

## EXISTING MBA OATHS

Harvard's MBA Oath generated a lot of publicity (and signatories) in recent months, but it is not the first business school with a Hippocratic-style oath. The prestigious Thunderbird School of Global Management, headquartered in Arizona, implemented a voluntary Oath of Honour in 2006, which reads as follows:

"As a Thunderbird and a global citizen, I promise: I will strive to act with honesty and integrity, I will respect the rights and dignity of all people, I will strive to create sustainable prosperity worldwide, I will oppose all forms of corruption and exploitation, and I will take responsibility for my actions. As I hold true to these principles, it is my hope that I may enjoy an honourable reputation and peace of conscience. This pledge I make freely and upon my honour."

Columbia Business School in New York expects all its graduates to pledge to uphold the school's Honor Code: "As a lifelong member of the Columbia Business School Community, I adhere to the principles of truth, integrity and respect. I will not lie, cheat, steal, or tolerate those who do."

In Canada, graduates of the University of Western Ontario's Richard Ivey School of Business wear a class ring to remind them of their commitment to honesty, while MBA students at the Telfer School of Management at the University of Ottawa wrote their own pledge in 2009, promising to "create and sustain value over the long term while maintaining a commitment to social, ethical and global values".

**For the full text of Harvard's MBA Oath, visit**

<http://mbaoath.org>



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**SOME CALL IT** mere window-dressing; others say it is one of the top 100 ideas of 2009. Either way, when hundreds of MBAs graduating from Harvard Business School – the alma mater of a number of heavy-hitters in the global economy – start promising to “serve the greater good”, people are bound to pay attention.

They are not only taking notice – they are signing up in droves. More than 1800 MBAs from all over the world have already pledged not only to take responsibility for their actions, to act with utmost integrity and “safeguard the interests of my shareholders, co-workers, customers and the society in which we operate”, but also to “create sustainable economic, social, and environmental prosperity worldwide”.

Written by a group of graduating MBAs at Harvard in May 2009 in response to bad press following the high-profile role a number of Harvard MBAs played in the global financial meltdown, the aim is to encourage signatories “to lead professional careers marked



Daniel Malan, USB



Madge Gibson, headhunter

with integrity and ethics”.

While the Oath generated some positive headlines, it won't be a magic wand repairing the image, created by the crisis, of “greedy” business leaders – and it is no guarantee that signatories will behave ethically and make sustainable business decisions, experts warn.

“It can say all these lovely words, but if you make these promises and the curriculum still reflects the emphasis on profit maximisation and short-term profits, it can actually do more harm than good,” warns Daniel Malan, head of the Unit for Corporate Governance in Africa at

the University of Stellenbosch Business School.

He thinks the MBA Oath is cosmetic and “does not necessarily demonstrate commitment to ethical leadership. It is not really something that can be measured. And even if it is a voluntary thing, people who take the oath are not necessarily the most ethical people.”

To be useful, the wording of any oath is incredibly important. Harvard's oath is

PICTURES: SUPPLIED

# I hereby swear . . .

Hundreds of MBA graduates around the globe are supporting a Hippocratic-style MBA Oath, promising to change the business world. Should you sign? asks **JANA MARAIS**.

frequently criticised as being too broad in scope or potentially ambiguous. On the other hand, Columbia Business School's Honor Code – which all graduates must sign – is more straightforward: "I will not lie, cheat, steal, or tolerate those who do."

In many cases, codes and oaths are not only ineffective, but can exacerbate the problem by creating a false sense of security, Malan warns. "What we need is a change of attitude and a change of behaviour – a shift in emphasis from 'we are ethical because we have a code' to 'we use our code to challenge and change our behaviour'.

As an aspirational tool, a voluntary code or oath should not be discarded, but should be viewed as one small piece of a far more complex puzzle, Malan says.

An oath alone will simply not ensure ethical leadership or stop the next Bernard Madoff from stealing billions – education and an effective regulatory system is just as important.

As long as managers' rewards are tied to profit maximisation and short-term performance, a proper "stick" – strict regulations and the prospect of hefty prison sentences – is needed to keep human greed in check. Education can play an important role, Malan says.

"We need a combination of values-driven ethical education and regulation. The emphasis needs to be on values. Education must help

people to make ethical decisions, but I don't think we will ever be in a position to get rid of problems purely by education."

Business schools should play an important role in the development of ethical, responsible leaders that will encourage ethical and sustainable business practices. A code or oath would therefore be much more meaningful if ethical leadership is reflected in programme content and curriculum design, he says.

Headhunters say taking the oath won't mean much for your career, with hiring decisions still being driven by previous qualifications, work experience and the reputation of the chosen business school.

Madge Gibson, partner at an executive headhunting firm, says taking the MBA Oath may be an admirable gesture towards morality and business ethics, but it won't have an impact on hiring decisions – employers still make recruitment decisions based on track record and potential.

"A lot of people misunderstand the MBA.

They think it will automatically raise their salary bracket, but this is only the case when the MBA has relevance to your work experience and therefore enhances your performance and what you have to offer.

"More important is how well thought-through your decision was to do an MBA. Employers like to see evidence of career planning and educational direction, a considered approach rather than a generic 'fix it' – which is unfortunately how some people apply an MBA," Gibson says.

While supporters say the oath will help to professionalise management, Malan thinks the concept of management is so generic that it cannot really be professionalised in the same way as the function of lawyers, doctors or engineers.

"At the same time, there are values I'd like to see demonstrated in all careers, such as honesty and transparency," he says.

That, unfortunately, will take more than a signature on a piece of paper. **a**

## For or against?

Should the USB adopt an MBA Oath?

Send your opinion/suggestions to [agenda@usb.ac.za](mailto:agenda@usb.ac.za) or sms 39841 (standard rates apply)