Good morning. President Aoun, Dean De Cremer, Board of Trustees, faculty, staff, families, and – most importantly – the Class of 2024 at Northeastern’s D’Amore-McKim School of Business: thank you for having me here today. It is an honor.

And congratulations to all of you – graduates and parents, families, friends. This is a big deal.

Graduates – please pause a moment and take this all in. You have all followed different paths, coming from far and wide, but each of you is accomplishing something rare and something spectacular today by completing your studies at this extraordinary university. This is a major moment in your lives and one to celebrate and hold onto.

This is the part where I’m supposed to impart some wisdom, so let me try. You have already learned a lot.

In fact, most of you have seen the inside of businesses through Northeastern’s universally admired co-op program. Before you have even graduated, so many of you have already begun your careers.

As for me, I have spent much of my career working with major investors and Fortune 500 companies and the longer I do it, the more I reflect on this question. A question you will soon have a say in answering every day: What is the purpose of a corporation?

It’s one of those questions so basic and foundational that it feels like it should have an easy answer yet is nearly impossible to articulate.
You can plug the question into Google or ChatGPT, or put it to a seasoned professional, and you'll probably get a lot of different responses that are all swimming around similar answers.

Yes, corporations provide solutions for customers – they make stuff, and they offer services.

Yes, they are a source of income and purpose, hiring and supporting millions of employees.

And, perhaps most important, you will read and hear that they create value – usually value for investors, fueling stock prices.

And all of that is true, of course. But perhaps this interpretation of shareholder value is a little too narrow.

Instead, let’s think about it this way. The corporation is a fundamental building block of life. It is an entity that has massive implications, not just for its investors or shareholders but also for its customers and those it employs.

And that’s not all. The modern corporation also has an enormous impact on the communities in which it operates, the political and democratic systems through which we sort out our challenges, the climate and natural resources that sustain us, and the very shape of our future.

The environment, the community, public health, human rights – these are all within the purview of a corporation.

In other words, corporations play a much more critical role than is typically captured in a quarterly earnings report. Yet too often, that earnings report is all
that we talk about when it comes to the performance and the importance of a corporation – and, indeed, the value it provides.

Oftentimes, the idea that corporations should address their holistic role in our world and our society is conveniently described as something like corporate social responsibility or stakeholder capitalism.

But the truth is that you don’t even need to dress these issues up in the language of ethics or social impact to see why this is the key domain of the corporation. Because businesses depend on all that’s around them, just as much as all that’s around them depend on businesses.

Believe me: I have seen firsthand what’s at stake when businesses and investors fail to account for environmental and social risks.

I was in the room with officials at one of the largest apparel companies when they were informed that drought had derailed their cotton yields. Apparel companies without good access to cotton are going to face some very real issues. And they did when they lost bottom-line share value.

Or what about the beverage company – a big one, one of the most recognizable brands in the world -- whose bottling plant in a crucial emerging market was shut down by government officials due to concerns about water shortages?

And of course, there was the sportswear company that was ravaged in the market as outraged consumers learned about the child labor powering its supply chains under the harshest of conditions.

These types of risks – to people, to communities, to natural resources -- can do costly damage to a corporation both in the short-term and the long-term.
It’s not just that the companies had some moral obligation, some social responsibility, to address these problems. They also had a clear financial reason to do so.

To quote Samuel DiPiazza, Jr, the former CEO of PWC, “Business cannot succeed in a society that fails.”

The good news is that over the last few decades, there has been a sea change in the way corporations think and act.

More investors and businesses now recognize that they need prosperous communities, healthy workforces, and a stable climate to succeed.

You can find the leaders in every industry. For instance, the major technology companies getting their energy from pollution-free sources ... the food companies leading the way on driving more sustainable agriculture ... and the utilities working to ensure a cleaner and more reliable electric grid that serves everybody well.

These types of actions don’t always show themselves in a quarterly earnings report right away. But I guarantee you they will show up in the earnings of the future, for the company and for the world.

I am not advancing some new-fangled thinking here. In fact, these ideas have been integrated into the analysis of titans of industry and economics throughout history.

It was Adam Smith – the champion of the market’s invisible hand, and hardly some paragon of anticorporate activism – who nearly 300 years ago said: "No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable."

What is new is the types of challenges we face – and what businesses must do to ensure that flourishing future.
Today, you are graduating at a crucial moment in history, one that can feel both daunting and exhilarating.

The climate hangs in the balance. Nature, biodiversity, water – they all face massive risks that threaten the economy, the planet, and its people.

The great experiment of globalization – with all its benefits and all its drawbacks – hinges on the decisions that will be made today. And we can’t avoid that this is all happening in a troubling and difficult geopolitical moment.

At the same time, the advances we’re seeing in technology, in energy, in medicine are a source of wonder and a cause for optimism.

And no doubt, these advancements will eventually present their own set of risks. I can hardly think of anything more exciting than the opportunity to engage with those emerging technologies and their implications in the coming years and decades.

That is where you come in. I feel extremely fortunate to be standing today in front of the business leaders of the future.

You will begin your careers as the world faces a set of complex challenges, some of which I never could have imagined. And highly likely you will finish your careers facing a complex set of challenges that none of us can imagine today.

But wherever you end up in your career, and whatever those challenges may be, just know that you will play a key role in confronting them.

Looking out at all of you, I can’t help but to feel hopeful for the next generation of leadership. You have come of age so keenly attuned to the challenges we face ...
so ready to find the solutions ... and so aware of the impact of the organizations you will work for and lead.

You are made for this moment, and soon it will be up to you to determine what that impact will be.

For now, I want to congratulate you again. The degree you’ve earned, and the experiences you’ve had, are truly remarkable achievements, and they show that you are ready for the work ahead.

I hope you celebrate well today. And I hope you are as excited as I am for what comes next. I can’t wait to see what kind of future – and what real, lasting value – you create.

Thank You.