

Sustainable stakeholder capitalism



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Sustainable Stakeholder Capitalism Sustainable stakeholder capitalism was a concept, which saw its adoption after the U. S economy took a plunge because, off the global economic recession. The recession came about in 2007 and its effects were severe to the extent of almost collapsing this major economy. It resulted from the collapse of major investment institutions where banks threatened to pull out their input because of the failing stocks around the world. Majorly, the crisis adversely affected the housing sector as many Americans had taken up long-term mortgages. Many lost their homes as a result as they could not afford to pay for their mortgage payments due to the increased mortgage rate. In this regard, many others lost their jobs, as their employers were not able to sustain the labor force. Surprisingly, there was a ray of hope in this crisis as other investors saw this as an opportunity to maximize on their potential. It brought to light the idea of conventional capitalism, credit risking financially and educative management of economic prosperity towards sustainable stakeholder capitalist. Subsequently, this paper will give an elaborate on the model of sustainable stakeholder capitalism applied by discussing the three main factors that contributed to the unethical economic surroundings of the global crisis. Further, it will highlight the three steps that responsible business pace setters need to incorporate into their function in order to improve on an acceptable economic environment for the conduction of businesses in future.

The implementation of alternate education management system solely depends on three factors. First, the immensity of the pain inflicted on the key stakeholders within the applied management system that relies on business assumptions would be the first factor. Here, the duration at which the pain inflicted on them lasts shall factor in. In addition, the prolonged suffering

brought about by the crisis accords the business leaders the rights to not only criticize the managerial conventional systems but also to propose a model that will suit them. The second factor would be the economic balance globally and continued use of the opted model. The model approach was to be one that had the interests of everyone in mind for it to be effective when implemented. Thirdly, the moral aspect of the model opted for was to be a universally accepted approach. Sustainable stakeholder capitalism (SSC) was one of the ways of implementing the alternate education mode (Petrick 105). It incorporated updated scientific approaches to the economic, institutional, psychological, and financial assumptions involved in conventional education. In this effect, a more effective concept was born making room for a responsible and redesigned management education for futuristic purposes. In conclusion, business leaders globally can follow three steps in ensuring that they promote the ethical financial environment in which business conduction in future can base upon. First, they should embrace the SSC model justified by systemic exposure to the economic risks, moral and managerial ideologies that can sustain business approaches (Petrick 117). This will be in relation to their relative fields and issues involved. Secondly, they should ensure that the systematic assessment approach is competent enough to develop managerial roles to structure the foundational skills for application in the future. This will be essential for the future managers, as they will only need to implement what their predecessors had found applicable. Finally, a journal exercising kind of approach will be essential in the supplementation of skill-based improvement. In excess, it will need future managers to articulate the vision for their work environment in order to provide a motivating direction for their management education.

Works cited

Petrack Joseph. Sustainable Stakeholder Capitalism, and Redesigning Management Education: Lessons generated from the Great Global Recession. Ohio: Greenleaf Publishing, 2010. Print.