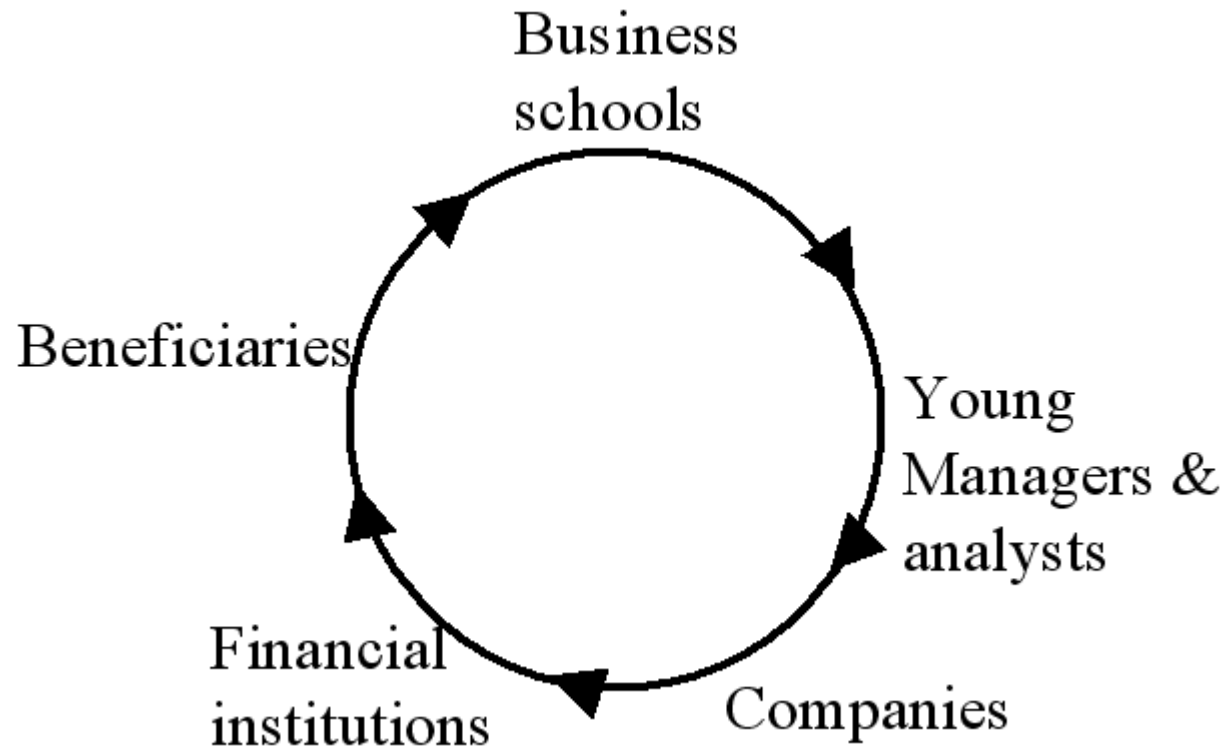




Workshop J

Fostering Long-Termism at Business Schools

- The role of business schools in sharpening judgement and assessment skills of future analysts and managers -



The Need

Future managers need to manage risks and opportunities resulting from the changing role of business in society. (McKinsey Global CEO survey)

"The consideration of material social and environmental issues should be part of every financial analyst's normal work." Thomas Albrecht, Director of Research at Credit Suisse Asset Management

GAP

Reality

At the end of the 1st year of MBA education students' belief that maximizing (short-term) shareholder value is the main responsibility of the firm increased from 68% upon entry in the program to 82%. (Gioia, 2003)

Our work suggests that the anticipated 'generational change' is not happening. Young analysts appear unconvinced over the materiality of most environmental, social, and governance issues to business; unable to consider them because of inadequate information, training, or tools; and unwilling to depart from business as usual because of conflicts with remuneration, career advancement, or culture. (WBCSD YMT, 2004)



Goshal, S.: 2003, '**Business schools share the blame for Enron**',
Financial Times, 18 July. 2003



School for scandal

Is the MBA responsible for moral turpitude at the top?
The economist, 17 February 2005



Gioia, D.: 2002, '**Business education's role in the crisis
of corporate confidence**'

Academy of Management Executive, 16 (3): 142-144



United Nations Decade **Education for Sustainable
Development** 2005-2014



**Business Schools could act as an enabler
for the desired „generation change“.**

Beyond Grey Pinstripes 2005

PREPARING MBAs FOR SOCIAL AND ENVIRONMENTAL STEWARDSHIP

Survey Findings

- ➔ An increasing number of schools surveyed (54% in 2005, up from 45% in 2003 and 34% in 2001) require one or more courses in ethics, corporate social responsibility, sustainability, or business and society.
- ➔ Integration of social and environmental topics into other required courses — such as accounting, economics, finance, information technology, marketing, operations, and strategy — remains limited.

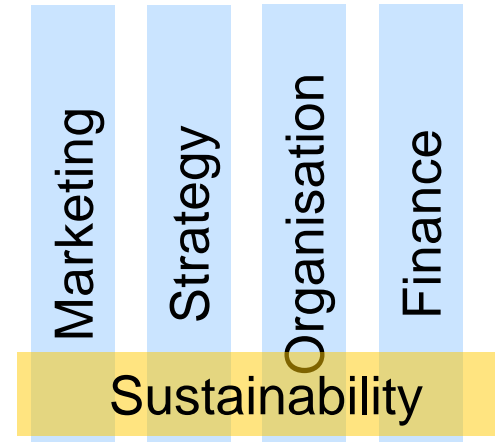
Beyond Grey Pinstripes celebrates the top 30 schools among the 600 full-time MBA programs across six continents invited to participate in the survey.

Rankings	School	Location
1	Stanford	USA
2	ESADE	Spain
3	York (<i>Schulich</i>)	Canada
4	ITESM (<i>EGADE</i>)	Mexico
5	Notre Dame (<i>Mendoza</i>)	USA
6	George Washington	USA
7	Michigan (<i>Ross</i>)	USA
8	North Carolina (<i>Kenan-Flagler</i>)	USA
9	Cornell (<i>Johnson</i>)	USA
10	Wake Forest (<i>Babcock</i>)	USA
11	UC Berkeley (<i>Haas</i>)	USA
12	Nottingham	UK
13	Virginia (<i>Darden</i>)	USA
14	Western Ontario (<i>Ivey</i>)	Canada
15	Boston College	USA

... however, obstacles
remain... like mainstreaming...



Specialist education



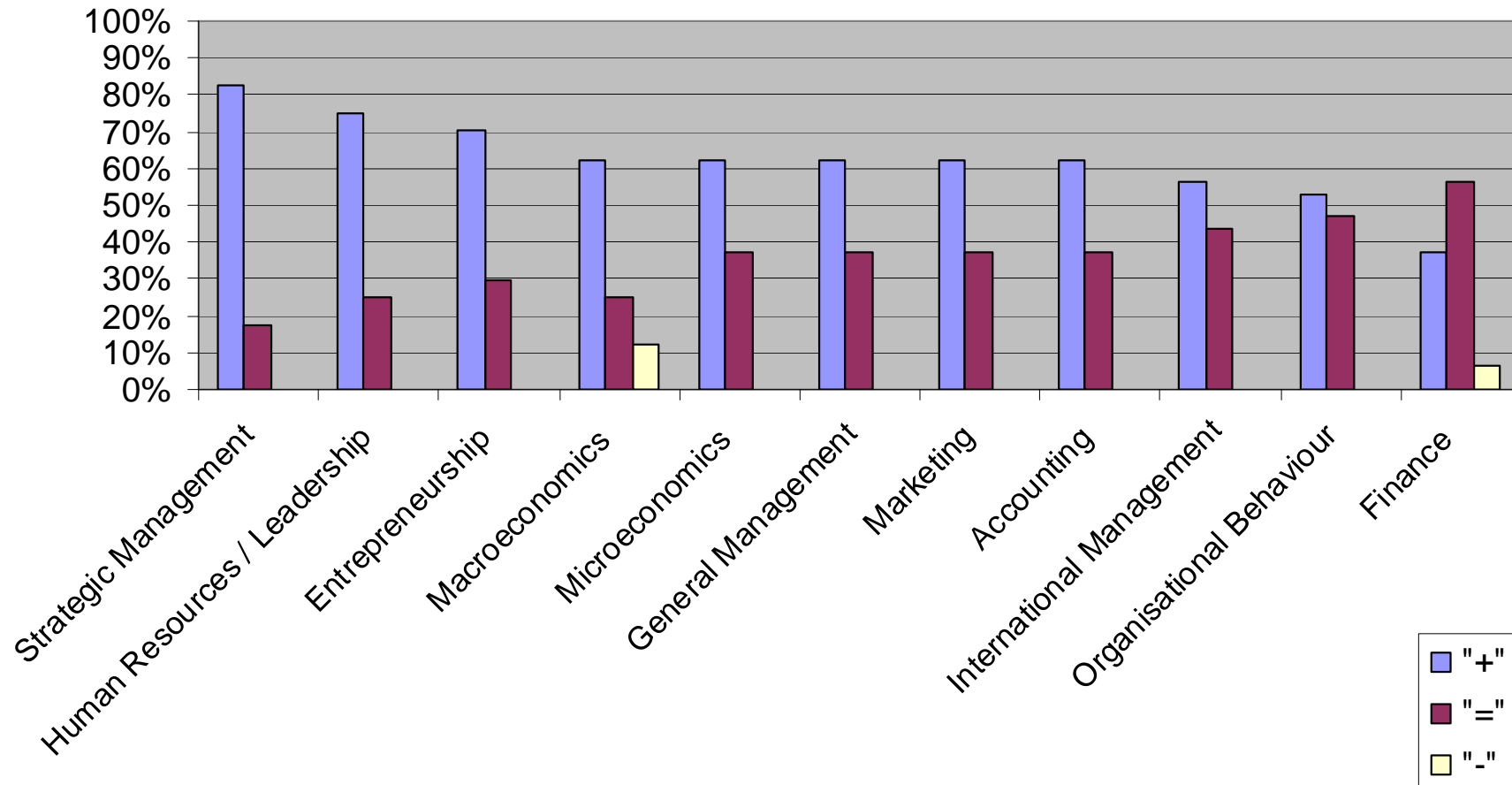
Mainstreaming



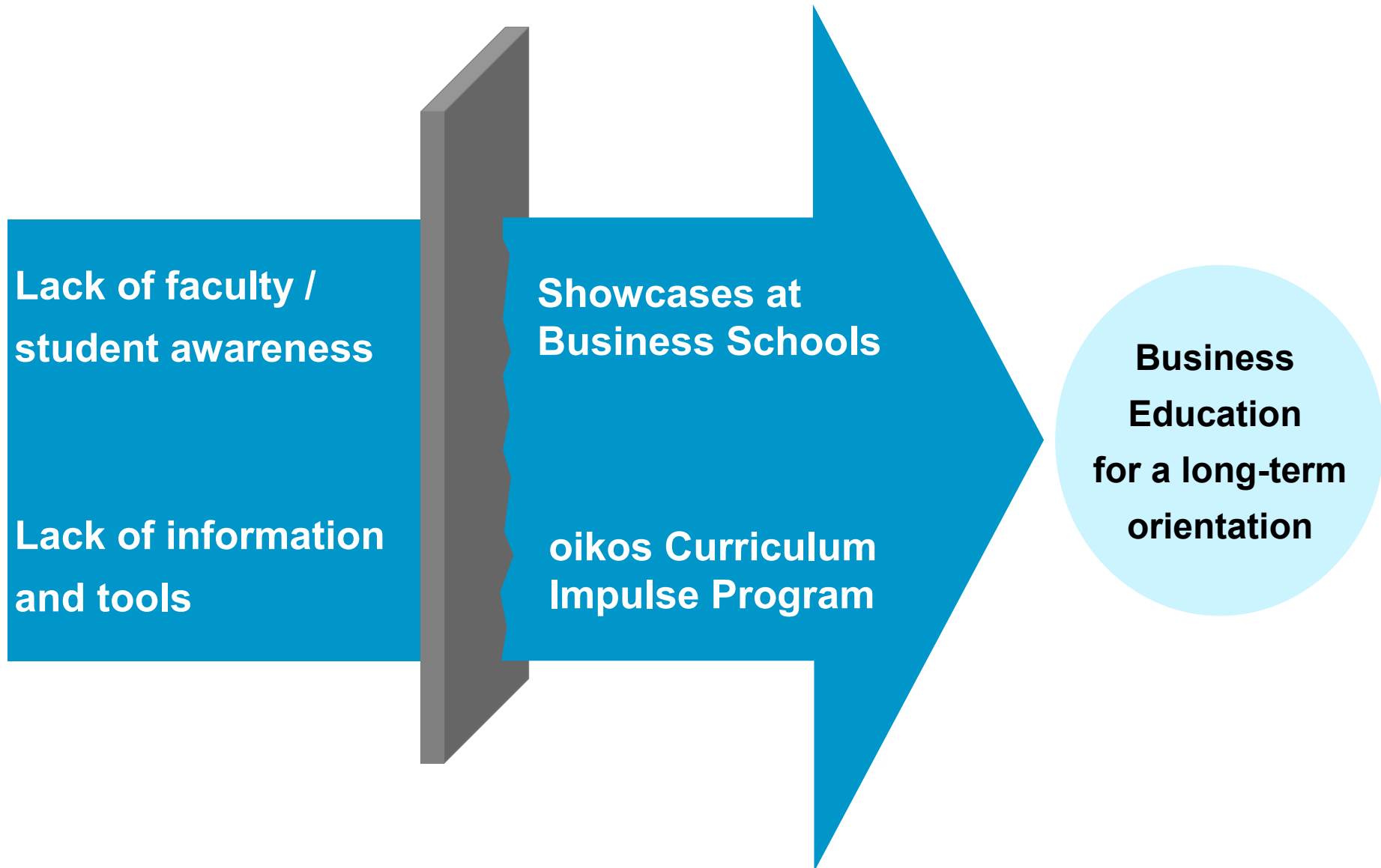
In a recent survey carried out by NetImpact, a network of 12'000 MBA students and young professionals engaging in CSR issues, they found that **only 7%** of the responding chapters (approx. 90% out of 104 chapters) said their schools offered relevant courses among core requirements, and 35% cited electives.

Liz Maw, NetImpact, cited in Business Week July 2005

Relevance of core courses to integrate sustainability topics:



Overcoming the barriers...



- 1** What defines the necessary skillset of future managers and analysts? What do they have to know?
- 2** Where do you see need for research in order to develop tools and methods for long-term evaluations of firm performance?

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oikos offers the possibility to showcase your alternative approach at:

- 19. – 22. October 2006** **Warsaw School of Economics, Poland**
oikos Fall Meeting „World Bank & Sustainability“
- 05. – 10. November 2006** **University of St. Gallen, Switzerland**
oikos Winter School „Change Agents for SD“
- 18. – 21. January 2007** **Cornell University, U.S.**
oikos Convergence – Sustainable Entrepreneurship



and other universities around the world. Please consult the oikos team at any time!