

Are Values Enough?

A recent article in the *Wall Street Journal* was entitled “Promises Aren’t Enough: Business Schools Need to Do a Better Job Teaching Students Values.” It was written by three Ph.D.s from Yale University’s School of Management. They were taking exception to archival Harvard Business School graduates who took an MBA oath. The oath takers promised to act ethically and to serve the greater good. The authors felt that such oaths would be more effective if they were backed up by instruction in values.

My admittedly narrow concern is the title of the article. Promises may not be enough, but are values enough? The ideals and customs of societies, that is, values, differ from place to place. There may be some significant differences in the values of a society of modern day pirates from those of a society of insurance professionals. While both are often motivated by profit, the means that each uses to attain that end are different. Kidnapping and ransom are acceptable in one, not so much in the other. Values are also time dependent. Smoking in an indoor public space was perfectly acceptable 40 years ago. With time and circumstances, values change.

The problem about teaching values is, whose values do we teach? The term “values” usually has a positive connotation. In reality, a group’s values may appear to be very poor to an outside observer. Instead of values, wouldn’t it be nice if we could all agree on a set of principles? These principles would be formulated to be an ethical guide to behavior. As they are principles, they would be accepted in all companies and cultures and over a very long period of time.

Kind of sounds like religion. Religious writings offer much guidance on the subject of ethical behavior. The reaction of some to this will be that religion and business should be separate. Such separation lends itself to compartmentalization. I would never do “this” in my personal life; however, at my company everyone does “it.” For many of us, personal values have grounding in religious principles. These values may differ from employers’ values.



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Maybe instead of using only religious principles, we could broaden it to include secular writings dealing with interpersonal relationships. The ancient Greeks have much that we could draw from. What if we called the religious and secular writings about principles simply, “wisdom”? Would this make it palatable?

I would love to see undergraduate and graduate programs have mandatory courses based upon principles found in such “wisdom” literature. Perhaps such courses could pose real-life ethical dilemmas. Course participants would be asked to draw upon these principles as a guide as to how to proceed. Tying such principles together with actual ethical challenges would make it difficult to compartmentalize business ethics from personal ethics. Instead of one set of values for personal conduct and another for business conduct, there would be a common set of overarching principles.

Having them take an oath would commit future business people to an ethical standard. Instructing them in principles would give them the background needed to be true to that oath. ■

Editor’s note: The opinions expressed in this column are those of the author and do not necessarily reflect the views of the CPCU Society membership, the Society’s Ethics Committee or the author’s employer. If you have suggestions for upcoming articles or comments about the “Question of Ethics” column, please contact William F. Traester, CPCU, ARM, at wtraester@archinsurance.com.