

FOR A MANAGERIAL ETHIC

Dom Hugues MINGUET

Introduction

Ethics is the art of right conduct. It needs both an inner effort and the ability to relate. Relating to others calls on us to adopt an ethical stance emphasising freedom, conscience or truth. It is a narrow path to tread, aiming both at the good of the person and that of the community. The ethical question — what do I do to, or with, the other? — is the issue with every relationship. It must be asked at every level of reality: the quantifiable or techno-scientific, the juridico-political or organisational, the standard of conduct and the standard of objectives.

What are ethics?

A reminder of what it means

Must one distinguish morality and ethics? The word *morality* comes from Latin and translates the Greek word ethics. Philosophers use one word or the other, sometimes making a distinction between them. Aristotle refers to ethics but we speak of Kantian morality; Emmanuel Lévinas makes of ethics the foundation discipline of philosophy, while André Comte-Sponville sees morality as the order of the permissible or the forbidden, and ethics as the order of love. Formally speaking, no distinction takes priority. Behind the word ethics two Greek words appear: *Ethos* and *Itos*.

Ethos and Itos

Ethos means right behaviour and *Itos* the right attitude of the soul. Ethics has two sides: an internal aspect rooted in values and virtues, this issues from a rectitude and

fidelity towards self (*Itos*); and an external aspect of right conduct towards whatever we are related to: the other, matter, the environment, the market, competitors (*Ethos*)...

Is ethics a cultural constraint or an internal necessity?

Currently many think ethics to be a dimension of culture and a social constraint. If we think about the dimension of being, ours and the other's (ontology), we must see that we are 'beings in relation'. We have a personal dimension, an 'I', which means we are unique, and at the same time in our very being we are made to be beings in relation. Sexuality, taken in its broadest sense, makes our existence that of beings of complementarity and communion. If this is the case, ethics is not extrinsic but rather intrinsic to man. As soon as I see myself as a being in relation, the question arises of right conduct towards myself (*Itos*) and towards the other (*Ethos*)...

Are ethics universal?

Before Habermas most philosophers considered ethics to be universal. Habermas sees in ethics a notion linked to evolution and the survival of the species. A society supposedly gives itself rules and forms of conduct that it judges necessary

to its survival. This stance is seductive but it can justify totalitarianism and genocide; without a moral reference society would suppress that which in its eyes might threaten its survival. Why did Aristotle, Cicero, Thomas Aquinas, Kant or Bergson believe in universal ethics? One must first note that universals exist. Plato distinguishes four universals: the Beautiful, the Good, the True and the Just. For practical purposes we agree on some

universal concepts, for example, the human race. We see constants, for example, art, politeness, law.

Why do people do things differently? Might bribes be licit in some parts of the world and not elsewhere? Our only access to the universal is through experiencing the particular. I cannot speak of the Beautiful in general, but we experience beauty concretely before a landscape, a flower, a man, a woman or a child.

Secondly, universals vary with culture. Though ethics are universal, culture has many faces. If, for example, we take politeness, a universal notion found in all corners of the world, it varies in ways that are sometimes contradictory in Hong Kong, New York or Lima. Thus, a Japanese out of consideration for his interlocutor will avoid holding his gaze whereas a Frenchman will do just that to indicate to his guest how important he

finds what he is saying. Politeness then is a universal initiative but with different cultural realisations. In turn cultural matters are conditioned by persons: one's own manner of embodying universal values.

What do ethics seek?

The two goods

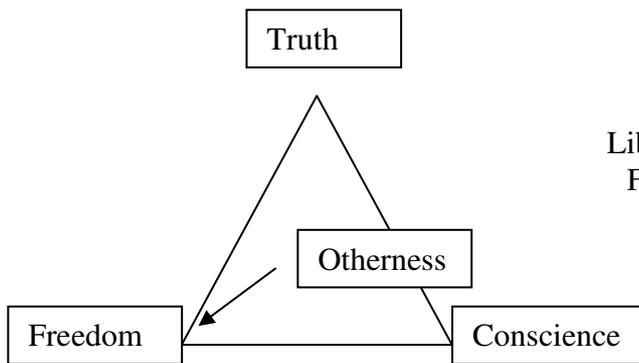
Ethics seek for two goods: the good of the person and the good of the community. This dual objective is in itself a factor of discernment in the ethical choices with which we are faced. Most often we will have to see how to seek the good of both, how to harmonise them, reconcile them, hold them together; the general interest but not without a proper regard for persons —ethical conduct will lead us to maximise the opportunities and the positive consequences for the person and the human community concerned, and to minimise the risks and the negative consequences. The most difficult ethical question to resolve is to know where serving the person stops: when we speak of community does this mean corporate entities, the labour pool, or the country? Where are the limits of the community? In a certain way responsibility is in itself unlimited if one admits that one is essentially responsible for one's acts, but where reasonably are the limits of each individual's rights and duties in the case of entrepreneurial initiative?

Ethics could be compared to a two horse carriage. One must make the good of the person and the good of the community gallop together. The road is narrow and lined with ditches. If we exclusively favour the good of the person, we fall into the individualist ditch; if we only aim at the good of the community, to the detriment of serving the person, we fall into the totalitarian ditch.

Four ways of seeing ethics

In our ethical pursuit we desire and seek the good of the other, with a capital O, be it a person or a group. We can observe that three authorities play a role when encountering the other: freedom of choice, my conscience, and the pursuit of what is right and what is true. Let us seek the golden triangle of ethics.

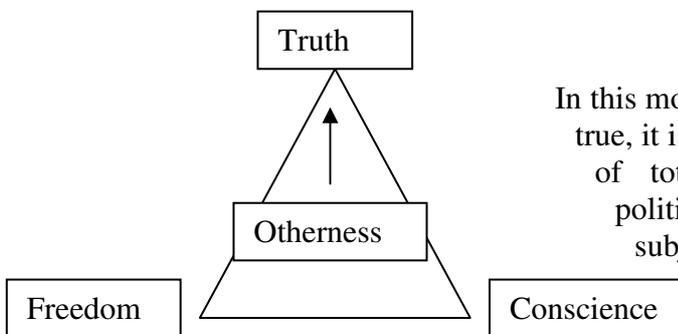
Libertarian ethics or morality



Libertarian morality makes freedom primordial. Freedom here is sovereign and even constitutes an absolute. On these grounds it absorbs conscience and truth which become identified with my freedom: “To each his own truth” the advocate of this morality will say. This option is seductive but one sees

that freedom can become the be-all-and-the-end-all. In this case if a freedom takes precedence over all, the other person will have to yield or be excluded. In the expression of Sartre: “Hell is other people.” The other is he who casts a shadow over my liberty. Attractive at the outset, libertarian morality can very quickly become an anti-ethic. The truth itself becomes entirely relative to what pleases me... There is no longer otherness...

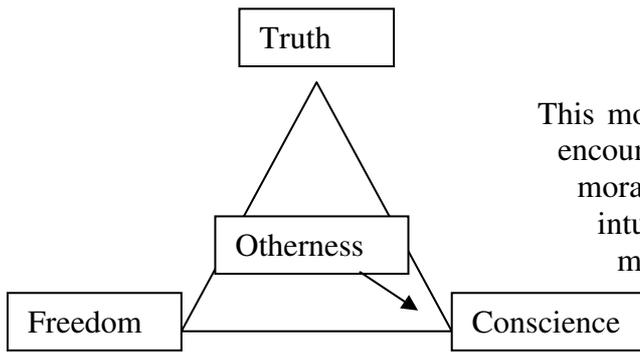
Rigorist ethics



In this moral ethic, truth has primacy. Since the truth is true, it is obligatory for everyone. This is the morality of totalitarianism and fundamentalism, in the political, religious or secular domains. The truth subjugates liberty and conscience, which have no room for development. It goes without saying that in this model truth is not so much a constant pursuit, which it must be if

one wants to remain faithful to it, but a dogma to which one must adhere. These are the ethics of “There is only room for one image of the world or one type of person”...there is no place for the other, unless he be a docile adherent, a ‘yes-man’.

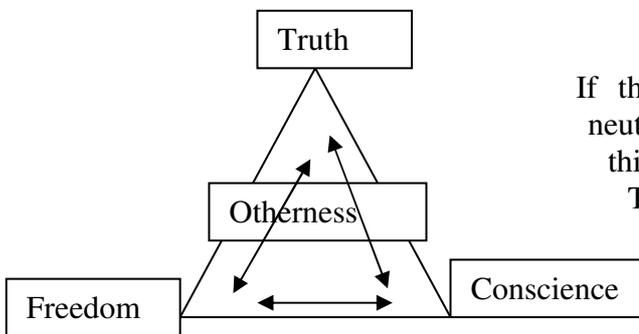
The ethics of “I feel”



This morality favours conscience as the reference point for encountering the other. However, this does not concern a moral conscience but rather a charismatic or emotional intuition... “I feel what is good for you”... This is the morality of gurus, sectarian movements and manipulators. There is no place here for objective truth or a freedom that positions itself in

conscience before you. Your freedom is asked to yield to my intuitions that present themselves to you as a truth that is good for you.

Ethics and preferential otherness



If the three modalities described show a tendency to neutralise two points of the triangle to the benefit of the third, does a morality exist which respects the other?

This is the otherness preference In this approach I give priority to encountering and respecting the other.

It ought to create an equal tension between true freedom, an affirmative conscience and an authentic search for truth. These three poles will create a path: through my conscience my freedom seeks the truth, and the truth enlightens my conscience which informs my freedom. In this case freedom is no longer a freedom to do anything, my conscience is a locus available to, welcoming and seeking truth, and truth is no longer dogmatism but a light sought after to guide my path. This is the morality of the otherness preference, for in this ethical stance I can only propose what I believe to be a truth to my conscience and my freedom. This is the only morality that allows a true encounter and a high degree of maturity in the common developments of the parties involved.

The point of balance

Often a learning process will encourage the favouring of such and such a moral approach. Thus, when the interlocutors are on a path of autonomy, and when they have to experiment and develop their personal responsibility, libertarian morality will be opted for. In other cases rigorist morality will facilitate norms and inviolable reference points giving security and protection to those involved; this is what ethical codes often do by defining the rules of the game and the associated sanctions. The morality or the management of superior conscience can be used selectively to develop correct intuition: it will then have to confront the truth and the freedom of those involved. Thus is raised the question: where to place the point of balance? A veritable ethic will push it towards the otherness preference, not without setting out to develop the other

poles, aiming at educating freedom, forming right conscience, and promoting an authentic search for truth.

Complex decision processes

Ethics risk being merely window dressing, a cherry on the cake, if they are not applied to each logical level of complex decisions. These levels are levels of reality which must all be taken into account and in which ethical issues are at stake.

The schema proposed is both a building and diagnostic tool, so that when there is an ethical failure it can quickly be seen on which level to intervene and where to correct. Four levels of reality must be included: the technical and scientific (level 1), the juridico-political and organisational (level 2); the standard of conduct (level 3); and the standard of objectives (level 4).

The techno-scientific or the quantifiable order

In every decision the quantifiable and technical aspect comes into play. These are accounting and financial aspects of a business, technical aspects, know how, research and development; the question of commercial flow, etc. Far-reaching ethical responsibilities are at stake even at this level: the truthfulness of accounts so that they provide a comprehensible and real reflection of activity; responsibility regarding the impact of technology on safety, the environment and the physical, psychological and moral health of users or of persons who will be affected at whatever distance by the activity or the product.

At this first level the question is: who will be affected by my technical choices and what will the consequences of my choices be? One sees that from this ethical stance we take into account the persons affected proximately or remotely by our activity, and who possibly can do nothing for us positively, or against us negatively...

The juridico-political

Every business operates within the framework of national and international laws: the laws governing companies, commerce or work, civil or criminal law, tax law, international law or regulations... Ethics leads one to take into account this legislative and regulatory framework to ensure that the company acts responsibly towards society. What is legal, however, is not necessarily moral.

This level also includes the organisation. The type of organisation, the quality of the management, and the choice of management principles and tools must be co-ordinated with ethical aims. If ultimately responsibility is always personal, it is conceivable that certain structures and organisations might harm the common good either through their specific object or through their practices. An organisation more or less encourages or orients the ethical experiences of those involved in it. The alignment and coordination of principles, ethical aims and company interfaces need to be worked on. If, for example, a company promotes activities that take into account certain goods belonging to the community and has chosen to base pay on personal performance, it will put itself in a state of internal contradiction and fail in its concern to encourage provision for the good of all.

Thus, values must be a lived experience in all the places where the business is “in relationship *ad intra et ad extra*.”

The management principles and tools, the type of organisation and the way in which power is shared must be decided on the basis of their being able to help the company fulfil one of its vocations — to generate value — but also on the extent to which they can encourage and make right conduct possible. Let us take, for example, the ethics of buying, a frequently delicate question because of the many offers, and the seduction and pressure to which buyers are subject.

Some big companies have put structural adjustments in place so as to be able to avoid abuses. One large computer company has adopted measures at several levels.

The general objectives of the company:

These objectives note that the organisation “must conduct its business with an honesty and integrity free of compromise, that one must expect employees to keep to a very strict standard of business ethics, and that aiming lower is not acceptable.”

Later the same company came up with a guide to business practice defining the responsibility of each employee towards the company and third parties (other companies, competitors, obtaining information about the competitors, remarks made about the competition, relation with the distributors, the suppliers, the public markets).

Adhering to these values and standards of conduct is part of the employment contract.

Discernment criteria:

The company does not remain at the level of good intentions. Concerning its purchasing policy, it gives clear and well ordered criteria, in this case summed up by the rule T Q R D C B E:

T = technology

Q = quality

R = reactivity

D = deadlines

C = costs

B = business ethics or business conduct adhered to by the supplier

E = respect for the environment

Purchasing, therefore, is controlled by guiding principles of discernment.

The organisation:

For major purchases the company identifies technical experts and buyers from different countries whose interests are quite diverse or even divergent in order to ensure the greatest objectivity and to avoid any collusion. The same group is made responsible for regularly (three times a year) evaluating the suppliers and for reviewing the percentages allotted to each of them.

Sanctions:

Lastly, the company is intransigent when it comes to failures or transgressions in regard to the ethical rules.

Action on this level 2 is sometimes involves collective choices made by several companies or by a branch of activity.

To reform certain markets, for example, the Russian market, and to escape the effects of the Mafia, many international companies have come together to impose contracts with common ethical rules, considering that their respective combined weight could make an important contribution to cleaning up business practice. Such contracts cannot take the place of the commitment of those involved.

The standard of conduct

The third level in constructing an operational ethic concerns standards of conduct. We have just seen that the organisation is able to contribute to this by defining principles, rules, and processes.

It is difficult to define what is quality conduct, or right conduct. The top executive of a multinational saw it as following principles of action and seeking to be responsible towards society, 'We ought to be the best citizens of the countries to which we go.'

Often, it is only afterwards that one can evaluate the quality of conduct through the real confidence that those involved have established towards one another.

When real confidence exists, a confidence not based on pressure or on buying consciences, behind it there are often actions showing respect and probity. The standard of conduct is strongly linked to the management and the example provided by top executives and structures. A company concerned with ethics will aim to take them into account in evaluating those it collaborates with.

The quality of finalities

Fourthly, complex decisions are worked out around the quality of finalities. Aristotle already mentioned the importance of "Telos", the purpose, in the ethical quest. He begins the Nicomachean Ethics with these words: 'Every art and every inquiry, and similarly every action and pursuit, is thought to aim at some good.'

In the company world four types of finality can exist. The first concerns individual finalities. This is the order of personal motives. They are legitimate: desiring to succeed, developing oneself individually, earning money, providing for a family, having influence, creating something...

The second type of finality concerns institutional objectives: being a standard-setting company in one's industry, capturing portions of the market, serving the interests of shareholders, being on the cutting edge of technology.

The third type of finality is to aim at the good of persons. Who are these persons? They are those who will be affected more or less by my actions or more collectively by the actions of the company. This is one of special areas of responsibility. Serving the person must remain one of the major aims of action, if we want the economy to continue to be of service to man.

Serving the person leads us to make man the subject and the goal of work, and not an element of production. It develops sensitivity to the human impact of our decisions on health, culture, and in

a general way on all human concerns such as family, children, the dignity of persons, personal development, etc.

Developing the service of the person

A certain number of priorities should be favoured by whoever wishes to serve the person within the company:

Promoting awareness of sense and meaning

The first priority is to promote access to the sense of what is being undertaken. Often, it will involve clarifying meaning in terms of causality or finality: why? For what? For whom?

The ‘why’ in one word allows individuals to assess their contribution. What is the meaning of task I am doing, the added-value I am bringing? The second, in two words, looks at the overall meaning of the action, its ultimate purpose. ‘For whom’ looks to the purpose and the human impact of our work. One notes that very often employees’ activities are not contextualised. They are asked to do a task but without the meaning of that task being taken into account or even mentioned. Re-situating the action in a process brings meaning and allows a personal and collective appropriation of the work.

Moreover, meaning develops if we respect the person in all his dimensions and if each of these dimensions can be developed or expressed. This is the bodily dimension (Soma). It must be taken into account in the management of time, stress, fatigue, and in the rhythms of work, safety, hygiene... Meaning emerges through respect for a second area of being, the psycho-emotional dimension (psyche). Doubtless, the company must not be intrusive, nor go beyond its legitimate domain. It can intervene to regulate the external forum, for example, with respect to underperformance, but it refrains from acting in the internal forum of individuals, for example, their life choices, and their political or religious options. The psycho-emotional domain is important because individuals’ motivation and the internal climate of the business will often depend on showing respect for it. Meaning ultimately comes through respect and the possibility of developing two areas of being: the intellectual (Nous) and the spiritual (Pneuma) dimensions.

The ability to feed one’s intelligence and develop one’s abilities is doubtless essential to living with meaning. Training and the degree of intelligence invested in the tasks to be accomplished contribute to the personal and personalising dimension of action. Similarly, the spiritual dimension appears as an essential element of the gift of meaning.

Love, values, the intelligence of the heart and spiritual life are major openings that illuminate, enliven and transform our commitments and other people’s. The process is delicate, for how does one allow the development or the expression of these two areas of being without the company having a hold over persons, or contrariwise, without these dimensions gaining power over the company?

The boundaries of the legitimate spheres of influence and action for the person and the company must be thought through. This thought process often enforces the definition of limits and safeguards and of ‘the rules of the game’, in order to promote respect for persons and institutions.

Encouraging real relations

Interpersonal or team relations represent a second priority. A person who works can legitimately aspire to be himself and foster real relationships, including in his professional activity. This supposes a company culture which encourages otherness, *i.e.*, each one involved having a strong identity. Reciprocity, listening, shifting away from oneself to take on board the position of the other, and understanding another's frame of reference, greatly contribute to creating a culture that develops both professional life and the building up of collective wisdom.

Developing talents

The third way of serving the person is to encourage development at every level. One is sometimes surprised that this or that person with low-level responsibilities in the company assumes, in another context, important associative or political responsibilities. One of the essential missions of management is to detect talent, but even more so to reveal to staff the wealth of their abilities. This is the very attitude the Anglo-Saxons call 'empowerment'. This attitude, which is more than encouragement, consists in helping the team member to assume his potential for life and self-development. It is an invitation based on having confidence in the other's ability to develop. Our beliefs about the other influence considerably his ability to develop. 'A change of regard can change a man' says a Dutch proverb.

Very often in human communities one notes deadening systems based on economies of death: not showing to the other our esteem, not recognising his talents for fear that he will put us in the shade. Other ways must be explored, based on economies of abundance and growth. It is a matter of reversing the paradigm so that my talent is not made for me but for the other, and the talent of the other is made for me. Life, therefore, turns towards the joy of reciprocal giving and frees up all the energy that we put into protecting ourselves and being suspicious, in order to turn it into a dynamism for life. Here, there is a choice to be made, but also some thinking to be done about what enables this change of stance. It is clear that this change of perspective generates trust and encourages those involved to be daring.

Enabling commitment

Enabling development makes no sense unless one enables commitment. Talents develop if one uses them. The most powerful lever in this area is the use of true subsidiarity. It goes beyond simple delegation of power and consists in giving power to that level which is most in contact with things on the ground. Jacques Ferdane, a member of the Research Unit of the 'Meaning and Growth' Institute, likes to say that 'the manager must push power lower down and develop authority', the word *authority* being understood by its Latin root *auctor*: what makes for or allows growth.

Living out trust

If trust is the fruit of truly serving the person, it is also the precondition of doing so. The alchemy of trust has an irrational element. Nevertheless, some of its ingredients can be picked out: truth, loyalty, respect for the other, unconditional welcome and esteem for the other, an element of safety... Obstacles preventing trust are similarly identifiable: too much competition or suspicion, an excess of defensiveness, or the desire to control, of manipulation or malice... Very often, the key to trust will reside in changing the meaning of power: going from a power of domination to a power of service.

Living out gratuity

The word *gratuity* is not necessarily welcome in a world where everything is quantifiable or profitable. However, man is open to gratuity. Cynics will think the opposite but the most precious things in life will doubtless escape them. Gratuity does not mean abandoning a profit-making perspective; it asserts that life and human relations are not limited to pure utilitarianism or making the other into the means to an end. Gratuity makes for the emergence of otherness. I recognise the other as other: a true attention or a real interest in the person, a handshake, a kindly smile, a sincere welcome, a favour, doing what one does with love, a gesture of fair play or politeness.

If the disenchantment of the world is boosted by controlling or buying everything, the re-enchantment of the world comes via gratuity.

Exemplariness in action

Setting an example is an important aspect of serving the person for it defines a part of the consistency between words and actions and between values professed and values lived out. Example setting comes in at different levels: among top executives, institutions and employees. The example set by top executives is essential. Already Benedict of Nursia¹ thought that the one in charge taught more by his actions than by his words. Setting an example is often an ascetic practice for top executives, both because they have more leeway than most employees and because their actions are more visible and, therefore, have a strong impact.

Their credibility and real influence depend to a large extent on the example they set. Such exemplariness must be accompanied by that of structures and institutions, just as was emphasised in the account given of the organisational level.

Finally, only the acts of each individual are a matter of ethics, unless one considers that the company acts in a certain way as a moral person. A company has a right to expect high standards of conduct. It is up to the company to encourage them.

Societal and environmental finalities

The company ought to aim at a fourth level of finalities: those that are societal and environmental. Thus, just as it takes an interest in the impact of its actions on the person, it must examine its own impact on society and the environment. How will collective redundancies affect a labour pool? What contribution must the company make to education? To integration? How does its activity impact on ecology and resources? The question of sustainable development and its prerequisites will come into play at this stage...

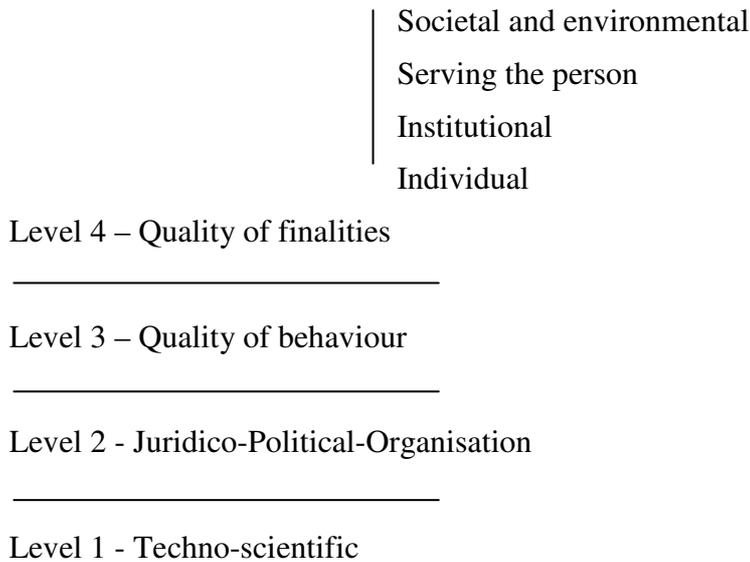
Our decisions differ according to what objectives we choose

When we make a decision it is important to discern whether we make it above all for personal finalities, for essentially institutional finalities, or whether we also look to finalities that favour serving the personal or/and in view of societal and environmental finalities. Individual and institutional finalities alone do not determine whether we act for ethical reasons. Our actions aim at our interest, rightly understood, or the company's. But there is a qualitative difference when we take into account the impact of our decisions beyond our own sphere of interest. It is, moreover, clear that we will make different decisions depending on the most important factor that determines our choices.

¹ Founder of the Benedictine order in the fifth century.

Yo-yo and diagnostic

Developing an operational ethic implies investing in the different levels of the techno-scientific order, the juridical-political-organisational order, the quality of behaviour, the quality of finalities. A constant shuttling back and forth — a yoyo — is needed so that objectives illuminate and inform all the other levels. Thus, environmental concerns will guide our economic choices (level one of the schema), and will encourage work on the organisation and on how it acts. As for the quality of behaviour or standard of conduct, that will lead to making our finalities clear (level four of the schema), to establishing rules (level two), and to working on the quality of products and services (level one):



If we only work at levels 1 and 2, we risk being raving barbarians. In contrast, if our sole concern is with the standards of behaviour and finalities (level 3 and 4), we run the risk of angelism.

When we perceive things going wrong, we will always have to ask ourselves at what level is something missing. Is society or are persons at stake?

In conclusion

Ethics are an art. They lead us to work on ourselves and on our relationships. They encourage us to take a stance and to build at all levels complex realities that we must govern. This is to work towards consistency. Those who choose ethics choose Life and become a source of Life.