Promises Aren't Enough: Business Schools Need to Do a Better Job Teaching Students Values

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It is a sign of the times that hundreds of Harvard Business School's 2009 and 2010 graduates took "The MBA Oath." These students promised to "serve the greater good," act ethically, and refrain from pursuing greed at others' expense.

We are inspired that students who will soon be in positions of leadership vow to reject the temptations their predecessors could not. But they and the more than 100,000 new M.B.A. students who enrolled this year will need more than an oath if they wish to become ethical business leaders. Simply put, such oaths sound much like chastity vows taken by thousands of teens every year. The problem in both cases is not a lack of sincerity, but a failure to adequately prepare for the moment of truth.

Just Words
Like a chastity vow, the M.B.A. oath has an unstated assumption that those who have gone before are somehow different: They had weaker wills, less resolve, looser morals. The oath is meant to signal a stronger commitment to values. The danger is the false sense of moral inoculation such oaths engender. Just as teenagers who take a chastity vow in lieu of better sexual education are more vulnerable to the consequences of unprotected sex—vow takers are actually more likely to engage in risky sexual behavior—M.B.A.s who take an ethics oath without enough supporting leadership education are likely more vulnerable to ethical breaches.

The power of the situation, and our too frequent disregard for it, is an overarching lesson from sociology and social psychology. Situational forces drive behavior to a surprising extent, much more than expected by those who believe character determines all.
This lesson has been implicated in one scandal after another, from Enron to Abu Ghraib. Pledges made without the benefit of experience with compromising situations, and without some kind of supporting structure, actually exacerbate the problem.

**The Schools’ Role**

**For Further Reading**

Related articles from MIT Sloan Management Review

**The Education of Practicing Managers**
By Jonathan Gosling and Henry Mintzberg (Summer 2004)
Companies and business schools must work together to reinvent management education, rooting it in the context of managers’ practical experiences, shared insights and thoughtful reflection.

**How to Make Values Count in Everyday Decisions**
By Joel E. Urbany, Thomas J. Reynolds and Joan M. Phillips (Summer 2008)
A comprehensive analytic framework can provide a common language for discussing decisions and values with colleagues, helping to build a culture that better integrates the organization's values into staff decision making.

**The Importance of Meaningful Work**
By Christopher Michaelson (Winter 2010)
Too often, business students see little overlap between the jobs they plan to do and those they consider most socially responsible or would most enjoy.

Should business schools play a role? Some pundits think not. They believe that schools should train managers in narrower elements of business strategy—negotiation, incentives and the like—and leave the teaching of values to others.

We couldn’t disagree more.

Business education is much more scientific than it was in its early years. It has been made more rigorous by the rising influence of statistics and economics. We believe in analytics. Most organizations need more analytics.

But analytics are not a substitute for values. Indeed, an overreliance on analytics leaves managers poorly prepared to lead in moments when statistics obscure the full human dimensions of a choice.

It also isn’t that M.B.A. programs haven’t taught leadership and ethics. They have. But most do it poorly. Leadership courses tend to emphasize such things as social influence and public speaking, while ethics courses often focus on legal aspects. This leaves the connection between values, leadership and action underdeveloped. Leadership entails thinking beyond the day's crises to focus on the longer term, grasping the impact of decisions on broader constituencies, and sensing a responsibility that goes far beyond the immediate result of a decision.

M.B.A. students are too often unaware of this. For example, in workshops at a leading business school, students are asked to list the qualities that a successful business leader should possess. While vision and business acumen are invariably among the first qualities listed, honesty and responsibility for others emerge only after considerable discussion. Meanwhile, when asked about the characteristics they most value in human beings, compassion, integrity, and responsibility always appear at the top of the list.

Taking an oath of ethical leadership is not enough to bridge this gap, and recusing ourselves from teaching leadership makes it worse.

**No Substitute for Experience**

We need to better prepare our students for leadership. This requires creating a deeper understanding of the difficult decisions they will face, often under enormous pressure. We must make them aware that these decisions will challenge their values, and that, consequently, they need to clarify the values they
stand for. We need to make sure they engage in a continuing dialogue with classmates, faculty and alumni, and learn to hold themselves and their peers accountable for the commitments they make.

We have found this is best achieved through experiential learning. This approach is necessary because students otherwise find it far too easy to believe they would never engage in the reprehensible behavior that others have. It is better to make M.B.A. students viscerally aware of the tendency to compartmentalize values, and, consequently, how vulnerable they are to ethical breaches in challenging situations. If they are to learn what to expect, students must be brought face-to-face with the pressures that profit-maximization will create for them.

Throughout this process, M.B.A. programs can leverage the small group structure they deploy for study groups to generate a deeper dialogue among students who know and trust each other. Schools should do more to ensure that this dialogue develops into an ethical support structure after graduation. Alumni often mention that the hardest decisions they make occur when job demands conflict with their values. And, importantly, that they are isolated when making them.

We need to ease this burden by being more creative in our use of technology, and more intentional in our use of alumni gatherings. It is ironic that schools exert enormous effort to create alumni networks that facilitate regular business transactions while our alumni must make their hardest choices alone.

The solution to ethical challenges in business is not to create an army of M.B.A.s who promise to do the right thing. Rather, as educators we must assume more responsibility by providing better, not less, leadership development. Only then might our graduates take an oath they can actually live up to.

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