

What a busy week we had. Because we covered so much ground this past week and because we're almost at the midpoint of this course, I thought it would be useful to summarize some of the key lessons from the week and really one of the key lessons from this course.

That lesson is very simple. It is that our economies need to continue to encourage and grow what we call high road firms that are both good for shareholders and for employees if we are really to shape the future of work that works for all the stakeholders in our economy.

How can organizations do this? Well, it starts by having a debate over the basic values of the firm. And you did that this week. You took on the question of whether this emphasis on shareholder value, or what we called financialization view of the firm, is really the only way in which firms can compete. And you answered it very clearly. You endorsed firms that should be accountable to multiple stakeholders, to employees, to societies, as well as to their investors and their owners.

And you noticed that there's a wide variety of different forms that organizations take, both here in the United States and around the world. And in fact, the US is one of the few countries that emphasizes shareholder value so heavily.

You also noted that it not only varies across countries, but even in the US we didn't always put such a heavy emphasis on shareholder value. There was a point in time when we recognized and that CEOs recognized that they need to have organizations that address both the interests of the people who invest in them, who own them, but also they were held accountable to their employees, to their communities, and societies.

So we had this debate. We have to keep that debate going. In the poll that you answered, a vast majority [? of you ?] endorsed the stakeholder view of the firm. So let's get on with it.

But you also noted that there's no magic bullet. There's no single practice that high road firms can follow to achieve these outcomes. Instead, what we saw is that there's a bundle of practices, or what we call a system of practices, of employment practices, operational features of the organization, business practices that have to fit together and be fitted to the particular industries and particular organizational settings, particular cultures and countries in which they are embedded.

And this is just a list of the basic things that we discussed. That, yes, it starts by hiring good, strong employees who have good technical skills and good people in organizational skills so they can work together in teams and communicate with each other.

Then we invest in training and development and make sure that we create a culture of respect and trust at the workplace. Provide employees with a good opportunity to improve operations in the organization, to bring their voice into the discussion so that their interests are reflected in organizational practices themselves.

And then recognize that you all want good, flexible organizational arrangements that allow you to mix your personal and your family and your work lives, but to do it in creative ways with modern technology, with fair wages that are linked, in some ways, to productivity, to performance, to the economy of your organizations. And where there are unions involved, we need to have strong partnerships between labor and management, not the traditional adversarial relations.

When we do those things, we get this bundle. We get this system of reinforcing practices between the business strategies that are followed to create high road organizations, the employment systems, the operational practices, and the workforce culture. So we know something about how to do this.

And we know that this can happen not only in traditional profit-making firms or public corporations, but we discussed a whole range of different organizational forms-- family businesses like Market Basket, public corporations, as we mentioned, benefit corporations like Patagonia, employee-owned firms like my two favorite breweries, New Belgium and Harpoon, or in other countries, IDEO in Sweden and around the world.

There are examples of employee-owned firms. Community ownership-- Mondragon in Spain and other countries. And then my favorite football team, the Green Bay Packers, owned by the community and maintaining long-standing good relationships with their stakeholders and their environments.

We also discussed whether it's possible for global corporations to hold to high road standards in their supply chains. We've got a lot of work to do in this area. It's clear that we have a long way to go. But companies and their suppliers and NGOs are all working on it. So we recognize we can do this in a variety of ways.

But I was particularly excited and pleased with the examples of high road and low road firms that you talked about in your own assignments this week. And you brought your own personal experiences as employees and sometimes as customers into this process.

And here's just an example of firms in the retail industry-- a family-owned firm, Wegmans. That's a local one here in the United States. Whole Foods, which is known very well, was used as an example and compared with some other organizations, one well known and another one where we just disguised the name a bit in another country that talked about the low wages and lack of a living wage, not particularly paying attention to employee training and development.

But also noting that even in government agencies, you had some very low road firms or organizations that favored

their certain employees and didn't provide the kind of feedback and opportunities for growth. But then there were some libraries, hospitals, government agencies that you rated as high road firms.

The key point here is there's no single organizational form, and there's no single model that says you can only do this in some sectors of the economy and not others. So I think we have brought home this very key lesson about the importance of high road firms. Our challenge now is to make sure that we figure out how to spread them to larger numbers.

So this next week, it's time to go on to the next subject. We're going to take up two critical issues-- entrepreneurship and the role of technology. And you've already started those conversations on the discussion forum.

So we'll continue them with some really good videos and guest interviews and material from people all over the world, talking about how we can use technology to augment work, not just to substitute for work or displace work. Yes, that's going to go on. But pay particular attention to what our experts say we can do to use technology to good advantage, to augment and to support good work in the future.

And then let's also discuss how we can build high road firms right from the beginning. As entrepreneurs, what do we need to do to make sure that we understand what it takes to have a good business model, to be responsive to the investors who are providing the capital for these firms, but also to make sure that we make the choices about how we build good jobs and careers for all of the employees in these new enterprises.

And let me make a final offer. And that is, we're almost about, as I said, at the midpoint of the course. And I'd like to use this weekend to offer an open forum, sort of office hours on the discussion board, where my team here for the course and I will be available to answer questions, to engage in commentary, to continue the dialogue with you more directly.

So please take a look at the discussion board, participate with us, ask us questions. Let's use this as an opportunity to see what we have learned so far, to continue to debate, even with us if you disagree with us. That's fine, too. Let's have a good discussion this weekend. I'll make sure that I check the discussion board periodically over the next several days and see what's on your mind.

And then, finally, this weekend, we will give you a short evaluation to do us a favor and give us a mid-course evaluation on how we are doing in the course. So I look forward to continuing the conversations this weekend and in the weeks ahead.