

Graduation Remarks

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Deborah Merrill-Sands, Dean

And now it is my privilege to close this wonderful morning with some final remarks for the Class of 2005.

But, before I address the Class of 2005, I want to thank all of the families, friends, and colleagues for all that you have done over the past year – or two, three, or four years – to support these extraordinary and accomplished women who are graduating today. When our graduates came to Simmons, they made a choice – a choice to invest in themselves and in their careers. But, to meet the demands of earning this degree, many have had to make sacrifices in other parts of their lives. And, as a result, many of you have also had to make sacrifices. So, I – and the faculty – we thank all of you for all that you have done.

And now, if I may, I would like to speak directly to the Class of 2005.

You are my first graduating class as the new dean of the School of Management – and, thus, the Class of 2005 will always hold a special significance for me. And so it is my distinct honor to celebrate your accomplishments today and share some final reflections and my aspirations for you.

As many of you know, I am passionate about this School, our mission, our students, and about our role in the world. I am passionate because I have committed much of my career to making change – change that ensures that talented women, such as your selves, are leading in our business organizations, not-for-profits, and government agencies.

Why have I made this commitment? Because I know – from my research as a social scientist and from my experience -- that our organizations will be more effective and better serve our society if they have talented women, as well as men, at the helm. When I began my career this was a contested issue, but now many organizations embrace the notion that a diversity of perspectives, shaped by life experiences, does make organizations more innovative, effective, and successful.

But my work and research at Simmons has given me a second and more profound reason for wanting to dedicate my career to educating and supporting women to take up leadership roles. And that is the promise of the quality of the leadership that many women seek to offer.

I have been struck and inspired by the findings from our recent surveys asking women about their views and aspirations for leadership. Over and over again, the majority of women say that they not only aspire to leadership but, most importantly, they aspire to leadership in order to make positive changes in their organizations, their communities, and in society. And, it is this theme of Leadership for What? and Leadership for Whom? that has captured my imagination. And, this is what I want to focus on today as my parting message to you, our graduates.

I have been in too many conversations of late where people are shunning the term leadership, saying it has become trite, a cliché, its meaning squandered by overuse and misuse. And my reply is: we cannot turn our backs on leadership. We must reclaim its meaning – in our thoughts, our words, and our deeds – because we deserve and, frankly, we can afford no less.

In the rapidly changing landscape of today's world, where we must navigate through large expanses of grey, and find few havens of black and white, we cannot turn our backs on the call to leadership. Nor can we not call out for leadership ourselves.

But we need to call for a specific kind of leadership – a model of leadership as expressed by the voices of the many women who have responded to our surveys and interviews. These voices are both striking in their uniformity of message and uplifting in their promise for our future.

As I have reflected on their aspirations, I have come to view leadership in a richer and more compelling way. And, I call this emerging model of leadership -- principled leadership. My personal aspiration, and admonition, is that each of you goes forward today prepared and committed to offer not just leadership, but to offer principled leadership.

So, what do I mean by principled leadership?

First, principled leaders do everything good leaders normally do to mobilize groups to achieve exceptional results. But principled leaders do something more. They ask the questions “Leadership for what and Leadership for whom?”

Leadership has lost its meaning because we have been uncritical in our usage. We know only too well, that leadership is *not* inherently good. Leaders can build high-performing teams dedicated to winning, but they win no matter the cost. Leaders can inspire groups to harm others in the name of moral or political righteousness. And, leaders can usurp their power for personal gain and fame, destroying the very values on which their organizations have been built.

But, it does not have to be like this. And, our job, if you join me, is to paint a different picture of leadership and reclaim its value and trust. And that is why I have taken up the call of principled leadership.

In my view, principled leaders produce excellent results and build strong and enduring organizations. Of this fundamental goal, there is no question. But, they also ensure – in every decision they make and action that they take -- that they and their organizations are contributing in a meaningful way to building a vibrant, ethical, caring, prosperous, and sustainable society. And that is the difference.

They do this by fostering a culture where decisions, large and small, are evaluated against a code of ethics and guiding values – and integrity in decision-making is an explicit measure of success.

They do this by creating workplaces that are inclusive, respectful of their employees, and supportive of their aspirations.

They do this by shaping and meeting shareholders expectations while also holding themselves accountable to a broader set of stakeholders – customers, employees, and the communities in which they operate.

And, they do this by matching their focus on short-term successes with assessments of the long term impact of their enterprises on the environment and on the resources we bestow to future generations.

Now some challenge me, arguing that these are mere platitudes. Others say that this model of principled leadership is simply beyond our reach. And yet others say that it is fine for not-for-profits, but it is simply unrealistic, or indeed, harmful for business. I respectfully disagree.

Indeed, I struggle to understand why this notion remains so contested. Why do so many of us still get trapped in the false dichotomies of profitability *or* social responsibility; meritocracy *or* diversity; productivity *or* work-personal life integration; and ethics *or* the bottom line?

While all these dichotomies challenge the goals of principled leadership, it is the polarization of profitability and social responsibility that is the most tenacious and, in my view, the most pernicious. Somehow we can not yet fully imagine how social responsibility can truly be at the core of a business enterprise. Yet, there are examples all around us. At the risk of sounding like a CNN sound bite, let me cite just one familiar to us all.

In this past year, we have seen demand far outstrip supply with customers waiting 6 months to buy a Toyota Prius – a hybrid car that gets 50 miles to the gallon. At the same time, US automakers have been forced to launch massive discount programs to simply move their cars off dealers' lots. Toyota is consistently winning market share and many analysts see Toyota becoming the No 1 automobile maker in the world by 2008.

Now, just imagine ... just imagine if the big three automakers had offered principled leadership and followed a strategy that incorporated environmental sustainability into their assessments of success. If their cars met the fuel economy standards offered by hybrid technology today, we would save 4.3 million barrels of oil a day – 20% of current daily consumption in the US and 30% of what we import daily. Just imagine what the impact would be on our economy, our foreign policy, our environment, and our ability to invest in our civil society

To me, Toyota's hybrid strategy is an unequivocal example of where profitability and social responsibility align, generating both wealth *and* long term social welfare. There are many more.

Our job as principled leaders is to shine the light on these examples and to make the case over and over again that economic success and social responsibility can go hand in hand.

As Kofi Anan, Secretary General of the United Nations, says:

“Let us choose to unite the power of markets with the strength of universal ideals. Let us choose to reconcile the creative forces of private entrepreneurship with the needs of the disadvantaged and the requirements of future generations.”

For me, these are the challenges that lie before us – the challenge of dismantling the false dichotomies that limit our imagination; and the challenge of forging a third path that integrates them in new and creative ways. This is not a simple proposition, I know that, but it is a compelling one.

So, who are our principled leaders today? I am on a quest to identify them and I hope that some of you will be among them. Let me give two examples to illustrate concretely specific facets of what I mean by principled leadership. These two women are powerful role models for us to hold on to.

First, Eileen Fisher, the well-known clothing retailer. Her profitable company with grew by 12% last year while the industry dropped by 6%. But what sets Eileen Fisher apart is her investment in her employees. Her official mission is to encourage individual growth, collaboration, and social consciousness.¹ She shares at least 10% of pretax profits with employees each year and she gives another 5% to causes such as school violence prevention or health care for poor women.² She provides exceptional health and educational benefits, unusual in her industry. And, Fisher extends these principles overseas, where 65% of her clothes are manufactured in China. Eileen Fisher strictly shuns sweat shops and her company is only 1 of 3 in the US that complies with the rigorous workplace standards administered by Social Accountability International.

Working on a much larger scale is, Meg Whitman, whom, I have to admit, is my heroine. Whitman is the CEO of E-Bay, which Fortune has described as “the world's largest online marketplace, the world's most valuable Internet brand, and the fastest growing company in history.”³ E-Bay can also be thought of as the largest recycling business in history, facilitating the redistribution and reuse of commodities worldwide.

Whitman is renowned for her passion for her customers. She is uncompromising in her adherence to the democratic values of the E-Bay community when formulating business strategy, policies, and even internal work practices. She is famous for listening tirelessly to the views of E-Bay’s key stakeholders –the buyers and sellers—whom she flies in on a regular basis for direct consultation. When E-Bay wired a small community in Guatemala so that local craftswomen could trade their goods online, Whitman traveled to Guatemala to meet her newest E-Bay customers. And, none of this has been at the expense of the bottom-line

¹ Fortune, Eileen Pofdelt, “Best Bosses: Eileen Fisher, The Nurterur”, October 2003.
<http://www.fortune.com/fortune/smallbusiness/managing/articles/0,15114,487551,00.html>

² **Online NewsHour Focus**, GOOD BUSINESS DEEDS, December 23 , 2004

³ Anne Harrington and Petra Bartosiewicz, Fortune, October 2004.

and shareholders' interests. Share price increased 80% in 2 years, significantly above industry average .

I share these examples to underscore my point that being a principled leader does not compromise success. Rather, it enhances success. And that success is enduring.

And so as you emerge today from your "Simmons World" and move back to the "real world," putting your MBA to work and taking up new or expanded leadership roles, I invite you... I invite you to join me in my call to action to reclaim leadership

My aspiration is that you will make principled leadership your standard in the work that you do, the decisions that you make, and the strategies that you set. And, I, I will strive to do the same.

This kind of leadership is not easy, but it certainly will make a difference -- for you, for your organization, for your community, and for society. And, that, for me, is the full promise of your Simmons MBA.

Now let me conclude and send you forth with the words of the poet Patrick Overton:

"When you walk to the edge of all the light you have and take that first step into the darkness of the unknown, you must believe that one of two things will happen:
There will be something solid for you to stand upon, or, you will be taught how to fly."

I hope that we at the School of Management and your colleagues in the Class of 2005 have given you that something solid to stand on. And now as you step forth today may you FLY. May you FLY.

Thank you and my warmest congratulations to each one of you -- the Class of 2005.