The Good Business Initiative

Introduction

The Good Business Initiative (GBI) was introduced as a key part of the College of Business (COB) curriculum in 2011 in order to realize the mission of Rikkyo University in the field of business administration and to develop future generations of business leaders in accordance with the COB’s own mission and strategic goals. Focusing upon education in ethics and responsibility, this paper introduces the COB’s mission and strategies within the context of the development of business education over time within Rikkyo University, and presents the basic conceptual framework of the GBI as an educational initiative.

Ⅰ Education Policy of Rikkyo University

The GBI has been designed to realize the mission of the COB within the educational tradition of Rikkyo University. Rikkyo University was founded in 1874 by Bishop C. M. Williams, a missionary sent to Japan by the Episcopal Church of the United States. At the time, the founders of Rikkyo University saw their mission as providing the youth of the day with “freedom.” Freedom as an opportunity to freely discuss issues of concern, to formulate their own opinions and objectives, and to equip themselves and each other with the skills needed to act upon these ideals and insights. The freedom here is that of the individual being able to pursue their own self-realization within the context of a firm understanding and appreciation of the hopes and dreams of others and through the planning and implementation of actions to achieve their realization.

This concept of “freedom” was to become Rikkyo University’s founding principal and was known in Japanese as the “Jiyu no Gakufu” (the Academy of Freedom). To this day, Rikkyo University is also known as the Academy of Freedom.

These concepts of “freedom” and “responsibility” today form the foundation for Rikkyo University’s education policy. This education policy is based upon a fulfillment of the following four objectives:

- **Knowledge**: the development of people with the broad familiarity and critical understanding of their chosen discipline.
- **Skills**: the ability to communicate and apply this knowledge is needed
- **Mentality**: to seek to understand without prejudice the values of people of other communities, cultures and nations, to respect and work with these people towards the realization of common goals.
- **Experience**: to provide a rich and varied range of opportunities to learn through innovative interaction with others.

Ⅱ Mission of the College of Business

Although the College of Business was only founded in 2006 is unique among business colleges in Japan in the fact that it draws upon a long and rich history of business education within Rikkyo University.

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In 1922, Rikkyo University was accredited as a university under the Japanese Imperial University Order and the College of Commerce was formally launched in the same year. In 1949, Rikkyo was accredited as a university under the new post-war educational system.

The College of Commerce was reorganized in 1949 as the Department of Management within the College of Economics along with two other Departments: the Department of Economics and the Department of Accounting. Twenty years later, in 1969, the Department of Industrial Relations was established within the College of Social Relations.

The Department of Management and the Department of Industrial Relations reflected an evolution in the teaching of business management at Rikkyo University. In the closely regulated and carefully planned economy of postwar Japan, business management was coordinated within the context of economic and industrial policy. The high levels of economic growth and expansion during the period made business management a concern not only of business people but of economic planners and those entrusted with developing industries. It was logical therefore to locate a Department of Management within the College of Economics.

A decade later however, the human side of economic development became ever more apparent in Japan and the perception of a growing gap between the interests of the public as opposed to that of the nation became a key issue of the day.

Within this context, labor relations, the quality of working life, and motivation in the workplace became critical management issues to ensure the further development of business in Japan. The next phase of management education at Rikkyo University became, therefore, the establishment of a Department of Industrial Relations which would specialize in these areas. Over the next several decades, these two departments continued to teach management in parallel with each other and in accordance with their distinct approaches.

As the 1990s drew to a close and the world entered a new millennium, corporations, markets and whole industries were faced with a range of opportunities far different to those confronted at the time when the original departments of business and industrial relations were established. By the beginning of the 2000s, developments in information technology, logistics and distribution, market deregulation and the increasingly free movement of investment and resources, which had previously been hailed as the drivers of globalization, also started to bring regional differences into clear relief. The long predicted age of global convergence and homogenization became instead an unexpected age of diversity in both values and expectations. Instead of convergence, globalization brought increased transparency.

Hitherto unnoticed impacts of businesses, structural inconsistencies in industries, and imbalances in markets became more readily apparent. Within this context the ability to bring to bear a long-term perspective to planning, greater sensitivity to the implementation of business projects, and the ability to communicate the potential benefits of business initiatives to parties with widely diverse interests became a core competence for the effective conduct of business.

For Japan, seen by many observers at the time to be moving only listlessly through a prolonged period of serious economic downturn, these developments marked a turning point in the prevailing management practices born during the postwar expansion period. The technological and economic development of nations in the region meant that Japan had to compete in fields and activities where it had previously faced few or no competitors. As the competitive advantage in many traditionally strong industries shifted in favor of these overseas rivals, many observers of industry came to concur that Japan’s future would now hinge upon its ability to redefine its relationship with strategic partners, its position in key markets, and in its agility to move proactively in advance of further shifts in the factors driving or constraining current and potential opportunities for innovation.

Against this backdrop, corporations found themselves in increasing need of leaders who could take the initiative to plan and implement strategies in situations vastly more varied, dynamic and interdependent than those of the past. The COB was estab-
lished in order to answer this need.

From the outset the COB was established in clear understanding of the fact that it would need to combine the challenge of becoming a school which could stand as both an Academy of Freedom and discharge the duties embodied in the university motto of “Pro Deo et Patria” by facilitating the development of new generations of business people capable of critical self reflection, transformative vision, and powerful and sustainable collaboration. Our mission, vision, and strategy as a college were designed upon this realization. The mission of the COB is thus:

Rikkyo University College of Business Mission

The mission of the Rikkyo University College of Business is to create a community of learning where individuals may develop:

- a capacity for critical self-reflection by which to objectively guide their own long-term development,
- the sensitivity to perceive and appreciate the values and rights of others,
- a comprehensive knowledge of the disciplines of management,
- the skills to constructively interact with peoples of widely diverse backgrounds, and acquire a practical understanding and experience of the process of management within dynamic and challenging contexts.

III The GBI

Since the only certainty in our futures is that of change and that the physical, environmental, and economic factors that shape situations and define potential opportunities are and will continue to be dynamic, preparing future generations to deal with this future by adopting a set of ideological strictures is of limited utility.

Rather than adopting a set of rules by which we may define potential risks and constrain our actions, in the GBI we seek to develop a set of value based frameworks which will guide our perception of potential opportunities, the evaluation of alternative courses of action, an measurement of the integrity of our endeavors and the value of our performance.

The GBI is not an ideology calling for dogmatic adherence, instead it is proposed as a forum within which members of the COB community may debate the value, processes and priorities of business conducted with integrity.

The Good Business Initiative (GBI) is unique among Japanese universities at present as it represents an integrated series of courses from year one until year three where students can study not just the ethical obligations of corporations but also reflect upon their own future hopes and aspirations as business people and how accomplishing these objectives would shape the subsequent demands for performance placed on corporations. In essence the GBI is an opportunity to study from a variety of disciplinary viewpoints the requirements a business must meet in order for it to truly contribute to the betterment of society as a strong, innovative yet inclusive organization.

In the GBI, students explore the question of what it means for a business to be “good” (to be conducted with integrity and responsibility in a way that contributes directly to the welfare of all parties involved and to the betterment of society) in terms of its objectives, processes and performance.

Learning Objectives: The learning objectives of the GBI are to promote:

- An understanding of the importance and meaning of integrity in business from a business perspective.
- Give grounding in the traditions of thought on ethical/good business from both the normative and instrumental traditions.
- Expose students to a wide range of issues facing business and business-people in interactive, team based learning environments.
- Give first hand, original experience in the analysis of issues and the planning and conduct of business for social betterment within a carefully structured and coordinated learning envi-
IV Business as Value Creation

Numerous frameworks and philosophies exist to facilitate the alignment of corporate actions and responsibilities, what corporations can and should do, and the processes of wealth creation and its distribution. Charity and philanthropy, corporate social responsibility and responsiveness, business and professional ethics, shared value and business at the bottom of the pyramid are just a few of the formula popularly subscribed to at present. In contrast to many of these the GBI is based on a relative, pragmatic and dynamic approach. It takes as its basic precept the understanding that corporations must contribute to the betterment of society through the conduct and achievements of its business—that corporations can and should contribute directly to society through their businesses as businesses.

The tradition of thought on what constitutes a good business is long and varied. The GBI focuses on three concepts from this rich tradition upon which to locate an ongoing debate as to what constitutes good business (Gardner, Csikszentmihalyi, and Damon, 2001). These three concepts are partnership, stewardship, and citizenship.

**Partnership:** Partnership is the ability to conceptualize, articulate and realize constructive relationships. It is a capability based upon the ability to make sense of one’s current situation as defined by Weick’s process of “sensemaking,” (Weick, 1995; 2001; 2009) and is realized through processes of dialogue whereby actors develop shared goals which guide the transformation of existing relationships into more efficient, productive and value creating forms as defined by Austin and others under the process of “collaboration.” For businesses partnership results in the creation of synergies through the sharing and combining of competencies as defined by Teece as dynamic capabilities (Teece, 2009). These partnerships are not delimited exclusively to businesses themselves but include any party that can influence or be influenced by a respective business activity. Partnership in this sense draws on Freeman’s conceptualization of the “stakeholder.”

**Stewardship:** Stewardship is at once the role and the responsibility of those entrusted with a valuable resource. With a history going back to the Bible (“The earth is the Lord’s and the fullness thereof, the world and those who dwell therein. Ps. 24: 1”), stewardship is a fundamental concept in the structure and management of corporations (as fiduciary responsibility) and the evaluation of their ability to make with responsibility with regard to the environment (stewardship as the enabling precondition for both business and environmental sustainability).

Stewardship was redefined during the course of the Industrial Revolution into a concept of the “trustee” who bore only a limited liability for their actions and investments (Stackhouse, 1987). The key limitations of stewardship as an obligation and its potential contribution as a role are currently the subject of debate in Europe has the right of limited liability of the investor is weighed against the question of the investors obligation to create wealth over the long-term instead of simply giving priority to the generation of short-term profits (Kay, 2012).

**Citizenship:** The concept of citizenship has a long history in the tradition of thought on responsible business. Among one of the earliest uses of the term as it was applied to corporations, McGuire referred to corporate citizenship as a code of behavior for corporations modeled on that of the individual citizen (McGuire, 1963). Earlier conceptualizations of corporate citizenship equated corporations with individuals as having a responsibility to do what was right below the prescriptions of law.

Citizenship can also be taken as meaning the obligation of a corporation to recognize, respect and enable the rights of those with which it interacts. Rather than simply acknowledging the rights and obligations of the corporation itself this “rights-based approach” locates business relationships within the context of their ability to facilitated and realized the rights of others.
Through a series of interactive and experiential learning programs the GBI will provide students with the opportunity to envisage, plan and evaluate business models using the concepts of partnership, stewardship, and citizenship. It is hoped that the GBI will contribute to the development of future generations of business people who can use their capacity for critical self reflection, awareness and sensitivity of the rights of others, an advanced and thorough knowledge of the theory and practice of business, and the skills to communicate and engage in real dialogue with others.

References


Teece, D. J. (2009), Dynamic Capabilities and Strategic Management: Organizing for Innovation and Growth, Oxford: Oxford University Press.

