PRME
an initiative of the
United Nations Global Compact

Knauss
SCHOOL OF BUSINESS
University of San Diego

# 2025 Sharing Information on Progress (SIP) Report

Knauss School of Business

December 2025

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## About the Principles for Responsible Management Education (PRME)

The Principles for Responsible Management Education (PRME) is a United Nations-supported initiative founded in 2007 that aims to raise the profile of sustainability in their classrooms through Seven Principles focused on serving society and safeguarding our planet.

PRME engages business and management schools to ensure they provide future leaders with the skills needed to balance economic and sustainability goals, while drawing attention to the Sustainable Development Goals (SDGs) and aligning academic institutions with the work of the UN Global Compact. Driven by its mission to transform management education, PRME equips today's business students with the understanding and ability to deliver change tomorrow. As a voluntary initiative with over 800 signatories worldwide, PRME has become the largest organized relationship between the United Nations and management-related higher education institutions.

*The PRME initiative was launched to nurture responsible leaders of the future. Never has this task been more important. Bold leadership and innovative thinking are needed to achieve the Sustainable Development Goals (SDGs).*

**Antonio Guterres**

Secretary-General (2017 - Present)

United Nations

# Principles of PRME

**Purpose**
We advance responsible management education to foster inclusive prosperity in a world of thriving ecosystems.

**Values**
We place organizational responsibility and accountability to society and the planet at the core of what we do.

**Teach**
We transform our learning environments by integrating responsible management concepts and practices into our curriculum and pedagogy.

**Research**
We study people, organizations, institutions, and the state of the world to inspire responsible management and education practice.

**Partner**
We engage people from business, government, civil society, and academia to advance responsible and accountable management education and practice.

**Practice**
We adopt responsible and accountable management principles in our own governance and operations.

**Share**
We share our successes and failures with each other to enable our collective learning and best live our common values and purpose.

## The Sustainable Development Goals (SDGs)

In September 2015, all 193 Member States of the United Nations adopted a plan for achieving a better future for all – laying out a path over the next 15 years to end extreme poverty, fight inequality and injustice, and protect our planet. At the heart of Agenda 2030 are 17 Sustainable Development Goals (SDGs) and 169 related targets that address the most important economic, social, environmental and governance challenges of our time. The SDGs clearly define the world we want – applying to all nations and leaving no one behind. Successful implementation of the SDGs will require all players to champion this agenda; the role of higher education is critical to this.

# Getting Started

This section provides foundational information about Knauss School of Business, including key details and basic institutional data.

## Institutional History

USD Climate Action Plan - FINAL-compressed — View document — Download document

USD EMP Report Final 2021_v7-compressed — View document — Download document

## Graduates & Enrollment

| 2024 Statistics | Number |
|---|---|
| Graduates | 830 |
| Faculty & Staff at the University | 2660 |
| Faculty & Staff at the Institution | 207 |
| Student Enrollment at the University | 9545 |
| Student Enrollment at the Institution | 2237 |
| Undergraduate Attendance | 1778 |
| Masters-Level Postgraduate Attendance | 459 |
| Doctoral Student Attendance | 0 |

## Degrees Offered

Bachelor Programs

- Bachelor of Business Administration (B.B.A.)
- Bachelor of Arts (B.A.)
- Bachelor of Science (B.Sc. or B.S.)

Masters Programs

- Master of Science (M.Sc. or M.S.)
- Master of Business Administration (M.B.A.)

# Purpose

We advance responsible management education to foster inclusive prosperity in a world of thriving ecosystems.

## Definition of Purpose

At Knauss, Purpose reflects our commitment to creating sustainable value for business and society. Purpose is embedded in how we educate and operate, guiding the preparation of graduates to lead responsibly, advance inclusion, and contribute meaningfully within a global and interconnected economy.

## Institutional Engagement

**51% - 75%** of faculty at Knauss School of Business actively contribute to our work with PRME, advancing responsible management education, or addressing sustainable development challenges through their work.

# Values

We place organizational responsibility and accountability to society and the planet at the core of what we do.

# How We Define Values

At the Knauss School of Business, Values are reflected in how global social responsibility informs our daily decision-making and institutional practices. Aligned with the University of San Diego's strategic priorities, these values guide our curriculum, research, international engagement, and co-curricular activities, shaping ethical leadership, sustainability, and positive societal impact.

## Who Champions Responsible Management Education at Our Institution

- Centralized sustainability office
- Interdisciplinary efforts across business school
- Interdisciplinary efforts across parent organization

## Student Awareness

**0% - 25%** of students at Knauss School of Business are aware that we are a PRME Signatory Member.

## Student Engagement

**26% - 50%** of students at Knauss School of Business actively contribute to our work with PRME, advancing RME, or addressing sustainable development challenges through their work.

# Teach

We transform our learning environments by integrating responsible management concepts and practices into our curriculum and pedagogy.

# How We Define Teach

At the Knauss School of Business, Teach refers to an approach to education that embeds social responsibility and ethical leadership into curriculum and pedagogy. Teaching prioritizes experiential learning and the thoughtful use of technology to prepare students to address complex challenges and contribute to a more inclusive and sustainable global economy.

## Teaching Awards

In 2024, 1 award was given to faculty and educators at Knauss School of Business.

### 2023-2024 Knauss Teaching Innovation Award

**Granter:** Knauss School of Business

**Grantee:** William Beggs

**Award Description:**

William Beggs's teaching aligns with the UN PRME principles by preparing students to make responsible, client-centered financial decisions that balance risk, return, and broader stakeholder considerations through experiential learning. In MFIN 513: Advanced Portfolio Management, students work in teams as advisors to real-world–inspired clients—including a local firefighters' pension fund and a nonprofit foundation—where they develop investment policy statements, construct diversified portfolios, and evaluate performance using Bloomberg analytics. Notably, one client explicitly seeks environmentally friendly investments alongside return objectives, requiring students to integrate sustainability considerations into professional portfolio construction. By simulating industry practice, emphasizing fiduciary responsibility, and engaging students in reflective performance evaluation, William's course advances PRME's focus on purpose-driven leadership, responsible management education, and practice-oriented pedagogy

## Educator Recognition

At Knauss School of Business, we recognize educators for quality of teaching in the following ways:

- Annual teaching excellence awards
- Course evaluation scores
- Faculty promotion and tenure consideration
- Pedagogical innovation grants
- Professional development opportunities

# Fostering Innovation

**Somewhat**
Teaching and learning at our institution moderately support innovation.

## Experiential Learning

**A lot**
Our institution supports experiential learning significantly through teaching and learning.

## Learning Mindset

**To a great extent**
Teaching and learning at our institution strongly promote a lifelong learning mindset.

## Method of Teaching and Learning

**In person**
Traditional classroom-based learning with face-to-face instruction.

## Barriers to Innovative Curriculum

In 2024, Knauss School of Business identified the following barriers to innovating, updating, or taking risks in existing curriculum:

- Change fatigue
- Curriculum inertia
- Faculty expertise gaps
- Overloaded faculty
- Resource allocation challenges
- Scalability issues
- Time constraints
- History and institutional tradition

## Barriers to Innovative Pedagogy

In 2024, Knauss School of Business identified the following barriers to innovating, updating, or taking risks in existing pedagogy:

- Budget constraints
- Overloaded faculty
- Resource constraints
- Time constraints

# Research

We study people, organizations, institutions, and the state of the world to inspire responsible management and education practice.

## How We Define Research

At the Knauss School of Business, Research, in this context, is defined as an impact-oriented inquiry that bridges theory and global challenges. It moves beyond abstract scholarship to provide practice-informed insights and policy innovations, specifically advancing how organizations operationalize responsible leadership to create sustainable social, environmental, and economic value for good.

## Research vs Research for RME/Sustainable Development

**40** Peer-reviewed articles were published by Knauss School of Business from this past calendar year.

**vs**

**8** Peer-reviewed articles were published by Knauss School of Business from this past calendar year in support of RME.

## Research Funding

In 2024, Knauss School of Business was awarded funding for research that is:

**Regional**

**National**

**Local**

## Socializing Research

In 2024, Knauss School of Business contributed research findings to:

- Government and policy makers
- Open-access platforms
- National media
- Local media
- Community organizations

## Research Projects

In 2024, Knauss School of Business reported 5 research projects that implemented responsible or sustainable activities.

## Is Happiness Always the Exercise of Virtue? The Influence of Ethical Predispositions on Consumer Well-being

**Period Covering:** September, 2024 - January, 2026

**Department:** Management

Prior research strongly suggests that helping others (e.g., Dunn, Aknin and Norton 2008) and acting virtuously (Aristotle, 2009; Baumeister et al. 2013) leads to greater happiness. But is this true for everyone? This project explores the complex relationships between individual ethical predispositions and psychological well-being, especially in the consumption context.

When evaluating the effects of ethics, prosocial behavior, and corporate social responsibility, consumer researchers generally assume the existence of a single, normatively correct mode of conduct. However, researchers in empirical philosophy and moral psychology conceptualize different categories of ethical beliefs that include different bases of judgements of moral rightness in terms of deontology (adherence to a set of principles), utilitarianism (social consequences) and egoism (personal consequences; Reynolds 2006). We argue that these ethical predispositions have a) meaningful direct influence on both eudemonic and hedonic well-being, b) indirect influence on hedonic well-being through stimuli such as self-vs-other activities and prosocial consumption. We test these relationships in four studies.

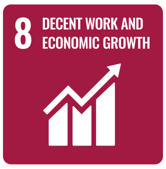
## Entrepreneurialism, Inequality, and Society: Managerial and Policy Implications

**Period Covering:** May, 2022 - September, 2025

**Department:** Management

The concept of entrepreneurship as an organizing principle for innovation and economic success is now manifest in the business community. It has led to practices such as recruiting workers as independent agents working on a common product innovation to be paid only if successful, running acquisition tournaments for new product development, and adopting labor practices that shift the burden of continuity onto the employee. Indeed, employment is increasingly eschewed in favor of free-lance agents pursuing “entrepreneurial careers,” leading to new organizational forms and social relationships (Burton, Sørensen, & Dobrev, 2016). Entrepreneurship is now broadly regarded as a career outlet for talented young individuals, leading to demands for entrepreneurship education, albeit with the uncertainty of what should be taught (Aldrich & Yang, 2012b). Not only is entrepreneurship viewed as an alternative organizing principle in commercial endeavors, but it also has come to be seen as an alternative to charity or government action when addressing social issues and the provision of public goods (Grimes, McMullen, Vogus, & Miller, 2013). Taken together, these social features suggest a new set of meanings and saliencies beyond the simple ideas of starting and running a new firm. Indeed, the idea of entrepreneurship as an economic engine seems to be diffusing across national boundaries, but it may be that the ideas that are diffusing are ideological, not practical (Drori & Yue, 2009). In sum, the social emphasis on entrepreneurship as a focus of organizing activity portends profound influences on how we work, educate, and organize.

The intellectual paradigms that drive this research emerged from the debates earlier in this century amongst organizational theorists concerned that studies had paid insufficient attention to the outward and transformative effects of organizations on society (Davis, 2010, 2015; Stern & Barley, 1996; Suddaby, Hardy, & Huy, 2011). First, organizational scholars have shifted their attention to how organizations affect the society that surrounds them (George, Howard-Grenville, Joshi, & Tihanyi, 2016; Lounsbury & Beckman, 2015). Second, the emergence of social constructionist views of entrepreneurial behavior that had its genesis in the neo-institutionalism of the 1990s culminated in the application of neo-institutional theories to the forces and institutional logics that shape ventures (Sine & David, 2010; Thornton, 1999; Tolbert, David, & Sine, 2011). Thus, despite the ubiquity and diffusion of a new paradigm of small ventures as the font of innovation, their effects on society, their effects of managing an entrepreneurial business seeking innovation, and the potential for those small business innovations to contribute solutions to grand societal challenges remain worthy of investigation. We believe that an assessment of institutional and public policies, as well as managerial practices at the facilities, can yield new theoretical and empirical insights on managing a new venture intent on crafting innovative solutions to social issues. Thus, it is timely to publish a special issue on these topics in the Academy of Mangement Perspectives, which has published seminal papers on social effects, and the motivations of entrepreneurs in cross-national contexts. The proposed special issue seeks to bring together papers that address these issues at multiple levels of analysis.




## Fighting Plastic Pollution: Product Ban Regulation and Voluntary Compliance

**Period Covering:** September, 2022 - October, 2026

**Department:** Business Analytics

*Problem definition: Plastic products are convenient but also create severe environmental concerns when* *end-of-life units are mismanaged and leak into the environment. While recycling rate regulation has been proposed as a remedy, the alternative regulatory approach of product ban regulation has gained significant traction in recent years, which tackles the plastic waste problem by curbing the product sales. However, the effects of the product ban are not well understood. For example, by restricting the sales volume, the product ban may be more effective than recycling rate regulation based on the "Reduce, Reuse, Recycle" waste management hierarchy. Yet meanwhile, its direct market intervention may compromise consumer freedom and firm profit. Another important observation is that, in the face of future product ban regulation, firms may engage in voluntary recycling as a proactive measure to induce a lower product ban stringency.*

*Methodology/results: We establish a game-theoretic model to study the economic and environmental implications of product ban regulation, while explicitly accounting for firms' voluntary recycling incentives.*

*We also compare the product ban with recycling rate regulation. Managerial implications: We reveal multiple useful insights for various stakeholders. We show that when the production cost is high or existing recycling is low, the firm commits to higher voluntary recycling. However, in these cases, the regulator may set a more stringent product ban despite the higher firm efforts. Moreover, it can be more effective for the product ban to manage highly polluting products through the counter-intuitive strategy of encouraging higher voluntary recycling but relaxing the product ban stringency. We also show that the total recycling rate under the product ban, while chosen voluntarily by the firm, can be even higher than the regulator's choice under recycling rate regulation. Moreover, the product ban is not necessarily more detrimental to firm profit despite its direct sales restriction.*

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

## The impact of low carbon fuel standard (LCFS) and carbon credit on dairy farm's operational decisions

**Period Covering:** September, 2023 - October, 2026

**Department:** Business Analytics

*Problem definition: The dairy industry is a major contributor to methane emissions, a potent greenhouse gas. Regulations such as California's Low Carbon Fuel Standard (LCFS) aim to reduce such emissions by setting carbon intensity (CI) standards for fuel providers and enabling* *the trading of emission credits. LCFS and similar programs also incentivize dairy farms to capture methane and convert it into renewable natural gas (RNG), offering new revenue streams through RNG sales and emission credit trading. We examine the regulator's optimal design of emission standards and also assess the program's environmental impact and its influence on dairy farms' operational decisions. Methodology/results: We construct a stylized model involving three key stakeholders: a regulator, a fuel provider, and a dairy farm. We show that the regulator's optimal CI standard exhibits a reversed pattern, depending on the relative environmental impact of natural gas versus methane released into the atmosphere. This reversal in pattern does not extend to the dairy farm's herd size decision; the farm always expands its herd as the credit market grows, although this expansion does not necessarily worsen overall environmental outcomes. Furthermore, we find that the introduction of LCFS or similar programs does not necessarily lead to herd expansion or increase in farm profitability. Managerial implications: Regulators should carefully access the environmental impact of methane when integrating dairy farms into credit trading markets. Under LCFS and similar programs, dairy farms should strategically calibrate herd management decisions by carefully weighing the relative profitability of milk production against emission credit revenues rather than uniformly expanding herd sizes.*

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

## Anamaya: Sustainable Yoga Retreat in a Crowded Market

**Period Covering:** May, 2024 - July, 2025

**Department:** Management

Founded in 2009 in Montezuma, Costa Rica, the Anamaya Resort (Anamaya) had built a loyal following based on its commitment to sustainability, community, and transformative experiences through yoga and wellness. However, despite its strong brand identity and reputation, by 2025, founders and co-owners Geoff McCabe, Joseph Mikrut, and Kelsy Matheson faced growing competition from newer, tech-savvy entrants to the crowded Costa Rican yoga retreat market. Rising operational costs, declining online search visibility, and the commodification of ecotourism challenged Anamaya's ability to maintain its market position.

To sustain and grow the business, Anamaya's owners were considering various strategic paths including doubling down on their yoga and wellness niche, expanding into adjacent segments such as personal development and biohacking, or targeting new segments such as digital nomads and corporate retreats. Each growth option presented trade-offs between preserving the brand's unique sense of community and connection versus increasing occupancy and profitability. The case asks students to evaluate how a values-driven business like Anamaya can remain competitive by aligning mission with market opportunities while navigating resource constraints and industry shifts.

## Research Awards

In 2024, Knauss School of Business was awarded 1 research award for responsibility- and/or sustainability-related research.

### The Blasker Grant - Bridging the Gap: Advancing Equitable and Regenerative Nature-Based Climate Solutions in the San Diego Region

**Granter:** The San Diego Foundation

**Grantee:** Nichole Wissman

**Award Description:**

This qualitative study will examine barriers and opportunities in scaling regenerative, nature-based climate solutions on land and sea. Using engaged qualitative methods, Professor Wissman will investigate how policies, cross-sector collaborations, and intermediaries enable or hinder adoption by analyzing the social, organizational, and environmental dynamics shaping these efforts. The findings will inform academic publications and provide practice-based guidance for policymakers, community stakeholders, and organizations. This work is made possible by the Blasker Grant through the San Diego Foundation. "The San Diego Foundation inspires enduring philanthropy and enables community solutions to improve the quality of life in our region."

## Research Presentations Related to RME and/or Sustainability

In 2024, Knauss School of Business gave 1 research presentation related to RME and/or sustainability.

### The Unintended Consequence of “Say on Pay” Votes on Firm-level Innovation

**Authors:** Shantanu Dutta, University of Ottawa | Micah Officer, Loyola Marymount University | Ruixiang Wang, Clark University | Pengcheng Zhu, University of San Diego

**Date of publication:** September, 2025

**Presented at:** National or international discipline-specific conference

**Department:** Finance

We examine the impact of Say-on-Pay (SoP) voting on firm innovation. Our findings indicate that firms receiving higher shareholder support in SoP votes are more likely to reduce their R&D investments, leading to a subsequent decline in innovation outcomes, such as the number of patents, forward citations, and the market value of patents. This negative effect is more pronounced among smaller firms and those with weaker corporate governance and financial performance. The inverse relationship between SoP vote support and R&D investment remains robust across a variety of robustness checks addressing potential endogeneity concerns. These include omitted variable tests, firm fixed effects, instrumental variable approaches, regression discontinuity design, difference-in-differences analysis, propensity score matching, and placebo tests. We attribute the adverse impact of SoP voting on firm innovation to changes in the structure of executive compensation.

## Publications Related to RME and/or Sustainability

### Comparison of Three E-Waste Take-Back Policies

**Authors:** Professor, Wenli Xiao, University of San Diego | Research Scientist, Feifei Shan, University of Science and Technology of China | Professor, Feng Yang, University of Science and Technology of China

**Date of publication:** September, 2025

**Presented at:** National or international discipline-specific conference

**Department:** Business Analytics

In this study, we compare three primary forms of product take-back legislation: advanced recycling fee (ARF), extended producer responsibility (EPR), and pre-disposal fee (PDF). With ARF policy, the government is responsible for product recycling and charges consumers a recycling fee at purchase. EPR legislation makes manufacturers responsible for product recycling and financial support of the take-back system. A PDF policy also makes manufacturers responsible for product recycling but charges consumers a disposal fee when they return used products for recycling. With these three policies as our focus, we examine the impact of important parameters and compare them from the perspective of the manufacturer, the product's environmental impact, and social welfare. Though manufacturers have expressed concern over potential harm to sales under an ARF policy, we find this is the best policy in most cases, from the perspective of social welfare or the manufacturer.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

## The Impact of Animal Welfare Regulation on Firms' Product Offerings: Humane or Organic Product.

**Authors:** Professor, Wenli Xiao, University of San Diego | Assistant Professor, Zhiping Lin, Nanchang University | Professor, Daniel Lin, University of San Diego | Professor, Yinping Mu, University of Electronic Science and Technology of China

**Date of publication:** September, 2025

**Presented at:** National or international discipline-specific conference

**Department:** Business Analytics

Increased public concerns about animal welfare have spurred new regulations to improve animals' treatment and living conditions. We study how these regulations affect firms' product offerings, prices, and profits. We consider two competing animal agriculture supply chains, each consisting of a supplier and a buyer. New regulations require firms to choose between offering humane or organic products, which are differentiated by animals' living conditions. We find that consumers' growing awareness of animal welfare encourages firms to offer organic products, which require the highest standards for animals' living conditions. We also show that tightening humane product standards and loosening organic product standards encourage firms to offer organic products—but with distinct pricing implications. The former leads to higher retail prices whereas the latter may lower retail prices. Depending on costs and consumers' awareness of animal welfare, a humane product may be priced higher or lower than an organic product. Furthermore, we provide conditions under which a regulator should offer a unit-cost or an investment cost subsidy to improve social welfare. We show that subsidies can encourage firms to change from offering humane to organic products, or vice versa, to enhance total social welfare.

15 LIFE ON LAND

## Antecedents of Radical Innovation Speed from a Knowledge Network Perspective

**Authors:** Professor, Wenli Xiao, University of San Diego | Assistant Professor Mengyang Pan, Southwestern University of Finance and Economics | Assistant Professor Qiong Chen, Southwestern University of Finance and Economics

**Date of publication:** September, 2025

**Presented at:** National or international discipline-specific conference

**Department:** Business Analytics

In the context of radical innovation, we draw from knowledge network theory to investigate how the firm can manage its alliance portfolio to speed up radical innovation that relies predominantly on scientific knowledge. Specifically, we examine how the firm's innovation alliance network composition and its position in the network affect radical innovation speed. In analyzing empirical data on COVID-19-related radical innovation projects, we find that the presence of an industry partner reduces radical innovation speed, while the presence of a research partner increases it. The presence of government partners does not influence innovation speed unless the firm has a high level of collaboration experience with the partners. As for the firm's alliance network position, a more centrally located firm experiences faster radical innovation speed. However, we find that an industry partner's presence in the project's network attenuates the positive effect of network centrality on radical innovation speed. This study contributes to the literature by linking knowledge network theory and innovation speed to identify the individual and joint effects of the firm's innovation alliance composition and its position in the network. Implications regarding accelerating radical innovation and coordinating among firms, research labs, universities, and government partners are provided.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

## The Unintended Consequence of “Say on Pay” Votes on Firm-level Innovation

**Authors:** Shantanu Dutta, University of Ottawa | Micah Officer, Loyola Marymount University | Ruixiang Wang, Clark University | Pengcheng Zhu, University of San Diego

**Date of publication:** September, 2025

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**Department:** Finance

We examine the impact of Say-on-Pay (SoP) voting on firm innovation. Our findings indicate that firms receiving higher shareholder support in SoP votes are more likely to reduce their R&D investments, leading to a subsequent decline in innovation outcomes, such as the number of patents, forward citations, and the market value of patents. This negative effect is more pronounced among smaller firms and those with weaker corporate governance and financial performance. The inverse relationship between SoP vote support and R&D investment remains robust across a variety of robustness checks addressing potential endogeneity concerns. These include omitted variable tests, firm fixed effects, instrumental variable approaches, regression discontinuity design, difference-in-differences analysis, propensity score matching, and placebo tests. We attribute the adverse impact of SoP voting on firm innovation to changes in the structure of executive compensation.

## Inauthentic inclusion: Exploring how intention to use AI-generated diverse models can backfire

**Authors:** Colin Campbell, Associate Professor of Marketing, Knauss School of Business, University of San Diego | Sean Sands, Professor of Marketing, Department of Management & Marketing, Swinburne University of Technology, Hawthorn, Victoria, Australia | Vlad Demsar, Senior Lecturer, Department of Management & Marketing, Swinburne University of Technology, Hawthorn, Victoria, Australia | Carla Ferraro, Professor of Marketing, Department of Management & Marketing, Swinburne University of Technology, Hawthorn, Victoria, Australia

**Date of publication:** September, 2025

**Department:** Marketing

Rapid advances in AI technology have important implications for, and effects on, brands and advertisers. Increasingly, brands are creating digital models to showcase clothing and accessories in a similar way to human models, with AI used to customize various body types, ages, sizes, and skin tones. However, little is known about how the underrepresented consumers respond to a brand's intention to use AI-generated models to represent them. We explore this by conducting four studies. We find evidence that a brand's intention to use AI-generated (vs. human) models negatively affects brand attitude (study 1). We further investigate this effect using two different underrepresented consumer groups: LGBTQIA+ consumers (study 2) and consumers with disabilities (study 3). We show the effect to be serially mediated by consumers' perception of greater threat to their self-identity and a lower sense of belonging, subsequently having a negative effect on brand attitude. Finally, we show that the perception of a brand's motivation for representing diverse consumer groups can attenuate these negative effects (study 4). Specifically, when consumers believe a brand is intrinsically motivated to use AI-generated diversity representations, they report a significantly lower social identity threat which in turn is associated with a significantly higher sense of belonging to the brand. Our research findings suggest that a brand's well-meaning intentions to represent diversity can in fact have negative effects on the very consumers whom a brand is trying to attract. While catering to diversity is of critical importance, our results indicate that brand managers should exercise caution when using AI to appeal to diverse groups of potential consumers.

10 REDUCED INEQUALITIES

## Mental illness and marketing: A 50-year scoping review and future research framework

| DOI

**Authors:** Justine Rapp Farrell, Professor of Marketing, Knauss School of Business, University of San Diego | Jane Machin, Professor of Marketing, Atkinson Graduate School of Management, Willamette University | Ann M. Mirabito, Associate professor of Marketing, Hankamer School of Business, Baylor University | Christina Chan-Park, Associate Librarian, Hankamer School of Business, University Library, Baylor University, | Elizabeth Crosby, Associate Professor of Marketing, College of Business Administration, University of Wisconsin-La Crosse | Natalie Ross Adkins, Associate Professor of Marketing, Zimpleman College of Business, Drake University

**Date of publication:** September, 2025

**Department:** Marketing

Marketing scholars wield untapped potential to expand research into the wellbeing of consumers with mental illness beyond existing clinical and medical perspectives, enriching the field with unique insights into consumer behavior, market dynamics, and strategic interventions. This scoping review maps over 50 years of research at the intersection of mental illness and marketing in business disciplines. We examine a corpus of 1064 peer-reviewed journal articles using the population, concept, and context framework to integrate extant knowledge and identify research gaps. We present a comprehensive future-facing research framework that highlights gaps at the consumer, market, policy, and society levels that marketing researchers are particularly qualified to investigate. Through a series of illustrative research directives, we highlight areas of opportunities for better understanding and addressing the interdependencies that exist within this complex and multidisciplinary domain.

3 GOOD HEALTH AND WELL-BEING

## Admission Test Scores and Colleges' Retention Rates

**Authors:** Alyson C. Ma, Professor of Economics, Knauss School of Business University of San Diego | Jason Campbell, Assistant Professor of Economics, Knauss School of Business University of San Diego | Steven Sumner, Professor of Economics, Knauss School of Business University of San Diego | Ryan Ratcliff, Associate Professor of Economics, Knauss School of Business University of San Diego | Andrew Narwold, Professor of Economics, Knauss School of Business University of San Diego | Jon Sandy, Professor of Economics, Knauss School of Business University of San Diego | Florence Bouvet, Professor of Economics, Sonoma State University

**Date of publication:** September, 2025

**Department:** Economics

Most higher education institutions eliminated standardized test requirements for applicants following the COVID-19 pandemic. The impact of college admission criteria on college student retention has been the subject of extensive research in higher education. This literature suggests that admission criteria play a significant role in influencing student retention rates. However, the impacts of test-optional admissions procedures have been relatively understudied. Using a dataset of admissions requirements, institutional profiles, measures of collegiate success, financial aid, and demographics of full-time, first-year students at public or not-for-profit private 4-year institutions for the 2021-2022 academic year, we find that, of the different criteria used in admission policies, required or recommended letters of recommendation and graduation rates combined have an impact on college retention rates. Required or recommended admission test scores positively increase retention rates, albeit not robustly.

## Mass Shootings, Gender, and Housing Price Disparities

**Authors:** Yongseok Kim, Assistant Professor of Marketing, Knauss School of Business, University of San Diego | Junyeol Ryu, Department of Economics, University of Oklahoma | Myongjin Kim, Associate Professor of Economics, Department of Economics, University of Oklahoma | Suman Basuroy,Professor of Marketing, Department of Marketing, Eli Broad College of Business, Michigan State University

**Date of publication:** September, 2025

**Department:** Marketing | Economics

This research delves into the diverse effects of mass shootings on the real estate market, specifically examining the gender dynamics at play. We use a difference-in-differences identification strategy in the context of the mass shooting in 2000, in Wakefield, Massachusetts. Our primary finding indicates that, following the mass shooting, house prices in Wakefield decline by about 4.7% and that males are in a better advantageous position with respect to negotiations in comparison to their female counterparts. Our investigation unveils that the bargaining power of a male seller exceeds that of a male buyer. Additionally, possessing prior transactional experience positively correlates with enhanced outcomes in housing transactions.

10 REDUCED INEQUALITIES

## Applying Character Strengths in Business Ethics Exercises: A Collaborative Workshop

**Authors:** Barrie E. Litzky, Associate professor of Entrepreneurship, Close School of Entrepreneurship, Drexel University | Tara Ceranic Salinas, Professor of Management, Knauss School of Business, University of San Diego | Veronica Godshalk, Associate Dean, College of Lifetime Learning, Georgia Tech | Larry Keiser, Assistant Clinical Professor,Drexel University | Tammy MacLean, Professor of Management and Entrepreneurship, Suffolk University

**Date of publication:** September, 2025

**Department:** Management

The purpose of this paper is three-fold. First, to offer fully developed exercises for educators and scholars that could be added immediately to a business ethics course to explore timely ethical issues in an exciting way. Second, to highlight the benefits of incorporating Positive Psychology and a discussion of character strengths into business ethics courses (or courses that include units on ethics or sustainability) to enhance the understanding and practice of ethical decision-making in the business context. Third, to offer a framework other educators could use to create a content-generating and engaging workshop at their discipline-specific conferences.

## It's about the process, not the product: A meta-analytic investigation of team demographic diversity and processes

| DOI

**Authors:** Allison M. Traylor, Assistant Professor in Industrial-Organizational Psychology, Clemson University | Julie V. Dinh, Assistant Professor in Management, Knauss School of Business, University of San Diego | Denise L. Reyes, Assistant Professor of Industrial/Organizational Psychology, University of Houston | Shannon K. Cheng, McKinsey & Company, USA | Natalie C. Croitoru, Assistant Professor of Management, McCombs School of Business, University of Texas at Austin | Eduardo Salas, Professor, Rice University

**Date of publication:** September, 2025

**Department:** Management

To better understand the effects of demographic diversity on teams, we conducted a meta-analytic investigation of the relationship between team demographic diversity and team processes. Drawing from the categorization-elaboration model, we hypothesized that team demographic diversity elicits opposing effects on team performance via information elaboration and social categorization processes. We also explored several team-level and contextual moderators on these relationships. In our meta-analysis of 406 effects from 38,304 teams, we found that team demographic diversity is related to increased social categorization processes, but we did not find support for a relationship between team demographic diversity and information elaboration. In addition, we identified team education level and occupational and industry context as moderators of these relationships, finding stronger support for moderators of the relationship between diversity and social categorization than the relationship between diversity and information elaboration. We discuss implications of our findings for research and practice.

## Teams need to be healthy, too: Toward a definition and model of healthy teams

| DOI

**Authors:** Allison Traylor, Assistant Professor, Department of Psychology, Clemson University, Clemson | Assistant Professor, Assistant Professor in Management, Knauss School of Business, University of San Diego | Chelsea LeNoble, Assistant Professor of Psychology, Department of Psychology, University of Central Florida | Jensine Paoletti, Assistant Professor of Psychology, Department of Psychological Sciences, Rice University | Marissa Shuffler, Professor of Industrial/Organizational Psychology, Department of Psychology, Clemson University | Donald Wiper, Department of Obstetrics and Gynecology, MetroHealth Medical Center | Eduardo Salas, Professor, Department of Psychological Sciences, Rice University

**Date of publication:** September, 2025

**Department:** Management

The authors advance a definition of team health, or the holistic, dynamic compilation of states that emerge and interact as a team resource to buffer stress. Further, the authors argue that team health improves outcomes at both the individual and team level by improving team members' well-being and enhancing team effectiveness, respectively. In addition, the authors propose a framework integrating the job demands-resources model with the input-mediator-output-input model of teamwork to illustrate the behavioral drivers that promote team health, which buffers teams stress to maintain members' well-being and team effectiveness.

## Catastrophe to Consensus: Hegemonic performativity in climate adaptation

| DOI

**Authors:** Nichole Wissman, Assistant Professor of Management, Knauss School of Business, University of San Diego | David Levy, Professor of Management, University of Massachusetts Boston | Daniel Nyberg, Professor of Sustainability, University of Queensland,

**Date of publication:** September, 2025

**Department:** Management

As the impacts of climate change unfold, coastal cities are beginning to adapt to the emerging physical and financial risks. In our case study of climate adaptation in Boston, we advance the concept of hegemonic performativity, which shows how political pressures lead an assemblage – a network of human and nonhuman actors, including models, algorithms, instruments, market devices, and experts – to converge on a consensus in ways that privilege particular goals, actors, interests, and forms of knowledge. Our findings show how an assemblage is performative in building consensus around a particular climate response that tames uncertainty by excluding extreme risks and incorporating more palatable scenarios and parameters so that adaptation appears manageable and compatible with business-as-(almost)-usual. The mechanism of silencing facilitates consensus by downplaying community voices, equity concerns, and more extreme climate scenarios. Our study highlights how the operation of an assemblage is performative in shaping adaptation plans, physical interventions in urban infrastructure, and associated financial mechanisms with considerable effects on who and what is protected.

13 CLIMATE ACTION

## Investment in Environmental Process Improvement

**Authors:** Professor, Wenli Xiao, University of San Diego | Professor, Cheryl Gaimon, Georgia Institute of Technology | Professor, Ravi Subramanian, Georgia Institute of Technology | Professor, Markus Biehl, York University

**Date of publication:** September, 2025

**Presented at:** National or international discipline-specific conference

**Department:** Business Analytics

We analyze a firm's investment in environmental process improvement (EPI) to reduce the environmental impact (EI) of its manufacturing processes in relation to various internal firm characteristics and in response to different external regulatory drivers. We provide a deep understanding of how these internal and external forces cause the firm to pursue EPI earlier or later in the planning horizon and at an increasing or a decreasing rate over time. In particular, we show how a regulator can drive different patterns of EPI over time through subsidies for EPI or penalties for EI. We also explore the impacts of two key operational capabilities of the firm—the production-cost efficiency of EPI and the effectiveness of EPI in reducing EI—on the rate of EPI over time. We demonstrate that improvements in these operational capabilities contrastingly alter the timing of investments in EPI. Lastly, we demonstrate that a firm capable of leveraging EPI to enhance product functionality or command a reputational premium in the marketplace pursues a remarkably different pattern of EPI over time compared to a cost-focused firm that only responds to regulatory forces.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

## Choice of E-waste Recycling Standard under Recovery Channel Competition

**Authors:** Associate Professor, Gökçe Esenduran, Purdue University | Professor, Daniel Lin, University of San Diego | Professor, Wenli Xiao, University of San Diego | Mingyue Jin

**Date of publication:** September, 2025

**Presented at:** National or international discipline-specific conference

**Department:** Business Analytics

*Problem definition*: We consider two competing electronic waste (e-waste) recovery channels, each of which consists of a collector and a recycler. Collectors obtain donated e-waste and sell the collected items to recyclers or in the secondary market, whereas recyclers process e-waste and sell the recycled material in the commodity market. Each recycler chooses for certification of one of two standards: e-Stewards or Responsible Recycling (R2). E-Stewards requires comparably more responsible handling, thus a higher processing cost, but attracts more e-waste from environmentally conscious donors. *Academic/practical relevance*: Despite the rapid growth of e-waste, the operations management community still understands little about e-waste processing supply chains. We add to this body of knowledge by capturing three salient features in the e-waste recovery industry: the existence of two recycling standards, the secondary market, and competition both within and between recovery channels. *Methodology*: We model the problem as a Stackelberg game and characterize the firms' equilibrium decisions, deriving managerial insights through sensitivity analysis and numerical studies. *Results*: Competition between recovery channels is a key factor motivating e-Stewards adoption, whereas a recycler always chooses R2 in its absence. Interestingly, when competition exists both within and between recovery channels, recyclers with strong e-waste processing scale economies choose e-Stewards when incurring significantly higher processing costs than with R2. Furthermore, both the total environmental benefit and welfare might be higher when recyclers choose R2. *Managerial implications*: Policy makers who aim to encourage e-Stewards adoption should (1) lower entry barriers for new recyclers to induce competition, and (2) offer incentive programs to alleviate e-Stewards' cost disadvantage, though only when recyclers have weak scale economies. Policy makers and nongovernmental organizations, however, should exercise caution in endorsing e-Stewards because R2 actually may generate a higher environmental benefit because of higher recycling volumes.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

## Research Barriers

In 2024, Knauss School of Business identified the following barriers to conducting research related to sustainability and/or responsibility:

- Time constraints
- Skills and expertise gaps

# Partner

We engage people from business, government, civil society, and academia to advance responsible and accountable management education and practice.

# How We Define Partner

At the Knauss School of Business, Partner is defined as a mission-aligned bridge between academia and industry. It involves purposeful collaboration to co-create educational experiences and applied research that address real-world social and environmental challenges, ensuring our institutional outputs directly respond to evolving workforce needs and ethical stewardship.

## Institutional Partnerships

- AACSB (Association to Advance Collegiate Schools of Business)
- AMBA (Association of MBAs)

## Student Organization Partnerships

- Net Impact

## Partnerships

The following provides more details on 1 key partnership at Knauss School of Business.

### USD Women in Business

Women in Business at the University of San Diego is a student organization of passionate future business leaders who have made a lasting impact on the USD campus and beyond since 2020. Our purpose at WIB is to empower women's professional development in the business world and within their industries.

# Practice

We adopt responsible and accountable management principles in our own governance and operations.

# How We Define Practice

In the Knauss School of Business, Practice is the operationalization of Catholic social thought through sustainable business leadership. It transcends compliance by integrating environmental stewardship and corporate social responsibility into strategic decision-making, ensuring institutional actions protect our "Common Home" while preparing students to lead ethical, mission-aligned organizations.

## Institutional Policies and Practices

- Buildings/real estate
- Climate action plan
- Employee equity, diversity, inclusion
- Ethical leadership or good governance policies
- Greenhouse gas emissions
- Student equity, diversity, inclusion
- Carbon reduction or offset commitments

## Policy Documents Related to RME and/or Sustainability

| | | |
|---|---|---|
| USD Climate Action Plan - FINAL-compressed | View document | Download document |
| USD EMP Report Final 2021_v7-compressed | View document | Download document |

# Share

We share our successes and failures with each other to enable our collective learning and best live our common values and purpose.

## How We Define Share

At the Knauss School of Business, Share is defined as a commitment to collective learning through institutional transparency. By communicating both our successes and failures, we foster a culture of accountability that enables us to better live our common values and purpose, transforming our institutional journey into a roadmap for responsible management.

## Engagement Opportunities

Knauss School of Business offers transparent engagement opportunities for members of our institution and community to contribute to our sustainability and responsibility efforts in the following ways:

- Boards and advisory committees
- Partnerships with local organizations
- Public events and panel discussions

## Communication Audiences

Knauss School of Business communicates its policies and progress on sustainable development and responsibility with:

- Accreditation bodies
- Alumni and donors
- Boards and advisory committees
- Business and industry partners
- Chamber of commerce and local communities
- Faculty and staff
- Media and public relations channels
- Prospective and current students
- Research and academic networks
- Non-governmental organizations (NGOs)

## Communication Barriers

Knauss School of Business faces the following barriers in transparent communications:

**Ownership issues**

SIGNATORY

# Knauss School of Business


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