The 2013 movie, The Wolf of Wall Street, provides a good look into a life focused only on the mass-scale accumulation of wealth. No matter how that money was made. Or spent. Even the famous British economist, John Maynard Keynes, who in 1930 wrote, ‘… Avarice and usury and precaution must be our gods for a little longer still. For only they can lead us out of the tunnel of economic necessity into daylight.’, would possibly cringe at the extent of such greed – with caution thrown to the wind.

Almost a century has passed since then. When will the planet see that daylight? Hopefully, in the not so distant future for numbers and studies show how corporate executives, B-school students, and thought leaders are all looking at business through a new lens—of CSR, sustainability, and spirituality—signalling that the winds of change have already started blowing, ending the rein of the pay check as the sole measure of success.

Business education is a game that is in dire need of a reboot, assert Profs. Tanusree Jain of Trinity Business School and Julian Friedland of Metropolitan State University of Denver, as they show the way forward for those in business and academia alike.


THE MAKING OF A GOOD BUSINESS SCHOOL: DISTINGUISHING PURPOSE FROM PROFIT
altering their behavior after they get to know something that shames them or makes them feel guilty. Such as when Nike adopted an ethical code to avoid facing negative supply chain behaviors. The next level—self-reflection—is about doing the right thing after seeing the positive example of others doing so.

The third and fourth levels of MSA involve future-oriented and proactive levels of self-reflection. As such, people think about the possible harmful effects of their actions, and as a result consciously strive to do good—creating a positive impact. McDonald’s and Walmart demonstrated level 3 MSA by using their monopolies to adopt more responsible sourcing across their supply chains. Patagonia, as part of its strategy, encourages consumers to avoid buying more than required and has repair guides for its products shown on its website. It is also pioneering a new line of worn-wear stores. This is proactive and strategic—stuff level 4 MSA is all about.

ONLY AN ACQUIRED TASTE

Luckily, the shareholder oriented mindset is only a result of training, and not something wired in our genes. Just as the shareholder value model displaced the consumer-centric model largely through the influence of business school professors, a new purpose-driven vision is now being championed by academics, consumers, and thought leaders. As such, B-schools are not fighting a losing battle—for they can use MSA to strategically position ‘stakeholder and social responsibility’. And not only because it makes business sense.

Here, it is important that purpose and motive aren’t mixed up. As such, the purpose of business is to provide goods or services that increase welfare for at least some section of society. On the other hand, the motive—or ‘why someone engages in business’—could be the hunt for profits or efficiency, among others. Put more simply, profit—while necessary for a business—is only a means to an end, but not an end in itself. A confusion between the purpose and motive of business can lead to deeper problems. At its simplest, it can often result in businesses and investors viewing rapid growth as an ideal of success. This gives an incentive to indulge in rash behaviour without giving heed to the limits of the environment, or to the social ills such as undue influence over government and that are associated with large enterprises.

As such, business schools can use MSA and educate students about the difference between motive and purpose, also helping these schools stand out in such rankings as Better World MBA and Times Higher Education that do not focus on financial success alone.

DON’T DISRUPT FOR THE SAKE OF IT

This metric—as a go-to measure of success based on what is usually some new, disruptive way of doing business—also needs to be shown the door by business schools. This would pave the way for success to be known through the achievement of an intellectual challenge and the joy that one gets out of it. Another factor should be alumni life satisfaction—should only be representative of contributing—or not—to greater good.

CURIOSER...

However, we could ask ourselves what this all means. After all, business education should not become social service training without financial incentive or reward. As such, punishment—should only be representative of contributing—or not—to greater good.

Another way B-schools could use to achieve this goal would be to target students and hire faculty already keen in areas such as social responsibility, strengthening the school’s standing to obtain funding. Given the adoption of online learning, especially in recent times, digital tools such as those on carbon footprint and screen time productivity can be used to promote better habits.

AND CURIOSER

There’s always room for improvement, of course. Some top programs have compulsory learning in areas such as philosophy and ethics, allowing students to refresh their value philosophy and ethics, allowing students to refresh their value and strategic—stuff level 4 MSA is all about.
Corporate executives, B-school students, and thought leaders are all looking at business from a new lens. Business schools are perceived as a shortcut to success, measured more in terms of money than by the quality of education, even by influential ranking lists. Business schools can use MSA and educate the students on the nuance between the purpose and motive of business.

There is a need to impart education that motivates students to be ‘good people’ as they move forward in their careers. And the knowledge that ethics is a key part of what success is all about. Ethical reasoning can be taught through syllabi that take into account extra-curricular activities in different courses.

Reward—or punishment—should only be representative of contributing—or not—to greater good. A paradigm shift in business education is definitely needed to accelerate us towards daylight Keynes envisioned for business and humanity alike.

Corporate executives, B-school students, and thought leaders are all looking at business from a new lens. Business schools are perceived as a shortcut to success, measured more in terms of money than by the quality of education, even by influential ranking lists. Business schools can use MSA and educate the students on the nuance between the purpose and motive of business.

There is a need to impart education that motivates students to be ‘good people’ as they move forward in their careers. And the knowledge that ethics is a key part of what success is all about. Ethical reasoning can be taught through syllabi that take into account extra-curricular activities in different courses.

Reward—or punishment—should only be representative of contributing—or not—to greater good. A paradigm shift in business education is definitely needed to accelerate us towards daylight.

Corporate executives, B-school students, and thought leaders are all looking at business from a new lens. Business schools are perceived as a shortcut to success, measured more in terms of money than by the quality of education, even by influential ranking lists. Business schools can use MSA and educate the students on the nuance between the purpose and motive of business.

There is a need to impart education that motivates students to be ‘good people’ as they move forward in their careers. And the knowledge that ethics is a key part of what success is all about. Ethical reasoning can be taught through syllabi that take into account extra-curricular activities in different courses.

Reward—or punishment—should only be representative of contributing—or not—to greater good. A paradigm shift in business education is definitely needed to accelerate us towards daylight.