

URL: <https://ecorner.stanford.edu/in-brief/urgency-and-purpose/>

People don't come to work every day to make money for shareholders, observes Vir Biotechnology president and CEO George Scangos. In biotech, he finds, most teams are instead motivated by the prospect of improving peoples' lives. Consequently, he argues, his role as CEO is not to focus exclusively on maximizing shareholder returns, but to also think about responsibilities to other stakeholders, including patients, employees, the community and the environment.



Transcript

- You need a sense of, 00:00:05,350 to instill a sense of urgency and you have to motivate people.. Like people don't come to work every day thinking jeez, I'm excited to go to work because if we do a good job, we'll make a lot of our money, a lot of money for our investors who are already wealthy.. That is not something that gets me out of bed in the morning.. You need, the motivation has to be, I'm excited to go to work cause if we succeed, we're going to improve the lives of a lot of people.. And I think personally, because we have the ability to do that, we have the responsibility to do that.. And so if so many people are suffering, and so, you know, I've had discussions with the boards along the years, you know, because there were certain people who believe that the function of a CEO is only to increase the value of the stock and do well by shareholders.. I personally don't want to be part of a company that does that.. And has that as their mode of operating.. I think that's actually irresponsible.. And of course you have shareholders, of course, you have responsibilities to them, and you have to generate a return..

And if you don't do that, you won't be CEO forever.. So it's not that you can't do that, but you can't do that as your sole focus.. We have responsibilities to patients, we have responsibilities to our employees, we have responsibilities to the community, to the environment.. I mean, we have to operate in socially responsible ways.. And so the nice thing to me about the biotech industry is that its focus is on improving the world.. And improving the lives of people who are suffering in one way or the other.. And so if we succeed, then we have accomplished an important social good at the same time, if we do it thoughtfully, we can return a substantial return to ourselves and our investors...