

Societal Impact in the MBA Curriculum: From Foundations to Applications

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“Business as a Force for Good” Positive Societal Impact

Basic philosophy at INSEAD:

- Much of the standard stuff that business does, in the pursuit of profit, is about innovation in order to lower costs of production and better satisfy buyers. This leads to economic growth that is good for society, and the benefits accrue also to workers (higher wages) and to consumers, through the invisible hand of the market.

BUT ... THE CAVEATS!

- There are market failures (e.g., externalities) and inequality, leading to **a role of government to regulate markets and redistribute income.**
- And governments are imperfect, so **individuals and businesses need also to have a sense of ethics and social responsibility.**
- And there are **roles for many stakeholders to act and agitate.**
- And it's not just about business trying not to be a problem, but rather **business can look to be the solution to complex social problems.**

ADDRESSING THE CAVEATS: FOUNDATIONS

Three disciplines provide the foundations for understanding these caveats:

- **Economics:** Understanding market failures and inequality and the role of government and public policy.
- **Political Science:** Understanding imperfections of government, political processes that lead to good government, the reality of political processes, and the politics of multiple stakeholders.
- **Ethics:** Understanding the role of social responsibility, at the individual, group, and business level. Moving from shareholder value to stakeholder value (and “shareholder values”).

So we created three MBA core courses

- **Business and Society: Public Policy**
 - Taught by economists
- **Business and Society: International Political Analysis**
 - Taught by political scientists
- **Business and Society: Ethics**
 - Taught by ethicists

And then applications ...

... are appearing in a variety of other core courses, electives, and experiential learning modules.

Some “top down” ...

Most “bottom up” ... innovation by individual faculty

But supported and coordinated by our new Hoffmann Global Institute for Business and Society



Hoffmann

Global Institute for
Business & Society

Example: Master Strategy Day



And other special events ...



 Hoffmann
Global Institute for
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SDGs Speaker Series

The SDGs: What's in it for business?

18 March 2019 - 12:00 to 1:00 pm
Auditorium
INSEAD Asia Campus

Paul Polman
CEO of Unilever (2008-2018)



#INSEADforGood

And engagement outside the school but involving our students



THANK YOU!!

Timothy Van Zandt
Professor of Economics
Former Dean of Faculty and Research



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