



# ANNUAL REPORT 2021

# BI

Norwegian  
Business School



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## A WORD FROM THE PRESIDENT





## A WORD FROM THE PRESIDENT

*BI took several steps in 2021 to develop and secure our position as a leading European business school.*

The pandemic continued to affect BI's plans and activities this past year. Systematic and strenuous efforts have been made to deliver good learning experiences through a combination of digital teaching and classes conducted on campus. This situation has been challenging for students and staff, but we kept campuses open and were encouraged as they slowly came back to life.

Efforts to improve social and academic integration among students were significantly strengthened, partly by launching the national mentoring scheme for new BI students. More than 5000 first-year students were offered mentors from among +200 student mentors in 2021.

To ensure that BI continues to shape people and business for an international, digital and sustainable future, even in the post-pandemic period, we decided in 2021 to revise our BI Strategy for 2025. The strategy document sets out a clear course for how BI will continue to deliver attractive and relevant teaching programmes, develop strong academic environments that assert themselves internationally, and involve society and the business community in our activities. The strategy sets the guidelines for how BI will work even more purposefully in several areas, including internationalisation, sustainability and research.

NOKUT accreditation is a precondition for the existence of Norwegian universities and university colleges. In 2021, we were pleased that NOKUT approved BI's quality assurance system and systematic quality control work.

Work on BI's revised bachelor model was accelerated last year. The model facilitates increased mobility and relevance to working life, in line with expectations and requirements set by the authorities. The model will be launched in the fall of 2023. BI students are given unique flexibility with opportunities to integrate internships and exchange programmes as part of their course of study.

The government amended the Masters Regulations in 2021. These regulations tell us which educational institutions are authorised to offer five-year professional studies in law. BI applied for NOKUT approval for a 2-year MSc in Law and has started work to develop a 3-year bachelor's degree. Both programmes will focus mostly on corporate law and be ready for the fall semester of 2023.

BI was ranked as Norway's best business school for the sixth year in a row by the Financial Times. BI also experienced growth in applicant numbers in 2021, with a subsequent turnover increase of 9% for full-time and 9.6% for the executive education market. BI was recognised by the UN in 2021 for our work and reporting on sustainability. We celebrated 25 years of successful collaboration with the Fudan University School of Management (Shanghai), where we have trained over 3000 business leaders in our BI-Fudan MBA programme since 1996.

Such results are not possible without the support of our students, employees, alumni and partners. I would therefore like to thank everyone who has contributed to BI's growth and development this past year.



**Inge Jan Henjesand**

President



# REVISED STRATEGY 2025





## REVISED STRATEGY 2025

*To make sure BI continues to shape people and business for an international, digital and sustainable future, even in the post-pandemic period, we decided to revise our BI Strategy for 2025 this past year..*

### Our Mission

Bring together students, academics and professionals from business and industry to create an international, digital and sustainable future. We fulfil our mission to **shape people and business for an international, digital and sustainable future** by pursuing academic excellence and shaping future careers and businesses through internationally acclaimed research, high-quality education and close interaction with business and society.

### A Culture for Quality

All quality-related activities in programme development and management will be characterised by **transparency, commitment, inclusion** and **documentation** to heighten quality standards and ensure real participation and co-production of quality.

### Our Core Values

#### **We are unconditionally committed to our student's success**

We deliver excellence in education that prepares our students for an international, digital, and sustainable future. We engage our students in developing our research, programmes, teaching and learning environments.

#### **We honour and promote academic values**

We promote academic values, academic integrity and freedom, and responsible evaluation of research. We advance international research through international recruitment and research cooperation through publications in prestigious journals and relevant external research funding.

#### **We nurture a culture of innovation**

We collaborate for academic excellence and nurture a culture of innovation and improvement. We add value for students, businesses, and society.

#### **We act responsibly**

We act with responsibility, respect and ethical awareness. We contribute to sustainable development in alignment with the UN Sustainable Development Goals (SDGs) and the UN Principles for Responsible Management Education (PRME). We integrate these goals and principles into our research, teaching, operations and collaboration.

#### **We act with collegiality**

We contribute to an inclusive, transparent, honest and friendly working environment in which curiosity and interest in each other are valued. We are respectful of colleagues' time, contributions and opinions. There should be room for both cooperation and autonomy.

### Strategic Priorities

#### **Attractive programmes and talented candidates**

At BI, we build attractiveness through the complete learning path, from admission to post-graduation. We are committed to building learning paths centred around the students' needs and ambitions at various stages in their lives and for lifelong learning. Our study programmes aim to shape the students' development of the necessary social, ethical and sustainability awareness to become valuable citizens.



**Outstanding research and teaching**

Develop cutting-edge research that is channelled into our study programmes and has an impact on society. We will continue to recruit and retain excellent faculty to advance international research that addresses key societal challenges in prestigious scientific journals and excellent and relevant external research funding. BI will also implement new teaching practices to enhance the learning outcomes of our students and provide inspiring learning experiences.

**Being connected to society and business (connectedness)**

BI recognises the important role of organisations from the academic, private and public spheres in research, education and value-creation. To further develop and institutionalise connectedness within BI as an organisation, we will continue to involve and collaborate with academics, students, investors, authorities and companies in our efforts to support, create and develop entrepreneurial initiatives and our own teaching programmes.

**Operational excellence**

BI will promote a culture of innovation and excellence in performance by focusing on diversity, inclusiveness, collaboration, and supportive leadership practices. We will offer high-quality support services and increase operational efficiency through digitalisation, enhanced interaction and shared practices. The development of our campuses and operations will support our ambition to adhere to international climate and environmental goals.

▶▶▶ [Read the whole BI Strategy 2025 here](#)



# INTERNATIONAL





## INTERNATIONAL

*In 2021, BI celebrated 25 years of successful cooperation leadership education in China. This is true even as the pandemic continued to complicate our students' plans to study abroad.*

### Exchange and student mobility during corona times

The situation for student exchange at BI was unpredictable and uncertain during the two years of the pandemic and government restrictions, both for outgoing and incoming students. There are many costs associated with exchanges and many students had a hard time balancing the uncertainty against all the practicalities that need to be arranged.

Still, the interest in exchange programmes among BI students remained high. However, the uncertainty resulted in several cancellations by our partner schools, and the practical challenges forced students to cancel their exchange plans. The situation was particularly challenging in countries outside of Europe. In 2021, BI welcomed far more exchange students than we sent out, partly because Norway had good and predictable entry rules and quarantine schemes.

In 2021, BI had a total of 295 outgoing and 506 incoming exchange students. In a normal year, that number would normally be 500 outgoing and 750 coming in.

Students from our Bachelor of International Management programme were hit particularly hard by the pandemic over the past two years. This group has a mandatory third year abroad where they can choose from seven international destinations. In 2021, the teaching in most of these destinations was conducted digitally, and unfortunately many students were not able to experience living and studying in another country and culture.

### International Summer School

A total of 207 students attended BI's digital summer school in 2021; of these, 32 were international students from BI's partner schools. Although the majority were our own students from our four campuses, as many as 30 nationalities were represented among the participants. Topics for this year's course included crisis management, programming, storytelling for the business sector and multisensory marketing.

### BI International Case Competition

The pandemic did not stop the BI International Case Competition in 2021, but this was the first Nordic and all-digital edition since its inception in 2016. This year's main topics included sustainability, digitalisation, and workplaces of the future.

Eight teams from the various Nordic countries participated and delivered case solutions provided by BI's strategic partners – Sbanken and ISS Facility Services. This year's big winner was the student team from Copenhagen Business School.

### 25 years in China

BI celebrated 25 years of successful collaboration in 2021 with the Fudan University School of Management (Shanghai) in training future business leaders through our BI-Fudan MBA programme. The anniversary was celebrated in China with several events for students, alumni and the business community. Since its inception in 1996, the programme has educated around 3000 business leaders who currently work in several of the region's largest Nordic and international companies.

### **BI International Advisory Board**

In 2020 and 2021, the BI International Advisory Board met virtually on three occasions to discuss key issues for BI. The board plays an advisory role for BI administration and the board of trustees. It is comprised of business leaders with experience from major international companies, academics from international institutions of higher education and members from our alumni network. The Advisory Board's goal is to strengthen BI internationally by allowing an independent and external body to assess BI's role from the outside – in terms of our role in society, and in terms of our strategic priorities and their implementation.

### **A global alumni network**

BI has a global network of alumni with over 85 000 members from over 80 countries. Former BI students who live and work outside of Norway are our most important ambassadors abroad and are key to our international recruitment strategy. Since the pandemic led to several planned alumni events being cancelled, BI has prioritised offering our members a number of internationally-oriented webinars over the past two years with guests from the business community.



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**DIGITAL**

The background is a vibrant, abstract digital composition. It features a deep blue gradient with horizontal light blue lines. Overlaid on this are various geometric elements: a grid of small blue dots forming a map-like shape, several vertical and horizontal lines in pink and orange, and numerous circles of different sizes and colors (pink, orange, white, and blue). Some circles are solid, while others are hollow. The overall effect is a sense of dynamic movement and digital connectivity.

## DIGITAL

*BI continued to offer a digital alternative to teaching in all courses and programmes in 2021 because of the pandemic. Otherwise, we see that the focus on data science and business analysis is already yielding results.*

### Covid-19 and digital teaching

BI has worked systematically and persistently with digital teaching throughout 2020 and 2021. The pandemic has been challenging for students and staff, especially in how lockdowns and reopening of society resulted in a combination of physical and digital teaching. The Library and Learning Center has provided constant support to our academic staff in this work, allowing lecturers to concentrate as much as possible on their own deliveries, not technical issues.

BI has also focused on elevating user experience related to hybrid learning, including greater investments in upgrading technical infrastructures. In February 2021, BI adopted the new streaming platform Panopto, which was better suited to live streaming, creating a meeting place for self-produced video content, as well as data storage and sharing of teaching materials.

BI's executive education programmes were also greatly affected by the pandemic and digital teaching. In the spring of 2021, following a special risk assessment, physical teaching in some courses and programmes was re-opened. Easing restrictions contributed to more physical teaching in the fall of 2021. BI continued to offer digital teaching in all courses and programmes throughout 2021 as restrictions came and went. Overall, the new technical solutions, more resources and experience from team-based deliveries of teaching have added a lot of expertise to new teaching methods that will be useful when BI develops flexible continuing education programme offerings in the future.

### Increased investment in data science and future-oriented study programmes

BI's commitment to the increasingly relevant field of data science and analysis has continued at full strength in 2021, following the birth of the new Department of Data Science and Analytics the year before. Last year, BI hosted the official opening of the Simula@BI Research Center in collaboration with Simula. In the long term, in line with BI Strategy 2025, this will strengthen BI's expertise and teaching programmes in the fields of data science and business analysis. Starting with the fall semester of 2022, BI will offer three new programmes at a master's and bachelor's level in *Digital Communication Management*, *Data Science for Business* and *Digital Business*, respectively.

### Implementation of the new digital examination tool

BI decided to switch our digital examination tool in 2019 from DigiEx to WISEflow, primarily to reduce costs and reduce the risk of technical failure during exam execution.

In the spring of 2021, around 30% of exams at BI were conducted in WISEflow while the remaining exams were in DigiEx. In the autumn of 2021, around two thirds of the exams were transferred to WISEflow. DigiEx was officially shut down on 01.01.2022. WISEflow will be BI's only examination tool in the spring exams for 2022.

Feedback from students so far is positive, while the response from the academic and administrative side is more varied, especially related to planning, practical implementation and grading.



### **Important development projects in 2021**

BI invested NOK 99.4 million in development projects in 2021. These projects are tools to help BI realise its strategic priorities. Examples of such projects within the digital sphere from last year:

- Upgrading and further development of technical infrastructures for digital teaching
- The new examination tool (WISEflow)
- Development of internal dashboards to increase insight in a number of areas, including study quality, the B2B market, and contact with students

# SUSTAINABILITY



## SUSTAINABILITY

*In 2021, BI decided to commit the school to the UN sustainability goals for 2030 by supporting the 1.5-degree target. We were also recognised by the UN for our sustainability reporting.*

BI works in line with the UN Sustainable Development Goals, but particularly related to three goals: No. 4 – Good Education, No. 5 – Gender Equality and No. 13 – Stop Climate Changes.

BI is a participant in the UN network's Principles for Responsible Management Education (PRME) Since 2016. We also aim to comply with the six principles for responsible leadership education. With over 800 educational institutions as members, PRME is currently considered the world's leading network for dialogue, collaboration and development of responsible leadership education programmes.

Every two years, PRME members prepare a report for their school that outlines the school's sustainability work with regard to research, teaching and own operations. BI's most recent report ([Sustainability and Responsible Management Report 2020](#)) was published in December 2020. In June 2021, the report was recognised by the UN through their Excellence in Reporting award.

### Sustainability in research and teaching

One of our most important areas of commitment for 2025 is our work to integrate sustainability in all BI's courses and programmes, in alignment with the UN Sustainable Development Goals (SDGs) and the UN Principles for Responsible Management Education (PRME).

BI will also contribute with relevant research-based knowledge that increases society's understanding of the important role of organisations, businesses and the economy in creating the sustainable solutions of the future.

### Commitment to UN Climate Goals

In 2021, BI committed to reaching the United Nations goal of limiting global warming to 1.5 degrees. We want to take an active role in reducing global greenhouse gas emissions. Based on a projection analysis of what it will take to succeed in this, we discovered that BI needs to cut 50 percent of school emissions by 2030. This will cause major changes in our activities and habits.

Here are some of the most important changes we will make:

- We are reducing business travel by 28 percent in our 2022 budget, compared to 2019
- Starting in 2022, all events to take place on BI campuses will be certified as 'green conferences'
- Reduce the use of plastics and disposables, with the goal of 65% material recycling by the end of 2022.
- We will increase the service life of our buildings and furniture and reuse materials that can be reused
- Employees are encouraged to use public transport, bicycles or other climate-neutral vehicles when coming or going to work
- We will increase our own consumption of renewable energy



## Environmental and climate work at BI in 2021

BI is Eco-Lighthouse Certified. We prepare annual climate accounts that map the emissions from our campuses. Our work on sustainability within our organisation was strongly influenced by the pandemic in 2020 and 2021, with extensive use of home offices, digital meetings and teaching, partially closed campuses and almost no travel activities.

- BI's four largest sources of emissions come from energy, food/beverages, commuting and travel (82.5% in 2020).
- We are proud of the long-term work we are doing on environmental measures at BI, which really are producing results. We have achieved a reduction in CO2 emissions since 2017 with as much as 69.5%.

## Green reorganisation

In 2021, BI decided to strengthen our initiatives in environmental work and long-term strategic development of our campuses by dividing the Facility Department into two units: Sustainable Campus Facilities and Real Estate. The goal is to increase interdisciplinary cooperation on reducing the greenhouse gas emissions for each entity, and increase competence across the whole organisation.

## BISO Impact

In 2019, the BISO Impact unit was created by eco-conscious students who wanted to help other student groups work more ethically and responsibly. As of 2020, BISO Impact was given the opportunity to certify BISO conferences as green conferences through the Eco-Lighthouse Certification Scheme. In 2021, BISO co-hosted Inspire to Impact 2021, a major sustainability conference for students and businesses with guests from Equinor, Storebrand, Atea, DNV and Aker Biomarine.

►►► For more information about BI's sustainability work, see [BI's website here](#)



# BOARD OF TRUSTEES REPORT





## BOARD OF TRUSTEES REPORT

*2021 was a new year in the sign of the pandemic. BI Norwegian Business School had a record-breaking number of applicants last year, and we were recognised by NOKUT for our quality assurance work. We also manage to prepare the school for a future after corona by revising our Strategy for 2025.*

For the second year in a row, digital teaching and the hardening and easing of restrictions became keywords to describe the reality of employees and students alike at BI in 2021. The board has monitored the situation closely and noted how the combination of physical and digital teaching has been a challenge for employees and students, and their ability to adapt to pandemic shutdowns and reopenings one after the other.

The board acknowledges how BI has taken several steps to elevate user experience related to hybrid education, including major upgrades to technical infrastructures. It is essential for BI to stay abreast of the developments that occur in the learning arenas of the future. With an increasing interest in digital learning and changing demands from students, the board expects BI to safeguard and strengthen its focus on digital forms of delivery, even in the post-pandemic period.

Following an audit at BI in the spring of 2021, the board at NOKUT agreed to the expert committee's recommendation in October and approved BI's systematic quality assurance work. Impressive efforts were made to ensure that the entire organisation works more and more systematically and transparently with quality assurance and development. The board also considers this an ongoing process and expects efforts to improve and develop the programme quality assurance system further.

In 2021, to remain attractive and innovative in a society facing major changes, BI decided to revise the school's strategy towards 2025. It is crucial for BI to safeguard its ability to rapidly reposition and re-prioritise investments when the need arises. The revised strategy now assures this while setting out a clear course for BI in times to come.

In 2022, in line with the revised Strategy, BI will be exploring new forms of delivery to create even better learning experiences for our students. In order to ensure attractive and relevant teaching programmes, we will work to strengthen how BI involves and includes the business community and public institutions in its activities. The revised strategy sets guidelines for how BI will work even more purposefully in other priority areas, including internationalisation, sustainability and research. The board is satisfied with how BI delivered on the school's strategic priorities in 2021.

The board notes that BI's research influences political decisions, practices in business and society in general. In January 2021, this was systematically mapped out by BI for the first time and made visible with the report Societal Impact of Research. Among other things, the report showed that between 2012 and 2020, research from BI was referenced in at least 149 political documents and over 600 news articles. The board believes that such initiatives are important for presenting the value of research and how business schools can contribute to solving major societal challenges. In a society where fake news is gaining increasing influence, BI's strategy highlights the importance of providing research-based knowledge to higher education institutions.

The long-term commitment to innovation in the study programme portfolio continues to yield results. For BI's full-time studies, turnover was 9.6% higher in 2021 compared to the previous year. Applicant numbers were still solid, also compared to the record year 2020, with growth in both bachelor's and master's programmes of 17% compared to last year. However, due to high student admissions in 2019 and 2020, BI was not able to take up as many students for capacity reasons. A total of 7% fewer students were admitted in 2021 compared to the previous year. On the Executive market, the trend was positive with a turnover of around 12% over last year. A substantial part of the growth is due to the allocation of funds from the authorities for the development of courses for unemployed and laid-off persons.

The board believes that employees and students have shown an impressive ability to adapt and develop in the previous year. The board would like to extend a big thank you to employees, students, the student union (BISO), alumni and partners. Together, everyone contributes to securing and further developing BI's position as a leading international provider of research-based teaching, up-to-date knowledge and lifelong learning.

## GOAL ACHIEVEMENT AND RESULTS

*In the pandemic year 2021, BI has worked systematically on measures to strengthen the social and professional integration of our students. BI students have again proven to be very attractive in the labour market, and for the sixth year in a row BI is ranked as Norway's best business school by Financial Times.*

### Annual results and the board's measures

BI is a self-owning foundation whose sole purpose is teaching and research. All value creation at BI will be used to strengthen the organisation and strengthen student learning.

BI Norwegian Business School Foundation is the parent company in a corporate structure consisting of the 100% owned subsidiaries BI-Bygget D-Blokka AS, Sandakerveien D-Blokka AS, Sandakerveien 116-118 AS, Bedriftsøkonomisk Institute AS and Studentenes Hus AS. All the companies have the same business address, at Nydalsveien 37 in Oslo. Of the subsidiaries, only BI-Bygget D-Blokka AS had activity in 2021 through the rental of premises. BI-Bygget D-Blokka AS owns 21.7%, while the Foundation owns 78.3% of the property in Oslo. The Group's turnover in 2021 was 1874.2 million kroner, and the operating profit amounted to 125.8 million kroner.

The Group's real estate investments are financed through a mortgage in DNB Bank ASA, secured throughout the real estate stock in Nydalen. During the year, the Group has paid ordinary instalments equivalent to 48.0 million kroner, with the remaining mortgage amounting to 451 million kroner on balance sheet date. The Group's total financial items amounted to 17.9 million kroner in 2021. The real value of the building complex in Nydalen is expected to remain well over the book value, amounting to 1775 million kroner.

Pre-tax profit for the year for the Group was 108.0 million kroner. The tax demand for the year was 6.9 million kroner, and this is mostly related to property rental activities in the parent company and the subsidiary BI-Bygget D-Blokka AS. Profit after tax for the year was 101.1 million kroner.

Net cash flow from operating activities and investments was +67.6 million kroner. At year-end, 23.3 million of the Group's drawing rights of 50 million kroner were used, compared with 58.3 million at the same time in 2020. As of 31 December 2021, the Group's book equity was 788.4 million kroner.

Financial results for the Foundation in 2021 amounted to 87.6 million kroner, against a budget of 61.1 million kroner. The board is satisfied with BI's financial results.

BI achieved revenue growth of 157.3 million kroner from 2020 to 2021, resulting in a total turnover of 1849.1 million kroner. Of this, state support amounted to 402.3 million, or 21.8% of the turnover. Teaching revenues rose by 118.7 million to 1368.7 million kroner. This corresponds to an increase of 9.5%. The increase in teaching revenues is partly due to 817 more full-time students than in 2020, and the turnover in open continuing and further education courses rose by 41.0 million, from 339.8 million in 2020 to 380.8 million kroner in 2021. A large part of the increase was from online courses and programmes, as well as several grant-based programmes. Company-internal programmes had a slight reduction of -2.0% compared to 2020.

Operating profit was unchanged from 2020 and ended at 106.3 million kroner. However, it is worth noting that the operating profit for 2020 had a one-off effect, which reduced the cost associated with closing pension schemes, equivalent to 32.8 million kroner. Adjusted for these one-off effects, the operating profit for 2021 was 32.8 million better than in 2020.

A large part of the cost base is related to salaries and social costs. If we correct for one-off effects of 32.8 million related to pensions in 2020, salaries and social costs have actually increased



by 11.0%. This is related to wage settlements for employees, and a net increase in man-years corresponding to 59 at the end of the year. The growth in man-years has contributed to a strengthening of the academic staff as well as the necessary expertise and capacity on the administrative side.

There have been measures to give more students job opportunities alongside studies, including through the hiring of around 200 student mentors, which has also contributed to higher labour costs. In 2021, other costs have increased by 34.1 million kroner, or 7.2%. This increase can be explained by a sharp increase in IT costs as well as high energy costs. There has still been a low level of travel in 2021 because of the pandemic.

Depreciations fell by 17.3 million since 2020. This is particularly due to an extraordinary depreciation of our technical facilities of 14.5 million in 2020, which made depreciation abnormally high.

Net financial items have changed significantly since 2020. In 2021, there was a net cost on financial items of 15.8 million compared with a net income of 33.9 million kroner in 2020. The main reason for the big difference is a capital reduction of 50.0 million kroner that was implemented in 2020 in the wholly-owned subsidiary BI-Bygget D-Blokka AS and which is recognised as received dividends in the parent company Stiftelsen Handelshøyskolen BI in 2020.

A total of 38.0 million kroner has been repaid in ordinary mortgage payments to DNB in 2021. On balance sheet date, 23.3 million kroner of the drawing rights amounted to 50 million kroner, which is a reduction of 35.0 million compared to 2020. In 2021, a net deduction has been made against the subsidiary BI-Bygget D-Blokka AS of 25.8 million as a result of a newly established group account scheme. The Foundation follows a financial hedging strategy which entails that at least 33% of the mortgage must be secured at all times through fixed-rate agreements.

On balance sheet date, the share of the loan tied up in fixed-rate agreements amounted to 400.0 million kroner. On balance sheet date, the hedging ratio was 117.3%. The fixed-rate agreements have various durations, and the first expires in April 2022, while the longest running out in 2028. An over-hedging is expected until April 2022, when the first fixed-rate agreement is due.

Cash flow from operations amounted to +123.2 million compared to +229.5 million in 2020. This is an increase in prepaid costs of 23.9 million compared to 2020 and an increase in the receivables against Fudan University of 14.7 million. Payments to pension schemes increased by 57.3 million in 2021 compared to 2020. Investments amounted to -77.9 million compared to -51.8 million in 2020, but in the comparison figure for 2020 there is 50.0 million kroner that the Foundation received from the subsidiary BI-Bygget D-blokka AS as a result of a capital reduction.

On the whole, that means the Foundation has satisfactory liquidity. It is not difficult to find either short-term or long-term financing, and there is currently an agreement with DNB on drawing rights with varying frameworks throughout the year. For parts of the year, there is no need for drawing rights, as the group has surplus liquidity during periods around the large semester payments at the beginning of the semesters.

In 2021, a group account agreement was established with the subsidiary BI-Bygget D-Blokka AS that gives the Foundation access to surplus capital in the subsidiary in periods when there would otherwise be a need for the drawing rights from DNB. On balance sheet date, there was a net deduction against the subsidiary of 25.7 million kroner.

In the capacity of being funded by student payments, and in competition with public operators that offer free studies, the board emphasises that BI's market risk is considerable. The school relies on a large volume at bachelor's level and a steady influx of students. The board and management at BI address market exposure on a regular basis and we are confident the organisation is equipped to deal with it correctly, and that the Foundation is in a solid position to adapt to fluctuations in the results.

The board considers this autumn's promising applicant numbers for full-time studies as a confirmation that the school has attractive study programmes. We are anticipating slightly higher numbers in full-time admissions in the fall of 2022 compared to the autumn semester of 2021, and this gives a good indication of the revenue flow that we can expect over the next three years. In the future, efforts are being made to secure our position in the national market, as well as strengthen our position in the international market. We anticipate retaining the large volumes at bachelor's level, while growth at a master's level is being pursued. This is in a market where, according to Statistics Norway's projections, the number of high school graduates is starting to rise slightly.

The need for continuing education is predicted to increase in the future, and is supported by the current government's commitment to continuing education. Constant changes to working life increase the need for lifelong learning. Although volumes are already high in continuing education, BI is expected to take part in this initiative in years to come. Strengthening the support system around externally funded research is expected to increase the number of applications for external funding, which we again expect will provide BI with more externally funded projects.

The company's financial risk is monitored and analysed on a continual basis. Financial risk includes credit risk, liquidity risk and interest risk. Credit risk mostly involves accounts receivable, but this risk is considered low because the company has good routines for collecting outstanding amounts. Net loss on claims has been stable over a number of years, and there is no reason to believe this will change significantly in the future. Liquidity risk is considered low due to a steady, stable and predictable flow of liquidity at the company. Interest risk is very limited.

The company currently has interest-bearing mortgages amounting to 341.0 million kroner secured with interest swap agreements. In addition to the mortgaged loan, we have drawing rights that vary much throughout the year.

The Foundation's equity fell by 76.0 million kroner, down to 764.6 million kroner in 2021. The profit for the year contributed with an increase of 87.6 million kroner. Deviations to estimates related to pension schemes contributed with a reduction of 163.6 million kroner. The building in Nydalen had a book value by the end of the year of 1380.0 million kroner. Capital equipment was written off on the same principles as in the previous year.

On balance sheet date, the residual debt against DNB amounted to 364.3 million, including 23.3 million in used drawing rights. The Foundation satisfied the lender's covenant requirement as of balance sheet date.

In accordance with Section 3-3a of the Norwegian Accounting Act, the prerequisites for going concern are present.

As of 2021, the board of trustees has not taken out a separate directors and officers liability insurance policy.

### High quality in education and research

The board is pleased that BI is again ranked among the leading educational institutions in Europe, and for the sixth year in a row as Norway's best business school by the Financial Times.

Since 2018, BI has also completed successful re-accreditation processes in all its national and international accreditations (NOKUT, AMBA, AACSB, EQUIS and EEOCS), most recently with EQUIS. The latter was conducted digitally in November 2020 and awarded in February 2021. The board acknowledges the hard and targeted work done over time to achieve such excellent results. BI's accreditations and rankings have a major impact on the reputation of the school, the value of a diploma from BI, and not least the recruitment of international employees and students.



In June, on the basis of the government's amendment to the Degree Regulations, the board decided that BI should continue to develop a three-year bachelor's degree and a two-year master's degree in law, with the aim of having these accredited and approved by NOKUT. These studies, where the master's degree will be Norway's first in business law and economics, are in demand by the industry. The board is confident that candidates who are able to combine economic and legal expertise will be very attractive candidates in the labour market in years to come.

The board is impressed by BI's researchers and the positive development in terms of scientific publications, especially publications in top-ranked scientific journals, so-called ABS4\* and ABS4 journals. These are among the highest ranked and most reputable journals in their fields. The Board of Trustees is pleased with an increase in the share of externally funded research projects, with a total turnover value of 35.3 million kroner in 2021 compared with almost 30 million in 2020. The board expects a steady increase in years to come here, following increased focus and strengthened administrative support for research in this area in recent years.

A long-term strategic commitment to recruiting international professionals also yields results. In 2021, almost 39% of BI's academic staff had an international background, compared with 35% the year before.

The board is satisfied that BI drew 114.2 million kroner in sponsored and commission-based projects (BOA). Such funds are particularly important within the Executive market, and we expect a steady development in revenues going forward.

### Welfare, value-creation and reorganisation

Throughout the pandemic, the board and BI's management have prioritised efforts to implement measures to strengthen social and professional integration for school students. The board is excited about the successful launch of a national mentoring scheme for new BI students at all campuses. Since autumn 2021, around 5000 first-year students have been offered to join groups led by over 200 student mentors. The feedback from the students, who were allowed to participate in both social and academic activities throughout the year, has been very good.

In 2021, BI strengthened student health services by providing free psychologist services at Campus Oslo. BI also assisted first-year students who wanted to form their own digital study groups since many found it difficult to have physical meeting points where they could get to know each other. BI also started a collaboration with the student association (BISO) and the Kavli Trust to arrange various activities that promote better social integration. The Minister of Research and Higher Education at the time, Henrik Asheim, was among the participants at one of the events of the so-called Social With BISO project.

In recent years, surveys have repeatedly shown that the employment rate among BI candidates is high, especially at master's level. In 2021, 87% of bachelor's candidates and 96% of master's candidates found employment within six months of completing their degree. The board had feared a decline here due to the pandemic, but we are very pleased to note that both figures have actually gone up since 2020.

### Other important priorities in 2021

Efforts to reduce dropout rates, ensure study progression and lift completion rates among BI students have been high priorities for the board and BI administration over time. The board is satisfied that the completion rate in prescribed times increased for BI's bachelor's students, from 45% in 2020 to 49.5% in 2021. The same figure for masters is 82%, somewhat lower than the record year 2020 when the completion rate was 87%. The completion rate for PhD after six years was 46% in 2021, which is a decrease from the previous year. Here it is important to note that the data on which these figures is based is very limited, and that small changes have a major impact.

The transition from the DigiEx digital examination tool to WISEflow has been a high priority in 2021. This past year, 96% of BI's 970 examinations were conducted digitally because of the pandemic. In the autumn of 2021, around two thirds of the exams were transferred to WISEflow. Since the spring of 2023, WISEflow will be BI's only exam tool. The board is pleased with the development and progress of the project.

As mentioned, BI has further developed its focus on digital teaching in 2021. In February, the school implemented its new streaming platform (Panopto) on all campuses to better facilitate the storage and sharing of lectures. Higher expectations of so-called hybrid forms of delivery, i.e. how physical and digital teaching methods are combined in the study programme, also increase the degree of complexity. In 2021, BI has retained and further developed the digital tools already used in teaching, as well as strengthening the capacity for so-called Zoom Classrooms, which to a greater extent facilitates interaction between students and lecturers.

## OUTLOOK

*Norwegian educational institutions are facing a changing market, increased competition and new demands from the authorities, and from business and industry. BI's most important task will be to offer teaching programmes that deliver on internationalisation, work-life relevance and lifelong learning.*

The BI Strategy 2025 document lays out the long-term strategic goals for developing and securing BI's position as one of Europe's leading business schools into the future. At the same time, the global Covid-19 pandemic has affected BI's activities and organisation in a number of areas this past year.

BI operates in a number of markets characterised by great competition both in Norway and internationally. A prerequisite for ensuring the most relevant and attractive study programme is continuous innovation within the study programme portfolio. BI's revised Strategy for 2025 takes this into account and gives the organisation a clear direction for the years to come.

In competition with public operators that offer free studies, BI is dependent on attracting sufficient numbers of students, especially at a bachelor's level. Over time, the board and BI's management have prioritised work to revise the bachelor's degree model, developed in line with the requirements set by the authorities for increased mobility and work-life relevance. In 2021, a project group and several subgroups across the institution have worked out how such a bachelor's degree model should be structured. The board has been well informed along the way and watched the work with great interest.

The new model, approved by the liaison group, envisions increased flexibility and more choice for the students, with the aim of increasing internationalisation through exchange and work-life relevance through internships. A key element will be bachelor students completing both parts during their studies, through exchanges and internships. The board believes that a model of this kind will offer students a unique flexibility and emphasises that further work on the revised bachelor's degree model will be a high priority in the future. In 2022, dedicated groups have been given specific mandates to develop course descriptions for proposed basic courses, as well as to investigate the economic and administrative consequences of a new model.

The market for continuing education is also characterised by increased competition, partly as a result of the government's competence "Lære hele livet" reform (learning throughout life), and in the long term internationally from operators like Microsoft and Google. The digital learning market is generally growing, and in 2021 Executive saw increased competition from government-funded competitors offering new flexible and digital offerings, as well as players outside the traditional education sector who develop and launch informal courses for free or at low cost. In this context, the board is very pleased with BI's launch of the Short Learning Modules concept, which since its inception in 2020 has had over 5000 participants and contributed to strong growth in the school's online courses and programmes.



The board considers BI to be well prepared and equipped for increased competition in both the full-time and part-time markets. Going forward, it will be important for BI to continue to develop BI's strong brand nationally, and to build and develop the school's position internationally. As in the previous year, 2021 has demonstrated that BI is a solid workplace with good financial results, even in times of crisis. There has also been no need for layoffs in connection with the pandemic. The outbreak of war in Ukraine affects people, financial markets and trade globally. BI Norwegian Business School is not directly affected by the war, but notices the effect of very high energy prices. BI is coordinating its efforts through the Ministry of Education and Research.

### Organisational changes

BI has not implemented nor does it plan any organisational changes that will affect the Foundation's legal or financial position.

In February 2022, Karen Spens was appointed by the board as the new president for a fixed term (1 August 2022 to 1 August 2026) following a unanimous recommendation from the nomination committee.

### Temporary employees

In addition to the qualifying fixed-term positions, BI has on the professional side two persons as temporary substitutes and nine in engagements. Of these, three are employed in lower positions with a requirement for qualification, two are employed temporarily for the transition to a postdoctoral position, two are in engagements while the advertised position is in process. One person is employed temporarily in an externally funded research position.

Among administrative staff, BI had a total of 16 temporary engagements at the end of 2021, as well as 12 temporary substitutes for persons who were on leave. Temporary engagements within administration are mainly due to a short-term increased capacity needs in projects related to the development and implementation of new digital systems and work processes, as well as pandemic management.

### Gender equality, discrimination and accessibility

BI's plan for diversity and equality states that all employees will have the same rights, duties and opportunities regardless of gender, age, ethnicity, national origin, functional ability, beliefs or sexual orientation. BI strives for a gender distribution of 60-40, and systematic wage differences must be equalised. BI's gender equality work is regularly reported to the board and is an area that the board watches closely.

In 2021, the Gender Policy for Faculty was drawn up to clarify ambitions related to gender equality and diversity in academic staff. A challenge related to recruitment and advancement of female academic staff had been identified. The aim is to promote a culture of fair and inclusive working environment, actively ensure gender balance in top positions, work to prevent direct and indirect discrimination and engage in active recruitment where gender distribution or gender imbalance would fall below our targets for this area.

Following the national survey on bullying and harassment in the higher education sector in 2019, BI chose to focus specifically on the prevention of sexual harassment. In 2021, a separate policy was drawn up for this, as well as guidelines for handling cases on harassment and sexual harassment, as well as an implementation plan for raising awareness and training of managers and employees.

BI conducts annual gender balance and wage distribution surveys for various positions. This, as well as the work on gender equality and diversity, are reported in line with our reporting obligation pursuant to Norway's Equality and Anti-Discrimination Act.

At the end of 2021, BI had 34 female professors, of whom 29 were in full permanent positions representing an increase of 5 persons during 2021.

The proportion of women among professors has risen to 28.5%. The proportion of women in total academic positions is stable at around 34%, with wide variations across job categories and departments. The share of men in administrative positions was 33 %. The share of men in administrative management positions at a director level increased from 22% to 28%.

Both in terms of fixed salary and total salary on the administrative side, there does not appear to be any systematic bias between women and men in the position categories 2-6. Women's wages as a percentage of men's wages are between 93-119% for fixed pay and between 94-97% for total pay. The largest difference can be found in position categories 2 and 5.

On the academic side, women's fixed pay as a percentage of men's was within the interval 97% - 103% for most position categories, with the exception of professors where women had an average of 89% of the salary of their male counterparts. The difference can be partly attributed to the fact that there are several men who have been professors for a long time. In addition, there are still very few female professors in the traditionally male-dominated disciplines where the wage level is generally higher. This is further reinforced when variable pay is taken into account.

On BI's board of trustees, the share of women is 50%. BI Senate's share of women is 50%. Women amounted to 40 % of executive management, 33 % of department heads and 25% of deans. In 2021, 55 nationalities were represented among BI's employees. In 2020, the board adopted a new language policy that states that English is the main language for internal information and when the organisation is assembled. At the end of 2021, just over 20% of BI's employees were not Norwegian citizens. The share of international employees was 6% for administrative staff and almost 39% for everyone in academic positions. The board notes a stable increase in the number of international employees in academic positions.

The average age of retirement is 68.2 years for all employees at BI. Seniors in academic positions work on average until the age of 69. Administrative seniors work on average to the age of 67.7. BI's campuses have been developed in accordance with the laws and guidelines that were in force when they were built. An overview of where the building complex deviates from current building codes has been prepared. Continuous efforts are being made to rectify deficiencies in reconstructions and adaptations of the building complex.

### Risk management and internal control

BI has in recent years focused on strengthening and professionalising risk management work and our internal control system, including putting in place a systematic approach that helps to identify, manage and follow up any incidents that may adversely affect achieving our goals. This resulted in the creation of the Governance, Risk & Compliance function (GRC) in 2020 that reports its work to the board. GRC also encompasses the work of the Data Protection Officer and the Student Ombudsman, and ensures that these roles are sufficiently independent of management in general.

In 2021, the board decided to establish an internal audit function. This function should be outsourced to a auditing or consulting company to ensure sufficient independence and breadth of competence.

### Public safety and emergency preparedness

A major part of EHS work at BI is ensuring the health and safety of human beings. Measures are implemented on the basis of annual risk analyses. BI is actively working to prevent serious incidents and plan for rapid response and good management that limits adverse effects. BI has drawn up a steering document for public safety and emergency preparedness work for the higher education sector, as well as letters of allocation, as a basis for its own work.

The pandemic has been a high priority in BI's safety and emergency preparedness work throughout 2021. Infection control measures for students and staff have been implemented, evaluated and followed up. Risk assessments such as decision support have been carried out regularly in advance of important changes. BI has endeavoured to ensure that measures are proportionate and in line with current recommendations from the authorities. With the exception



of an increase in the number of infected students just after the start of the autumn semester, BI had low infection rates throughout 2021. Pandemic management led to closer cooperation on safety and emergency preparedness with other campuses. BI is planning a new evaluation of pandemic management, where emergency preparedness and infection control are also included.

BI conducted digital crisis drills in the fall of 2021, with ransomware as its topic. Revising frameworks for emergency preparedness and lack of tools for managing digital incidents were highlighted as important learning points. Based on this exercise and general pandemic management, among other things, BI changed its emergency management organisation and crisis management.

Threats did occur against employees and students in 2021. Hate speech was also documented against one BI student on one occasion. Otherwise, no other extensive incidents related to safety and emergency preparedness have been reported in 2021.

### The working environment

BI aims for an inspiring working environment that promotes well-being, health, learning and development for the individual. The working environment will be characterised by diversity, equity/equality, consideration and respectful and open communication. BI has zero tolerance for any form of abuse of power.

The pandemic has also affected the working environment in 2021 and resulted in a lot of digital teaching and extensive use of home offices, as well as strict infection control measures on campus. This has affected both the psychosocial and physical working environment for all employees. During the pandemic, BI had measures in place to remedy the situation, such as digital support tools for teaching and interaction, home office equipment, digital training programmes and offers of psychosocial counselling for employees and students.

Numbers for sickness absence based on medical certificates from doctors among BI employees decreased during the pandemic, and in 2021 was 2.4%. In the last quarter of 2021, sickness absence among administrative employees increased again, while it decreased further among academic staff.

In the fall of 2021, EHS safety rounds were carried out on all four campuses. No serious incidents, injuries, property damage or accidents in connection with carrying out work at BI have been registered in 2021.

BI's campus in Oslo has been an Eco-Lighthouse-certified organisation since 2010, Campus Trondheim and Campus Bergen since 2013, and Campus Stavanger since 2014. BI does not contaminate the external environment. All campuses meet the Eco-Lighthouse Foundation's requirements related to EHS, transport, procurement, waste management, energy consumption and green conferences. BI is committed to supporting the UN 1.5 degree target by steering towards a 50% reduction in emissions by 2030 and preparing annual climate accounts. BI's four largest sources of emissions come from energy, food/beverages, commuting and travel (82.5% in 2020).

### Market condition declaration

The board confirms that all transactions between BI Norwegian Business School and its associated units, as well as internal transactions within the group, are priced and implemented according to standard market conditions.

### Relevant links

- [BI Strategy 2025](#) (revised in September 2021)
- [BI Gender Policy for Faculty for 2021](#)
- [Societal Impact of Research](#) (2012-2020)
- [Sustainability and Responsible Management Report 2020](#) (BI's latest sustainability report sent to UN)

## THE BOARD OF TRUSTEES IN 2021

The board consists of ten members, four of whom are external and two are observers.

The four internal board members consist of two representatives elected by and among BI's academic staff, one representative and one observer elected by and among BI's administrative staff, and one student representative and one student observer elected by the student organisation BISO.

### Chair of the board

The board elected Åse Aulie Michelet as the new Chair for a three-year period starting 01 August 2021. Aulie Michelet has had several executive positions within Norwegian and international industry and has extensive experience as a board member.



### Board members as of 31.12.2021:

**ÅSE AULIE MICHELET**, Chair

**BENTE SVENSSON**, external board member and the board's vice-chair

**PER HOVE**, external board member

**BJØRN JØRGENSEN**, external board member

**THORVALD HÆREM**, representative elected by academic staff

**SIV JØNLAND STAUBO**, representative elected by academic staff

**DONATELLA DE PAOLI**, deputy representatives elected by academic staff

**MORTEN WILLIAM KNUDSEN**, deputy representatives elected by academic staff

**IDA-CATHRINE JØRGENSEN**, representative elected by administrative staff

**DAVID SAGEN**, observer elected by administrative staff

**MARTIN H. ANDRESEN**, deputy representative elected by administrative staff

**MALENE FUGLEVIK**, deputy representative elected by administrative staff

**SANJIN DAMJANOVIC**, student representative chosen by BISO

**LIVE WILHELMSEN**, student observer chosen by BISO



The board recommends the following allocation of profit for the year:

Addition/(use) of equity this year, with self-imposed restrictions	0.3 million kroner
Transfer to Other equity	87.4 million kroner
<b>Total allocated</b>	<b>87.6 million kroner</b>

Foundation equity as of 31.12.2021:

Foundation capital	1.3 million kroner
Equity with self-imposed restrictions	25.5 million kroner
Other equity	737.9 million kroner
<b>Total equity</b>	<b>764.7 million kroner</b>

Oslo, 10. March 2022




Åse Aulie Michelet  
Chair of the Board



Bente Svensson  
External board member



Per Kristian Hove  
External board member



Bjørn Jørgensen  
External board member



Thorvald Hærem  
Board Member



Siv Jønland Staubo  
Board Member



Ida-Cathrine Jørgensen  
Board Member



Live Wilhelmsen  
student observer

# ANNUAL ACCOUNTS





## ANNUAL ACCOUNTS

Parent company:		Income Statement 01.01-31.12		Group:	
2020	2021	Note	NOK 1.000	2021	2020
			<b>Operating revenues</b>		
1 249 945	1 368 652		Teaching income	1 368 652	1 249 945
30 693	35 299		Contract research income	35 299	30 693
365 027	402 263	1	Government grants	402 263	365 027
46 122	42 906	2,9	Other operating revenues	68 023	70 326
1 691 787	1 849 121		Total operating revenues	1 874 237	1 715 991
			<b>Operating costs</b>		
986 885	1 128 555	3,7	Salary and other personnel costs	1 128 749	987 083
121 816	104 485	5	Ordinary depreciation	115 763	135 099
2 213	1 016	11	Losses on receivables	1 016	2 213
474 583	508 726	4,9	Other operating costs	502 884	467 400
1 585 496	1 742 782		Total operating costs	1 748 412	1 591 795
<b>106 290</b>	<b>106 339</b>		<b>Operating profit/loss</b>	<b>125 825</b>	<b>124 196</b>
			<b>Financial costs</b>		
57 783	3 615	9	Financial revenues	3 695	8 036
-23 876	-19 448	6,9	Financial costs	-21 556	-26 848
33 907	-15 834		Net financial items	-17 861	-18 812
<b>140 198</b>	<b>90 505</b>		<b>Pre-tax profit/loss</b>	<b>107 964</b>	<b>105 384</b>
-515	-2 873	20	Tax demand on taxable activities	-6 862	-4 003
<b>139 682</b>	<b>87 632</b>		<b>Profit/loss for the year</b>	<b>101 103</b>	<b>101 381</b>
			<b>Transfers and appropriations from profits</b>		
-474	257	13	Net to/ (from) Equity with self-imposed restrictions	257	-474
140 157	87 374	13	Transferred to Other Equity	100 845	101 856
139 682	87 632		Total allocated	101 103	101 381

Parent company:		Balance Sheet as of 31.12		Group:	
2020	2021	Note	NOK 1.000	2021	2020
			<b>ASSETS</b>		
			<b>Fixed assets</b>		
77 876	75 983	5	Intangible fixed assets	76 053	77 967
1 405 127	1 379 501	5	Buildings, technical installations, plots	1 775 030	1 807 344
123 017	124 102	5	Machines, equipment, means of transport	137 032	139 189
99	0	8	Long-term receivables and placements	0	99
280 296	280 296	10	Shares in subsidiaries	0	0
1 886 415	1 859 882		Total fixed assets	1 988 114	2 024 599
			<b>Current assets</b>		
0	108		Stock inventories	108	0
117 791	152 946	9,11	Accounts receivable and other short-term	154 099	116 375
71 629	69 652	12	Cash and cash equivalents	70 646	86 026
189 420	222 706		Total current assets	224 853	202 402
<b>2 075 835</b>	<b>2 082 589</b>		<b>Total assets</b>	<b>2 212 967</b>	<b>2 227 001</b>
			<b>EQUITY AND LIABILITIES</b>		
			<b>Contributed equity</b>		
1 300	1 300	13	The foundation's capital	1 300	1 300
			<b>Retained equity</b>		
25 246	25 504	13	Equity with self-imposed restrictions	25 504	25 246
814 123	737 862	13	Other equity	761 623	824 413
839 369	763 366		Total retained equity	787 127	849 660
<b>840 669</b>	<b>764 666</b>		<b>Total equity</b>	<b>788 427</b>	<b>850 960</b>



Parent company:		Balance Sheet as of 31.12		Group:	
2020	2019	Note	NOK 1.000	2020	2019
			<b>Provisions for liabilities</b>		
1 558	3 442	20	Deferred tax	19 244	17 562
364 986	480 346	7	Pension obligations	480 346	364 986
11 294	6 242	16	Other provisions for liabilities	6 242	11 294
377 838	490 029		Total provisions for liabilities	505 832	393 841
			<b>Long-term liabilities</b>		
341 000	303 000	14	Mortgage loans	403 000	451 000
341 000	303 000		Total long-term liabilities	403 000	451 000
			<b>Current liabilities</b>		
62 923	56 435	9	Accounts payable	57 530	63 372
84 209	89 282		Public charges payable	89 316	84 102
0	0	20	Tax payable	4 190	3 769
58 316	23 297	15	Bank overdrafts utilised	23 297	58 316
310 881	355 879	9,19	Other current liabilities	341 375	321 640
516 328	524 893		Total current liabilities	515 708	531 200
<b>2 075 835</b>	<b>2 082 589</b>		<b>Total equity and liabilities</b>	<b>2 212 967</b>	<b>2 227 001</b>

Oslo, 10. March 2022



Åse Aulie Michelet  
Chair of the Board



Bente Svensson  
External board member



Per Kristian Hove  
External board member



Bjørn Jørgensen  
External board member



Thorvald Hærem  
Board Member



Siv Jønland Staubo  
Board Member



Ida-Cathrine Jørgensen  
Board Member



Live Wilhelmsen  
student observer

Parent company:		Cash Flow Statement 01.01 - 31.12		Group:	
2020	2021		NOK 1.000	2021	2020
			<b>Cash flows from operating activities</b>		
140 198	90 505		Pre-tax profit/loss	107 963	105 384
121 816	104 485	+/-	Ordinary depreciation	115 763	135 099
-24	-989	+/-	Taxes paid for the period	-4 758	-24
-5 041	-112	+/-	Loss/ (profit) on sale of fixed assets	-112	-5 041
-50 000	0	+/-	Reserved dividends	0	0
27 016	-41 751	+/-	Changes to goods, accounts receivables and accounts payable	-43 771	27 938
-4 506	-28 905	+/-	Changes in other accrual accounting items	-28 182	-4 675
<b>229 458</b>	<b>123 233</b>	<b>= (A)</b>	<b>Net cash flow from operating activities</b>	<b>146 902</b>	<b>258 682</b>
			<b>Cash flow from investing activities</b>		
			Investments in tangible fixed assets	-107 091	-79 253 -
5 342	1 314	+	Deposits from sale/liquidation of shares	-80 579	-109 811
50 000	0	+	Reserved dividends	1 314	5 342
				0	0
<b>-51 749</b>	<b>-77 939</b>	<b>= (B)</b>	<b>Net cash flow from investment activities</b>	<b>-79 265</b>	<b>-104 469</b>
			<b>Cash flow from financial activities</b>		
0	25 747	+	Net change in group accounts	0	0
-38 000	-38 000	-	Payment of debts	-48 000	-48 000
-115 263	-35 019	-	Net change in revolving credit	-35 019	-115 263
<b>-153 263</b>	<b>-47 271</b>	<b>= (C)</b>	<b>Net cash flow from financial activities</b>	<b>-83 019</b>	<b>-163 263</b>
24 446	-1 977	A+B+C	Net changes to liquidity for the year	-15 381	-9 051
47 183	71 629	+	Cash and bank deposits as of 01.01.	86 026	95 076
<b>71 629</b>	<b>69 652</b>	<b>=</b>	<b>Cash and bank deposits as of 31.12.</b>	<b>70 645</b>	<b>86 026</b>



## NOTES TO THE ACCOUNTS FOR 2021

*(All figures in the following notes are stated in NOK 1000 if not otherwise stated.)*

### Accounting Principles

The annual accounts have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles for Norway. The most significant accounting principles are described below.

Consolidated accounting includes the parent company Stiftelsen Handelshøyskolen BI and the subsidiaries BI-bygget D-Blokka AS, Bedriftsøkonomisk Institutt AS, Studentenes Hus Nydalen AS, Sandakerveien 116-118 AS and Sandakerveien D-Blokka AS.

Of these, neither Bedriftsøkonomisk Institutt AS, Sandakerveien D-Blokka AS, Studentenes Hus AS nor Sandakerveien 116-118 AS had activity in 2021. We also refer you in this regard to Note 10.

#### a) Basis of consolidation

The consolidated accounts have been prepared to show the group as one economic unit. The accounts include the foundation (Stiftelsen Handelshøyskolen BI) and the companies in which the foundation has a controlling interest. Controlling influence is normally achieved when the Group owns more than 50 % of the shares in a company, and the Group is able to exercise real control over a company.

All transactions and intercompany balances in the Group are eliminated.

The consolidated accounts has been prepared according to unified principles, with subsidiaries following the same accounting principles as the parent company.

Cost price for shares in subsidiaries are eliminated against equity in a subsidiary on the date of hand-over.

The tables in the Notes have been prepared for the group and parent company for the past two years.

#### b) Principles for revenue recognition

Teaching revenues are recorded as income as the normal studies are completed. State grants accrue similarly. Revenues from sponsored and commissioned research and other operating revenues accrue as the services are delivered. BI receives public grants for various research projects. The grants are recorded as income as the projects progress.

Revenues from renting out our premises is recorded as income based on the rental period, and joint costs are recorded as income as one on-account amount. Joint costs are calculated at the end of the year.

#### c) Main rule for assessment and classification of assets and liabilities

Current assets and current liabilities normally include items that fall due for payment within one year of balance sheet date, as well as any items related to the circulation of goods. The remaining items are classified as fixed asset/long-term liabilities.

#### d) Receivables

Accounts receivables and other receivables are recorded at face value, less deductions for projected losses. Provisions for losses are made based on individual assessments for each individual receivable. In addition, an unspecified provision for other receivables is made to cover anticipated loss. Receivables in foreign currencies are assessed at the exchange rate on 31.12.

#### e) Shares and bonds

Shares and bonds acquired for long-term ownership or use are classified as fixed assets. These are assessed at cost price unless conditions that could not be expected to be temporary have acquired a lower assessment.

Short-term investments on surplus liquidity (liquid shares and units that are assessed to be current assets) are assessed at fair value on balance sheet date. Received dividends and other disbursements from companies are recorded as Other financial revenues.

**f) Tangible fixed assets**

Tangible fixed assets are recognised in the balance sheet and depreciated if the assets' expected lifetimes is assumed to last more than 3 years and the cost of the asset exceeds NOK 100 000. Direct maintenance of capital equipment is recognised as an operating expense when incurred, while costs for improving and upgrading capital equipment are added to the cost price and depreciated in line with these. Replacing an entire asset is recognised in the balance sheet.

Our tax accounting complies with the Taxation Act's valuation rules in relation to capitalisation, and capital equipment that is assumed to have a service life of more than three years and a cost price over NOK 15 000 is capitalised.

**g) Pensions and pension obligations**

BI's employees are currently part of our deposit-based and defined-benefit pension schemes. All new employees as of 01.01.2021 and employees who voluntarily wish to leave the defined-benefit pension scheme are incorporated into the deposit-based pension scheme as of 1.1.2021. Other employees are members of closed pension schemes with Storebrand and the Norwegian Public Service Pension Fund.

The defined-contribution pension scheme has a fixed savings rate of 5.7 % for salaries starting at 0 to 7.1 G and a supplemental rate of 18.1 % for salaries between 7.1 - 12 G. The defined-contribution pension scheme is recorded as a cost according to the premiums that are paid.

Employees who are members of the closed pension schemes, are partly associated with the Norwegian Public Service Pension Fund (SPK) and partly associated with the private schemes through Storebrand. BI utilises IAS 19 according to NRS 6.

The pension scheme in SPK has an insurance technical structure. The scheme however is not fund-based, but the pension disbursements are guaranteed by the state according to Section 1 of the Norwegian Public Service Pension Fund Act. Setting the premium and calculating the pension obligations is done according to the actuarial principles for employees born before 1963 and as a percentage of the basis for calculating entitlements to pensions for employees born as of 1963. The calculated pension reserves provide a yield that is equal to the government bond interest. According to NRS, this scheme is considered a defined-benefit plan.

Pension costs and pension obligations toward an employee's earnings are calculated according to the linear method based on predictions for discount interest, future adjustments to salary, pension/benefits from the National Insurance Scheme, future yield on pension reserves as well as actuarial assumptions on morbidity, voluntary resignation/retirement etc. Plan changes are recorded in the income statement immediately.

Changes to the obligation and pension funds caused by changes in and deviations to the bases for calculation (estimated changes) are recorded against equity.

Pension costs are recorded as Salary and other personnel costs.

**h) Research leave**

Full-time employees in scientific positions at BI have the right to a leave of absence/sabbatical every 6 years. This involves one year with an insurance obligation and exemption from teaching. Applications for the research sabbatical are approved by the provosts, and adapted to budgetary items and the different activity plans. Salaries paid during a co-worker's research sabbatical are considered costs for necessary skills enhancement and recognised in the profit and loss account as an ordinary period cost.

**i) Loss contracts**

A loss contract exists if BI has a binding contract that has an estimated negative net present value. Loss contracts are recorded in the accounts as an obligation based on the best estimated.

**j) Taxes**

BI is not a taxable foundation, but the premises we rent out are taxable.

The tax demand on the Income Statement includes the period's payable taxes and changes to deferred taxes. Deferred tax is calculated at 22 % based on temporary differences that exist between accounting and taxation values, as well as the tax deficit that will be recorded at the end of the financial year. Temporary differences that effect tax increases and tax reductions that are reversed or that can be reversed in the same period will be assessed. Net deferred tax benefits are recognised in the balance sheet to the extent it is probable these can be utilised.

All our subsidiaries are taxable.



**k) Interest rate swap agreements**

BI uses interest rate swap agreements to ensure future Interest payments on long-term loans and treats them as hedgings in the accounts. Cash flows from interest rate swap agreements are classified with interest payments for long-term loans. Interest rate swap agreements are not recognised in the Balance Sheet. Interest rate swap agreements which we assume are no longer recorded as re-hedging in the accounts, these will be recorded according to the principle of premium/deficit rates.

**l) Cash flow statement / Cash and cash equivalents**

The Cash Flow Statement are prepared using the indirect method. This involves taking our point of departure in the company's profit/loss for the year in order to present cash flows that come from ordinary operations, investment activities and financing activities, respectively. Cash and cash equivalents consist of cash and bank deposits without terms of maturity.

**m) Currency**

Monetary items in foreign currencies are assessed and recorded at the rate of exchange for the end of the financial year.

**Note 1 – State grants**

The amount of government grants is stipulated during the annual budget negotiations in the Norwegian parliament (Storting). The allocations are listed in Chapter 260 of the National Budget.

Parent company			Group	
2020	2021		2021	2020
173 401	220 413	Basis	220 413	173 401
168 964	161 935	Disbursements are based on annual results, open framework	161 935	168 964
22 662	19 915	Disbursements are based on annual results, closed framework	19 915	22 662
365 027	402 263	Total government grants	402 263	365 027

**Note 2 – Operating revenues**

Operating revenues come exclusively from state grants and sponsored or commissioned research projects at each campus.

Parent company			Group	
2020	2021		2021	2020
172 937	200 379	Campus Bergen	200 379	172 937
987 993	1 019 257	Campus Oslo	1 062 398	1 012 197
55 780	67 310	Campus Stavanger	67 310	55 780
110 049	124 587	Campus Trondheim	124 587	110 049
1 326 759	1 411 534	Total operating revenues, exclu. state grants	1 454 674	1 350 964

Other operating revenues include mostly sales of compendia and books, rental income, donations and royalties.

Parent company			Group	
2020	2021		2021	2020
41	19	Revenues from printing and publishing	19	41
23 258	23 373	Rental fee revenues	49 726	49 005
9 772	9 911	Public and private support, gifts and donations	9 911	9 772
13 050	9 604	Other revenues	8 367	11 508
46 122	42 906	Total Other operating revenues	68 023	70 326

No changes occurred in 2021 for occupancy rates in the buildings A, B or C. Rental fees are collected on a total floor area of 3339 m<sup>2</sup>. The building(s) for the subsidiary BI-Bygget D-Blokka had 317m<sup>2</sup> vacant floor space in 2021.

### Note 3 – Salary and other personnel costs

Remunerations to the general manager (president) in 2021 amounted to NOK 2 675 595. Other taxable remunerations amounted to NOK 18 561. The president is a member of BI's ordinary pension scheme in the Norwegian Public Service Pension Fund. Net estimated pension costs for 2021 were NOK 191 518. The president had two years of research sabbatical at his disposal after resigning, of which one year would be paid as part of the president salary and one year on salary terms for associate professors. There is no bonus agreement for the general manager.

BI has no pension obligations towards the members of the board.

Remunerations for the members of the board for 2021 are paid as follows:

	Name	Appointed by	Electoral term	Remuneration to the members of the board
Chairman of the board	Åse Aulie Michelet	Board	01.08.21-31.07.24	122 500
Chairman of the board	Åse Aulie Michelet	Board	01.08.18-31.07.21	93 500
Vice chair	Bente Svensson	Board	01.08.20-31.07.23	141 500
Styremedlem	Bjørn Jørgensen	Board	01.08.21-31.07.24	70 000
Board member	Bjørn Jørgensen	Board	01.08.18-31.07.21	53 500
Board member	Per Kristian Hove	Board	01.08.19-31.07.22	123 500
Board member	Pål Lauritzen	Academic employees	01.08.19-31.07.21	53 500
Board member	Siv Jønland Staubo	Academic employees	01.08.20-31.07.22	123 500
Board member	Thorvald Hærem	Academic employees	01.08.21-31.07.23	70 000
Academic deputy	Anders Dysvik	Academic employees	01.08.19-31.07.21	11 250
Academic deputy	Morten William Knudsen	Academic employees	01.08.21-31.07.23	0
Academic deputy	Donatella De Paoli	Academic employees	01.08.20-31.07.22	0
Board member	Kjersti Gummerson	Admin. employees	01.08.19-31.07.21	53 500
Board member	Ida-Cathrine Jørgensen	Admin. employees	01.08.21-31.07.23	70 000
Admin. deputy	Ole Andreas Løseth	Admin. employees	01.08.19-31.07.21	0
Admin. deputy	Minda Sofie Haan Aakre	Admin. employees	01.08.19-31.07.21	0
Admin. deputy	Martin Henrik Andresen	Admin. employees	01.08.21-31.07.23	0
Admin. deputy	Malene Fuglevik	Admin. employees	01.08.21-31.07.23	0
Observer	Truls Birger Brænden	Admin. employees	01.08.19-31.07.21	15 000
Observer	David Sagen	Admin. employees	01.08.21-31.07.23	12 000
Board member	Eirik Skorstad	Students	01.01.21-31.07.21	53 500
Board member	Sanjin Damjanovic	Students	01.08.21-31.12.21	70 000
Observer	Sanjin Damjanovic	Students	01.01.21-31.07.21	15 000
Observer	Live Wilhelmsen	Students	01.08.21-31.12.21	8 000
<b>Sum</b>				<b>1 159 750</b>

No loans and/or securities have been granted to the general manager or chairperson of the board.

Parent company			Group	
2020	2021		2021	2020
827 501	898 455	Cost of labour	898 649	827 698
100 323	118 786	Employer's contributions	118 786	100 323
36 809	92 477	Pension costs, including aga	92 477	36 809
22 252	18 837	Other remunerations	18 837	22 252
<b>986 885</b>	<b>1 128 555</b>	<b>Total</b>	<b>1 128 749</b>	<b>987 083</b>
923	988	Number of employees as of 31.12.	988	923
841	900	Recalculated as FTEs	900	841

Remunerations to the auditor for 2020 are as follows:

Parent company			Group	
2020	2021		2021	2020
380 156	402 311	Mandatory audits	448 434	486 121
143 438	130 844	Other certification services	130 844	143 438
30 438	32 313	Taxation issues and preparation	56 758	51 130
752 080	0	Other assistance	0	752 080
<b>1 306 112</b>	<b>565 468</b>	<b>Total</b>	<b>636 036</b>	<b>1 432 770</b>

#### Note 4 – Other operating costs

Parent company			Group	
2020	2021		2021	2020
142 731	151 649	Rental fees and administrative costs 1)	144 845	134 829
109 291	134 419	IT costs	134 419	109 291
22 500	22 898	Books, professional journals and various subscriptions	22 898	22 500
57 687	62 926	Marketing	62 926	57 699
14 595	12 134	Travel and meeting costs	12 134	14 595
9 359	8 611	Copying and printing	8 611	9 359
5 920	6 847	Telephone, postage and freight costs	6 850	5 925
40 527	51 698	Costs for cooperating schools	51 698	40 527
71 974	57 544	Miscellaneous costs	58 503	72 675
<b>474 583</b>	<b>508 726</b>	<b>Total</b>	<b>502 884</b>	<b>467 400</b>

1) Also see Note 18.

#### Note 5 – Tangible fixed assets

Fixed assets are depreciated linearly over the equipment's assumed useful lifetime and according to the following rates:

Intangible fixed assets	15-25 %
Means of transport	20 %
Machines, inventory	10-20 %
Computer equipment	25 %
Buildings	1,5-7 %

Personal computers and accessories used for teaching, administrative work or research are recorded in the profit and loss account because based on anticipated wear and rapid developments in technology, such devices cannot be said to have a service lifetime beyond three years.



**Parent company:**

	Intangible fixed assets	Machines, equipment, means of means of transport	Buildings Nydalen, Oslo	Building plots Nydalen, Oslo	<b>Totalt</b>
Cost price 1.1	372 971	375 794	1 673 984	105 300	2 528 050
Acquisitions	33 083	40 842	5 328	0	79 253
Disposal at cost price	0	-37 454	-5 000	0	-42 454
Cost price 31.12	406 055	379 183	1 674 312	105 300	2 564 849
Accumulated write-downs and depreciations as of 1.1	295 095	252 777	374 157	0	922 030
Write-downs and depreciations at disposal	0	-36 251	-5 000	0	-41 251
<b>Ord. write-offs and depreciat for the year</b>	<b>34 976</b>	<b>38 555</b>	<b>30 954</b>	<b>0</b>	<b>104 485</b>
Accumulated depreciations as of 31.12	330 072	255 081	400 111	0	985 263
<b>Value recognised in balance sheet 31.12</b>	<b>75 983</b>	<b>124 102</b>	<b>1 274 201</b>	<b>105 300</b>	<b>1 579 586</b>

**Group:**

	Intangible fixed assets	Machines, equipment, means of means of transport	Buildings Nydalen, Oslo	Building plots Nydalen, Oslo	<b>Totalt</b>
Cost price 1.1	373 111	418 042	2 126 941	165 300	3 083 395
Acquisitions	33 083	40 842	6 654	0	80 579
Disposal at cost price	0	-37 454	-6 326	0	-43 780
Cost price 31.12	406 194	421 431	2 127 269	165 300	3 120 194
Accumulated write-downs and depreciations as of 1.1	295 144	278 853	484 897	0	1 058 894
Write-downs and depreciations at disposal	0	-36 251	-6 326	0	-42 577
<b>Ord. write-offs and depreciat for the year</b>	<b>34 997</b>	<b>41 797</b>	<b>38 969</b>	<b>0</b>	<b>115 763</b>
Accumulated depreciations as of 31.12	330 141	284 399	517 540	0	1 132 080
<b>Value recognised in balance sheet 31.12</b>	<b>76 053</b>	<b>137 032</b>	<b>1 609 729</b>	<b>165 300</b>	<b>1 988 114</b>

For the plant/equipment depreciation category, intangible fixed assets are included with IT systems and IT solutions developed by us.

**Note 6 – Cost of labour**

<b>Parent company</b>			<b>Group</b>	
<b>2020</b>	<b>2021</b>		<b>2021</b>	<b>2020</b>
23 437	22 700	Interest on mortgage loans	24 803	26 406
-375	-3 874	Ineffective interest swaps	-3 874	-375
814	623	Other interest and costs	627	817
23 876	19 448	Total financial costs	21 556	26 848

## Note 7 – Pensions

We established a new deposit-based pension scheme with Storebrand for all new employees as of 1.1.2021. Existing employees were given the opportunity to switch to the new deposit-based scheme; 163 employees took this opportunity. The defined-contribution pension scheme with Storebrand has a fixed savings rate of 5.7 % for salaries starting at 0 to 7.1 G and a supplemental rate of 18.1 % for salaries between 7.1 and 12 G. The employees deposit a co-payment of 2.0 %. The defined-contribution scheme includes, as of 31.12.2021, 492 members.

The closed scheme with the Norwegian Public Service Pension Fund (SPK) includes 293 actively working persons and 119 pensioners as of 31.12.2021 (317 actively working persons and 116 pensioners as of 31.12.2020).

The closed scheme with Storebrand is subject to the Company Pensions Act and includes 429 actively working persons and 158 pensioners as of 31.12.2021 (553 actively working persons and 150 pensioners as of 31.12.2020).

The assumptions that form the basis for the calculations for the closed defined-benefit schemes (also see Note H in the Accounting Principles):

	2021	2020
Diskonteringsrente (OMF)	1,90 %	1,70 %
Årlig lønnsregulering	2,75 %	2,25 %
Årlig G-regulering	2,50 %	2,00 %
Årlig pensjonsregulering	1,75 %	1,25 %
Avkastning på pensjonsmidler	1,90 %	1,70 %

For the calculations from SPK, we based our figures for 2021 on voluntary departure that varies from approximately 19.0 % for the youngest to approximately 4.0 % for the oldest members of the scheme. For the calculations from Storebrand, we based our figures on voluntary annual departure that varies from approximately 95 % for the youngest to approximately 0 % for the oldest members of the scheme. Many members included in the calculations from Storebrand are students who only are employed during their studies. That is why voluntary departure is high for the youngest members of the scheme. The state morbidity rates table K2013 is used for both schemes. The opt-in tendency for early retirement for AFP for the employees who are members of the Norwegian Public Service Pension Fund scheme is set at 10 %. The assumptions for both schemes are similar to those used in 2020.

BI's employees are members of the AFP scheme, either via the common AFP-private sector scheme or AFP's scheme in the Norwegian Public Service Pension Fund. All of BI's employees who are part of the Storebrand pension schemes are members of the common scheme. Employees who are part of the SPK scheme are exempt from membership in the common scheme and have their AFP scheme in SPK.

The common scheme is based on a tripartite cooperation between the employers associations, labour organizations and the Norwegian state. The state covers 1/3 of pension costs to AFP, while the associated enterprises cover 2/3. The scheme is administered by the common scheme for AFP that also sets and collects the premiums. The premium is set at a sufficient amount to cover ongoing costs while also providing a foundation for establishing a pension fund. In accounting terms, the common scheme is considered a defined-benefit multi-enterprise scheme. BI was not able to identify its share of the scheme's underlying economic position and results with a sufficient degree of reliability, so for that reason the scheme is recorded in the accounts as a defined-contribution scheme. This implies that the AFP scheme is not recognised in the Balance Sheet. Premiums going into the scheme are recorded as an expense as they accrue.

The AFP scheme in the Norwegian Public Service Pension Fund has other conditions and is included in the actuarial calculation for pension obligations, and is therefore recognised in the accounts.

	2021				2020			
Pension costs for the period	SPK	Storebrand insured schemes	Storebrand Deposit and AFP	Sum	SPK	Storebrand insured ordninger	Storebrand Deposit and AFP	Sum
Net Present Value for this year's pensi.earn. including aga	20 110	55 874	0	75 983	21 593	47 377	0	68 970
+ Interest cost for accrued pensi.oblig.	12 168	14 909	0	27 077	15 006	17 259	0	32 265
– Estimated yield on pension reserves	-10 474	-10 824	0	-21 298	-14 541	-14 129	0	-28 670
+ Paid defined-contribution pension/AFP	0	0	23 226	23 226	0	0	8 201	8 201
+/- Administration costs	753	0	0	753	882	0	0	882
Net pension cost	22 556	59 959	23 226	105 742	22 940	50 507	8 201	81 648
+/- Recognised plan changes including aga	0	0	0	0	0	0	0	0
+/- Recognised curtailments/settlements	-0	0	0	0	-15 032	-17 781	0	-32 813
Pensi.cost, including employer's contributions	22 556	59 959	23 226	105 742	7 908	32 726	8 201	48 835
– Of which are employees' share (deducted from salary)	-4 244	-5 698	-3 323	-13 265	-5 413	-6 613	0	-12 026
Pension costs for the year, including AGA	18 312	54 261	19 903	92 477	2 496	26 113	8 201	36 809

	31.12.2021				31.12.2020			
Pension funds and pension obligations	SPK	Storebrand insured schemes	Storebrand Deposit and AFP	Sum	SPK	Storebrand insured ordninger	Storebrand Deposit and AFP	Sum
Estimated gross pension oblig. including aga	-810 894	-911 558	0	-1 722 452	-725 722	-798 817	0	-1 524 540
Estimated value of pension ireserves including aga	629 189	612 918	0	1 242 107	601 759	557 794	0	1 159 554
Net pension obligations including aga	-181 705	-298 640	0	-480 346	-123 963	-241 023	0	-364 986
Not recognised plan changes including aga	0	0	0	0	0	0	0	0
Net pension reserves/(-obligations) including aga	-181 705	-298 640	0	-480 346	-123 963	-241 023	0	-364 986

BI records deviations to estimates directly against equity. In 2020 and 2021 these were recorded against equity:

	31.12.2021				31.12.2020			
Pension funds and pension obligations	SPK	Storebrand insured schemes	Storebrand Deposit and AFP	Sum	SPK	Storebrand insured ordninger	Storebrand Deposit and AFP	Sum
Deviations to estimates against equity. 31.12.	-84 630	-79 005	0	-163 635	-86 638	-125 813	0	-212 450



## Note 8 Langsiktige fordringer og plasseringer

BI had the following share items:

Description	Company/fund	Number	Nominal amount	Ownership interest and voting interest	Value recorded in Balance Sheet
Shares	Oslotech as (prev. Forskningsparken AS), B shares	5	1 000	0,0 %	0
Shares	Kongsberg Innovation AS	1 501	1 000	12,50 %	1
Total					1

## Note 9 – Intercompany balances with companies in the same group etc.

Intercompany balance:

	Accounts receivables		Other receivables	
	2021	2020	2021	2020
Enterprises in same group	0	4	250	1 086
Total	0	4	250	1 086

	Other long-term liabilities <sup>1)</sup>		Accounts payable	
	2021	2020	2021	2020
Enterprises in same group	25 747	0	541	40
Total	25 747	0	541	40

Vesentlige transaksjoner:

	Sales revenues		Operating costs	
	2021	2020	2021	2020
Enterprises in same group <sup>2)</sup>	3 183	3 121	21 282	19 872
Total	3 183	3 121	21 282	19 872

<sup>1)</sup> Transactions between group companies apply to the rental of premises which the parent company makes through the subsidiary BI-Bygget D-Blokka AS. The parent company also sells operations and management services to the subsidiary BI-Bygget D-Blokka AS.

<sup>2)</sup> The company's account is tied into the group's accounts system in DNB Bank, where the Foundation owns the main account. For the subsidiary (BI-Bygget D-Blokka AS), coverage mechanism are in place so that only the Foundation can draw on The Foundation's credit and funds. Drawing on credit in the group is recognised in the Foundation's accounts as a liability with a counter item as a receivable in the subsidiary's accounts.

## Note 10 – Shares in subsidiaries

Company	Number	Normal	Ownership interest and voting interest	Value recorded in Balance Sheet
Bedriftsøkonomisk Institutt AS	100	1	100,00 %	100
BI-Bygget D-Blokka AS	179 100	1	100,00 %	280 055
Sandakerveien D-Blokka AS	300	1	100,00 %	45
Studentenes Hus Nydalen AS	100	2	100,00 %	0
Sandakerveien 116-118 AS	100	1	100,00 %	96
Total				280 296

All the subsidiaries have the same business address; Nydalsveien 37, Oslo.

The Foundation has an option to purchase the company that owns the campus in Trondheim after 5, 10 or 15 years of the lease. The first opportunity to exercise this option is the hand-over on 15.06.2023.

## Note 11 – Other short-term receivables

Parent company			Group	
2020	2021		2021	2020
1 600	1 400	Provision to cover possible losses as of 31.12	1 400	1 600
2 313	1 216	Actual losses	1 216	2 313
-100	-200	Change in provision	-200	-100
2 213	1 016	Losses on receivables for the year	1 016	2 213

Receivables that fall due later than 1 year:

Parent company			Group	
2020	2021		2021	2020
6 690	5 936	Loans to employees	5 936	6 690

## Note 12 – Reserved withholding tax

Parent company			Group	
2020	2021		2021	2020
58 537	59 622	Provision for the tax withholding account	59 622	58 537

## Note 13 – Equity

## Parent company:

	Equity 1.1.2021	Effekt on estimate deviations for the year, pensions	Usage this year	Consumption this year	Equity 31.12.2021
Foundation capital	1 300				1 300
Equity with self-imposed restrictions	25 246		706	-449	25 504
Other equity	814 123	-163 635	86 926	449	737 862
Total equity	840 669	-163 635	87 632	0	764 666

**Group:**

	Equity 1.1.2021	Effekt on estimate deviations for the year, pensions	Usage this year	Consumption this year	Equity 31.12.2021
Foundation capital	1 300				1 300
Equity with self-imposed restrictions	25 246		706	-449	25 504
Other equity	824 413	-163 635	100 397	449	761 623
<b>Total equity</b>	<b>850 960</b>	<b>-163 635</b>	<b>101 103</b>	<b>0</b>	<b>788 427</b>

**Equity with self-imposed restrictions**

Parent company			Group	
2020	2021		2021	2020
23 397	23 655	Research Development Fund	23 655	23 397
1 849	1 849	Welfare fund – employees	1 849	1 849
25 246	25 504	<b>Total equity with self-imposed restrictions</b>	<b>25 504</b>	<b>25 246</b>

The welfare fund for employees, which was established in 2005, originates from profits from the sale of the company's bungalow on Lanzarote. No funds were entered or withdrawn from the fund in 2021. This fund is not credited with interest in 2021 due to the zero-interest agreement.

The Erasmus grant was reclassified as a grant debt in Current liabilities as of 2021. This has been accounted for in the comparative figures.

**Note 14 – Long-term liabilities**

The entire long-term loan is held by DnB and is insured in a lien on the assets in the parent company and in BI-Bygget D-Blokka AS. Otherwise, see Note 18.

In 2021, a total of MNOK 38.0 was paid in ordinary instalments on the loan in the parent company. A new loan agreement was signed with DnB that ensures a loan portfolio as of the due date until 17.01.2024.

Lender for the mortgage loan	Interest period	Interest	Debt outstanding 31.12.2019	Acquired in 2020	Paid of in 2020	Debt outstanding 31.12.2020
DNB	Flytende rente	1)	379 000		-38 000	341 000
<b>Sum pantelån morselskap</b>			<b>379 000</b>		<b>-38 000</b>	<b>341 000</b>
DNB	Flytende		120 000		-10 000	110 000
<b>Sum pantelån klonsern</b>			<b>499 000</b>		<b>-48 000</b>	<b>451 000</b>

1) Average interest for 2021 was 6.31 % per year in the parent company and 5.22 % in the group. Instalments for next year amount to MNOK 48.0 (MNOK 38.0 for the parent company) are classified as Current liabilities but are included in the table above as outstanding debt on mortgage loans as of 31.12.2021.

The parent company's mortgage loan portfolio is secured through the interest rate swap agreements that appear in the table below.



Motpart	Bindingsperiode	Rente	Pålydende
DNB	Fixed interest until 04.04.2022	5,46 %	100 000
DNB	Fixed interest until 02.10.2023	5,48 %	150 000
DNB	Fixed interest until 02.01.2026	6,04 %	100 000
DNB	Fixed interest until 03.04.2028	6,70 %	50 000
<b>Total hedged interest</b>			<b>400 000</b>

The interest rates stated here include the interest agreed with DNB at NIBOR + 1.35 % per year. The margin is the subject of annual renegotiation.

The company's interest sensitivity is adapted to our use of interest rate swap agreements. The group has an interest-bearing loan portfolio as of 31.12.21 amounting to MNOK 451. For the parent company, MNOK 341 is secured with interest-hedging agreements with different terms of maturity. Interest rate swap agreements are processed in the accounts as hedgings, as long as the assumptions for hedge accounting are satisfied.

Interest swaps that fall due in 2022 are not processed in the accounts as hedgings, but recognised in the accounts at fair value as of 31.12 at MNOK 0.8.

In 2021, revenues amounting to MNOK 3.9 related to changes in premium/discount rates on the interest rate swap agreements that are recognised in the Balance Sheet.

The total market value of the interest rate agreements as of 31.12.2021 amounts to MNOK –30.0 (obligation BI). The market value as of 31.12.2020 is calculated to be MNOK –53.6 (obligation BI).

The loan agreement between the parent company and DNB shows the following requirements for the financial covenant for the group as of 31.12.2021. Target figure:

	Requirement	2021
Loan-to-value <sup>1)</sup>	< 50 %	19 %
Interest coverage ratio <sup>2)</sup>	>2,0	5,5

<sup>1)</sup>Loan-to-value (LTV) < 50 % calculated for the total repayment credit and bank overdraft framework for the Foundation and repayment credit for BI-Bygget D-Blokka AS in relation to the total value of the property in Nydalen. The present valuation is based on a valuation conducted by DNB Næringsmegling in 2016, valued at NOK 2 663 000 000.

<sup>2)</sup>Interest coverage ratio is defined as: (profit/loss – financial costs) / financial costs

The company has no guarantee obligations that are not recognised in the Balance Sheet.

## Note 15 – Unutilised part of bank overdrafts

As of 31.12.2021, a bank overdraft was issued amounting to MNOK 50.0. As of 31.12, the bank overdrafts that were exercised amounted to MNOK 23.3, and the unused overdrafts amounted to MNOK 26.7.

## Note 16 – Other provisions for liabilities

It was decided in 2012 that Studentenes Hus located at Nydalsveien 15-17 would be closed. The lease agreements for this building was transferred back to BI on 15 November 2012. The rental fee on the original rental contract with Avantor is higher than that which is possible to achieve on today's market. We have therefore calculated this as a loss until the rental contract expires in 2025. The share of this provision that applies to 2022 is classified as a current liabilities.

Description	Provision on 31.12.2020	Utilised	Provision on 31.12.2021
Obligation in Studentenes Hus	13 427	4 649	8 778

## Note 17 – Assets pledged as security

Parent company			Group	
2020	2021		2021	2020
379 000	341 000	The mortgage debt is secured in a lien	451 000	499 000
58 316	23 297	Utilised bank overdrafts as of 31.12	23 297	58 316
437 316	364 297	Total liabilities secured by the lien	474 297	557 316

2020	2021	Mortgaged assets:	2021	2020
1 299 827	1 274 201	Buildings	1 609 729	1 642 044
105 300	105 300	Plots	165 300	165 300
100 000	100 000	Machinery and plants	100 000	100 000
280 196	280 196	Shares in subsidiaries	0	0
60 000	60 000	Accounts receivables	60 000	60 000
1 637 181	1 819 696	Total value recorded in Balance Sheet	1 935 029	2 054 246

## Note 18 – Rental fee obligations

There are only rental fee obligations in the parent company. The parent company has an ongoing rental agreement for its premises, with an annual amount distributed as such:

	Obligations
2022	91 674
2023	82 032
2024	80 941
2025	78 214
2026 og senere år totalt	601 355
Sum forpliktelser	934 215

Rental contracts that expire in 0.5 to 16.5 years.

## Note 19 – Other short-term liabilities

The following items are recorded under Current liabilities:

Parent company			Group	
2020	2021		2021	2020
97 969	105 590	Holiday pay, including aga	105 590	97 969
5 634	6 806	Accrued salary and personnel costs	6 806	5 634
5 281	4 283	Severance pay and gratuity pensions	4 283	5 281
50 688	49 670	Accrued revenues from sponsored and commission-based research	49 670	50 688
3 755	1 830	Pre-paid endowed professorships	1 830	3 755
3 451	1 370	Grant liability, Erasmus	1 370	3 451
18 585	21 833	Prepaid course costs	21 833	18 585
14 469	18 689	Unsettled examination grading	18 689	14 469
5 935	5 650	Accrued interest	6 204	6 418
38 000	38 000	Instalments on mortgage loans for next year	48 000	48 000
0	25 747	Net deductions, group accounts	0	0
3 093	2 536	Close-down costs, colleges/premises	2 536	3 093
64 020	73 874	Various accrued expenses	74 564	64 298
310 880	355 879	Total Other current liabilities	341 375	321 640

## Note 20 – Taxable activity (rental of premises)

BI is not a taxable foundation, but the premises we rent out are taxable. All our subsidiaries are taxable.

The tax demand on the Income Statement includes the period's payable taxes and changes to deferred taxes. Deferred taxes are calculated based on the temporary differences that exist between the accounting value and the tax value, as well as tax deficits to be recorded at the end of the financial year. Temporary differences that effect tax increases and tax reductions that are reversed or that can be reversed in the same period will be assessed. The recognition of deferred tax benefits on net tax-reducing differences which have not been assessed, and carryforward losses, is based on estimated future earnings. Deferred taxes and tax benefits that can be recognised in the Balance Sheet are recorded as net. Deferred taxes in both the company accounts and in the group accounts are entered at nominal value.

Parent company			Group	
2020	2021		2021	2020
		<b>Tax demands for the year are distributed as follows</b>		
0	0	Tax payable	4 190	3 741
492	1 884	Changes in deferred taxes	1 683	239
24	989	Too little tax in previous years	989	24
0	0	Unrecognised deferred tax benefits	0	0
515	2 873	Total tax demand	6 862	4 003
		<b>Calculating the year's tax base:</b>		
2 235	8 563	Profit/loss before tax demand on taxable activities	26 693	18 093
0	0	Permanent differences	-68	-69
1 098	-5 045	Changes to temporary differences	-4 131	3 380
-3 333	-3 518	Changes to deficit, carryforward	-3 450	-3 267
0	0	Utilised correction income	0	0
0	0	Utilised interest difference, carryforward	0	-1 134
0	0	The tax base for the year	19 044	17 002
0	0	Tax payable (22 %) of the year's tax base	4 190	3 740
		<b>Overview of temporary differences:</b>		
45 348	46 016	Fixed assets	117 845	118 092
0	0	Interest costs, carryforward	0	0
-13 155	-8 778	Provision according to good accounting practices	-8 778	-13 155
-24 700	-21 182	Accumulated deficit, carryforward	-26 432	-29 885
0	0	Correction income	0	0
7 493	16 057	Total	82 636	75 051
1 649	3 532	22 % deferred tax/(tax benefit)	18 180	16 512
0	0	Of which are not recognised as deferred tax benefits	1 155	1 141
1 649	3 532	Deferred tax/(tax benefit) recognised in balance sheet	19 335	17 653



		Explanation of why the year's tax demand did not amount to 22 % of profits before tax:		
492	1 884	22 % tax on profit/loss before tax	5 872	3 980
0	0	Effect of changed tax percent on deferred tax benefit	0	0
24	989	Too little set aside in previous years	989	24
0	0	Unrecognised deferred tax benefits	15	14
0	0	22 % of change in temporary differences due to changed rental area *	0	0
0	0	Permanent differences (22 %)	-15	-15
515	2 873	Calculated tax demand	6 861	4 003
23,1 %	33,5%	Effektiv skattesats	25,7%	22,1%

\* Percentage of building floorage rented out at the end of 2021 was 11.48 %.

## Note 21 – Incidents after balance sheet date

BI Norwegian BI Norwegian Business School was also influenced by COVID-19, and large parts of teaching had to be done digitally for parts of year. The pandemic has not reduced the interest of students, neither full-time nor continuing/further education. BI Norwegian Business School implemented preventive measures to protect employees and students, and we considered operational adaptations as the situation progressed.

The outbreak of war in Ukraine affects people, financial markets and trade globally. BI Norwegian Business School is not directly affected by the war, but notices the effect of very high energy prices. BI is coordinating its efforts through the Ministry of Education and Research.



The background of the entire page is a dense, close-up photograph of green clover leaves. The leaves are vibrant green and have a characteristic four-lobed shape. They are arranged in a way that creates a textured, repeating pattern across the entire surface.

## AUDITOR'S STATEMENT

(In Norwegian)



Til styret i Stiftelsen Handelshøyskolen BI

## UAVHENGIG REVISORS BERETNING

### Konklusjon

Vi har revidert Stiftelsen Handelshøyskolen BIs årsregnskap, som består av:

- årsregnskapet, som består av balanse per 31. desember 2021, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper, og
- konsernregnskapet, som består av balanse per 31. desember 2021, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav,
- gir årsregnskapet et rettviseende bilde av stiftelsens finansielle stilling per 31. desember 2021 og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge, og
- gir konsernregnskapet et rettviseende bilde av konsernets finansielle stilling per 31. desember 2021 og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

### Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av stiftelsen og konsernet slik det kreves i lov, forskrift og International Code of Ethics for Professional Accountants utstedt av the International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

### Øvrig informasjon

Styret og rektor (ledelsen) er ansvarlige for informasjonen i årsberetningen og annen øvrig informasjon som er publisert sammen med årsregnskapet. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker verken informasjonen i årsberetningen eller annen øvrig informasjon.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen og annen øvrig informasjon. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen, annen øvrig informasjon og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen og annen øvrig informasjon ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen eller annen øvrig informasjon fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

***Ledelsens ansvar for årsregnskapet***

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet er ledelsen ansvarlig for å ta standpunkt til stiftelsens og konsernets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

***Revisors oppgaver og plikter ved revisjonen av årsregnskapet***

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av den interne kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av stiftelsens og konsernets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på hensiktsmessigheten av ledelsens bruk av fortsatt drift-forutsetningen ved avleggelsen av årsregnskapet, basert på innhentede revisjonsbevis, og hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om stiftelsens og konsernets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet inntil datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at stiftelsen og konsernet ikke fortsetter driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.
- innhenter vi tilstrekkelig og hensiktsmessig revisjonsbevis vedrørende den finansielle informasjonen til enhetene eller forretningsområdene i konsernet for å kunne gi uttrykk for en mening om det konsoliderte regnskapet. Vi er ansvarlige for å lede, følge opp og gjennomføre konsernrevisjonen. Vi alene er ansvarlige for vår revisjonskonklusjon.

Vi kommuniserer med styret blant annet om forhold av betydning som vi har avdekket i løpet av revisjonen, herunder om eventuelle svakheter av betydning i den interne kontrollen.



**Uttalelse om andre lovmessige krav*****Konklusjon om forvaltning***

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendige i henhold til internasjonal standard for attestasjonsoppdrag ISAE 3000, *Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon*, mener vi at stiftelsen er forvaltet i samsvar med lov, stiftelsens formål og vedtektene for øvrig.

Oslo, 10. mars 2022  
Deloitte AS

**Grete Elgåen**  
statsautorisert revisor

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## RESEARCH AND ACADEMIC ACTIVITY





## RESEARCH AND ACADEMIC ACTIVITY

*BI aims to have several disciplines ranked among the best in Europe to strengthen BI's international reputation, our academic influence and to recruit the best of academic employees.*

We have organised our academic activity into nine academic departments (Read more about this here: [bi.no/forskning](https://bi.no/forskning)). For an outline of the research projects BI is the institutional owner of or participating as a partner in, please see our overview on the national research database, Cristin.

BI has recently prioritised recruiting more academic staff through entry-level positions (tenure tracks) to increase the capacity of outstanding research and teaching. The proportion of academic staff with an international background, who have great research potential and can show solid results, has also been given priority.

In 2021, BI continued work to develop our nine research centres (BI Research Centres), all of which represent cutting-edge research. These deliver research of the highest quality, publish in scientific journals we consider the most prestigious in their disciplines, and have an ongoing and high degree of externally funded research activity and capacity. The centres will have both a national and international focus, in cooperation with our academic partners, business and society.

BI had an external evaluation of its research conducted in 2018. The BI Research Assessment (BIRA) involved a comprehensive and thorough review of BI's research institutes. A new BIRA started in 2021 and a final report from the independent committee will be available in the spring of 2022. This time, BI's nine research centres will also be part of the evaluation.

We also made investments into research quality last year through recruitment, prestigious scientific journals (ABS4\*), externally funded research, administrative infrastructure and research incentive schemes. BI also wants to map the ways in which our research influences the world around us. We will increasingly encourage researchers to initiate projects that shed light on important and relevant issues in society and business.

### Reporting on sustainability and impact

BI's contribution to the Big Question of sustainability should be research-driven. To gain insight into the effect of research at BI Norwegian Business School, we introduced an annual social impact report that looks at the significance of our research in 2020. The first [report](#) was published in the summer of 2020 and focused on sustainability in research. The second [report](#) was published in the summer of 2021, focusing on the influence of research.

### Strengthen the data science research environment

Our research strategy has explicit objectives and instruments, including continuing with the recruitment of outstanding international academics to further build capacity for research and teaching. Another goal is the further development of our academic environment, which in its entirety covers the capacity and expertise needed to meet our ambitions for research and teaching.

To strengthen research capacity in applied statistics and informatics (data science), and to maintain a focus on outstanding learning, BI has established a new department (Data Science and Analysis), as well as entered into a close research collaboration with Simula, through the establishment of the Simula@BI Research Centre.

Collaborations with other outstanding research communities will be strengthened in general, but in this area in particular. The collaboration will provide more quality and depth to our research portfolio and strengthen the capacity for programme development and teaching. The goal is to build a reputation for research-based teaching in business analysis.

## Externally funded research

Last year, BI had externally funded research projects with a total turnover value of just over 35.3 million kroner compared with almost 30 million in 2020. This is a positive increase because the pandemic actually displaced many of our research activities. BI's increased focus in this area, with particular emphasis on programmes under the auspices of the Research Council of Norway and EU, has yielded positive results.

The number of applications has remained at the same high level as the year before, and the share of applications with BI as project owner continued to increase somewhat (66% vs 63% in 2020). As a research partner, BI entered into collaborations with REQ Capital, Equality Check AS, Great Consulting AS and AVO Consulting, and received a rejection from the Research Council of Norway for research on better investment decisions.

The Research Council of Norway also accepted BI's application for the Researcher Project for Young Talents, for our Funding Frictions after the Global Financial Crisis project which looks at how frictions affect funding for countries, banks, pension plans and insurance companies. BI has also invested in administrative infrastructures by strengthening our Research Administrative Department (FA) with both resources and expertise. FA is BI's central administration office for research support, consisting of three main areas of responsibility: externally funded research support, handling of research data and BI's doctoral programme, respectively.

## Publications and publishing points

We consider the preliminary results of our academic scientific production in 2021 to be very positive. BI aims to increase international research, scientific publications and our rate of published articles in the world's foremost scientific periodicals.

The proportion of publication points related to scientific journal articles increased sharply in 2021\*. The share of publication points related to level 2 publications also showed good development. The number of prestigious scientific journals (ABS4\* and ABS4) also increased sharply compared to the previous year.

*\*All publication figures for 2021 are preliminary figures (as of February 2022). The final figures will be published in April.*

## Endowed professorships

BI receives financial support from companies and other donors to fund our endowed professorships. In 2020, funding for an endowed professorship began, sponsored by the foundation Skipsreder Tom Wilhelmsens Stiftelse. This endowment position is held by Professor **RANDI LUNNAN**. BI also has two more endowed professorships; Professor **RAGNHILD KVÅLSHAUGEN**, funded by the Norwegian BAE industry (Building, Construction and Real Estate) and Professor **PER INGVAR OLSEN**, funded by Tine and Nortura.

## Executive in Residence

In 2019, BI hired its first Executive in Residence, a measure to connect people with relevant experience from working life more closely with academic communities and students at BI. In 2021, these included:

**BERIT SVENDSEN**, Head of Vipps International – Department of Strategy and Entrepreneurship

**JOSTEIN TVEDT**, chief strategist at Danske Bank – Department of Strategy and Entrepreneurship

**TOR REMLOV**, former opera and theatre director – Department of Leadership and Organisational Behaviour

**SINDRE STØER**, Head of Verdipapirforetaketnes Forbund – Department of Law and Governance

**ODD-HARALD BERG WASENDEN**, partner in the law firm Arntzen de Besche – Department of Law and Governance

## BI's doctoral programme

Our doctoral programme is a driving force in the development of our academic staff, and we are prioritising an increase in the number of individuals in the programme. We have also increased our focus on admission quotas and steady follow-up of PhD candidates throughout the study period in recent years. In 2021, 11 thesis presentations were carried out, an increase from the previous year.

We think the quality of a PhD education is reflected in the quality of the institutions where the graduated candidates find jobs. In 2021, more of our graduates were recruited by prestigious employers. Good examples from 2021: **GILBERT KOFI ADARKWAH** to HEC Montréal, **NJÅL ANDERSEN** and **MARIUS ANDERSSON** to NTNU, **CHRISTOPHER SABEL** to the University of Münster and **EMANUELA STAGNO** to the University of Sussex.

## PhD thesis presentations in 2021:

**NAMHEE MATHESON** – *Theory and Evidence on the Effect of Disagreement on Asset Prices*

**EVEN SOLTVEDT HVINDEN** – *Crude Games: Essays on strategic competition in oil markets*

**MAGNUS VÅGE KNUTSEN** – *Essays on reputation*

**JULIA ZHULANOVA** – *Macroeconomic Dynamics, Commodity Prices and Expectations*

**NJÅL ANDERSEN** – *No article is an island entire of itself. Extending bibliometric science mapping in the field of management with social network analysis*

**CHRISTOPHER ALBERT SABEL** – *Spinouts, Sharks, and Genealogy: Established Firms as Resource Acquisition Channel for Startups*

**EMANUELA STAGNO** – *Some Consequences of Vulnerability in Consumers' Life*

**ILKA VERENA OHLMER** – *The Social Side of Employee Pay. Exploring social-psychological outcomes and the explanatory mechanisms of employee pay standing from the social-effects perspective on pay*

**GILBERT KOFI ADARKWAH** – *Institutions, Policy Risk, and Firms Behavior. Foreign Investments in High-Risk Countries*

**MARIUS ANDERSSON** – *Texts and texturing in and around organizations: A discursive perspective on temporal work, future constructions, and managers' latitude of action*

**ESPEN CHRISTOPHER SKRETTEING** – *Firms, Oil and Stocks*



## STUDY PROGRAMMES AND STUDENTS





## STUDY PROGRAMMES AND STUDENTS

*In 2021, the important work to strengthen academic and social integration for our students has been a high priority.*

### Student involvement and inclusive learning environment

All BI campuses must have a good and inclusive learning environment, where diversity is valued. We will listen to our students and actively collaborate with them. BI is committed to involving students at all levels, from decision-making forums at institutional level to dialogue meetings at course and class level. There are evaluation meetings between class representatives and lecturers in all our courses about teaching, midway through the semester, as well as a programme evaluation meeting where the Associate Dean (academic head for each study) and representatives from the academic affairs administration meet, where the entirety of the study programme is discussed.

Regular dialogue meetings are also held between our student organisation BISO and BI leaders, as well as through the Learning Environment Committee (LMU). LMU is the formal body that oversees BI's learning environments and has an advisory role on the BI board of trustees, with the same number of employee and student representatives.

### Increased focus on academic and social integration

During the pandemic, it has been important for BI to work on measures related to academic and social integration, after two years of digital teaching and little physical contact between fellow students and lecturers. Several student surveys, including the so-called SHoT Survey in 2021, have shown that the pandemic has had a negative impact on the mental health of our students.

BI's own findings in 2021 showed that 47% of students say they have felt more lonely during the pandemic, several acquired mental health problems (44% vs 27% in 2018), and many are unhappy with the quality of digital teaching (75%). This corresponds to findings at an overall national level.

BI introduced a number of measures in addition to further developing existing offers, including the learning assistant scheme as guidance for other students. In 2021, BI launched a national mentoring scheme for new incoming BI students at all campuses. Since the autumn, around 5000 first-year students have been offered a place in groups led by over 200 student mentors, where they could participate in both social and academic activities throughout the year. The offer was very well received by the students.

BI already has a Student Counselling Office that assists students who need someone to talk to, but in 2021 BI decided to strengthen the health services for students by providing free psychologist services for everyone at Campus Oslo. BI also started a collaboration with the student association (BISO) and the Kavli Trust to arrange various activities that focus on mental health and promote better social integration.

### Completion rate and dropouts

BI works systematically to reduce dropout rates, ensure study progression and increase completion rates among BI students. The completion rate among undergraduates last year increased from 45% in 2020 to 49.5% in 2021. At a master's level, the completion rate was 82%, down five percent from our record year of 2020. The completion rate for PhD after six years was 46% in 2021, which is a decrease from the previous year. Here it is important to note that the data on which these figures is based is very limited, and that small changes have a major impact.

In the period 1 September 2020 to 31 August 2021, 3979 degrees were completed at BI.

Over time, BI has prioritised efforts to reduce dropout rates among existing students. We do this by e.g. digitising dropout data and using this to take accurate and preventive measures against students who risk falling out of studies. Other measures include sending information to all our students via SMS and e-mail with practical information to encourage participation in activities and calling at-risk students. Perhaps the most important challenge here is the dropout rate among undergraduate students in their first year. In 2021, we are very pleased that the drop-out rate among this group was only 11%, which is a decrease of 5% compared to the previous year.

### Good learning experiences

In 2019, the new Library and Learning Center was created to strengthen capacity, strategic development, operational support in research, teaching and learning. Their main task is to contribute to increased educational quality and further development of teaching and learning. For the past two years, their focus has been on further developing and strengthening BI's digital teaching offerings.

## ADMISSIONS 2021

### Full-time market

This year, as with last year, BI experienced a record number of applicants for our full-time studies with an applicant growth of 17% compared to the previous year. However, due to high student admissions in 2019 and 2020, BI was not able to take up as many students for capacity reasons. 7% fewer students were offered a place in 2021, but this also means that the scoring requirements were higher to get into some programmes. Total sales rose by 9.6% from the previous year.

In the autumn of 2021, 4982 new full-time students started on BI's four campuses, compared with 5339 in 2020. 4242 students started a bachelor's degree or year module, compared with 4605 the year before, which corresponds to an 8% decrease. At master's level, BI tied last year's admission with 740 new master's students in the fall of 2021 compared to 734 in 2020. In total, this corresponds to an increase of 1%.

We are particularly pleased with strong applicant growth in our bachelor's programmes in finance (618 applicants in 2021 versus 537 in 2020) and real estate (1232 applicants in 2021 versus 1088 in 2020). For our master's programmes, we are pleased with the increase seen in our Master of Science in Business.

### Executive education

In 2021, Executive Division earned 9% more than last year. For our national programmes, a substantial part of the growth is due to funds allocated by the Directorate for Higher Education and Skills. The funds support the partial delivery of courses to the unemployed and laid off during the pandemic, and partly the development of new courses that the market demands, including in the field of digitalisation and sustainability.

The development of the course portfolio is distributed across the entire range of products, from traditional master's and bachelor courses and programmes to the further development of the success of last year, Short Learning Modules. The latter are short courses that are conducted digitally, primarily without exams.

Our international programmes were also popular last year, with good admission to both our EMBA programme in Oslo and our BI-Fudan MBA in China. Our Executive Master of Management in Energy programme, delivered in collaboration with IFP in Paris, had a lower uptake, probably caused by the global pandemic situation.



## INNOVATION IN OUR STUDY PROGRAMME PORTFOLIO

In 2021, BI's Board of Trustees approved the new revised Bachelor's Degree Model, which envisages increased flexibility and more choices for our bachelor students. The model has been developed in line with requirements set by the authorities for educational institutions to facilitate more mobility and work-life relevance. The new model will give students a unique flexibility to integrate both foreign exchanges and internships in companies during their course of study. In 2022, dedicated groups have been given specific mandates to develop course descriptions for proposed basic courses, as well as to investigate the economic and administrative consequences of a new model.

BI has also initiated extensive work on simplifying processes related to student mobility (visiting students and foreign exchanges), which also follows the government's goal that far more Norwegian students should be able to study abroad. The European Commission has also taken the initiative that the most time-consuming processes related to exchanges should be digitised and standardised. BI's ambition for 2022 is for BI students, both academic and administrative, will see a significantly smoother and more digitised process in this regard.

Following the government's amendment to the Degree Regulations, the board decided that BI should continue to develop a three-year bachelor's degree and a two-year master's degree in law in 2021, with the aim of having these accredited and approved by NOKUT. These studies, where the master's degree will be Norway's first in business law and economics, are in demand by the industry.

On the Executive side, we have also worked systematically with stackable programmes, i.e. experimenting with dividing courses into several modules with fewer credits. This follows a trend in the international market, and the response from customers has been above all expectations. Going forward, we expect that more and more Executive students will want shorter, more intensive courses that can be more easily combined with work and commitments at home.

Since its launch in the spring of 2020, our so-called Short Learning Modules have had over 5000 implementations. These courses are funded either by the student, an employer or through public funds. The purpose of the SLM courses is to increase the quality and scope of digital learning products, as well as meet the market demand for shorter and more flexible learning opportunities.

BI also received around two million kroner from the Directorate (formerly Kompetanse Norge) to develop new continuing education programme offerings in digital change work specifically for small and medium-sized enterprises (SMEs). The project was completed in December 2021 and the new offer will be launched in the autumn of 2022. BI's three new development projects in artificial intelligence, digitalisation and sustainability were also accepted, which will be piloted in 2022 and launched in 2023.

### Full-time studies commencing in 2021:

- Bachelor of Data Science for Business (name change only, former Bachelor of Business Analytics)

### Executive courses and programmes commencing in 2021:

- Market, crises and sustainability (online course)
- SLM: Business Management
- SLM: Customer Experience Management
- SLM: Stress, Motivation and Self-Leadership
- SLM: Sustainable Finance
- Speech Climate and Leadership (Executive Master's programme)

## Scholarships

We need outstanding lecturers, but also outstanding students. In 2021, BI received many strong applications for grants and scholarships at a bachelor and MSc level, from applicants at home and abroad. 67 skilled students, divided into 37 women and 30 men, and 30 nationalities and 6 continents, received grants from BI in 2021. 12% of these received their scholarship from 2020 to 2021 due to the pandemic.

BI's own scholarships include: BI Presidential Scholarship, MSc International Scholarship, MSc International – Bergen, BI Baccalaureate Scholarship and Bachelor International Scholarship. BI and Luiss University in Rome are collaborating to offer the BI-Luiss Joint Masters In Marketing Scholarship.

In early 2021, the A. Wilhelmsen Foundation also signed an agreement to renew its sponsorship of scholarships for two master's students annually for four more years.

In 2021, in line with our goals of increased internationalisation and diversity, BI expanded our scholarship programme scheme and included a dedicated scholarship aimed at students in Bergen. We also established the Women in Finance and Tech scholarships. These scholarships demonstrate an obligation to promote gender balance in industries traditionally dominated by men. The goal is to attract top female students to our programmes in finance, data science and business analytics.

## Internships

We believe that practical experience and contact with the business sector that BI students gain through credit-giving internships can strengthen their learning outcomes. In 2021, 336 bachelor's students and 282 master's students had internships as part of their course of studies, compared with 175 and 256 in 2020, respectively. 20 bachelor's students also had internships in their own companies compared with 34 in 2020.

## Number of students at BI in 2021\*

### Full-time studies

	2019	2020	2021
Bachelor	10506	11545	11896
Master of Science	1411	1543	1633
PhD studies	63	62	68

### Continuing and further education

		2019			2020			2021	
	Spring	Autumn	Totalt	Spring	Autumn	Totalt	Spring	Autumn	Totalt
Online studies	1686	1635	2544	1544	1971	2796	1969	1894	3007
Executive Bachelor	1625	1524	2654	1470	1449	2441	1492	1615	2695
Executive Master	1731	1783	2620	1809	1670	2598	1759	1668	2568
Executive MBA	69	69	70	68	29	68	65	35	65
Executive Master of Management in Energy	40	25	40	53	31	53	50	17	50
BI-Fudan MBA	353	358	422	328	338	383	338	355	393

Short Learning Modules	-	1712	1383
Corporate	2216	1780	1889
	<b>2019</b>	<b>2020</b>	<b>2021</b>
Total number of students	19452	21517	21653

*\*All figures are taken from BI's own Discover dashboard, Student Insight. The figures only include active students, i.e. people with an active examination or course registration. BI's full-time studies are only admitted in the autumn, while several continuing and further education programmes and courses both start and end in spring and autumn. The table for the latter therefore shows the number of students in the different programme areas as of spring, autumn and total. A student can follow courses and programmes in several programme areas within a year and in these cases will be counted in both places. The total number of students shows the number of unique students who completed a course or programme at BI that year. This number does not include PhD students, as these are considered employees by BI.*





## ACCREDITATIONS AND RANKINGS



## ACCREDITATIONS AND RANKINGS

*Our accreditations and rankings are an important stamp of quality that shows that BI delivers educational programmes in line with the best in the world. BI was ranked as Norway's best business school by Financial Times for the sixth year in a row in 2021. NOKUT also approved BI's quality assurance system and the practical way in which we do quality assurance work.*

### Accreditations

Accreditations are of great importance to our reputation. They increase the value of a diploma from BI and are valuable when recruiting international employees and students. In 2021, BI was still the only business school in Norway awarded the three prestigious international accreditations; EQUIS (European Quality Improvement Systems), AACSB (The Association to Advance Collegiate Schools of Business) and AMBA (The Association of MBAs). Schools with all three accreditations are called Triple Crown schools. Less than 1 % of the world's business schools have achieved triple accreditation.

For the period 2018-2021, BI has also completed successful re-accreditation processes in all its national and international accreditations (NOKUT, AMBA, AACSB, EQUIS and EEOCS). Once again, BI succeeded in defending and maintaining our accreditation status for all of these agencies, which are granted for five years at a time. The EQUIS process, which was carried out in November 2020 and awarded in February 2021, was done digitally for the first time, yet the experience was still positive. The committee had access to BI documentation a long time before the meeting, and BI provided the logistics for Zoom meetings between the committee and the different target groups.

NOKUT's supervision of BI's systematic quality work ended in June 2021 with NOKUT approving our quality assurance system and our practical quality work. The NOKUT system which supervises Norwegian educational institutions is the spinal cord of private scientific universities like BI. The successful outcome was therefore very important and came after a long period of good and intense work in a number of areas of improvement, as well as further development of the study quality system and the systematic quality work at the institution. The preparations also included a broad mobilisation across the organisation prior to the NOKUT audit in March 2021.

### Rankings

BI was ranked as Norway's best business school for the sixth year in a row by the Financial Times (European Business Schools Ranking). In 2021, BI participated in more secondary rankings than ever before (Financial Times, The Economist and QS). Our BI-Fudan MBA programme in China is still ranked as one of the world's very best.

Results in other secondary rankings vary, but BI is stable in the lower tier. The reasons for this are that we compete with a number of the other schools on different terms. Unlike the best schools, we do not have programmes that are suitable for scoring highly to the same extent, and the proportion of academics with a PhD is lower. The latter is natural and correct as BI must at the same time be research-based and practice-oriented.

The pandemic continued to make its mark in 2021 on the implementation of our rankings, both for ranking bodies and schools. As far as BI is concerned, it was still demanding to get sufficient support from our alumni, on whom several of the secondary rankings depend, probably because many still have a demanding everyday life that takes the focus away from participating in surveys.



# **PARTNERSHIPS, SOCIETY AND BUSINESS**





## PARTNERSHIPS, SOCIETY AND BUSINESS

*Through mutually-enriching cooperation and partnerships, BI will be a key supporter in the development of stronger business and public sectors, relevant study programmes and a greener Norway.*

### A more connected BI

To strengthen, professionalise and institutionalise how BI interacts with business, administrations and alumni, connectedness was elevated as one of our Strategic Priorities in 2021. In the past year, the Outreach Department has led a project to gain insight from inside and outside the BI sphere, both in Norway and internationally. In the future, the insight will be used to formulate concrete recommendations for how BI can work to safeguard a campus culture to be even better connected to society and business. In 2022, BI will further develop its cooperation with our partners and alumni and clarify how these can contribute to development and ensure work-life relevance in the school's activities, courses and programmes.

A relevant example of this can be seen in the Master Merit Society, where BI's most outstanding master's degree students are introduced to selected business partners, who in turn have the opportunity to meet future leaders. In 2021, Accenture, Gjensidige and Deloitte participated as partners in this collaboration.

### Alumni & events

BI Alumni is a global network of over 85 000 members from over 80 countries. Our former BI students are our most important ambassadors, both in Norway and abroad. In 2021, the pandemic led to several planned alumni events being cancelled, both at home and abroad. However, BI did carry out some events aimed at the target group, including a cooperation with the French-Norwegian Chamber of Commerce and the Norwegian-Ukrainian Chamber of Commerce. BI also further developed webinars with contemporary academic discussions, including the popular concept CEO Talks where business leaders discuss career and management with BI's president.

### Dialogue with business

BI has a long tradition of arranging dialogue meetings with the business sector where the goal is to gain insight into the competence needs of different industries. In 2021, these could not be carried out on campus due to restrictions, but BI arranged several smaller meetings with various companies and industry organisations where we received input that was used in innovation processes related to the development of new study programmes, both at the bachelor's and master's levels.

In 2021, BI also developed and established 20 Programme Advisory Councils for our bachelor's and master's programmes. These councils have an average of six representatives from relevant industries and businesses. The members provide BI with input and feedback to ensure that our study programmes meet current and relevant competence needs in working life.

### BI Corporate

BI Corporate works with value-driven deliveries to the public and private sectors. In 2021, BI Corporate submitted 54 projects and had a turnover of around 90 million kroner, compared with about 105 million the year before.

There has been a tendency for lower demand for traditional courses and programmes in recent years. Corporate customers want long-term partners for change, innovation, value creation and process-based problem solving where practice weighs heaviest. Today, BI has secured national positions in education management, health management, tax law, and safety management.

In the school and kindergarten sector, BI has assignments on national programmes until 2025. We started four new national programmes for school and kindergarten leaders last year, on behalf of the Norwegian Directorate for Education and Training. BI also gained renewed confidence in starting a programme for educational leaders in kindergartens on behalf of the City of Oslo.

In the autumn of 2021, KS in partnership with the regional health authorities chose to exercise its option to extend the senior management programme for the health sector. The seventh class for the national leadership education for primary healthcare also started in 2021. A fully digital programme aimed at general practitioner services will start in January 2022.

At the start of the year, BI entered into an agreement with Veidekke to implement a tailor-made senior management programme, designed for the Group's 150 top executives. BI was also chosen as the new main provider of OBOS' two-year leadership development programme for young leadership talent.

With the Norwegian Tax Administration as a partner and customer, BI has for the past ten years offered a very popular master's degree in tax law. Our master's degree in safety management also experiences a steady supply of students.

## Commitment to innovation

We have been working purposefully in recent years to ensure that BI takes a position in important work related to the green restructuring phase Norway is facing, where new green jobs will provide a future after oil. Through BI Startup, BI students gain expertise in entrepreneurship, guidance and a connection to the ecosystem for innovation. We also offer scaled programmes for technology companies in the ocean industries and energy.

BI has also established a number of collaborations with national and international businesses, clusters and organisations, as well as recognised institutions such as MIT and Berkeley in the United States and Tsinghua in China. In order to strengthen us further, BI also became part owner in Kongsberg Innovation in 2020.

The result is that BI, through its commitment to BI Startup, BI Scaleup and industry cooperation, has established itself as the industry's most important academic partner in the work of scaling new Norwegian companies and creating new green jobs.

## Partnerforum

Partnerforum is a collaboration between BI, the University of Oslo and 23 partners from the federal government in Norway. Competence development and networking across disciplines and sectors are key to the collaboration, where the goal is to develop and share knowledge on relevant and real-time topics for employees in the central government. In 2021, 21 events were held with over 70 speakers and more than 4000 participants on topics such as state governance, strategic analysis, the use of research in central government and the future of working life.

## Research that results in change

Several of our researchers were appointed to public expert committees in 2021, influenced practice in the business sector and participated in various ways in the public debate, both nationally and internationally. This is a recognition of our academic and professional expertise in areas of great importance for the development of society. Some examples from 2021:

Associate Professor **SVEN KLINGLER** received 8 million kroner from the Research Council of Norway and their Researcher Project for Young Talents. The funds go to the project Funding frictions after the global financial crisis, which looks at how frictions affect funding for countries, banks, pension plans and insurance companies.

Postdoctoral fellow **INGRID HJORT** was one of two economists on the government's Expert Committee for a Medical, Socioeconomic, Legal and Economic Assessment of the Corona Vaccines of AstraZeneca and Janssen.

In 2021, Associate Professor **SAMSON ESAYAS** was awarded His Majesty the King's Gold Medal for his PhD thesis, which addresses how large companies such as Facebook and Google commercialise personal data.

Professor **HILDE C. BJØRNLAND** was appointed to the Financial Policy Council of Finland. As a key independent player, the Council works to improve and monitor goals and methods related to the country's economic policy.

Associate Professor **MATILDA DOROTIC** and Professor **LUK WARLOP** received 1.8 million kroner in EEA-funded research support as part of the international research project SmartFood, which will research a more collaborative approach to the consumption and production of food in cities.

Professor **CHARLOTTE ØSTERGAARD** was appointed as the first researcher from BI in 2021 to be appointed to the board of the Financial Markets Fund for a period of 4 years. The fund's purpose is to finance research and general information that provides better knowledge of financial markets and increased ethical awareness.

Professor **HILDE C. BJØRNLAND** leads the research project **MACROCAMP**, which in 2021 was awarded 12 million kroner by the Research Council of Norway. The project is a collaboration that also includes Associate Professor **LEIF ANDERS THORSRUD** and researchers from Australia, USA and Norges Bank.

Professor **JON H. FIVA** leads the research project The Dynamics of Political Selection, which in 2021 was awarded 12 million kroner from the Research Council of Norway. The project is a collaboration with researchers from Harvard and Stanford, among others, that investigates how political parties recruit politicians.



## ORGANISATION & EMPLOYEES





## ORGANISATION & EMPLOYEES

### Description of organisational structure

#### THE BOARD

BI is a self-owning foundation and is chaired by a ten-member board of trustees. The board is the final authority where BI operations are concerned and will formulate and decide on primary rules for governance. The board appoints the president, deals with strategic plans, makes budgeting decisions, verifies the annual accounts and acts as the highest decision-making authority on all important cases. Please see the board's annual report for more information.

#### SUPERVISORY COMMITTEE

The Supervisory Committee reviews the annual accounts (income statement and balance sheet), selects the auditor and makes sure the board operates according to laws and regulations. The Supervisory Committee consists of three members, all of whom are external.

#### CONTROL COMMITTEE IN 2021:

ANNE HELSINGENG (chair), Bull & Co

CHRISTIAN WINTHER, Pangea Property Partners

OLVE GRAVRÅK, Valogiant

The president and the director of strategic financial management from BI

The committee meets twice a year, once in the spring semester and once in the autumn semester, usually in May and November.

#### BI SENATE

BI Senate is the highest academic body under authorisation from the board. It establishes the content of the education programmes we offer and the rules for admission, as well as exemptions, examinations, admission requirements, examiners and profile of skills and competences for scientific employees. BI Senate presents cases to the president to hire new academic positions; the president has the final say regarding employment.

#### BI SENATE in 2021 (as of 31.12.2021):

INGE JAN HENJESAND, president, permanent member

HILDE C. BJØRNLAND, provost, permanent member

BENDIK SAMUELSEN, provost, permanent member

AMIR SASSON, provost, permanent member

LARS OLSEN, Dean Bachelor, observer

JANICKE RASMUSSEN, Dean Master, observer

JAN KETIL ARNULF, Dean Executive, permanent member

ØYVIND NORLI, Dean PhD, permanent member

KARI BIRKELAND, academic representative, 01.08.21-31.07.23

BJØRN ERIK MØRK, academic representative, 01.08.21-31.07.23

KIM VAN OORSCHOT, academic representative, 01.08.20-31.07.22

PAUL EHLING, academic representative, 01.08.20-31.07.22

INGUNN MYRTVEIT, representing the department heads, 01.08.21-31.07.22

BIRTE MARIE HORN-HANSEN, administrative representative, 01.08.20-31.07.22

FRIDTJOF SCHEIE, administrative representative, 01.08.20-31.07.22

MAIKEN ENGBRETSSEN, student representative BISO, 01.08.21-31.07.22

IDA RAD, student representative BISO, 01.01.22-31.12.22

HUMBERTO FLORES, student representative BISO, 01.08.21-31.07.22

ERLEND KVAAL, academic deputy representative, 01.08.21-31.07.23

KAI RUNE MATHISEN, administrative deputy representative, 01.08.20-31.07.22

Management staff who report to the president are entitled to join the BI Senate meetings.

## MANAGEMENT

BI's management team as of 31.12.21:

President **INGE JAN HENJESAND**

Provost **HILDE C. BJØRNLAND**

Provost **BENDIK M. SAMUELSEN**

Provost **AMIR SASSON**

Division Director for Full-Time Studies **MARIUS ERIKSEN**

Division Director for BI Executive **LISE HAMMERGREN**

Director of Strategic Financial Management **THOMAS HVAMSTAD**

Director of Corporate Communications and Public Affairs **YNGVE KVEINE**

Digital Director **ELIN BORREBÆK**

Head of Organisation and HR **WENCHE HELENE NILSEN**

## PRESIDENT

BI's president is also the formal general manager and has per procurationem signing rights. The board appoints a president for four years at a time. The president runs the foundation and will comply with guidelines provided by the board and their orders. The president has an advisory role in academic and administrative matters. The president has the final authority in the employment of scientific positions and is head of BI Senate. The president will make certain the Foundation's accounts are balanced and in accordance with laws and regulations.

## PROVOSTS

The provosts will stand in for the president if needed. Three provosts lead the units: The Studies and Programmes Unit, the Research and Academic Resources Unit and the Innovation & Outreach Unit, respectively.

## EDUCATIONAL AFFAIRS COMMITTEE – UUV

BI has an educational affairs committee (Undervisningsutvalget) for each programme area: Bachelor's, Master's, Executive and PhD.

The Educational Affairs Committee plays an advisory role for the dean regarding academic issues under his/her supervision.

The committee deals with academic issues such as study programmes, reviewing course descriptions (objectives, subjects, literature, educational models and types of academic assessment) and it evaluates level of competence and areas of competence for lecturers, counsellors and examiners, requirements for study progression, rules for admission, evaluation of collaborative partners and approval of in-house workshops, studies and programmes that are seeking state approval for study credits.

## APPEALS COMMITTEE

The Appeals Committee will process complaints on individual administrative decisions and, based on the board's decisions, other appeals/complaints that come from the candidates. The Appeals Committee has five members, each with a personal deputy.

The chairperson and deputy chair must comply with specific statutory requirements for functioning as a court of appeal judges. The chairperson and deputy are not employed at any BI department. Two of the members will be students.

## BAMU

BAMU is BI's Works Council and Working Environment Committee. BAMU is tasked with making our workplace safe and enjoyable for employees throughout the organisation. The Committee participates in all planning for safety and work environment work, and carefully monitors developments in employee safety, health and welfare. BAMU's job is to make certain safety and work environment work and EMS measures are carried out in a comprehensible and justifiable manner.



## Employees

*BI had a total of 988 employees, divided between 510 administrative staff and 478 academic employees at the end of 2021.*

This corresponds to an increase of 65 employees since 2020. Administrative staff increased by 27 persons, while the number of academic staff increased by 38 persons. Much of the increase can be attributed to an increase in the number of employees in qualifying fixed-term positions on the academic side and more appointments at the campuses outside Oslo. On the administrative side, this is mainly due to the need for increased capacity for the development and implementation of new digital work processes, increased admission, Covid-19 and insourcing of 5 employees related to the operation of BI's premises, as well as greater requirements for documentation of quality and corporate governance.

The figures correspond to a total of almost 900 man-years, an increase of approximately 59 man-years from 2020. This is due to a significant increase in man-years in academic staff (about 33 man-years) and an increase of just over 25 man-years among administrative employees. At the end of the year, academic man-years were 399, up from 365 the year before. BI has a total of 127 professors, of whom 33 are in the position of adjunct professor. The share of academic employees from other countries was nearly 39 percent. In addition to BI's academic staff, 303 hourly lecturers were affiliated with BI in 2020, an increase from the previous year of 18 people\*.

*\*Figures for employees can deviate from the statistics found in DBH. This is due to the fact that reporting to DBH is done on 1 October, while the figures in BI's Annual Report are from 31.12.*

## Organisational development

*BI's Strategy 2025 highlights "Operational Excellence" as a key strategic priority. Many of our major digitalisation initiatives have a major impact on work processes, distribution of roles and responsibilities, and can lead to changes in organisational structures.*

### HYBRID TEACHING AND EXAM

The transition to digital teaching during the pandemic resulted in a major infrastructure initiative in 2020/21 in which classrooms and auditoriums had equipment and systems installed for streaming. In addition to requiring significant training and guidance in the use of the equipment, coordinated support and strategic development of technology in classrooms were identified as critical. As a result, BI coordinated all employees working on streaming support and AV equipment under the Digital Department. At the same time, the Learning Center's strategic responsibility for the development of the classrooms was clarified.

The phasing out of DigiEx and introducing Wiseflow resulted in significant changes in work processes related to the planning, completion and follow-up of the exam.

### HYBRID WORKDAY

The experiences from the pandemic also changed the way we work and interact. This entails new requirements for facilities and technology.

As the last delivery in the project "Internal communication and interaction", BI in 2021 introduced a new intranet with integrated personnel and management manuals. Together with tools like Workplace, Teams and OneDrive, BI employees get more flexibility and easier access to information and documents.

New ways of working also change the demands and expectations of the physical workplace. In 2021, extensive work was carried out, with a significant degree of participation from the organisation, to develop a new workplace concept that will take BI into future ways of working.

The concept will be piloted and further developed at Campus Oslo. In 2021, BI also developed and introduced guidelines for the new hybrid workday, which allows for increased flexibility and use of home office for BI employees.

## REORGANISATIONS

To gather expertise, utilise synergies and reduce vulnerability, BI implemented a joint Admissions Office in 2021 for the three business areas Full-time, Executive and Corporate.

In order to coordinate joint administrative work processes and systems across the departments, and to be a hub between the department administrations and the rest of the organisation, a new department was established in 2021 under research and academic resources: Central Department Administration.

In 2021, the Facility Department was divided into two departments, Real Estate and Sustainable Campus Facilities, to strengthen the strategic focus on the development of BI's campuses, as well as our environmental and climate work.

## INTERNAL TRAINING

BI continued its work in 2021 to develop more systematic internal training and competence development, including through e-learning. An important milestone in this context was the launch of a new introduction programme for new employees.

In 2020, BI's board of trustees adopted a new language policy that states that BI will use both Norwegian and English. Separate provisions have been specified for languages in research, teaching and administration. The language policy reflects and supports BI's international ambitions, while recognising our corporate social responsibility with regard to safeguarding and further developing Norwegian professional and academic language both in research and in practice within BI's disciplines. BI has Bokmål as its main language variant in Norwegian, but students can submit exam responses in both Norwegian and Nynorsk.

BI has established a training programme to make sure employees have adequate language skills to meet the expectations laid out in our Language Policy and for each job position. In 2021, the primary focus was on language training in English, with around 60 employees as participants.

## Working environment, Covid-19 and sick leave

*BI aims for an inspiring working environment that promotes well-being, health, learning and development for the individual. The working environment will be characterised by diversity, equity/equality, consideration and respectful and open communication. BI has zero tolerance for any form of abuse of power.*

The pandemic has also affected the working environment in 2021 and resulted in a lot of digital teaching and extensive use of home offices, as well as strict infection control measures on campus. This has affected both the psychosocial and physical working environment for all employees. BI has focused on introducing appropriate digital support tools for teaching and interaction, as well as ensuring good user experiences and coping through training and support. Employees have also been given access to equipment necessary for home office. Various measures to prevent the negative effects of long sedentary days in front of the screen have been implemented, including digital training programmes. Managers have had a particular focus on the psychosocial conditions of their employees, and BI has offered psychosocial counselling to those who have needed this.

A simplified work environment survey was sent out in March and December of 2021. The survey showed that the vast majority were satisfactory working conditions, but that social contact with colleagues was missing, as well as challenges in distinguishing between work and leisure, high workload and motivation. Several have reported better concentration, more effective meetings

and less stress due to greater flexibility. New employees have been identified as a group that has had a particularly challenging time with a lot of home office. This group was therefore a priority in times of working from home. BI has recorded an increase in overtime use during the pandemic. Sickness absence has decreased throughout the pandemic, but increased again in the autumn of 2021.

BI focuses on constructive dialogue and respectful communication in the workplace. In 2021, a separate policy was drawn up for this, as well as guidelines for handling cases on harassment and sexual harassment, as well as an implementation plan for raising awareness and training of managers and employees.

In the fall of 2021, safety rounds were carried out on all four campuses with safety delegates, representatives from campus management, EHS and the occupational health services, Avonova. No major discrepancies were uncovered. Minor conditions were soon corrected or put into the EHS action plan.

Our primary occupational health risk is related to stress and interaction, as well as muscle and skeletal strain. The latter has been particularly focused in connection with home offices during the pandemic. We offer psychosocial counselling to all employees, which has helped prevent sick leave and conflicts, improved conflict resolution and helped in mastering stress. Psychosocial counselling combined with close cooperation with the company health service has brought our employees back to work faster after an illness. The numbers for sickness absences based on medical certificates from doctors among BI employees decreased during the pandemic from 2.6% in 2020 to 2.4% in 2021.

No serious incidents, injuries, property damage or accidents in connection with carrying out work at BI have been registered in 2021.





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