

A paper published earlier in The Financial Times. About developments in society and as a consequence in our minds, which have led to the development of CSR-theories and to the consciousness that finding answers to questions concerning the meaning of life have found a place in the very heart of bussiness economics.

Moral management to give meaning to work

Pierre Winkler

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Society cannot exist and people cannot live together without a set of morals and norms. Our legal systems may guide us in the way we live and work together but most of our everyday decisions about what we should or should not do are dealt with by our individual sense of morality.

Morals and norms stem from one principal value: trust. Without trust no one would rely on anyone else, so mankind simply would not survive.

If trust is the basic value for living and working together, it is clear that if we can optimise trust we can optimise the processes of living and working together. In economic terms, optimising trust eventually leads to optimisation of profitability.

While this line of reasoning is simple to understand, it is only in the last 20 years that its importance for business has been recognised. Today business ethics are regarded as a serious tool in optimising the way we work together, in optimising the quality of our work and the products we make and thereby in optimising profits.

There are many reasons for this change. First, the world has become smaller: the rise of a global economy and a global marketplace has made us aware that we have to be able to rely on the trust-worthiness of others around the world, as they have to rely on us.

Next, awareness of environmental concerns has given rise to a new consciousness of how our actions are related to each other. Only 40 years ago people did not realise that polluting an area in a faraway country such as India might lead to the pollution of air and land in the west. Now we do.

Third, this awareness of environmental threats has caused a shift in focus from short-term to long-term profit.

The fourth significant change has to do with the change of attitude of people. Nowadays we no longer accept moral guidance from traditional sources of authority. We consider ourselves able to decide what is right and wrong and we claim, as individuals or a group of employees, the right to express our moral opinions.

This last change has led to different styles of management in which earning and inspiring trust play a dominant role in motivating employees to do the best they can.

First, a manager should earn the trust of colleagues by setting an example of openness and integrity. Since it is no longer possible to bully employees or just tell them what you think is right or wrong, a manager has to listen to employees, give them room to say what they think and help them develop their own responsibilities.

This so-called integrity strategy, as opposed to the compliance strategy - in which the manager imposed all kinds of regulations that the employees simply had to obey - starts ideally with the development of a set of core values. These are quite abstract concepts, such as quality and respect, but at the same time it is important to link them to human interaction in the organisation, internally as well as in relation to consumers and other stakeholders.

The next stage is to instil these core values through training sessions or other meetings and translate them - or let the employees translate them - into a code of conduct, plans about how to co-operate and new descriptions of functions.

Although it is not possible to go into detail about all the possible techniques involved in integrity strategy, it is clear that management terms such as empowerment, management by values and emotional intelligence all stem from this new area of ethics management.

But it is possible to take ethics management even further. The notion of a smaller world and of everything being related has given rise to organisational theories in which one compares the organisation with an individual human being: the organisation has physical, mental, emotional and spiritual needs that have to be satisfied by the way the company works, makes its products and maintains relationships with its stake-holders.

As individuals, we realise that everything is related and this is linked to our own long-term survival. Organisations must also realise that a holistic approach - one that improves the quality of life of its members - is essential to their long-term success.

The theory that trust is necessary for any kind of co-operation and that optimisation of trust optimises co-operation is quite simple. However, the growing acceptance of this theory by organisations has far-reaching consequences. Companies recognise that daily work has to have meaning. People do not just work for money; they work because their contribution in this interrelated organisation makes a difference - to themselves and, perhaps, to the wider world.

The theory of interrelated connectedness is not new. Many, if not all, religions have carried this message for centuries. However, it has been given a new dimension by linking it directly to the economical well-being of organisations. The question of how to live a meaning-ful life, once the preserve of philosophers and theologians, has now found a place at the very heart of business economics.