

The State of Affairs for Management Education And Social Responsibility

Keynote address to the AACSB International Deans Conference by Judith Samuelson, Founder and Executive Director of The Aspen Institute's Business and Society Program.¹ Written by Mary C. Gentile and Judith Samuelson. Delivered February 10, 2003 and will be forthcoming in Academy of Management Learning and Education.

Good Morning!

I want to open today with a story a friend told me about a trip she took to the Four Corners region of the United States. She was there to study the remains of the fascinating Native American civilization – the Anasazi. As most of you probably know, the Anasazi were a people that lived in the Southwest region of this county for two millennia, until their mysterious disappearance in the 13th century, and they had built implausible and haunting cliff dwellings which still stand to this day. My friend's group was led by two respected scholars: one of them was an old-fashioned, Indiana Jones-style cultural anthropologist, and the other more of a "new school" archeologist who used computer modeling of weather patterns, topography and geology to study his subject. It was a fascinating trip, but my friend found herself frequently frustrated because her guides, despite years of field study and research, were unable to answer the questions most important to her – questions about the priorities of these people; about why they chose to live the way they did in small cave-like dwellings hundreds of feet above the canyon floor; about how their spiritual traditions tied to those of the present day tribes who lived in the same region; and so on. But, in the end, she recognized a problem that was well known to her in her own academic setting—that these wonderful scholars *were drawn to the questions that their discipline had provided the tools and methods to answer*, regardless of whether these questions were the most important to pursue.

We are here today to talk about ethics, "The State of Affairs for Management Education" and I think that too often, we are just like those anthropologists: we are only asking the questions—both of business practice and of business education—that we think we are best equipped and most accustomed to answer—as opposed to those on which the very preservation of the commons now depends.

I am at this conference, because I believe that this needs to change. Not because I am concerned about the state of scholarship in business academia per se—I am not. But because I have come to realize, like many activists, and a growing number of investors and consumers, that it is business—not government, and not what we like to call "Civil Society", but competitive, profit-hungry, talent-rich, problem-solving business—that will have the greatest impact, for good or for ill, on the institutions and resources that are critical to our survival as a planet and well-being as a civilization. And I am in this room because the piece of that puzzle that I think about and I believe is ripe for important change, is the system of training and developing the managers and leaders who will guide business along this road.

A tall order. Maybe even a little melodramatic for 9 a.m. on a Monday. But I, like many of you, am deeply concerned about what I see each morning in the paper. And I am in a hurry.

I'd like to walk you through a few of the questions that are on the table right now for business educators, and to talk about why our experience and research at The Aspen Institute's Business and Society Program demonstrate a need to shift that agenda. I hope that when I leave you today, you will ask some different questions. Because this is certainly a time for some different kinds of answers.

¹ Formerly known as the Aspen Institute's Initiative for Social Innovation through Business (Aspen ISIB).

Our work at the Business and Society Program is built upon the premise that **business education does influence and is an important lever for changing business**. Our mission is producing business leaders who can balance the complex interdependence between business and wider society, and we do this through a focus on management education, working from MBAs to CEOs. And we, like you, have been sensitive to the increased scrutiny and even criticism that business schools have received in the past year.

In a world of Enron, Arthur Andersen and its cousins, and concern about global issues, like global climate change and the staggering AIDS epidemic – people are beginning to question **the impact of business education on future managers**, and whether business education is still relevant and influential in the formation of business leaders. We've seen this scrutiny and criticism in many places. For example:

- This past fall, the Academy of Management launched a new major journal called *Learning and Education*. In its first issue, the lead article was titled “The End of Business Schools? Less Success Than Meets the Eye?” The authors, Jeffrey Pfeffer and Christina Fong of Stanford, argued that the MBA has little impact on career success, and that b-school research has little impact on business practice. And their argument was picked up and repeated in the mainstream press.
- In an article titled “The Ethics of Business Schools” in *The Chronicle of Higher Education*, (Sept. 20, 2002), Katherine Mangan wonders whether business faculty are too close to their subject to maintain a useful and critical perspective.
- And the discussion is also popping up in the general press. *The Economist*, the *International Herald Tribune*, *The New York Times* and the *Boston Globe*, among others, have featured op-eds concerning the relevance of business education.
- And, of course, business school faculty have been talking among themselves. Academic listserves and informal e-mail exchanges have been heating up, re-visiting the familiar debate about just what should, or even can, be taught in business school. And they are asking whether b-schools played a role, or even could be *blamed* for the rash of corporate scandals. In fact, many of you in this room, according the poll conducted by the AACSB, have concerns about this as well. In fact, over 65% of you indicated that B-schools are a factor in the recent corporate scandals.

At the Aspen Institute, we are just as interested in this question of whether or not business education makes a difference. We conducted a survey of students as they matriculated at 13 international MBA programs, and returned 18 months later with a post-MBA questionnaire. We wanted to understand the effect – if any – of MBA education on students' attitudes about the role and responsibilities of business and its leaders. And our findings were quite suggestive. First of all, we learned that MBA programs *do*, in fact, contrary to popular belief, shape student attitudes. We learned, that the students' priorities shift during the two years of business school, from customer needs and product quality towards the importance of shareholder value. The good news was that b-schools had an impact; the bad news, from our perspective, was that students were moving in a direction that wouldn't help them address the kinds of values conflicts, crises, and trends that the press, the general public and our own faculty are concerned about.

But let me suggest that all this attention to the question of “*Whether* business education is relevant” or “*Whether* business education is to blame for our current problems” is an example of asking the *wrong* question. We ask it out of habit. We can look at cause and effect; we can gather data and compare sample groups; we can try to make causal links; and then we can be sanctimoniously defensive about the importance of education, or we can be cleverly skeptical and find shame in every classroom.

But in the end, it's a damned-if-you-do/damned-if-don't kind of exercise. If b-schools are to blame, well, that's pretty damning. On the other hand, those that defend b-schools often suggest that they can't influence students much anyway – the common refrain being ‘MBAs are adults, and their values were shaped at their parents knees.’ But that argument is hardly something to take much comfort in, and frankly neither response is likely to move us forward.

Instead of asking *whether* business education matters, we have the opportunity to seize this extraordinary moment—in which many are willing to challenge our most basic assumptions—and ask *how* to make it matter—to ask *how* management education can respond effectively, and actually become part of the solution to the challenges business currently faces—challenges like:

- A general public – including investors and consumers – that has become cynical about the integrity and the motivations of business;
- Challenges like public outrage at executive compensation; and
- Calls for reform of the SEC, the audit system, the way market analysts work and are compensated; and most important,
- The growing public expectation that corporations accept responsibility for what has previously been presented as economic “externalities:” the environment, public health, impacts on families and communities and employees of boom and bust cycles driven by share price.

We could go on, citing examples of the brave new world facing business today, but the question still remains: “*How can we in business education be of use, when it comes to these challenges?*” It’s a sobering question and not one to be taken lightly. But once asked, it begins to answer itself.

I would argue that *once we embark on the pursuit of relevance, we become relevant*. Instead of the damned-if-you-do/damned-if-you don’t answers we begin to focus creatively on owning our potential as individuals within institution, capable of change. We can begin to focus on what works, rather than what has not. We can use small wins to create momentum. **And we can begin to be the leaders we want to produce.**

So for example, once we start asking “How can Business schools matter?” we will no longer be asking “Can ethics be taught?” In our work with business schools, we are seeing a veritable “flight to ethics.”

Now most of us recognize that this isn’t new. We remember the insider trading scandals of the late 1980s and the flurry of attention to business ethics in the nation’s business schools.

The fact is, the misbehavior of some business leaders has always been with us—and when it gets egregious enough, widespread enough or public enough, we face periodic reaction and the outcry of, “*what happened to ethics?*” It’s not that ethics is unimportant; it’s desperately important. Our entire market system is premised on the free flow of credible information. And trust in commitments. But an exclusive focus upon the ethics curriculum is not the answer to this problem because once we ask “can ethics be taught?”, we have already defined the subject that needs teaching as something *other* than business. Let me explain what I mean.

I work with colleagues who have taught and observed hundreds of such ethics classes and there is a perverse irony to them. The students often become engaged in elaborate analytical parsings of moral dilemmas – what is the greatest good to the greatest number, or should we honor the duty of truth-telling above all. But they do little to help students actually handle the kinds of decisions and situations they are likely to confront managing a plant in China or Detroit or Juarez, or advising a firm on a seductive ad campaign that both attracts and offends, or when they overhear racist talk in the board room.

The *Boston Globe* quoted a current student at the Harvard Business School as he describes his most memorable classroom discussion of ethics – it happened to be a discussion of child labor: He says, and I quote:

“Suddenly, everyone’s ethical compass had become unreliable. By the end of class, the only consensus among us was that everyone, free-traders and child-labor critics alike, held a view that could be seen as ethically defensible and indefensible at the same time.” ‘And therein lies the rub of ethics education: No one really knows the right answers. We’d like to believe that role models like James Burke [J & J—of Tylenol fame] offer us a ready made example, but the truth is that most ethical debates reach only murky conclusions.” (*Boston Globe*, 12.8.2002. emphasis added)

Now I would be the first to argue that disturbing our student's moral complacency is a worthy goal, but is it really enough? And do ethics classes, as currently configured, take us much further? The problem, in our view, is that these issues are still framed as part of a discipline distinct from business. Whether they are taught as separate courses or inserted into special modules within existing ones, they are taught as if they are about ethics, instead of being about business. To quote another Harvard student—that Sharon Parks, who speaks later today, describes in her book—it's like saving the whales on the weekends.

The students use the tools of ethical analysis – deontological reasoning, utilitarianism, Rawls' veil of ignorance -- instead of using the tools of business analysis. And they pit business objectives *against* moral objectives, instead of revealing the interdependence of the two.

No wonder students—like the HBS student quoted in the *Globe*—see these courses at best, as *fascinating* but not *actionable*, and, at worst, as preachy and irrelevant – not something to highlight on their resume. No wonder faculty are often reluctant, as if they are being asked to teach a foreign language. No wonder many schools feel most comfortable addressing the call for attention to social concerns by focusing on charity drives and free consulting to non-profits, as opposed to business-focused curriculum and research.

This is why, in our work, we have chosen to frame the issues that need to be addressed as Social Impact Management, as opposed to Ethics, or Corporate Social Responsibility. We want to position the concerns at hand squarely within the terrain of business function, operations and investments. Let me define it: Social Impact Management is *the field of inquiry at the intersection of business needs and wider societal concerns that reflects and respects the complex interdependence between the two*. Social Impact Management focuses on *how to manage this complex interdependency to the mutual benefit of both*.

As such: Social Impact Management is a critical part of contemporary business because without an understanding of this interdependence, neither business nor the society in which it operates, can thrive. This has become abundantly clear, in a world in which 50 of the largest economies around the globe are multi-national corporations and when BP and Pfizer are larger and have far greater resources, talent, distribution and supply chains than many or even most nation states.

Social Impact Management, is a way of thinking about business activities, it explicitly considers and evaluates 3 aspects of a business:

First, **Purpose**: what is the purpose—in both societal and business terms—of a business or a business activity?

Second, **Social Context**: Are the legitimate rights and responsibilities of multiple stakeholders considered? Employees, pensioners, local populations, natural resources.

And Third, **Metrics**: how is performance and profitability measured? What is being counted and more importantly, what is *not* being counted? Are impacts and results measured across both short and long term time frames? How do we compute the impacts of what we tend to call 'externalities' but that increasingly rebound directly to the business environment, to intangibles like reputation and the ability to attract talent, and the franchise to operate around the globe?

Social Impact Management is about how to manage a complex interdependency—an interdependency that is unavoidable in today's business world. While we tend to think of ethics in the framework of right and wrong—Enron or Tyco as cases in point—many of today's most vexing managerial questions present themselves not as black and white, but as green, stuck between two "rights" or two "wrongs". E.g.: What's the true cost—and how does one manage—a layoff in a down economy? How about privacy issues on the internet? Low cost labor abroad or full employment at home? Tax advantaged havens, or the tax to support government functions like education and transportation (on which business depends). The reality is that where a decade or two ago, we thought these problems were adjudicated by government, few people are comfortable with that answer any more. For good or for ill, these now are business concerns.

The answers are not clear and even a student with a strong moral compass but who lacks foresight, creative problem solving, leadership and deep listening and negotiation skills, and an understanding of the social context, is ill-equipped to navigate these waters. By teaching these skills in application to questions of social impact management, business schools can make the strongest contribution to their students' moral compass, because we then teach that acting on values is *possible*. Values don't need to be left in the parking lot.

So once we shift the question from “can ethics be taught” to “how can we manage the interdependency between business needs and wider societal concerns, to the mutual benefit of both?” all sorts of things become possible.

A case in point: last year, we collaborated with J.P. Morgan Chase in designing and running The Walter V. Shipley Business Leadership Case Competition, in honor of their retired CEO. Students from three top b-schools put themselves in the places of the board of the World Bank and had to decide whether to loan funds to the governments of Chad and Cameroon, to participate in a petroleum drilling and pipeline project with a consortium of oil companies. Students struggled with a variety of thorny problems: the environmental impacts of the pipeline; the dislocation of indigenous peoples; the risk that the governments of these countries would use funds to fuel further armed conflict, rather than to ameliorate the poverty of their people; and so on. On the other hand, if they did not fund the project, a chance to make significant improvements in two very poor countries would be missed, and the government of Chad might partner with Libya instead, giving rise to more upheaval. This was a case where *not* doing the project appeared to have as many risks as *doing* it.

The case competition was a success by most measures, but for our purposes here, the most interesting observation was that students applied both quantitative and qualitative analysis, critical thinking and judgment, and a cross-functional approach to what was *clearly* a Finance case study. In this situation, perhaps because they *knew* this was a business leadership competition, or maybe because the protagonist was the World Bank rather than Chevron, the students were able to *do all the financial calculations without being ruled exclusively by them*. They understood that the project had to be financially viable, but they put together diverse teams of students who brought different backgrounds and interests in the environment, and developing country politics, and international multi-lateral institutions. The winning team from NYU, approached the decision as a question of “how to maximize the benefits to all affected stakeholders” rather than “whether or not I can do this deal.” They seemed empowered to look beyond the usual constraints of business classroom decision-making. In other words, when *asked* to find truly creative solutions to what have heretofore appeared to be zero-sum choices, students were more likely to do so. And it became apparent to all, including the observers from JP Morgan Chase, that the supposedly ‘non market’ considerations had material, measurable consequences for the private sector banks and oil companies as well.

Now, once we stop asking “can ethics be taught?” we stop the debate on: “Should we create stand-alone required courses or should we integrate these issues into the entire curriculum?” These issues are *not* exclusively ethics questions. They *are* questions of finance, marketing, organizational behavior and accounting. Especially Accounting! You have at your seats some pre-release data points from our most recent Student Attitude survey of current MBAs. When asked: “What is the most important change you would recommend to better educate students about the social responsibilities of companies?”, the most frequent response was to *integrate* these issues into the coursework.

And when we asked them *where*, they named pretty much every course. The number of students who believed these issues belonged in Accounting courses jumped from 34%, a year and a half ago, to 84% now! And although almost everyone agreed that social responsibility should be taught in Business Ethics classes, 76% thought they should also be taught in General Management and Strategy; 70% said International Management; and 57% agreed Finance (up from 36%). The stats from the Deans in this room are comparable, and even higher.

Taking into consideration what the students are telling us, now let's take a look at what is *actually* happening at b-schools. A project called *Beyond Grey Pinstripes* is a joint venture of Aspen and the World Resources Institute. It is a biennial global survey of accredited business schools to help us understand and measure efforts to integrate social and environmental stewardship in MBA programs. The 2001 survey revealed that while there is a growing body of innovative and relevant curricular and extra-curricular activity, the majority of the course work still falls within ethics, non-profit management and public policy classes – hardly the mainstream of the program.

It may be helpful to consider this question from another vantage point—especially since the overwhelming majority—as much as 90 percent—indicate that you integrate the topic into the MBA core curriculum.

If I am a professor who teaches Finance, for example, I probably feel no need to integrate Marketing issues into my syllabus. I assume that someone else is covering those topics. However, as a Finance professor, I do recognize Marketing as a legitimate and necessary part of the business operation. I teach Finance as if Marketing matters. So ask yourself: can the same be said for the kinds of questions that business ethics and social impact management raise? Are Finance and Marketing taught as if questions of business and social purpose, social context and broader metrics are legitimate and necessary parts of business operations? In our observation, our kindest answer would have to be “not often.” A stand-alone course, valuable as it can be, will not be able to undo the messages of other core courses that are taught as if social impact management is irrelevant.

However, once we stop asking about “stand-alone vs. integration”, we can begin asking some new and better questions like: *just what should we be teaching in social impact management?* Some 68 percent of the Deans in this room indicated *strong* agreement with the following—that ‘My business school is the kind of place where students feel free to raise issues related to the social responsibility of companies,’ although only 31 percent felt as strongly that the faculty actually encourage this discussion.

However, when the students are probed, they say *they are not being prepared to manage the conflicting demands of multiple stakeholders* – and if we look at any short list of the greatest risks faced by businesses today, especially global business, they have to do with these conflicting demands. The whiplash is felt by big brands—Nike, Shell, Chiquita among them—that are carefully watched by outside monitors, expert at use of the internet and media to publicize their concerns. But today it's more than the extractive industries and consumer products companies that are at risk.

Here is a sample from a list serve that I read last week.

Manufacturers from Panasonic to Motorola to Nokia have agreed to the Basel accord that places responsibility for environmentally sound disposal of mobile phones back on the company. A standard that Germany already applies to most manufactured products and is soon coming to an industry near you.

A new Australian law requires all investment firms to disclose ‘the extent to which labour standards or environmental, social or ethical considerations are taken into account.’

And finally, the California courts have so far failed to throw out a claim against Unocal – brought by citizens of Myanmar in the U.S. courts-- for human rights damages under a law that I am told has been on the books since the 1800s and was designed to keep piracy on the open seas in check. This is only a random sample of the issues hitting boardrooms, literally, as we meet.

What are business schools doing to prepare students to respond to these sophisticated critics making increasingly credible demands? These questions belong in Marketing classes that address the impact of drug pricing decisions and in Finance classes that examine the cost of capital for investments in developing

countries and in Operations and Strategy classes that are considering the impacts of outsourcing production, and soon, it sounds like, cradle-to-grave responsibility for waste management of the products they outsource.

Our Student Attitude research also reveals that roughly half of the responding students *anticipate* that they will confront values conflicts in their business careers. They will arise around the need to weigh trade-offs—between and among shareholders, employees, customers and the environment. In particular, they see challenges in decisions about downsizing, about investing in less developed countries, and about natural resource exploration. About three quarters of them think conflicts over financial reporting are somewhat, or even *very* likely. These calculations (both qualitative and quantitative) cannot be separated from the management context.

Now don't misunderstand. When we stop asking "required course vs. integration", we don't abandon the value of independent courses and dedicated faculty and researchers. Rather, we are freed from the tyranny of false dichotomies and can see the ways that business education can be more relevant in the preparation of future leaders. By reframing this debate we can begin asking: *what, in fact, does a stand-alone course do best?* For example, it can be a curriculum-development engine, serving as the locus for the creating and test-driving materials that then migrate into other required courses. And it can serve as a site for in-depth comparisons—of varying corporate responses to some of the thorniest questions that surface elsewhere.

Now if faculty are to *teach* these questions of how to balance the conflicting demands of multiple stakeholders, they will need to *research* these issues, as well. And this will require another major shift in questions. For too long, the research around "business ethics" or "corporate social responsibility" has focused on a single refrain: "Does social responsibility pay?"

At the Business and Society Program, we even funded a comprehensive review of the relevant literature for the past 30 years or so, conducted by James Walsh of the University of Michigan Business School and Joshua Margolis of Harvard Business School. [You can find the references to their HBS working paper and a book reporting their findings on our website – www.aspenbsp.org.] And by now you probably won't be surprised to hear that we found we were asking the wrong question. Yes, there are numerous studies that look at "does social responsibility pay?" and yes, most of them show a positive or at least neutral correlation. But no, they have not convinced anyone -- and as authors point out, much of this has to do with both the difficulties and the flaws in the research designs and with the stance of "advocacy" that casts doubt on the findings before they are even reported.

Perhaps Professor David Vogel from the Haas School at Berkeley stated it most succinctly, when he wrote last September in *The Wall Street Journal*, that:

"...there is evidence that corporate responsibility 'pays.' But managing earnings also 'pays.'...like corporate responsibility, corporate *irresponsibility* has paid, especially for certain executives." (WSJ, 8/20/02, "Manager's Journal: Recycling Corporate Responsibility, B2)

So instead of asking "Does corporate responsibility pay?" – it may or it may not, just like corporate irresponsibility – we need to be asking in our research "*How can business create both positive financial returns as well as positive societal returns?*" We can do this by examining the social impacts that businesses already create, for good and for ill, as well as at their financial performance.

Our Business and Society Program has focused major attention over the past two years on an ongoing research project designed to do just this. In partnership with the William Davidson Institute at Michigan and a Finance professor at NYU, we inaugurated the Global Scholars program on the Social Impacts of Globalization. The impetus for this effort grew out of the recognition that it is risky for junior scholars to pursue research in some of the areas we are concerned about: publication outlets are not obvious; there are few senior scholars to serve as mentors; and so on. In addition, the research agenda was not as clear as it may seem

in other, more established areas. We set out to bring together a group of truly outstanding senior b-school scholars in Finance, International Business, Economics and Sociology, along with promising untenured faculty and doctoral students, to identify the research questions and provide ongoing support for work-in-progress. The program has convened twice, with a third meeting scheduled for next month, and a growing body of committed faculty are attending. New research is well underway and we have plans to expand the program.

And lest we face a barrage of complaints that the question I propose – “How can business create both positive financial returns as well as positive societal returns?” – is an overly “normative” research question, let me suggest that it is no more value-laden than asking “How can business maximize shareholder wealth?” Marjorie Kelly, the founder of Business Ethics magazine, eloquently explores this hypocrisy in her new book, *The Divine Right of Capital*, comparing our compulsion to make profits for shareholders no matter who pays the cost, to how our forebears viewed the monarchy and feudal land tenancy as legitimate forms of government and social organization. Remember, the system is perfectly designed to create the outcomes that we witness and experience. Perhaps we will find, just as we did when we asked students to balance business and wider societal outcomes in the case competition, that asking the right *question* is the beginning of making the answer possible.

So, as promised, we have moved through a number of questions that I think have lost their usefulness, replacing them with new ones:

- Instead of asking “whether business education is relevant” or “whether it is to blame for our current problems”, we ask “*How* can business education matter? *How* can it be part of the solution to some of the dicey and critical challenges that face a world in which business has become the anchor tenant.
- Instead of asking “Can ethics be taught?”, I am asking “How can we teach students to manage the interdependence between business and wider society, to the mutual benefit of both?”
- Instead of asking “whether or not I can do this deal?”, our Case Competition students asked “How can I maximize the benefits to all affected stakeholders?”
- Instead of plying one more time “Stand-alone course versus integration”, I am asking “Just *what* should we be teaching about social impact management?” and “What competencies and experience and questions do we need to arm students with to succeed?” and ‘what, in fact, does a stand-alone course do best?’
- And finally, instead of focusing our research around “Does social responsibility pay?”, I am looking for research that considers “How can business create both positive financial returns as well as positive societal returns?”

And this leaves me with one more question to close on: *What have we learned at the Aspen Institute’s Business and Society Program – from our Student Attitude research, our Beyond Grey Pinstripes study, and from our work with faculty, deans, students, alumni and business leaders around the globe – about what you and your schools can do? What are the levers you can pull and the opportunities you can grasp?* Here’s some low hanging fruit; I have 5 areas to think about:

First: *Support the faculty champions in your school.* Quite often one or two faculty have cared about these issues, through thick and thin. Make a point of paying attention to their work. Help make it visible. Make it safe to perform research on these issues; if there are summer research grants and release time offers, encourage them to apply. Support research convenings on relevant topics on your campus. And so on. Our Global Scholars Program proves that faculty in areas like Finance and Economics care about these questions; it’s not just the ethics professors. And when a scholar gets a hold of a compelling research question, the interest is contagious. As a scholar at UCLA once said to me: the good news is that academics are drawn to complex problems like bees to honey; they just need encouragement to get started. There is no shortage of compelling issues to investigate.

Second: *Competitions can be effective to get discussion moving.* Our experience with Beyond Grey Pinstripes and with the Walter V. Shipley Business Leadership Case Competition demonstrates that there is energy to be

tapped here. Bruce Hutton, from The University of Denver, and recipient of our faculty pioneer award for institutional leadership started the Ethics in Business awards in Colorado, now in its 11th year. The model uses MBA students to judge the nominees and the program has now spread to business schools in 5 other states.

Third: *If you think you are integrating Social Impact Management issues into your core curriculum, as the vast majority of you believe, I say take another look.* Our data and experience reinforce the importance of integration...and suggest that it is not happening to the degree that many of us would like to think. Our interactive website for business faculty, www.CasePlace.org, is a great place to start. It has over 350 case studies, readings and teaching ideas, searchable by issue—from child labor to inner-city investment or by discipline—accounting to OB. It's a readily available tool for integrating Social Impact Management into the curriculum. You have a postcard with the URL on your seat.

Fourth: *Leverage the existing – and according to our Student Attitude survey, the growing – Demand, among students, for more attention to Social Impact Management.* Our survey reveals that students are interested in balancing stakeholder interests; they are interested in corporate reputation as a job selection criteria; and they are interested in working for a company that has the potential to make a positive contribution to society. In our work, we see many examples of this student interest. Students at Wharton developed a business plan and launched a Social Impact Management initiative. The annual meeting of Net Impact, the business student association that promotes environmental and social impact management, attracted more than 1,000 MBAs to their conference in DC last November. The next conference, is November 6-9 at UT Austin. There are more than 70 chapters in the US, Canada and now around the globe. The brave Deans who underwrite travel to this conference will have ready-made allies and workers to move this work forward. But beware the energy you unleash! The same is true for alumni. And finally,

Fifth: *Challenge the recruiters!* We see a powerful disconnect between statements of senior executives and the reality of the interview room. The CEOs express strong concern about the social impacts of business, backed up with *specific* examples from their experience in the trenches. *But* we know from recruiter focus groups that interviewers, at best, offer benign neglect to demonstrations of student interest in such questions and at worst, view related activities and inquiry as soft—as time *not* spent in a finance elective. Recruiters, too often, are looking to replace themselves in entry level jobs where technical skills are more critical—skills that are important but certainly do not represent the best that b-schools have to offer. There is an opportunity for you and your schools to communicate just what you *do* have to offer. The value-added of a business degree can be that *relevance* we talked about earlier, and that goes well beyond the ability to calculate net present value.

A cautionary note. I do not believe that all schools can be all things to all people. I do believe in the Tipping Point phenomenon that Malcolm Gladwell chronicles in his book.

But whatever you do, *take advantage of this special moment.* There is energy, interest, student demand. Try things, experiment. It is similar to competitive strategy that you already think about. If you are strong in finance, maybe a conference on trends in social investing is a place to start. In our *Pinstripes* survey we see examples of many schools doing many different kinds of things. Build on *your* school's strengths, whether that means key faculty, or research, or an innovative approach to curriculum, or close ties to the community, or global reach, or something else... You do not have to start with a full-blown program; you can start where the energy and ability already exists and build from there. Think small wins, not big bets.

And *ask some new questions.* In particular, ask yourselves: *How business education can really make a positive difference in the preparation of future business leaders?* I think, once you raise *this* question, you will find that there are lots of people with ideas, just waiting to be asked.

Lest I leave you with the impression that I am naïve and unaware of the challenge I've posed, let me share my favorite T-shirt slogan; "Change is good... You go first!"

So we have to work *together*, each of us building on our own particular gifts and resources – I do think that is how real change happens!