

Video Transcript

Prof. Matthias Kipping on Why History Matters to Business Leaders

So let me elaborate. So 'history' – what does that mean? It means that you can learn from what has happened. History doesn't repeat itself. It doesn't. You know there are similarities, but it doesn't repeat itself. But what is a constant is the human behaviour and that hasn't changed. Technology has changed human behaviour evolves very very slowly and history matters here in that sense that you learn from past experience, from what people did in the past. And stories, you know you want to be a good CEO. It's not about doing the numbers. It's about packaging the numbers and making a good story out of the numbers.

So what we teach our students is A) to become good storytellers, like a good historian would be, but also to be critical towards the stories that are being told and ask what's the evidence? Where does this, you know, what is this based in? They say "God", you know, "why are we doing this?" You know, "we want to learn about what we have to do next. Not about what happened 500 years ago." But once they read the case, they realize how the head of that Medici business, Cosimo, had to still deal – had to deal with the same issues they're dealing with on a daily basis. They say, "it spoke so much to me". You know, I said, "wow this is exactly what I experienced." Okay so all you have to do dealing with issues at the time and in much more difficult circumstances because he didn't have a technology that connected him to his branches basically on an instant basis, but he had to find people that he could trust, find people who did the right thing with his money and how he set up systems to make sure they actually did the right thing. That still works today. Take a typical business case, mergers and acquisitions. We know from statistics that most of them fail. Most of them don't generate value and a lot of them actually break apart. Why? People ignore the history of those businesses and the history shapes their culture and that culture very often clashes.

We are already very fortunate that it's in the curriculum and that we have a school that supports this and it's part of what Schulich is all about. Schulich is not the school that's just about technical stuff. It's about somebody who has a broader mindset. That's why we have you know social responsibility of business ethics, and that's why we have business history. It is part of making people more aware of the world, making people more aware of themselves and training better leaders in the end, and that's what I see is my mission is to you know – they need technical skills, no doubt about it, but they also need to have that broader mindset, critical thinking, and the depth of knowledge that a really good leader has.