</sup>

- Establish Business Advisory Councils (BACs) – a voluntary advisory committee - for the project with members who are business leaders in 5 target countries.
- Initiate discussion with BAC and integrity educators working in target countries to advise Integrity Action on the integrity and anti-corruption curricula being taught in their country, with an emphasis on courses for Business, Finance, Management, Public Administration, etc.
- Cultivate corporate and public sector relationships in each target country to engage business and public sector in integrity education as guest lectures, hosts to interns, donors, etc.

BACs consisted of individuals from different business organizations and business-related institutions who voluntarily participated in BAC activities and worked with the Project Partner Organization to bring their experience in business, integrity and anti-corruption to improve the quality and scope of integrity

<sup>42</sup> Feedback provided by Agnes Batory, who has been teaching an elective course Corruption, Corruption Control and Global Governance as well as a mandatory course Ethics and Public Policy for a number of years now, both as part of the MA in Public Policy and Mundus MAPP programs.

<sup>43</sup> Feedback on the CBERN conference on November 5-7, 2015 in Toronto by Nicholas Sarvari

<sup>44</sup> Integrity Action: Business Advisory Concept Council Integrity Education Concept Note

education activities within the business, higher education and public sectors. The objective was to have 5 meetings for each of the 5 target countries over the 5 years of the project – a total of 25 meetings.<sup>45</sup>

The main activities of the BACs included:<sup>46</sup>

- Advising the Project Partner Organization regarding the objectives and desired results of education as well as content of educational programs on integrity in the fields of Business, Finance, Management, Public Administration, etc.
- Promoting integrity in business education
- Organizing trainings, thematic seminars and round tables on integrity for business executives
- Assisting student and graduate career development and employment
- Working with the Project Partner Organization and academia to prepare integrity education materials and case studies based on local enterprise experiences

The review of the Annual Progress reports shows that initially the organization of the Business Advisory Councils faced difficulties resulting in the slow establishment of the Councils. The Chambers of Commerce and businesses were interested in integrity. However, the Integrity Partner and the Project Partner Organization had difficulties engaging them without a formal, registered framework. Many business people wanted to join a 'Council' only if it was registered as an NGO to raise funds for activities, which was beyond the scope of the project. This led to a revision of the Business Concept Note, in consultation with Peter Hardi, which clarified the Advisory nature of the BACs.

Once they were established, the involvement of business leaders and business academics in the case study competitions in all target countries was a successful means of building trust and closer relations between the two groups, towards future collaborations and cooperation.<sup>47</sup>

Interviews with selected stakeholders across the target countries provided a handful of great examples where the BAC activities had a spill-over effect to other areas engaging local actors in acting with integrity. The table below shows a good practice example for a collaboration between the BACs and educational institutes in Russia.

**Table 5: Good practice example for the functioning of the Business Advisory Council in Russia.**

*A detailed description on this good practice example will be part of the Final report*

<sup>45</sup> All together there were 25 meetings held: Armenia – 6 meetings

Georgia – 5 meetings

Kazakhstan – 3 meetings

Kyrgyzstan – 6 meetings

Russia – Novosibirsk – 4 meetings

Russia – Saratov – 1 meeting

<sup>46</sup> Ibid

<sup>47</sup> Harutyun Aleksanyan: Business Advisory Council Meetings in ECA Integrity Education Target Countries – Summary Highlight Report (2015)

## Integrity Education Network members on the impact of the Integrity Curriculum Framework<sup>48</sup>

The impact of the Integrity Curriculum Framework was assessed through numerous interviews with stakeholders from the target countries. The tools and materials provided by ICF and the Project Partner Organization were assessed as highly useful. Materials were prepared in English, Georgian, Armenian and Russian and in addition the case studies, video materials and presentations helped a lot for the Integrity Education Network members to integrate the skills and knowledge to their own teaching methods and curriculum.

In most cases the Integrity Education Network members created their own courses based on the ICF and materials provided by the Project Partner Organization or included integrity related topics and case studies into an already existing course. In the latter case, it was mostly due to administrative challenges and difficulties e.g. accreditation of a new course. For further details, see Section 6.1.1.

The main benefit of the collaboration for most stakeholders was that it provided a platform for cooperation and development as in many cases the lack of such networking possibilities hindered the prospects of effectively addressing these problems in the targets countries. The workshops created ways for professionals to exchange experience and get familiar with integrity related issues locally in different countries. The main success factors for the collaboration were assessed during the interviews and in most cases the collected evidence points to the direction that individual commitment and determination was a key influencing factor to successfully implement the project. In addition, several external factors were identified such as the legal framework and civil society in the country or region and attitudes of students.

The collected evidence confirms the sustainability of the project and the positive spill-over effects to other public spheres. Integrity Education Network members expressed their willingness to continue working with integrity related topics and seek new ways for funding and cooperation. A good practice example from Georgia is described in the box below.

**Table 6: Good practice example: Georgian Technical University Integrity Autumn Camp and Social Accountability Activities**

*A detailed description on this good practice example will be part of the Final report*

## 4.3 Indicator 1.3: Sustainability of Integrity Education project

**Table 7: Overview of the indicator 1.3.**

Sub-indicators	Achievement of the target (Fully achieved, partially achieved, not yet achieved)	Source of evidence
1.3.1 CEU CIBG successfully established	<b>Fully achieved</b>	interview with Liviu Matei, Peter Hardi, Ellen Goldberg, Harutyun Aleksanyan Siemens Integrity Initiative Annual Report (2011)

<sup>48</sup> For more information on the perceived impact of integrity education by the Integrity Education Network members see Section 6.1.1

Sub-indicators	Achievement of the target (Fully achieved, partially achieved, not yet achieved)	Source of evidence
1.3.2 Widespread usage of the Integrity Curriculum Framework by satisfied local partners	<b>Fully achieved</b>	presentation material from the conference "Evaluation Integrity education and its impact" Interview with Armen Khachikan, Rumen Stefanov, Kamil Ramazanov, Khatuna Chapichadze,
1.3.3 Qualitative feedback from graduates about the usefulness of the integrity education received and in particular the Integrity Curriculum Framework	<b>Fully achieved</b>	student evaluation forms provided by CEU, group discussion with former and current students of the MBA and EMBA program
1.3.4 Qualitative feedback from CEU graduates about the usefulness of the CIBG, including its Integrity Library	<b>Fully achieved</b>	student evaluation forms provided by CEU, group discussion with former and current students of the MBA and EMBA program
1.3.5 1-2 case studies developed by the CIBG per year for four years	<b>Fully achieved</b>	overview of case study material Case Studies Collection on Integrity
1.3.6 Number of scholarship applicants <sup>49</sup>	<b>Fully achieved</b>	Annual Progress Reports
1.3.7 Number of volumes in the Integrity Library	<b>Fully achieved</b>	resources relevant for the Center for Integrity in Business and Government - provided by the CEU Library
1.3.8 Number of resources available via the web-accessible Integrity Library	<b>Fully achieved</b>	desk research
1.3.9 Number of visitors to the physical and web-accessible Integrity Libraries	<b>Fully achieved</b>	resources relevant for the Center for Integrity in Business and Government - provided by the CEU Library
1.3.10 Number of active alumni in the Integrity Education Alumni Network	<b>Fully achieved</b>	Alumni and Career Development Report for Integrity Education
1.3.11 Demonstrated interest by students in the Integrity Education project	<b>Fully achieved</b>	interview with Peter Hardi, Alan Barlow, Davide Torsello, Marat Atovmyan and group discussion with former and current students of the MBA and EMBA programs

<sup>49</sup> Annual Progress Report 2011/2012 provided by the Integrity Partner: number of awarded scholarships 3

Sub-indicators	Achievement of the target (Fully achieved, partially achieved, not yet achieved)	Source of evidence
<b>1.3.12</b> Demonstrated interest by corporations in the Integrity Education project	<b>Fully achieved</b>	interview with Peter Hardi, Ellen Goldberg, Mel Horwitch, Tara Stone, Trisha Tanner, Dénes Doszpod, András Hanák, Marat Atovmyan
<b>1.3.13</b> Demonstrated interest by donors or potential donors in the Integrity Education project	<b>Fully achieved</b>	interview with Peter Hardi, Ellen Goldberg, Alan Barlow, Tara Stone, Trisha Tanner

### 4.3.1 Overview and assessment of activities

#### CEU CIBG successfully established

*For a detailed overview and assessment on the establishment and operation of the Center for Integrity in Business and Government see Section 4.1.1.*

#### Widespread usage of the Integrity Curriculum Framework by satisfied local partners

*For a detailed qualitative feedback from Integrity Education Network members on the impact of the Integrity Curriculum Framework see Section 4.2.1.*

The Integrity Education project was well received in the target countries and opened up numerous possibilities for local stakeholders to interact and exchange experience through workshops and trainings organized by the Integrity Partner and the Project partner organization. The results of the workshops and trainings were reflected in the improved curriculums for teaching integrity across universities in the target countries reaching and influencing not just academics and civil servants but hundreds of students.<sup>50</sup> One of the main strengths of the Curriculum that was emphasized by stakeholders was that it could be easily incorporated into other teaching materials allowing for a broad scope of application.

In addition, students across universities in the target countries shared their perception on the quality and relevance of this topic supported by several positive examples where students went beyond the course and proactively sought new opportunities to exploit the knowledge gained throughout the course ensuring the sustainability of the project beyond the funding period. A good practice example on how the integrity education will remain sustainable thanks to the active student participation is presented below.

**Table 8: Good practice example - Stolipin Institute of Public Administration student project**

*A detailed description on this good practice example will be part of the Final report*

<sup>50</sup> For a detailed estimation on the total number of students reached see Section 6.1.1

## Qualitative feedback from graduates about the usefulness of the integrity education received and in particular the Integrity Curriculum Framework

For a detailed feedback from graduates about the usefulness of the integrity education received and in particular the Integrity Curriculum Framework see Section 4.1.1.

### The establishment and operation of the Integrity Library

The foundations of the Integrity Information Center were laid down in the first year of the project<sup>51</sup> and it was gradually extended over the years reaching a total of 384 available academic publications (books, journal etc.) related to the topics of integrity and corruption by 2016 within the CEU library.<sup>52</sup> These volumes are available for all interested students not just from the Business School but from all departments as well as for external library members providing useful resources for research purposes and were checked out a total of 1833 times.

In addition the Project Partner Organization also made several integrity related publications and resources available on its website including integrity glossaries, collection of case studies, text books to study integrity, research papers and educational videos. A huge effort was put into translating the teaching materials and available resources into the languages of the target countries to make it available for local stakeholders. Currently, several documents are available in Georgian, Russian and Armenian and all together there were 90 materials translated into local languages. In addition, the Project Partner Organization made its resources available online in the above mentioned languages. An example for their reports and publications online is provided below.

Figure 1: Integrity Action web accessible library<sup>53</sup>



<sup>51</sup> Annual Progress Report 2010/2011 – Status September 2, 2011

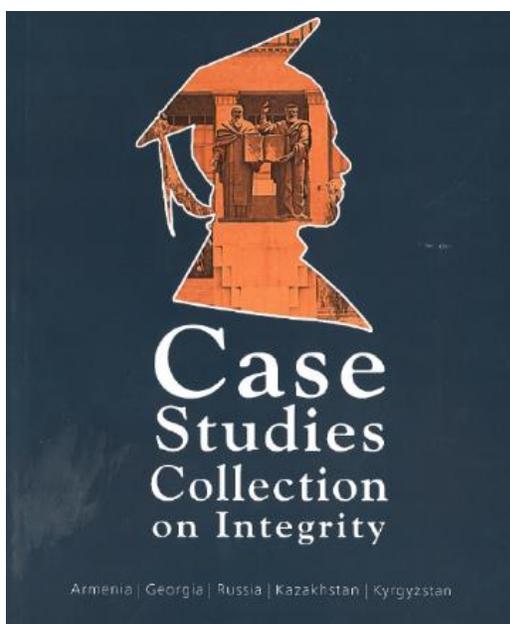
<sup>52</sup> Data provided by the Library of the Central European University on January 26, 2016.

<sup>53</sup> Integrity Action resources and publications available at: <http://www.integrityaction.org/resources/publications>

## 1-2 case studies developed by the CIBG per year for four years

As set out in the funding agreement signed in 2010, one of the various expected results has been the development of regional case studies. The original indicator "1-2 regional case studies per year translated into 5-6 languages and distributed throughout the Integrity Education Network" was slightly modified during the course of the project. The responsibility for development of the case studies was initially assigned to CIBG, however due to the need to accommodate the material to local context and regional specificities it became a joint project of CIBG and Integrity Action. As regards the timing of the preparation of case studies, instead of a yearly output of 1-2 case studies, (expected total number of 8 during the course of the project) the materials were finalized and disseminated in Year 3 and 4 and reached the total number of 14 as the output of regional case study competitions, and an additional four managed by CIBG.

**Figure 2: Case Studies – Collection on Integrity cover page**



Altogether, six International Integrity Case Study Competitions were organized by CIBG and Integrity Action on two occasions in Russia (Novosibirsk and Saratov region) and once in Armenia, Georgia, Russia, Kazakhstan and Kyrgyzstan. The Jury of the International Integrity Case Study Competition awarded a EUR 3,000 cash prize to the case "Zero Tolerance on Corruption- The case of Telenor Hungary", and a EUR 1,000 cash prize to the case "Public Procurement Corruption in Bulgaria"<sup>54</sup>

The winner case studies were compiled in the English-Russian bilingual book "Case Studies - Collection on Integrity", which was published in the year of 2015. The book includes 14 selected case studies out of the submitted 44, no longer exceeding 3-7 pages and each following the same structure. They begin with an anti-corruption related problem, followed by Questions that initiate discussion, Possible Solutions for the presented dilemmas and Problem-solving tasks to actively engage students. The aim of the collection (as described in the introduction written by the Program Manager of the Integrity Education Network Mr. Harutyun Aleksanyan) is to provide academics and trainers with practical teaching material that helps students develop

critical thinking and a thorough understanding of moral and ethical issues, as well as help enhance the quality of integrity education in the ECA region.

The case study collection has been printed in 300 copies, out of which 260 has already been distributed among Integrity Education Network members, during the course of the closing workshop "Evaluating Integrity Education and its Impact- Lessons Learned in the former SU and East European Countries" organized on 10-12 December in Budapest, Hungary.

<sup>54</sup> Annual Progress Report 2014

Interviewees from all of the target countries have highlighted the usefulness of case study teaching method in general and have already started integrating the content into their way of teaching integrity in the first semester of 2016.<sup>55</sup>

In addition to the case study collection, the following case studies were issued discussing a plethora of regional anti-corruption and integrity-related topics:

- Barlow, Alan (2015): *Competitive edge: superior profits through integrity*, discussing profit maximization through heightened integrity
- Kisilowski, Maciej (2012/2013): *Bulldogs under the Carpet*, discussing effective management of business-government interactions in weak-governance environments
- Torsello, Davide (2013): *The bitter fruit of power. An ethnographic study of corporate compliance*
- CIBG : *What did we do wrong and how we fixed it? Managerial lessons learned from Magyar Telekom's corruption case in the Balkans*. Discussing lessons learned from the Hungarian Telekom scandal.

**Table 9 Good practice example for the development of case study teaching material.**

*A detailed description on this good practice example will be part of the Final report.*

*Magyar Telekom case study*

Development of the above mentioned case studies closely involved various stakeholders such as the Swiss Contribution Office, the American Chamber of Commerce in Hungary and various country offices<sup>56</sup>, Transparency International, Magyar Telekom, the Municipality of Ózd<sup>57</sup>.

### Number of scholarship applicants

The monitoring on the number of scholarship applicants was not systematic and thus no estimation can be made on the total number of applicants. There is detailed documentation available however on the number of students selected for the scholarships which reflect on the success of the indicator from the output dimension.

As part of the funding agreement, a research scholarship was established by CIBG, with the purpose of helping students focus their studies on integrity-related topics and involving them in the everyday operation of the center. During the course of the project, altogether eight students were awarded, both from MBA and Phd level.

In the reporting period October 1 2011 – September 30 2012, three CEU students were awarded from various departments, whose responsibilities focused on working closely with CIBG and contributing to the development of the Integrity Curriculum Framework. During the reporting period October 1 2012 – September 30 2013, three further students were awarded, who similarly to the previous year, actively

<sup>55</sup> Mentioned during the Interviews conducted with Armen Khachikyan (teacher Georgian Technical University) from Armenia, and Khatuna Chapichadze from Georgia.

<sup>56</sup> Annual Progress Report 2011/2012

<sup>57</sup> Annual Progress Report 2012/2013

participated in the development of the Integrity Curriculum Framework and assisted the workshops organised by CIBG.<sup>58</sup> In Year 2014 and 2015, four additional students were selected assigned with the same responsibilities.

### Number of active alumni in the Integrity Education Alumni Network

CIBG utilizes CEU Business School's Alumni and Careers Services to reach out to CEU and CEU Business School alumni. Alumni are regularly informed about the Center's events and workshops in targeted newsletters. The alumni database is continuously updated; alumni and students are contacted through a wide variety of online platforms and social media, engaging more and more people in the Center's activities.<sup>59</sup> Over the course of the project hundreds of CEU students and alumni attended courses, executive trainings and open classes organized by the CIBG which raised awareness and brought new visibility to the topic of integrity.

During these events a strong alumni network was formed and the impact of the activities go beyond the classroom and shows a clear affiliation with the topic. Currently, 160 alumni is working in integrity related fields e.g.: Compliance officers. Out of the 8286 CEU alumni present on the world's largest professional network more than 500 indicate to have integrity related expertise and were exposed to this during their studies at CEU. The largest business fields represented by the students are Legal, Finance, Project and Program Management, Education and Research, Information Technology, Business Development and Human Resources from more than 25 countries.

To demonstrate the impact of the Integrity Education project, a few examples are shown below for integrity related phrases used by former students on their professional profile (LinkedIn), based on the information provided by the Alumni and Career Services at the CEU Business School:

- 596 CEU graduate or student indicated expertise or studies in *Compliance*,
- 159 in *Integrity*,
- 120 in *Anti-corruption*,
- 131 in *Business ethics*.

This also shows the global outreach and a growing interest in the topic and increasing demand for practitioners who carry out their work with integrity regardless of the field, geographic location and the company.

### Demonstrated interest by students in the Integrity Education project

For a detailed qualitative assessment on students preparedness and demonstrated interest in the courses offered at the Business School and the School of Public Policy see Section 4.2.1. In addition to engaging students in the classrooms in the form of core and elective courses students interest is demonstrated by the far-reaching extra curricular activities related to integrity. CEU Business School students participated in the Intercollegiate Business Ethics Case Competition (IBECC) held in San Diego, California from May 8 to 10, mentored by Peter Hardi, director of CIBG.

<sup>58</sup> Annual Progress Report 2012/2013

<sup>59</sup> Annual Progress Report 2014

In 2014, 3 student grants were awarded to CEU Business School MBA students for participating at the finals of the International Business Ethics Case Competition (IBECC) in Tucson, USA.<sup>60</sup>

Similar engagement was demonstrated among students across the target countries. The overlap of the involvement of local stakeholders in the integrity education project through the Business Advisory Councils with active student participation resulted in a handful of good examples demonstrating the sustainability of the project.

For instance, in Armenia an internship for 16 students was accomplished by Integrity Action and “Legal Alliance LLC” law firm, in cooperation with the Armenian Young Lawyers Association and The Law Foundation of Armenia. 16 students were selected from among 80 applicants. They represented law, economics and management faculties of seven universities in Yerevan. In the course of a 40 hours` training students were given an opportunity to visit various government authorities, as well as non-governmental, international and business organizations. The educational-practical training was composed of theoretical presentations and discussions, including topics of integrity, as well as practical training including discussions on ethics, accountability and aspects of anti-corruption behavior in the above-mentioned bodies and organizations.

### **Demonstrated interest by corporations and donors in the Integrity Education project**

As discussed in Section 5.1.1 CEU is committed to continue the project beyond the funding period. To secure funding and cooperation with corporations and potential donors the Integrity Partner is working in close collaboration with the CEU Development Office to map out possible funding opportunities. One of the main directions is to engage with corporations for future cooperation. Based on the evidence collected numerous corporations and potential donors are interested in working with CIBG in the upcoming years.

Over the project period CIBG already was already engaged with a great number of business partners who supported the work of the Center. Such partners were for example Magyar Telekom, AmCham, Hungarian Business Leaders Forum and Tata Consultancy Services. These companies demonstrated great interest in the project and in the topic of integrity. These stakeholders undertook a variety of activities in collaboration with CIBG, for instance board simulations, guest lectures and the development of case studies.

## **4.4 Fulfilment of Objective 1**

The Center for Integrity in Business and Government within CEU Business School was established as a center of excellence providing a platform for exchange of experience for academics and business executives. The activities organized by CIBG over the years had robust exchanges around the practicalities of integrity education and took a lead in the international aspects of research and curriculum development around integrity education. The work of the Center had a positive impact on the knowledge and skills of future and current leaders participating in integrity education at CEU. CIBG brought new visibility and credibility to the field and increased the relevance and practical value of integrity education. In addition, one of the main responsibilities of the center was to develop the Integrity Curriculum Framework.

<sup>60</sup> Annual Progress Report 2014: The American Chamber of Commerce contributed to the project in terms of providing financial support (1000 USD) for the International Integrity Case Study Competition 2014.

The quality and impact of integrity education was successfully ensured as a result of the Integrity Curriculum Framework. Stakeholders assessed this aspect of the Integrity Education project highly successful and praised the involvement of the students and the commitment of the faculty to deliver quality education to students and business executives. The development and dissemination of the Integrity Curriculum Framework by the Integrity Partner and the Project Partner Organization was fully achieved, target numbers were met and exceeded through a great variety of networking events. As part of this framework, a case study methodology was elaborated by the Integrity Partner and the Project Partner Organization resulting in the development of anti-corruption and integrity related case studies across the target countries.

An identified spill-over effect of the Siemens grant was that it shifted the focus from the previously broad scope on "Business and Society" towards a more focused and specialized direction giving further benefits to the CEU Business School as the whole framework for teaching was pervaded by the increased focus on integrity giving an edge to the school opening up new partnerships opportunities in the academic and business sector.

The evaluation identified two main threads for the sustainability of the project. One of them is the sustainability of CIBG. To secure funding for the upcoming period, strategic partnerships were established with academic and research institutes as well as corporations. Currently, there are three main directions envisaged to secure funding after the finalization of the project: challenge grant provided by the Central European University, collaboration with corporate partners and academic and research institutes.

The other thread is related to the sustainability of integrity education depending on the embeddedness of integrity topic and the interest demonstrated by students and business executives. Currently, there are numerous on-going initiatives facilitated by CIBG faculty pointing to the direction that there is a demand for cooperation and continuation of activities such as Integrity Academy, AmCham Board Simulation and Bridge Budapest.

## 5 Assessment of the fulfilment of Objective 2

In this section the indicators of Objective 2 are assessed followed by the overview and analysis of the relevant activities. This serves as the basis for the assessment of the fulfilment of the objective.

**Objective 2:** To institutionalize integrity education in graduate and executive education programs at the CEU Business School and CEU School of Public Policy, aiming to engage at least 800-1,040 graduate students and 1,140-1,560 junior, mid-level and senior business executives and public sector practitioners over the next 5 years

### 5.1 Indicator 2.1: Graduate students and executives of business and public policy reached

Table 10: Overview of the Indicator 2.1

Sub-indicators	Achievement of the target (Fully achieved, partially achieved, not yet achieved)	Source of evidence
2.1.1 At least 9 integrity courses or integrity-related courses taught at the CEU Business School, the CEU School of Public Policy, or elsewhere in CEU as a result of the Integrity Education project (this includes required courses, the Summer University and Open Classes)	Fully achieved	CIBG website, course descriptions, summer university course descriptions and feedbacks
2.1.2 Number of CEU faculty trained to carry out integrity education through the Integrity Education project	Fully achieved	Interview with Péter Hardi, Davide Torsello, Noémi Alexa
2.1.3 Students exposed to integrity topics by CEU increased by 200-260 per year for 4 years	Fully achieved	Data to be provided by CEU
2.1.4 Business and public sector executives exposed to integrity topics by CEU increased by 285-390 per year for 4 years	Fully achieved	Interview with Péter Hardi, Noémi Alexa, Davide Torsello, Dénes Doszpod, András Hanák, report on the Almaty, Bishkek, Bucharest, Tbilisi trainings/workshops
2.1.5 Faculty reports of student activities, including an evaluation of student preparedness	Fully achieved	This sub-indicator was covered by the stakeholder interviews

Sub-indicators	Achievement of the target (Fully achieved, partially achieved, not yet achieved)	Source of evidence
2.1.6 The commitment of CEU to continue funding the Integrity Education project beyond 2015	Fully achieved	Interview with Liviu Matei, Peter Hardi, John Shattuck, Trisha Tanner, Tara Stone
2.1.7 Evaluation by participants of integrity summer school courses	Fully achieved	Evaluation reports – CEU Summer School 2011, 2012, 2013,2014,2015 provided by IA

### 5.1.1 Overview and assessment of activities

#### Integrity courses or integrity-related courses taught at the CEU Business School, the CEU School of Public Policy, or elsewhere in CEU as a result of the Integrity Education project and the assessment of faculty on student activities

As set out in the Funding Agreement the Integrity Partner was responsible for delivering graduate, MBA and executive education courses guided by the ICF in the CEU Business School and the School of Public Policy. In addition, free Open Classes were offered to the public and the ICF was integrated into the program of the CEU Summer University for courses on integrity and reform.

This sub-indicator was fully achieved. In addition to the modules<sup>61</sup> offered at the CEU Business School the School of Public Policy also introduced two new courses dealing with the issues of ethics, corruption and integrity. These classes are among the most popular electives in the department with high student participation.<sup>62</sup>

Prior the launch of the integrity education project the Integrity Partner already collaborated with the Project Partner Organization since 2004 to organize leadership courses and the CEU Summer University but the Siemens support helped to expand the scope of the cooperation. The first Integrity Education executive training was held as part of the CEU Summer University in 2011 and altogether there were five Summer Universities organized over the funding period. This provided a platform for business networking meetings for regional and international business people interested in green and ethical business.<sup>63</sup> The 9<sup>th</sup> global Integrity Leadership course at the CEU Summer University was held in 2013 for 48 participants from 30 countries, focusing on integrity in SMEs, integrity education and access to public sector information.<sup>64</sup> The table below presents an overview of the Summer University program held in 2014 as part of the integrity education project.

<sup>61</sup> For the complete list of courses offered see Section: 4.1

<sup>62</sup> Feedback provided by Agnes Batory, who has been teaching an elective course Corruption, Corruption Control and Global Governance as well as a mandatory course Ethics and Public Policy for a number of years now, both as part of the MA in Public Policy and Mundus MAPP programs.

<sup>63</sup> Annual Progress Report 2011/2012 provided by the Integrity Partner

<sup>64</sup> Annual Progress Report 2012/2013 provided by the Integrity Partner

**Table 11: CEU Summer University example<sup>65</sup>**

The Summer University in 2014 marked the tenth edition of what has been an evolving course, entitled “Leadership and Management for Integrity” at the CEU in Budapest. The course offered the following thematic policy labs:

- SMEs and Social Enterprises: Maximizing Success with Integrity
- Teaching Integrity: Classroom, Campus and Community-Based Integrity Building;  
Integrity Building and Closing the Loop: How can we mainstream integrity and feedback in development?

This course used an inter-disciplinary approach to raising integrity standards in public and private institutions. The topics of the course covered the interrelationship between civil society, government and business through the prism of integrity. A central proposition of the course was that improvements in integrity offer perhaps the single largest opportunity for sustainable and equitable development worldwide. 248 people were trained over the timespan from diverse backgrounds such as public officials, business leaders, academics and NGOs.

The program has been developed and facilitated in partnership between the CEU-SUN Office and Integrity Action. Course focus was to help forge creative and contextually-sensitive solutions to a problem that burdens many societies and poses a major risk to programs in business, government and civil society.

Students’ performance was in most cases judged based on three are traits that were follow during the workshop, to ensure that all are participating, learning and contributing:<sup>66</sup>

- class attendance
- preparedness for classes, assignments, assessment of progress with participants’ papers during the course
- group dynamics

It can be observed that, the Summer University courses were received positively and participants overall showed great interest in joining the course to learn and help them later on in their personal and career contexts. The majority of participants were practitioners: working in NGOs, government agencies, foundations or international organizations.

A course assignment was provided prior to the course. The assignment called for individuals to present an integrity dilemma case study or project from their own practice. Some of the cases produced by the students were excellent. In most of the policy labs, some of the best cases were used to form working groups and develop innovative solutions based on the insights gained in the courses. The amount of time, energy, and creativity invested in the group presentations to present the solutions to the cases was extensive. Consequently, the presentations were generally of high quality.<sup>67</sup>

<sup>65</sup> Frederik Galtung: Feedback on Summer University “Leadership and Management for Integrity” Course (2014)

<sup>66</sup> Ibid

<sup>67</sup> Ibid

Participants found that the level of difficulty for the groups was well adjusted and the material was relevant and a useful addition to the lectures. Some participants mentioned that the combination of theoretical and practical elements was sufficient and they learned a lot from each other's experience, which underlines the importance of the international and multi-stakeholder approach. The table below highlights the feedback received after the 2014 course on Leadership and Management for Integrity course.

**Table 12: CEU Summer University – feedback highlights<sup>68</sup>**

- "I feel better equipped now to build business integrity innovations in my business venture".
- "I have reinforced my conviction that 'closing the loop' is the most important aspect of reform. At some point 'closing the loop' was the expression on every participant's lips, and that showed the deep extent the course permeated our minds".
- "Fighting corruption does not cost money – it costs thinking, talking and working".
- "Corruption is not absolute and it can be managed".
- "Reforms fail because they are mostly compliance-based, which is not bad in itself, still they need to be implemented with integrity building".
- "I learned during the one week course how to develop integrity in all areas to contribute for good governance".
- "The course was useful for professional daily work as well as in my capacity as a researcher on any subject matter. In this sense the course contained and introduced a very good practical guide on community integrity building with the important interrelated steps"

#### **Number of CEU faculty trained to carry out integrity education through the Integrity Education project**

To carry out integrity education through the Integrity Education Project new faculty was hired directly for this purpose. A senior and a junior faculty member was employed providing a great multidisciplinary for the project, having significant experience with:

- anthropology and organizational behavior with extensive experience of ethnographic field research in organizations and communities in different regions. Political and business corruption, focusing in particular on the social and cultural as well as the organizational cultural aspects of the phenomenon including gift-exchange, ethics, values, informality, organizational design, change and culture;
- financial and human management of the organizations, ensuring high-quality professional content about corruption in the political and business sector.

In addition, other faculty members and external experts were involved in the development of the Integrity Curriculum Framework.

#### **Students exposed to integrity topics by CEU**

The number of students exposed to integrity topics was slightly lower than originally expected. As reflected in the Annual Reports, this is due to the fact that this number includes students exposed to

<sup>68</sup> Ibid

integrity topics within the School of Public Policy which was established only two years before the end of the project.<sup>69</sup> Thus, the initially planned 4 years to reach the target number was reduced.

The number of students reached each year at CEU through integrity related courses and public lectures is summarized in the Table below.

**Table 13: Students exposed to Integrity topics by CEU**

Year	Number of course participants	Number of registered participants at the public lectures
2011/2012	199	91
2012/2013	320	560
2013/2014	234	619
2014/2015	295	396
2015/2016	86	272
<b>TOTAL</b>	<b>1,134</b>	<b>1,938</b>

Nevertheless as depicted in Table 16 the total number of students reached by the Integrity Partner and the Project Partner Organization highly exceeded the target number and exposed a great number of students to integrity topics at CEU and in the target countries.

#### Business and public sector executives exposed to integrity topics by CEU

To understand the global and local trends, latest challenges in the fast changing business and social arena of the 21<sup>st</sup> century CEU Business School created the Executive Education Programs which offers a thought provoking, critical but constructive and interactive learning environment for practitioners, executives in order to help formulate and achieve their strategic goals.

The main objective of these trainings and workshops was to focus on specific topics, such as integrity management and methods to enhance integrity, including compliance and available models of compliance systems globally, understanding the importance of business anthropology and cultural differences in managing integrity, and using business intelligence as a tool to mitigate risks and enhance integrity. The training consisted of interactive presentations, case study analyses, group work and video exercises, concluded by plenary discussions.

Over the timespan of four years one workshop and three executive trainings were held in different countries of the target region, specifically:

- Bishkek, Kyrgyzstan in 2012 (workshop, total number of participants:23)
- Almaty, Kazakhstan in 2013 (workshop, pilot executive training, total number of participants: 33)
- Tbilisi, Georgia in 2014 (executive trainings, total number of participants: 29)
- Bucharest, Romania in 2015 (executive training)

<sup>69</sup> Annual Progress Report 2010/2011

Participants included C-level managers (CEO, CFO, and COO), heads of legal services, and compliance officers of regional companies. These workshops proved to be successful for both the Project Partner Organization and the CIBG namely to establish contact with regional business and discuss such sensitive topics as integrity and corruption openly. Participants were very active throughout the workshop and shared their experience and vision of integrity in business practice.<sup>70</sup>

Participants provided a positive feedback of the events and emphasized the importance of the topic as they often faced problems and challenges with business partners and governments when it comes to integrity and business ethics.

CIBG is currently actively involved in engaging business partners in different activities and reaching out to business and public sector executives for instance the Integrity Academy is organized on a regular basis with the involvement of executives and compliance officers. Furthermore, the Center promotes “action learning” where students also get involved in these events and as part of this CIBG organized in cooperation with AmCham a board simulation where participants demonstrate the business implications and challenges of corporate governance issues.<sup>71</sup> The play has been acted five times already in four different universities in addition to CEU, reaching 600 students.

Currently CIBG has a broad network of business leaders locally e.g. through AmCham and the Hungarian Business Leaders Forum and in the target countries including local chamber of commerce in Georgia, Kazakhstan, Kyrgyzstan and networking events are frequently organized by the Integrity Partner. In addition CIBG also aimed at developing its network within a broad geographical scope including the Canadian Chamber of Commerce and the Slovakian-American Business Chamber.

### **The commitment of CEU to continue funding the Integrity Education project beyond 2015**

Based on the evidence collected the Center remains sustainable after the completion of the project and broadens its scope by introducing a new PHD in Business Administration in which one out of the three tracks will focus on integrity.<sup>72</sup> The faculty and staff at the CEU Business School is committed to continue integrity education providing excellence in teaching and research.<sup>73</sup>

CIBG considers partnerships essential for successfully achieving its strategic objectives. Over the course of the funding period it broadened its network of associated researchers and fellows, also a wide network of cooperating institutions. In addition, it formed strategic partnerships to increase efficiency and impact and to add resources and generate funding. It cooperates with CEU, foreign universities, corporate and institutional partners in research and teaching. These will enable the CIBG to successfully sustain its operation beyond 2015.

Currently there are three main directions envisaged for strategic development beyond the funding period:

<sup>70</sup> Center for Integrity in Business and Government (2012): Business Leaders on Integrity in Practice – Report of a Workshop

<sup>71</sup> AmCham Governance and Transparency Committee <http://www.amcham.hu/committee/governance-and-transparency>

<sup>72</sup> Interview with Mr Mel Horwitch January 27, 2016.

The three tracks are the following: Technology, innovation and entrepreneurship; Business, Government, Society; Management and Strategy

<sup>73</sup> Interview with Mr Peter Hardi on January 26, 2016.

1. Corporate partners: since the spring of 2015 CIBG has started working in a closer collaboration with CEU's development office to ensure the smooth operation of the center after the end of the Integrity Education Project. This includes the mapping of already existing business partners and the outreach to new partners who would be interested in a cooperation with CIBG.
2. Foundations: this trait focuses on the academic and research aspects of integrity education where CIBG works together with CEU's Academic Cooperation and Research Support Office to identify new funding opportunities from foundations and EU funds.
3. CEU challenge grant: this third direction is the overlap of the previous two as CEU provided a generous grant of EUR 100 000 to CIBG as a challenge grant which will be available for the center as a matching grant if they can collect the same amount from other resources.

The importance of integrity education and CEU's dedication to the topic is also reflected by the Intellectual Themes Initiative that was launched as part of CEU's 25<sup>th</sup> anniversary celebration and introduced four new cross-cutting intellectual themes aimed at creating new interdisciplinary opportunities. The themes are social mind, inequalities and social justice, governance, and energy and society where the topic of integrity as part of the social mind theme remains an important value for CEU.

In addition the physical relocation of the CEU Business School including CIBG in the fall of 2016 will strengthen the cross-pollination of departments and ensure a smooth cooperation and joint projects with other departments e.g. School of Public Policy, Center for Network Sciences.

The main strategic partners to date are:

- Integrity Action
- Tata Consultancy Services
- Telenor Hungary
- AmCham (American Chamber of Commerce in Hungary)
- Hungarian Business Leaders Forum
- Swiss Contribution Office Hungary
- University of Nottingham
- Transparency International
- International Anti-Corruption Academy
- UN Global Compact
- Principles for Responsible Management Education (PRME)

#### **Evaluation by participants of integrity summer school courses**

To measure and assess the attitudes of students and executives on the usefulness of the integrity education on their work post-course survey was conducted with participants of the CEU Summer University. Students were asked to assess the course along diverse evaluation criteria divided into three main categories: course evaluation and organization. The current evaluation report focuses on the responds received on the usefulness of the course in terms of research and professional development along with the assessment on the course's impact on the work of the participants.

Based on the analysis of the post-course surveys, participants were highly satisfied with the Summer University Program praising its usefulness in terms of their professional development.

## 5.2 Indicator 2.2: Enrichment of curriculum

Table 14: Overview of the indicator 2.2.

Sub-indicators	Achievement of the target (Fully achieved, partially achieved, not yet achieved)	Source of evidence
<b>2.2.1</b> Guest lectures at the CEU Business School or the CEU School of Public Policy on the topic of integrity increased by 5 per year for 4 years as a result of the Integrity Education project	<b>Fully achieved</b>	Interview with Peter Hardi, list of guest lecturers provided by CIBG
<b>2.2.2</b> Number of students who apply to internships through the integrity education program	<b>Fully achieved</b>	Alumni and Career Development Report for Integrity Education, interview with Marat Atovmyan
<b>2.2.3</b> Number of students reached through pre-internship orientation sessions on integrity	<b>Fully achieved</b>	Alumni and Career Development Report for Integrity Education
<b>2.2.4</b> Student assessment preparedness based on course curriculum and/or pre-internship orientation sessions on integrity	<b>Fully achieved</b>	Data provided by CEU

### 5.2.1 Overview and assessment of activities

#### Guest lectures at the CEU Business School or the CEU School of Public Policy on the topic of integrity increased by 5 per year for 4 years as a result of the Integrity Education project

CIBG in cooperation with the School of Public Policy and the CEU Business School ensured that the students are exposed to integrity topics beyond the classroom and frequently invited guest lecturers ranging from academics to business executives. The total number of guest speakers between 2011 and 2015 amounted to 47.

To demonstrate the wide breath of topics discussed a non-exhaustive list of guest speakers is provided below:

- "Skating on Melting Ice- Practical Ethics in Russia" a lecture was held by Peter O. Kölle, former Managing Director, CIS at Hypovereinsbank
- Integrity Panel with Laszlo Czirjak –iEurope Capital, Denes Doszpod- Hungarian Business Leaders Forum, Nicholas Sarvari- CNS Risk Ltd
- Dinesh Thampi, Vice President and Delivery Center Head at Tata Consultancy Services
- "The historical roots of corruption: Mass education, economic inequality and state building" by Eric Uslaner (University of Maryland-College Park)

- Research without hypothesis – how to win an award in corruption research. A roundtable discussion with David Jancsics, corruption researcher from the City University of New York
- Anti-Corruption Research Group: Profs. Bo Rothstein (University of Gothenburg now at Oxford), Paul Heywood (Nottingham University)
- Dr. Jens Burgard, Chief Compliance Officer, Siemens AG

### **Number of students who apply to internships through the integrity education program**

CIBG and Integrity Action identified several future funding sources for internships at the beginning of the funding period and received additional sources for the project such as Tempus, Eurasia Foundation, Friedrich-Ebert-Stiftung grants.<sup>74</sup> In addition, the CEU Development Office also participated in identifying possibilities to raise funds for scholarships, internships and the case study competition in the region, reaching out to North American private foundations. Agreements were made with the Hungarian Business Leaders Forum and the Swiss Contribution for the placements of interns.

The evidence collected also confirms that in the target countries there are several good examples for cooperation between the Business Advisory Councils, Integrity Education network members and the students. In some cases the BAC members organized internships for committed students for instance in Russia and Armenia. For a detailed overview on these internships see Section 4.3.1 and Table 5.

The overall assessment of this sub-indicator confirms that both the Integrity Partner and the Project Partner Organization put significant effort in creating opportunities for students to develop their professional skills through internships and reached out to various stakeholders to secure funding and placement opportunities. Despite the above, the monitoring on the number of students who applied to internships through these channels was not systematic and thus no estimation can be made on the total number of students.

### **Students reached through pre-internship orientation sessions on integrity**

CEU and CEU Business School provides Alumni Relations and Career Services for all CEU students serving more than 13 000 alumni worldwide including career and professional development services, involvement in different alumni networks and activities. In addition, the CEU offers job and internship offers and networking opportunities.

In the academic year 2015-2016 the Career Development held individual consultations for 97% of the full time MBA cohort and 72% of the Executive MBA cohort offering them practical advice on job seeking and career advancement, guiding them to targeted internships and employment possibilities. For those prospective students who are interested in the topic CEU organizes Info Sessions. CEU Business School organizes 9-12 sessions in Budapest annually. On these occasions CIBG and CEU faculty delivered several lectures e.g.: Noemi Alexa held a session entitled "Corruption in Business. Is there a way out? (registered participants: 16)

<sup>74</sup> Annual Progress Report 2011/2012

### 5.3 Fulfilment of Objective 2

The main aim of Objective 2 was to institutionalize integrity education in graduate and executive education programs at the CEU Business School and School of Public Policy engaging graduate students, business executives and public sector practitioners.

In addition to the 9 courses offered at the CEU Business School within the Integrity Curriculum Framework, the School of Public Policy has two additional courses on integrity-related topics. These courses are accessible for interested students from all departments within CEU. Reaching the target number of students proved to be difficult at the beginning of the project due to delays in the establishment of the School of Public Policy. All together the total number of students participating in integrity related courses at CEU amounted to 1,134. In addition, the Project Partner Organization also helped to disseminate the ICF and reach the envisaged target number. Scholarships were also offered by the CEU Business School to graduate students to work closely with CIBG and contributing to the development of the Integrity Curriculum Framework and organizing workshops.

A wide range of activities was offered in addition to the core courses, i.e. the Summer University programs, executive trainings and the courses offered at CEU ensured that this objective was fully achieved. There were all together five Summer University Programs organized over the project period. These were received positively among the participants coming from NGOs, government agencies, foundations and international organizations.

Based on the demonstrated interest by students and business executives in integrity related topics, CEU is committed to continue supporting the initiative by a challenge grant of EUR 100,000. This commitment is also manifested by the Intellectual Themes Initiative that was launched as part of CEU's 25<sup>th</sup> anniversary celebration and introduced four new cross-cutting intellectual themes aimed at creating new interdisciplinary opportunities. The themes are social mind, inequalities and social justice, governance, and energy and society where the topic of integrity as part of the social mind theme remains an important value for CEU.

## 6 Assessment of the fulfilment of Objective 3

In this section the indicators of Objective 3 are assessed followed by the overview and analysis of the relevant activities. This serves as the basis for the assessment of the fulfilment of the objective.

**Objective 3:** To improve the reach, quality and institutionalization of integrity education in undergraduate, graduate and executive education programs throughout target countries in the region of Central and Eastern Europe and the former Soviet Union, aiming to engage at least 400 universities and building capacity of 5 professional training institutions over the next 5 years

### 6.1 Indicator 3.1: Number of new, engaged network members

Table 15: Overview of the indicator 3.1.

Sub-indicators	Achievement of the target (Fully achieved, partially achieved, not yet achieved)	Source of evidence
3.1.1 MoUs with universities increased by 80 per year for 5 years (half in Russia; half in other target countries)	<b>Fully achieved</b>	database of Siemens Integrity Education Network Partners presentation held by Harutyun A. during the conference ""
3.1.2 Participants in Curriculum Development Workshops increased by 80 people per year for 5 years	<b>Fully achieved</b>	Interview with Ellen Goldberg and Harutyun Aleksanyan Information on workshops conducted by Integrity Action, December 2015
3.1.3 Students exposed to integrity topics by IEN members increased by 4000 per year for 4 years	<b>Fully achieved</b>	Number of cumulative students each year – data provided by Integrity Action
3.1.4 Training collaborations with 5 professional training institutions over the period of 5 years	<b>Fully achieved</b>	List of Public Administration Institutions trained as of October 2014, Teaching Integrity Completion Reports,
3.1.5 Working professionals trained by ICF-guided curricula increased by 600 per year for 4 years	<i>Data not monitored, qualitative judgment provided</i>	List of Public Administration Institutions trained as of October 2014, Teaching Integrity Completion Reports

#### 6.1.1 Overview and assessment of activities

MoUs with universities increased by 80 per year for 5 years (half in Russia; half in other target countries)

As one of the goals of the Integrity Education project, the teaching materials and the curriculum developed had to be disseminated in Eastern Europe and in post-Soviet countries. However, due to the vast geographical coverage, focus countries had to be selected, enabling the efficient and effective allocation of resources with the best potential utility. These focus countries were Armenia, Kazakhstan, Georgia, Kyrgyzstan and two regions of Russia (namely, the Volga region and Siberia). The main focus of the project was on these countries, however, not exclusively. In order to foster the process of contacting new stakeholders and potential partners, designated country coordinators were selected for each of the regions, based on their knowledge of the local context and network of contacts. The country coordinators were selected as a result of a series of interviews and assessment of potential candidates. The contracted country coordinators were mainly responsible for organizational issues, for example, searching, contacting and contracting new partners (universities, institutes and departments), organizing workshops and other events and liaising with the Project Partner Organization. Later on, they also had the opportunity not just to organize, but also to conduct some of the trainings.

The Project Partner Organization was responsible for coordinating the process of managing and expanding the network of partners and the country coordinators directly reported to the Project Partner Organization. The manager of the project and the country coordinators was Harutyun Aleksanyan, being responsible for the day-to-day management of the network. With regard to the involvement of new partners, e.g. universities, faculties and NGOs, the legal basis of the cooperation was the so called Memorandum of Understanding (MoU) signed by both the Project Partner Organization and the new partner. In these MoUs the approached universities and faculties agreed that they will become members of the network, will allow their academics to participate in the workshops and trainings organized by Integrity Action and CEU and will offer integrity courses or modules within one to two academic years, and will participate actively in network's activities.<sup>75</sup>

According to the original plans, 80 new universities had to be contracted each year for five years (400 in total). However, this figure was revised (and approved by SIEMENS), as in this case there would have been limited to no time for providing training for academics of the last 80 universities contracted in 2015. The figure was reduced to a total of 320 universities and faculties were counted instead of universities, i.e. multiple faculties from the same university were counted. The rationale behind this change was that having multiple faculties from a university could enhance collaboration regarding integrity education within the same university and enhance the quality and reach of integrity education. Also, in such cases the academics responsible for integrity education would not need to work in isolation. In total, until the end of the project, 323 universities, institutions or departments signed an MoU from 12 countries<sup>76</sup>, exceeding the approved target value.

After signing MoUs with approximately 10-15 new universities of faculties, curriculum development workshops were organized for the academics of these universities. The workshops were split into two parts, with the first one covering the topic of integrity and integrity education, while the second one covered teaching methodology (mainly through case studies and role playing). Subsequent to the training, the participants received a wide range of teaching materials and documentation prepared by Integrity Action and CEU ('Recommended Materials').

After participating in the workshops, the academics outlined to what extent and how they will integrate integrity education into their curriculum from the upcoming semester on, either in the form of an individual course or as modules in existing courses. Due to the complex administrative procedures and

<sup>75</sup> Siemens Integrity Initiative: Annual Progress Report 2010/2011

<sup>76</sup> These countries were Armenia, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Poland, Russia, Slovenia, Tajikistan, Turkey and Ukraine.

the high-level approvals needed (e.g. from responsible ministries or accreditation bodies) for introducing standalone courses, approximately 70-75% of the academics introduced modules on integrity within the framework of already existing courses. After the first semester with the new courses and modules, the country coordinators asked for the teaching materials from the academics and performed an assessment on these and forwarded the results to the Project Partner Organization as well. This process enabled providing feedback to the academics, on the one hand, while also fostered knowledge sharing and identification of good practices from the countries on the other hand. In order to support this process, student pre- and post-course assessments were performed and an innovative tool was developed.

Due to practical considerations, the first MoUs were signed with existing partners of Integrity Action, while new ones were looked for in the subsequent years of the project implementation. 20 Curriculum Development Workshops and Business Integrity workshops were organized in total during the five years of the project, mainly between 2012 and 2014. In total, 443 academics, executives and other participants took part in these trainings, far exceeding the total envisaged number of 320 participants.<sup>77</sup>

The workshops conducted can be categorized as

- 1) **Curriculum Development workshop / Teaching Integrity workshop:** General workshop on integrity education, mainly for academics
- 2) **Training of Trainers workshop:** Workshops mainly for trainers and teachers at public service institutes and universities. These workshops were similar to the general ones, however, were more tailored to the specificities of the public sector.
- 3) **Business Integrity workshop:** The target audience of these workshops was academics teaching at business schools and faculties and business executives. These workshops were organized in Armenia, Russia and Georgia.

After the completion of the workshops, feedback was requested from the participants which was channeled into a completion report. These completion reports proved to be useful sources for the organization and development of future workshops. The completion reports outlined a summary of the workshop, the evaluation of the workshop (based on the feedbacks received), the lessons learned and also some practical and conceptual recommendations. As annex, the agenda and the list of the participants were also included in these reports. This practice successfully enabled continuous learning regarding the development of future workshops.

### **Students exposed to integrity topics by IEN members increased by 4000 per year for 4 years**

The project reached the target set out and went beyond reaching a total number of 56 293.<sup>78</sup> Based on the data provided by the Project Partner Organization the estimated number of new students each year who were exposed to integrity topics between 2011 and 2015 is presented in the Table below.

For a detailed assessment on the students feedback regarding the relevance and usefulness of integrity education see Section 4.1.1.

<sup>77</sup> Information on workshops conducted by Integrity Action, December 2015

<sup>78</sup> If only 75% of the trained academics taught integrity related courses

**Table 16: Estimated Number of New Students Learning Integrity - 2011 - 2015<sup>79</sup>**

Year	Annual no. of new students	If all trained academics taught, then cumulative no. of new students would be:	If only 75% of the trained academics taught, then cumulative no. of new students would be:
2011	7,225	7,225	5,419
2012	4,526	11,751	9,945
2013	3,820	15,571	12,633
2014	2,380	17,951	14,058
2015	775	18,726	14,238
<b>TOTAL</b>	<b>18,726</b>	<b>71,224</b>	<b>56,293</b>

### Training collaborations with 5 professional training institutions over the period of 5 years

The sub-indicator to establish training collaboration with 5 professional training institutions over the period of five years was fully achieved. 12 institutions took part in the Training of Trainers workshops, namely:

1. Institute of Public Administration, Sophia, Bulgaria
2. Academy of Management, Kiev, Ukraine
3. Academy of Management, Bishkek, Kyrgyzstan
4. Academy of Management, Yerevan, Armenia
5. Academy of Management, Novosibirsk, Russia
6. Institute of Public Administration, Kazakhstan
7. Civil Servants Council, Kazakhstan
8. Training Institute of Civil Servants, Kizil-Ordinsk region, Kazakhstan
9. Training Institute of Civil Servants, Pavlodar region, Kazakhstan
10. Training Institute of Civil Servants, Karaganda region, Kazakhstan
11. Training Institute of Civil Servants, North Kazakhstan, Kazakhstan
12. Training Institute of Civil Servants, Akhmolisk, Kazakhstan

The main aim of these Training of Trainers workshops was to develop the institutes training agendas. In addition, the Project Partner Organization reached out to other public administration institutions and worked with other 12 partners<sup>80</sup> within the framework of the Curriculum Development workshops to improve these institutions own teaching agendas and curriculum. The goal was to assist universities and

<sup>79</sup> Number of cumulative students each year – data provided by Integrity Action

<sup>80</sup> Stolypin Institute of Public Administration, Saratov, Baskirian Academy of Public Administration Arzamas Institute of Public Administration, Balakovo Institute of Public Administration, Toliatti Institute of Public Administration, Saransk Institute of Public Administration, Orenburg Institute of Public Administration, Lipetsk Institute of Public Administration, First Tambov Institute of Public Administration, Second Tambov Institute of Public Administration, Dzerzhinsk Institute of Public Administration, Balashovo Institute of Public Administration,

training institutions to develop curricula and syllabi on integrity courses, learn more on interactive, student-centred methodologies and acquire new content for integrity courses.<sup>81</sup> The workshops included presentations, case studies, group discussions and visual aids.

All together there were 29 workshops organized by Integrity Action between 2011 and 2015 with a total participation of 799. This includes 10 Teaching Integrity workshops, the Curriculum Development workshops and the Summer University programs. The training collaboration with professional training institutions in the form of the Teaching Integrity workshop reached a total of 253 professionals.<sup>82</sup> The geographical scope of the workshops was also broad providing opportunity for all interested stakeholders to participate. Workshops were held in: Turkey, Hungary, Armenia, Georgia, Kyrgyzstan, Russia, Kazakhstan, Bulgaria and Moldova.

### Working professionals trained by ICF-guided curricula increased by 600 per year for 4 years

Based on the qualitative evidence collected the Project Partner Organization put significant effort in broadening its network of professional and training institutes reached. As described above, all together there were 29 workshops organized by Integrity Action between 2011 and 2015 with a total participation of 799. This includes 10 Teaching Integrity workshops, the Curriculum Development workshops and the Summer University programs. In addition, the number of partner institutes for training civil servants highly exceeded the target number.

The monitoring on the number of working professionals trained by ICF guided curricula was not systematic and thus no estimation can be made on the total number of students. There is detailed documentation available on the number of working professionals reached through the events organized directly by the Integrity Partner and the Project Partner Organization but the spill-over effect of these activities across the target countries cannot be estimated.

## 6.2 Indicator 3.2: Improved quality of teaching integrity topics among members of the IEN

Table 17: Overview of the indicator 3.2.

Sub-indicators	Achievement of the target (Fully achieved, partially achieved, not yet achieved)	Source of evidence
3.2.1 At least 80% of IEN members self-assessing their teaching as having improved "significantly"	Fully achieved	Integrity Action, Center for Integrity in Business and Government: Case study collection on integrity Academic survey

### 6.2.1 Overview and assessment of activities

More than 80% of the academics and trainers pointed out that the most immediately useful parts of the Teaching Integrity workshops and trainings were the discussion of case studies, group work and

<sup>81</sup> Completion Report Teaching Integrity Workshop in Chisinau

<sup>82</sup> Data for TATA database provided by Integrity Action

formulating practical solutions to solve problems<sup>83</sup> which allowed them to reflect on their own teaching methods and incorporate this knowledge into their own integrity curriculum.

This is also reflected in the Academic Surveys conducted in 2015 with academics in the target countries by the Project Partner Organization. The respondents were academics in Europe and Central Asia (ECA) who have in some way been part of an Integrity Education project in the region running from 2010-2015. The survey was administered in English, Russian, Georgian, and Armenian. All together 94 academics completed the survey: Armenia 16, Bulgaria 1, Georgia 13, Kazakhstan 2, Kyrgyzstan 12, and Russia 50.

The main results of the survey are summarized below:

- 74 Academics indicated that they had used material or teaching methods produced by Integrity Action
- 142 activities related to integrity initiated by academics at the university or elsewhere
- 88% agree or strongly agree that Integrity Action provided relevant integrity education teaching material
- 94% agree or strongly agree that they would welcome more ideas and support from Integrity Action on how to incorporate integrity into teaching

### **6.3 Fulfilment of Objective 3**

The main aim of Objective 3 was to further develop and disseminate the teaching materials and the curriculum developed by the Integrity Partner in Central and Eastern Europe and in post-Soviet countries by the Project Partner Organization. Further aims of this objective was to engage new stakeholders and potential partners in integrity education. Due to the vast geographical coverage, the number of focus countries had to be narrowed down to Armenia, Kazakhstan, Georgia, Kyrgyzstan and two regions of Russia (namely, the Volga region and Siberia). However, 12 countries were covered in total. Thanks to the activities undertaken by the Project Partner Organization for instance Training of trainers workshops and the Curriculum Development workshops this objective was fully achieved.

In total, 443 academics, executives and other participants took part in these activities, far exceeding the total envisaged number of 320 participants. Regarding the number of students reached the project exceeded the target set out and went beyond reaching a total number of 56,293 students. These activities allowed academics to reflect on their own teaching methods and incorporate this knowledge into their own integrity curriculum demonstrating commitment and determination to continue integrity education in the target countries.

The realization of the project faced several obstacles in target countries due to contextual difficulties (such as the high level of perceived corruption, political instability, weak governance, lack of relevant sources in local languages). The Integrity Education project successfully aimed at tackling these difficulties by translating 90 teaching materials into local languages and engaging 12 professional training institutions to develop the skills and knowledge of civil servants and public administration officials.

<sup>83</sup> Integrity Action, Center for Integrity in Business and Government: Case study collection on integrity. Yerevan, 2015.

## 7 Overview of financial implementation

The following section provides a concise overview of the financial implementation of the Integrity Education Project focusing on the deviations from the original project plan and summarizing the explanations for the modifications occurred.

**Table 18: Financial Report Year 1**

Activity	Budget Year 1 (Half Year 1 + Half Year 2) (in USD)	Actual Costs Year 1 (Half Year 1 + Half Year 2) (in USD)	Deviation* in %
Activity 1.1: Center for Integrity in Business and Government	184,276.00	157,608.18	-14.47
Activity 1.2: Integrity Curriculum Framework	24,560.00	314.94	-98.72
Activity 2.1: Teaching of integrity curricula to graduate	10,000.00	224.56	-97.75
Activity 2.2: Summer university course with 3 modules	60,000.00	59,989.84	-0.02
Activity 2.3 Impact Evaluation at CEU	3,587.00	-	-100.00
Activity 3.1: CEU-Tiri coordination meeting in Budapest;	94,500.00	31,222.55	-66.96
Activity 3.2: Build capacity of 1 key professional training	-	1,866.90	100.00
Activity 3.3: Deepen quality teaching of IEN	44,500.00	57,451.32	29.10
Activity 3.4: Facilitate Local Business Engagement	3,250.00	1,222.60	-62.38
General project costs	41,407.00	55,167.91	33.23
<b>TOTAL costs under the Siemens Integrity Initiative</b>	<b>466,080.00</b>	<b>365,068.80</b>	<b>-21.67</b>
thereof:	Audited project financials (CEU)	160,997.68	
	Audited project financials (Integrity Action)	204,071.12	

The establishment of the Center for Integrity in Business and Government was one of the first activities undertaken by the Integrity Partner. While the development of the Integrity Curriculum Framework started a bit later resulting in lower project costs in Financial Year 1. The facilitation of local business

engagement, mostly in the form of Business Advisory Councils was also characterized by a slow take-off and thus lower costs.

**Table 19: Financial Report Year 2**

Activity	Budget Year 1 (Half Year 1 + Half Year 2) (in USD)	Actual Costs Year 1 (Half Year 1 + Half Year 2) (in USD)	Deviation* in %
Activity 1.1: Center for Integrity in Business and Government	251,275.00	209,694.32	-16.55%
1.2: Integrity Curriculum Framework	19,113.31	32,281.79	68.90%
Activity 2.1: Teaching of Integrity curricula	10,000.00	-	-100.00%
Activity 2.2: Teaching of Integrity curricula	60,000.00	59,743.00	-0.43%
Activity 2.3 Impact evaluation at CEU	14,348.00	66.12	-99.54%
Activity 3.1: CEU-Tiri coordination meeting in Budapest;	103,992.00	44,442.64	-57.26%
Activity 3.2: Build capacity of 1 key professional training	17,524.00	10,767.37	-38.56%
Activity 3.3: Deepen quality teaching of IEN	101,005.00	147,431.73	45.96%
Activity 3.4: Facilitate Local Business Engagement	19,226.00	5,849.71	-69.57%
General project costs - CEU	12,500.00	3,004.96	-75.96%
General project costs - Integrity Action	70,963.00	66,942.00	-5.67%
<b>TOTAL costs under the Siemens Integrity Initiative</b>	<b>679,946.31</b>	<b>580,223.64</b>	<b>-14.67%</b>
thereof:	307,236.31	245,047.19	
	372,710.00	335,176.45	

The Integrity Partner received support for the facility-related costs for the New York workshop from CEU Business School, as the Workshop joined to their New York teaching module. In addition, the travel cost of the guest lecturers were covered by the Medinger grant. Due to the in kind donation of Tata Consultancy Services, the funds planned for Impact Evaluation at CEU were not used.

Table 20: Financial Report Year 3

Activity	Budget Year 1 (Half Year 1 + Half Year 2) (in USD)	Actual Costs Year 1 (Half Year 1 + Half Year 2) (in USD)	Deviation* in %
Activity 1.1: Center for Integrity in Business and Government	284,200.00	230,460.63	-18.91%
1.2: Integrity Curriculum Framework	35,100.00	29,105.30	-17.08%
Activity 2.1: Teaching of Integrity curricula	9,600.00	5,162.16	-46.23%
Activity 2.2: Summer university course with 3 modules;	60,000.00	70,556.38	17.59%
Activity 2.3 Impact evaluation at CEU	14,200.00	4,194.95	-70.46%
Activity 2.4 Internship and Career Services	13,000.00	5,783.99	-55.51%
Activity 3.1: Expand reach of IEN ECA to 80 new universities per year	37,400.00	21,695.77	-41.99%
Activity 3.2: Build capacity of 1 key professional training institute	23,500.00	18,726.53	-20.31%
Activity 3.3: Deepen quality teaching of IEN	156,100.00	166,488.55	6.66%
Activity 3.4: Facilitate Local Business Engagement	13,400.00	14,226.64	6.17%
General project costs- CEU	6,500.00	3,730.47	-42.61%
General project costs- Integrity Action	71,450.00	64,474.87	-9.76%
<b>TOTAL costs under the Siemens Integrity Initiative</b>	<b>724,450.00</b>	<b>634,606.24</b>	<b>-12.40%</b>
thereof:	362,600.00	278,437.50	-23.21%
	361,850.00	356,168.74	-1.57%

Several guest lecturers covered their own travel expenses, or were supported through funds from the Medinger grant (EUR 5,000), so these funds were re-allocated for covering their local costs.

External funding was received for the travel and accommodation of the students participating in ethics competition. (Medinger grant EUR 3,000; grant from American host institution USD 2,000) and the Integrity Partner utilized the facilities of the CEU Business School to cover facility-related costs.

The cost of the Summer University Program was higher than expected to meet the targets of 50 participants for 3 policy labs due to the following conditions:

1. lower level of external funding as in previous years due to the depletion of the Malaysian Commonwealth funds (which for several years was GBP 20,000) and lower contribution from other Integrity Action programs due to change in policy lab topics;
2. unusually high travel costs for participants from Africa, Maldives Anti-Corruption Commission, and University of Trinidad and Tobago;
3. the change in revenue-sharing policy by CEU which allocated only 30% of tuition income to the course, rather than 100%. These funds normally covered between USD 4000 and USD 9000 of course expenses, and this year covered only USD 800.

**Table 21: Financial Report Year 4**

Activity	Budget Year 1 (Half Year 1 + Half Year 2) (in USD)	Actual Costs Year 1 (Half Year 1 + Half Year 2) (in USD)	Deviation* in %
Activity 1.1: Center for Integrity in Business and Government	253,400.00	241,599.79	-4.66%
Activity 1.2: Integrity Curriculum Framework	34,500.00	28,858.96	-16.35%
Activity 1.3: Collective Action <sup>84</sup>	15,000.00	14,787.62	-1.42%
Activity 2.1: Teaching of Integrity curricula	7,000.00	626.50	-91.05%
Activity 2.2: Summer university course with 3 modules; Attended by at least 50 business, educators, public service; and civil society practitioners per year for a total of 250	60,000.00	40,526.32	-32.46%
Activity 2.3: Impact evaluation at CEU	14,500.00	14,556.84	0.39%
Activity 2.4: Internship and Career Services	6,000.00	1,476.06	-75.40%
Activity 3.1: CEU-Integrity Action coordination meeting in Budapest; Expand reach of IEN ECA to 320 (new total was approved by Siemens)	18,962.80	20,129.54	6.15%
Activity 3.2: Build capacity of 1 key professional training institute	59,108.20	38,820.20	-34.32%

<sup>84</sup> approved in the Change request, reallocated from 1.2

Activity	Budget Year 1 (Half Year 1 + Half Year 2) (in USD)	Actual Costs Year 1 (Half Year 1 + Half Year 2) (in USD)	Deviation* in %
Activity 3.3: Deepen quality teaching of IEN	84,013.06	100,618.59	19.77%
Activity 3.4: Facilitate Local Business Engagement	19,845.20	19,070.70	-3.90%
General project costs -CEU	6,500.00	3,800.44	-41.53%
General project costs-Integrity Action	92,158.00	86,594.79	-6.04%
<b>TOTAL costs under the Siemens Integrity Initiative</b>	<b>670,987.26</b>	<b>611,466.35</b>	<b>-8.87%</b>
thereof:	336,900.00	305,706.21	-9.26%
	334,087.26	305,760.14	-8.48%

The costs of internships appears lower because the Canadian Chamber of Commerce Hungary, and the Canadian Embassy of Hungary offered an internship opportunity jointly, but because of the Business School's New York module was extended to a month, and their increased workload, the full-time MBA students could not utilize these opportunities.

The expenses of teaching the integrity curriculum appear lower as the costs of the translation were not yet accounted, and the printing and editing costs of the teaching materials (e.g. Integrity Glossary) appear in the next year's report

In case of the Summer University Program 53 applicants were accepted and thus a high-cost course was expected and additional funding was arranged; the final number attending was only 44 – most being due to visa rejection or family issues. Nonetheless, the other funders agreed to pay their share, and the remaining balance was used in FY15 to conduct a larger course towards reaching the target of 250.

**Table 22: Financial Report Half Year of Year 5**

Activity	Budget Year 1 (Half Year 1 + Half Year 2) (in USD)	Actual Costs Year 1 (Half Year 1 + Half Year 2) (in USD)	Deviation* in %
Activity 1.1: Center for Integrity in Business and Government	113,150.00	105,669.36	-6.61%
Activity 1.2: Integrity Curriculum Framework	30,900.00	3,350.74	-89.16%
Activity 2.1: Teaching of Integrity curricula	500.00	244.79	-51.04%
Activity 2.2: Summer university course with 3 modules - Integrity Action	500.00	810.87	62.17%

Activity	Budget Year 1 (Half Year 1 + Half Year 2) (in USD)	Actual Costs Year 1 (Half Year 1 + Half Year 2) (in USD)	Deviation* in %
Activity 2.4 Internship and Career Services	4,000.00	-	-100.00%
Activity 3.1: CEU-Integrity Action coordination meeting in Budapest; Expand reach of IEN ECA to 320 total	12,815.75	8,891.20	-30.62%
Activity 3.2: Build capacity of 1 key professional training institute	10,315.75	9,307.54	-9.77%
Activity 3.3: Deepen quality teaching of IEN	92,284.00	63,675.96	-31.00%
Activity 3.4: Facilitate Local Business Engagement	20,744.63	14,817.00	-28.57%
General project costs Integrity Action	35,672.50	32,020.24	-10.24%
<b>TOTAL costs under the Siemens Integrity Initiative</b>	<b>320,882.63</b>	<b>238,787.70</b>	<b>-25.58%</b>
thereof:	148,550.00	109,264.89	-26.45%
	172,332.63	129,522.81	-24.84%

Activity 2.1 involved the translation of the ICF material which was already ready in the first half of the Financial Year 5, but the payment only appears in H5Y2. Part of the guest lecturers' expenses were covered by the Medinger grant, and one guest covered his own expenses resulting in lower travel costs.

Internship were offered at the Canadian Chamber of Commerce in Hungary, but due to the overloaded schedule of the students it was not used. Also, this year no team participated at the International Business Ethics Case Competition, the remaining funds were reallocated to other activities (research assistantships to help the Center's work).

In case of the Project Partner Organization the lower project costs are due to the two workshops (Saratov and Ukraine/Moldova) being moved to the second half of Financial Year 5.

## 8 Conclusion

In the framework of the Siemens Integrity Initiative program USD 3.09 million was awarded to the Central European University in cooperation with Integrity Action for the project titled 'Leveling the playing field in emerging and transitional markets of Central and Eastern Europe and the former Soviet Union' with the main objective of supporting anti-corruption and creating fair market conditions for all participants through 'Collective Action' and 'Education and Training'. Within this framework the aim of the Integrity Education project was to shape and influence the behaviors of undergraduate and graduate students and executives in Central and Eastern Europe and the former Soviet Union in the time-span of 5 years.

As a result of this project, the Center for Integrity in Business and Government (CIBG) within CEU Business School was successfully established as a center of excellence providing a platform for exchange of experience for academics and business executives. The Integrity Curriculum Framework, as the main element of the Integrity Education project was successfully developed by the Center for Integrity in Business and Government and was translated into Russian, consisting of 8 full core and elective courses, an additional elective and a track in Ph.D. The Integrity Curriculum Framework offers a comprehensive introduction to personal integrity, to integrity in business, to the intra-firm analysis and control of corruption and gives an overview of the extra-firm environment. This means that the content of the courses together are an adequate response to integrity related challenges. To fully cover both demand and supply side of integrity education two educators workshops were held with international integrity experts from academia and two methodology workshops were organized with educators and students from the target regions. A global survey was launched to explore business executives' perception on what skills graduates need to act with integrity.

The Project Partner and the Project Partner Organization were successful in broadening the Integrity Education Network ensuring a vast geographical coverage, i.e. 12 countries in total. The main focus of the activities were on 6 countries, namely on Armenia, Kazakhstan, Georgia, Kyrgyzstan and two regions of Russia (the Volga region and Siberia). Collaboration was established with 323 higher education partner institutions in the ECA region reaching a total of 56,293 students. Over the period of the project four executive trainings were held with 118 participants from 14 countries in the region. The CEU Summer School in cooperation with Integrity Action reached 1167 public officials, practitioners and executives. The evaluation identified several good practice examples where the tools and teaching methods provided by the project supported by the determination of students and academics in the network and resulted in spill-overs of integrity education. As an example, the students of the Georgian Technical University created student report cards to ensure that their peers and faculty members are acting with integrity. Another example is the case of the students of Stolipin Institute of Public Administration who voluntarily teach integrity related topics to high school students.

Currently, there are two dimensions for strategic development to ensure the sustainability of integrity education. One of them is to secure funding for CIBG for the upcoming period and establish strategic partnerships with academic and research institutes as well as corporations. The other thread is related to the sustainability of integrity education depending on the embeddedness of integrity topic and the interest demonstrated by students and business executives. Currently, there are numerous on-going initiatives facilitated by CIBG faculty pointing to the direction that there is a strong demand for cooperation and continuation of such activities.

Out of the 42 sub-indicators evaluated in the current report 41 were fully achieved. Target numbers were met and in several cases highly exceeded the envisaged target values. In one case no monitoring data

was available, but qualitative judgment and auxiliary data collected points to the direction that this sub-indicator was also fully achieved. The implementation of the Integrity Education project is assessed as a highly successful initiative that achieved to lay ground for integrity education and promotion of integrity in business in a highly challenging regional context.

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