

NAME/TITLE

MBA Oath: Responsible value creation

<http://mbaoath.org/>

Date: 2009

Contributors, funders, political or ideological position

Harvard Business School

ABOUT/KEY MESSAGES (in its own terms)

Our mission is to facilitate a widespread movement of MBAs who aim to lead in the interests of the greater good and who have committed to living out the principles articulated in the oath. The oath is a voluntary pledge for graduating MBAs and current MBAs to “create value responsibly and ethically.”

Does this initiative offer any compelling narrative for business leaders in particular, i.e. about the purpose and role of business and financial institutions, about values and ethics, about the relationship between business and society?

Our long-term goal is to transform the field of management into a true profession, one in which MBAs are respected for their integrity, professionalism, and leadership.

WHAT QUESTIONS IS THIS INITIATIVE TRYING TO ANSWER?

WHAT PROBLEMS IS THIS INITIATIVE ADDRESSING/ATTEMPTING TO SOLVE?

The global financial crisis of this past year has prompted many in the public and in the press to question whether business schools are successfully executing their missions of educating leaders for society. How did we get into this crisis? Why didn't business school professors sound the alarms in advance of the meltdown? Why were so many MBAs involved in the decisions leading up to the crisis? Are MBAs so concerned with increasing their personal wealth that they ignore ethics and their responsibilities to society?

HOW DOES THIS INITIATIVE IMAGINE CAPITALISM WILL BE DIFFERENT IN THE FUTURE?

We hope the Oath will: a) make a difference in the lives of MBAs who take the oath b) challenge other MBAs to work with a higher professional standard, whether they sign the oath or not and c) create a public conversation in the press about professionalizing and improving management.

WHAT RECOMMENDATIONS DOES THIS INITIATIVE MAKE FOR THE VARIOUS ACTORS

National governments/regulators

Trading corporations/business leaders/collective business institutions

As a business leader I recognize my role in society.

- My purpose is to lead people and manage resources to create value that no single individual can create alone.
- My decisions affect the well-being of individuals inside and outside my enterprise, today and tomorrow.

Therefore, I promise that:

- I will manage my enterprise with loyalty and care, and will not advance my personal interests at the expense of my enterprise or society.
- I will understand and uphold, in letter and spirit, the laws and contracts governing my conduct and that of my enterprise.
- I will refrain from corruption, unfair competition, or business practices harmful to society.
- I will protect the human rights and dignity of all people affected by my enterprise, and I will oppose discrimination and exploitation.
- I will protect the right of future generations to advance their standard of living and enjoy a healthy planet.
- I will report the performance and risks of my enterprise accurately and honestly.
- I will invest in developing myself and others, helping the management profession continue to advance and create sustainable and inclusive prosperity.

In exercising my professional duties according to these principles, I recognize that my behavior must set an example of integrity, eliciting trust and esteem from those I serve. I will remain accountable to my peers and to society for my actions and for upholding these standards.

This oath I make freely, and upon my honor.

Investors: individuals and institutional

Financial institutions

International institutions

Does this initiative have anything to say about major medium to long term economic and social issues

- Supplies of the essentials of life: Food, Water, Housing, Energy and Transport
- Climate change, resource depletion, loss of biodiversity
- Population growth and demographic change
- Economic growth, innovation, employment, the distribution of income and wealth
- The governance of business and the financial system; public trust
- The respective roles of government and business
- The respective values of economic, social and environmental capital