

THE NOBLE WORK OF BUSINESS

Randy C. Williams

The responsibility of business for and to the society and world of which it is a part will be met primarily not through engagement in extracurricular activities such as charitable contributions, participation in civic projects, etc. Business is called to promote the common good, and it will meet this responsibility in the conduct of its day-to-day operations as it serves its stakeholder network, which at a minimum includes its customers, workers and community, and in the planning and implementation of its long-term goals as it participates in shaping the emerging future by taking responsibility for the whole.

A PIVOTAL EVENT

Once ever so often an experience comes along, usually unanticipated and without portent, which has such an immediate and cumulative effect on your life that its impact stays with you for the rest of your days. The Greek word describing such an event is *metanoia*, which in the New Testament is translated "to repent" or to be "born again." Whatever you may decide to call it and however you may describe it, when this happens you know that something is different and will never again be the same. After such an occasion you experience a change of heart and mind, you have a new story about life and you approach things in a new way. I want to tell you about one such time in my life.

It was perhaps twenty-five years ago that I was invited to speak to an association of businesspersons in Portales, New Mexico. The topic was to be the role of business in the community and its influence on the future. The speech would be given at an early breakfast meeting, so I arrived the evening before and checked in at The Portales Inn where the meeting would be held.

Although I had given this same speech on other occasions, it was my practice to re-work it each time before I delivered it so that it would be fresh and relevant to the group at hand. I arose early, showered and dressed for the day and brewed a cup of that infamous in-room coffee. I sat down at the desk in the room and as I started to open my briefcase I noticed across the room a little 3" x 5" folded card standing on the bedside table. It had been there all night but I had not seen it. What caught my attention now was the cover. On it were four religious symbols—the Cross, the Star of David, the Crescent Moon and the Yin Yang.



This struck me as way more than the traditional hotel-room Gideon Bible. I couldn't remember ever having seen anything quite like it. But my astonishment had only begun. I walked across the room, retrieved the card, sat back down at the desk and opened it. These are the words I read.

To our guests, peace and rest.

In ancient times there was a prayer for "The Stranger within our gates." Because this hotel is a human institution to serve people, and not solely a money-making organization, (my emphasis) we hope that God will grant you peace and rest while you are under our roof.

May this room and hotel be your "second home." May those you love be near you in thoughts and dreams. Even though we may not get to know you, we hope that you will be as comfortable and happy as if you were in your own home.

May the business that brought you our way prosper. May every call you make and every message you receive add to your joy. When you leave, may your journey be safe.

We are all travelers. From "birth till death" we travel between the eternities. May these days be pleasant for you, profitable for society, helpful to those you meet, and a joy to those who know and love you best.

For me, this was one of "those" moments. My hands became a bit clammy and I had to catch my breath. These words, it seemed, were addressed directly to me. Whereas I has espoused this philosophy that business should "serve people" and that it was not "solely a money-making organization," I suddenly realized that I had never really internalized this message. Up until now it had been more intellectual abstraction than "real life" proposition. But now I was confronted, by these words from a practicing business, with a new story and vision that transformed my understanding of the role of business and even confirmed that the purpose of life itself is to serve.

The speech I planned to give that morning never came out of the briefcase. I went down to the meeting room with the little 3"x5" card in hand, nothing else, just that little card from the bedside table. When I was introduced to speak I stood up, related what had just happened, and read the card. We spent the rest

of the session in lively dialogue about what exactly the card said, and what the implications of such an understanding could be for individual businesses and, more than business, for the entire Portales community if all the organizations and institutions—business, government, non-profit—were to decide to live out of the story on the card found on the bedside table at the Portales Inn.

This event has become a pivot point around which revolves much of what I read, hear, experience and believe that confirms the message contained on the little card—that the purpose of business, indeed of existence, is to serve! The message did not rule out the need for business to be profitable. In fact, it confirmed that profit is absolutely necessary if a business is to survive, but the essence of business is to serve. Profit is vital, but to serve is essential. An often-used analogy is that profit is no more the purpose of business than breathing is the purpose of life.

A CHANGE OF HEART AND MIND

In the years since the occurrence at the Portales Inn one may wonder whether the story is more than an isolated case that in fact bears no promise for a future in which business would shift its emphasis from the quest for short-term financial gains to responsibility for the well being of the whole. Hundreds of books have been written and speeches and seminars given suggesting this new role for business and yet we live in the world of Enron, WorldCom, Bernie Madoff kinds of Ponzi schemes, and a medical industry that often places revenue generation above patient care. All these are indicative of the greed that persists and runs rampant in the land. How is it possible to change that?

Peter Senge, director of the Center for Organizational Learning at the MIT Sloan School of Management has written and spoken extensively on "learning organizations," which he describes as "organizations where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to see the whole together."¹ It is not really organizations that learn but the people in them. A learning organization is one that fosters positive change in its people. I participated in a seminar in which Dr. Senge described what I remember as a "learning cycle." As he explained it, we experience new occasions and events in our lives, upon which we reflect, and our reflection can lead to new thinking and eventually to new stories about reality. When that happens we may do things differently and achieve new results.² This learning process that Senge described was indicative

¹ This quote is found on the Wikipedia page on Peter Senge, taken from his book *The Fifth Discipline: The Art & Practice of The Learning Organization*.

² This description is taken from my notes from the seminar. I have not found a direct reference to this in Senge's writings.

of what happened in the hotel room in Portales. The bottom line is, there is no institutional or structural change until the people have a change of mind and heart.

The late Willis Harman, co-founder of the World Business Academy, said in an interview that, like the metamorphosis of a caterpillar, alternative economic and technological groups are emerging all around as large and small movements creating "little imaginal cells" in society. He predicted that an incompetent, ineffective global economic system based upon false assumptions would eventually come down, and when it does, those little movements would be there.³ In another interview Harman said that there are "network(s) of people around the globe who are already raising this question about the future role of business on this planet."⁴

One of the conclusions Willis Harman came to in the first interview is that the assumptions underlying our economic system, about unimpeded economic progress and the equation of material progress with the general welfare contradict the goals we have about how we want to live and have led to a system that benefits the few and penalizes the masses of people.

Some of the dominant assumptions that I propose must be challenged are that:

- Wealth is achieved primarily through the accumulation of material resources.
- There is an overall scarcity of material resources and therefore business (and life itself) is a zero-sum game in which the losers far outnumber the winners.
- The sole purpose of business is to make money for its investors, and its sole accountability is to those investors.
- Anything goes as long as it contributes to the bottom line, and anything that doesn't, goes away.
- What we do in our professional life is "take, take, take." In the "second half" of life, after retirement, when we are financially secure, then we can "give back."
- Making a profit and serving by adding value are mutually exclusive propositions. You can't have it both ways.
- If a business doesn't grow it dies.

³ This interview with Willis Harman, entitled "Transformation of Business," conducted by Sarah van Gelder, is an article in *Business On A Small Planet*, published in 1995 and was republished by *In Context* magazine in 1995 and 1997.

⁴ This interview on "Business and Social Responsibility" was adapted from the radio series *Insight & Outlook*, hosted by Scott London and was copyrighted by London in 2000. The interview also appeared in *Deep Planet* magazine.

- If the business of business is business, then the purpose of work is work. Learning and enjoyment come before or after work, but neither is realized during work.
- Work is always the means to another end, usually to make a living.
- Competition is the only way to succeed.
- Customers are opportunities to be exploited, prizes to be won, or adversaries to be overcome.
- Workers are instruments of production, head count, non-renewable resources who bring their bodies to work, leave their minds and spirits at the door, and do what they are told until they are used up and disposed of.
- The community's role is to serve business through tax abatements, tax loopholes and other subsidies to help business externalize its costs.
- If the community cannot or will not provide an environment conducive to competitive advantage, then a business has every right to move on, regardless of the negative impact on the community.

The task of calling these assumptions into question in such a way that it occasions a change of minds and hearts seems daunting indeed.

SERVING THE STAKEHOLDER NETWORK

Even for businesses that have decided that their purpose is to serve, serving only one constituency is not enough. Each business has a network of stakeholders with whom it shares a relationship of mutuality and interdependence. Its long-term economic success is ultimately determined by its responsiveness to its stakeholder network, individually and collectively.

Thomas Friedman in his book *Hot, Flat, and Crowded* relates a conversation he had with his friend Dov Seidman in which Seidman talked about businesses that "outbehave the competition."

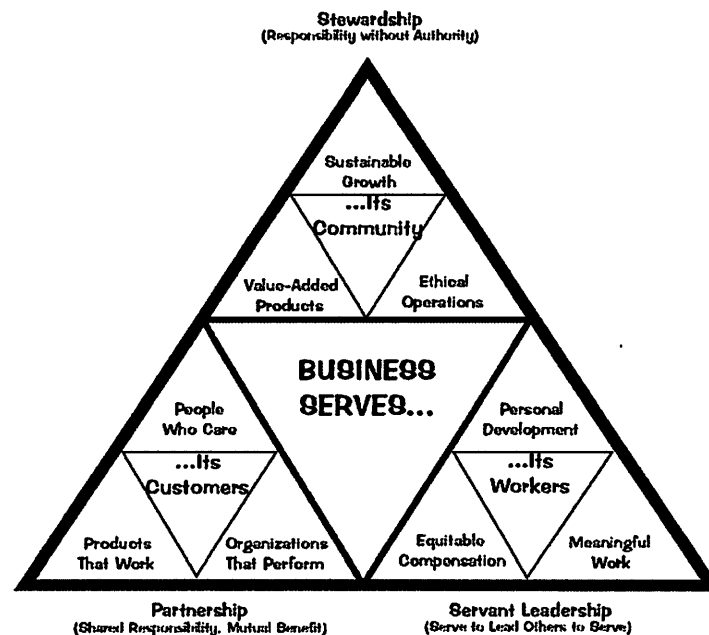
Today, whatever product you make or service you offer can quickly and easily be copied and sold by everyone anywhere. But "how" you do your business, "how" you keep your promises, and "how" you relate to customers, colleagues, suppliers, and the communities in which you operate are much more difficult to copy if you are doing them well. "When it comes to human conduct, there is tremendous variation, and where a broad spectrum of variation exists, opportunity exists...the opportunity to outbehave the competition." How do you outbehave the competition? In Michigan one hospital taught its doctors to

*apologize when they made mistakes, and dramatically cut malpractice claims. That's how.*⁵

A business whose goal is to beat the competition doesn't have to be good. It just has to be better than whomever it's trying to beat. On the other hand, a business that focuses on serving its stakeholders has to be good enough to meet and exceed the expectations of those they serve. In the process it may or may not outbehave the competition, but beating the competition is not the issue. They recognize that they are not in a zero-sum game and that there can therefore be more than one winner.

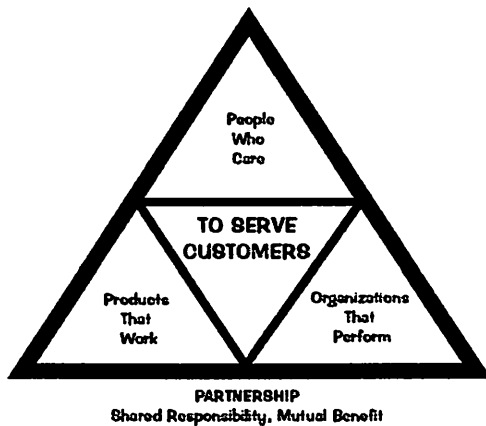
The stakeholder network of a business is all those upon whom the business depends and those who depend on it, either directly or indirectly. Such a network is virtually endless. Friedman includes customers, colleagues, suppliers, and communities. In discussing how business serves I will speak of only three constituencies; customers, workers in the business, and the local and global community. In order to serve, the one serving must add value for the one being served, and the crux is, the one being served gets to decide whether or not what is being delivered has value.

The following graphic portrays how business may serve these three constituents in its stakeholder network. I will discuss each of them in the next three sections.



⁵ Thomas Friedman, *Hot, Flat, and Crowded: Why We Need A Green Revolution And How It Can Renew America*, page 323. The quotes within the quote are Friedman quoting Dov Seidman from their conversation.

TO SERVE CUSTOMERS



The regional sales division of a major manufacturer and distributor of office products had quarterly meetings with representatives of its customer base to discuss how the company could continuously improve its service to customers. I was asked to facilitate one of the meetings. I structured the session around the proposition that what it means to serve customers is to provide products that work, organizations that perform and people who care.

Through the course of the session I asked the company's customers to define what being served by this supplier looked like in each of these three categories, and then to say which of the three was the primary reason they did business with the company. Every customer in the room agreed that it was necessary to be supplied "pencils and paper" that work, but not one of them said that the reason they chose this company was because of the quality or price of its products. Instead, they said every office product company provides good products at about the same price. As Thomas Friedman suggested, "...whatever product you make or service you offer can quickly and easily be copied and sold by everyone anywhere." In other words, in most businesses the product, or the service when the product is a service, has become a commodity and rarely provides competitive advantage.

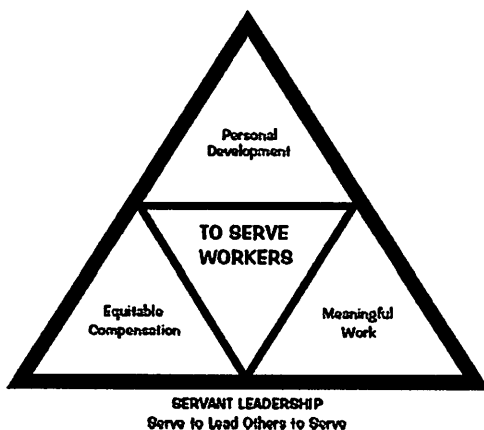
About half the customers in the room said they chose this supplier because of its ability to perform, by which they typically meant that when they needed a product the company had it in inventory, could deliver it when they needed it, and rarely made a mistake on the order. And the company was knowledgeable about new products and technology that came on line. The other half of the room said they stayed with the company because of the relationship they had with their account representative, that they trusted her or him and believed their rep always had their best interest at heart.

Today more often than not the competitive edge is "people who care," which begins in most cases with the story the business tells itself about who its customers are. Some relate to customers as adversaries to be defeated, others as prizes to be won, and many as opportunities to be exploited. This company related to its customers as partners. They understood that the customer relationship is one of mutuality and interdependence; each party in the transaction has responsibilities that must be met if it is to reach a satisfactory

conclusion, and each will receive rewards that neither could realize without the other.

My wife and I own and operate a small residential real estate business. In our presentation to potential sellers we explain that both they and we will have responsibilities if the home is to sell in the shortest time at the most market-appropriate price. For our part we assist the seller to price and stage the home attractively, market it effectively and keep relevant information flowing so the seller can make good decisions. The seller is obligated to price the home within current market constraints, have it show-ready and accessible at all times, and negotiate in good faith when an offer comes. As a result the seller reaches her or his financial and family goals and we get paid, receive repeat or referral business from the client and have the sense that we have made a meaningful contribution to the well being of the client. We keep on the wall in our office a quote from the prophet Isaiah. "My people will live in peaceful dwelling places, in secure homes, in undisturbed places of rest."⁶ If we've come close to helping our customers realize that, we feel we've done a good day's work.

TO SERVE WORKERS



I got my first "real" job in the summer of my sophomore year in high school. For three summers I worked for the Southern Gas Co. in my hometown of Longview, Texas, digging ditches to move or install mains or to run service lines to new construction. Prior to that summer my dad had "suggested" it was time for me to contribute to the family's financial well being by buying some of my school clothes. Of more importance to me, I had a girl friend whom I enjoyed taking to the movies

and to the local malt shop afterward (a real "Happy Days" scenario). But most significant, I knew that after a summer of manual labor I would be in excellent physical condition to impress the coaches when high school football workouts began in the fall. It was clear to me that this job was the means to ends that had nothing to do with the work itself.

For some time after those summers I lived out of what I call the "TGIF syndrome," the idea that real life is lived somewhere else, not at work— after hours, during vacation or upon retirement, but clearly not at work. Work, I was convinced, was a necessity in preparation for what came after work was done.

⁶ Isaiah 3:18, NRSV

One day I calculated how many actual hours out of my entire life and what percentage of my adult waking hours I would spend at work, and it dawned on me, "Work is not preparation for something else!" In fact, if I'm expending that kind of time and energy at work, then work is clearly a big part of what my whole life is about. When I discovered that life is lived at work too, I became concerned about the quality of life at work. I knew that, even though I had to work in order to earn a living, compensation packages alone were not enough to move me to genuine commitment to my company and its mission. Something more was required.

As with most things, we have a story about our work. My friend Lee tells about visiting the assembly line of an automobile manufacturer and approaching a man who was putting linchpins in buckles on seat belts. When Lee asked the worker what he was doing he replied, "I'm saving 5,000 lives a year." Needless to say, that was not the response that was expected.

If each of us should be asked what we are doing at work we could answer in a number of ways. It can be about the process we're engaged in—"I'm putting linchpins in buckles," or the output I'm producing—"I'm making seat belts," or "I'm building cars." Or the answer could have to do with outcomes—"I'm providing safe, comfortable transportation," or as in the case of the man's answer, we can respond with the social value we're providing, like saving lives. Or what we're doing could be about us—"I'm making a living, paying my kids' way to college, securing my future." Whatever the case, the story we tell influences our approach to work and helps determine whether the work upon which we expend our lives is in fact worth our lives.

The Story of WORK			
	JOB	CAREER	CALLING
Primary Purpose	Make a Living	Make a Life	Make a Contribution
Leading Question	What Does It Pay?	Opportunities for Advancement?	What's the Company Mission?
Real Question	What Can I Have?	Who Shall I Be?	Why Am I Here?
Count On To Do...	...As Told (compliance)	...What Works (buy-in)	...What's Necessary (commitment)
Management Requirement	Close Supervision	Parameters for Self-Management	Alignment with Task/Team
Bottom Line	Economic Survival	Personal Achievement	Meaningful Engagement

The chart depicts three possible stories about work. No single story is better or more honorable than another, and in any given company there will likely be people who represent all three of these story lines. Let's play them out in story form the way workers might portray them.

Story 1 "My work is a job. I work to make a living and the most important thing to me in considering where to work is what it pays and if it will help me reach my financial goals. After all, I'm trying to get to the place in life where my family and I have what we need to live comfortably with no worries. I don't have any real attachment to the company, but you can count on me to show up at work on time and do my best to do what my boss tells me to do. But be clear, what this is all about is my economic survival."

Story 2 "My work has me clearly on a career path. It's not enough just to make a living. I'm after the good life for my family and myself. My primary requirement in choosing employment is the opportunity to move up the company ladder, because someday I want to be somebody, call the shots, control my own destiny, and if I can't do it in this company I'll find one in which I can. You can count on me to buy-in to whatever works for me to attain my goals and for the company to realize its objectives. I'm a self-starter and a self-manager, so just give me my numbers, hold me accountable for the results and stay out of my way. And when I succeed, give me the credit I deserve."

Story 3 "I have but one life to live and at the end of it, it will have been primarily about one thing, my calling. Work is a significant part of my "one thing." I want my life, and therefore my work, to be more than self-serving, something that makes a contribution to something larger and other than myself. In choosing a company to work with, my main concern is that its values and mission complement my own. My work will play a major part in the realization of my larger purpose, why I'm here. As long as the company and I are in sync, you can count on me to do whatever is necessary to accomplish our mutual goals. So just line me up with a team of people who have the same commitment that I have, and we'll get the work done. When all this comes together I know I will have found real meaning in my work and in my life."

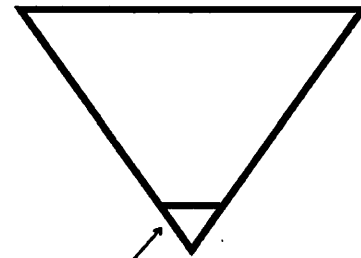
In each of these stories there is a different emphasis, but all workers want some combination of what businesses provide when they serve their workers—equitable compensation, meaningful engagement, and opportunities to develop personally and professionally. Most workers want to take not only their bodies to work, but their minds and spirits as well, and to engage their whole selves in something they consider worth what they have to give. As in the case of products and services for customers, compensation packages for workers have become somewhat standardized. Most employers, rather than losing a worker to a slightly higher wage or salary, realize that a minimal increase in compensation

is more cost-effective than training new workers. So the real attraction for workers, even those who consider their work to be a job, is more than compensation.

However, compensation plays an additional role in its effect on the culture of the organization. Peter Block writes that, "Pay practices are based on the belief that you can buy behavior. We have bought the notion that one of the tasks of leadership is to define the desired behaviors of subordinates and then induce those behaviors by offering money for compliance."⁷ Block believes that businesses have thus created a two-class society within the organization made up of managers who are paid as much as possible, and core workers who are paid as little as possible. Block does not advocate "equal" but rather "equitable" pay and suggests that people at all levels be paid as much as possible. "The challenge," Block concludes, "is to create pay practices that support the heart of stewardship, which is accountability and commitment to the well-being of the whole."⁸ Without equitable compensation the work tends not to be meaningful, opportunities for personal development, to the degree that they exist, go unused, and workers lose their commitment to the larger purpose of the company.

TDIndustries, Ltd. (TD) in Dallas is a national mechanical construction and service firm founded in 1946 by Jack Lowe Sr. The company has for the last 12 years been among *Fortune* magazines *The 100 Best Companies to Work for in America* and has more than once held the number one position on that list. Lowe was a personal friend of AT&T executive Robert Greenleaf who pioneered in the management style known as "servant leadership," and decided to model his company after that understanding. Briefly, the servant leadership philosophy states that servant leaders are leaders whose first inclination is to serve, and in so doing they lead others also to serve, inverting the hierarchical pyramid that exists in most companies. This philosophy, coupled with the company's mission statement, has made TD what it has become. "We are committed to providing outstanding career opportunities by exceeding our customers' expectations through continuous aggressive improvement."

Inverted Pyramid



Jack Lowe Jr. became CEO and chairman of the company in 1980 and he took up where his father left off. He, like his dad, is a servant leader. He has no reserved parking space, answers his own phone, and works in an eight-by-eleven foot cubicle, making him readily accessible to all. He tells an interesting story of

⁷ Peter Block, *Stewardship: Choosing Service Over Self-Interest*, Page 162.

⁸ Ibid.

the company's journey. According to Lowe, in the early 1980s when the economy was in recession and the construction industry was flat, TD had exhausted its line of credit and was not sure how it would survive. At that point its employees came forward to offer the company its employee pension fund of several million dollars. Management explained that the risk was great and the money might never be paid back. However, with the loan from its employees the company survived, and in a few years when the economy recovered and the company rebounded, the employees were repaid with shares of stock. Jack Lowe Jr., no longer CEO but still chairman of the board, laughingly and proudly states that there are supervisors in the company who own more shares of stock than he does.

TD is the epitome of what can happen when management understands that its responsibility is not to use its workers, but to serve them. TD workers, called TDPartners, experience their work as meaningful because they sense that they belong, participate and contribute. They know they belong because they have free access to each other across organizational lines and are trusted with open information. They have a high sense of participation and engagement because they are encouraged to bring their whole selves to work—bodies, minds and spirits—and they have access to the people, tools, information and systems necessary to work efficiently. They are aware of their contribution because they know where they fit into the big picture and how they are helping the organization achieve its mission.

**WORK IS MEANINGFUL
WHEN WORKERS...**

...Belong--are connected
...Participate--are engaged
...Contribute--are effective

Personal and professional development in the form of learning in the workplace is no longer a mere option but is essential for today's workers and their companies. Current estimates are that young people entering today's workforce will change careers at least ten times during their work lives. This means that refining existing skills and learning new ones is key to their remaining competitively employable. They must become continuous, life-long learners. It is in the company's best interest to provide opportunities for worker development. Combining learning opportunities with equitable compensation packages and opportunities to participate in meaningful work is the way businesses retain their most valuable workers.

TO SERVE THE COMMUNITY



In 1987 I became president and CEO of the McKinney, Texas Chamber of Commerce. I was looking for a position with a community economic development organization and had explained to the executive search firm helping me that I was not interested in working for a chamber of commerce. The woman working with me called one day to ask if I would interview with the McKinney Chamber, explaining that they wanted to go in a direction different from the traditional chamber and that they wanted someone

with no previous chamber experience. I qualified on that point at least, and begrudgingly agreed to the interview. It turned out to be a stroke of good fortune. During the interview that went on for over an hour I discovered precisely what they meant by "different direction" and how much in sync their viewpoint was with my own about the role of business in the community.

Our shared understanding, that became the foundation of our twelve-year association, was that the role of business was to serve, among others, the community, and not the other way around. The mission statement we eventually devised for the Chamber was, "Building a community of service through business and professional excellence." This was a complete reversal of the philosophy of many chambers of commerce and communities, which is that you do anything to attract and retain business, regardless of the negative effects on the remainder of the community and its long-term future. We agreed that no business can succeed in an unhealthy community and that it was therefore in the best interest of business to work in partnership with all the other sectors of the community to improve the standard of living and to enhance the quality of life.

My initial exposure to the practical aspects of business serving its community had come six years earlier when I took a position with Control Data Corporation in Minneapolis. It was then that I became acquainted with William C. Norris, the company's founder, and his business philosophy—"*Serving society's unmet needs as business opportunities.*" Norris was not suggesting that business should exploit human need for profit. To the contrary, he believed that products and services should be developed in response to real needs that already existed rather than to create something no one knew they needed and then to implement an extravagant marketing campaign to convince them that they did.

Norris was the ultimate entrepreneur. Within Control Data he created the two subsidiaries with which I worked—Rural Ventures Inc. whose purpose was to

preserve the family farm and promote small agribusinesses, and City Ventures Corp. whose task was to build industries and create jobs in inner city neighborhoods—in both cases through the use of computer technology which was, of course, the company's core business. Norris also assisted Control Data employees to develop and spin off more than 80 technology-based new companies. To support this endeavor he created ancillary organizations and invited other industry leaders to join him in the effort. One such organization, the Minnesota Seed Capital Fund, provided start-up capital for the Control Data spin-offs as well as other commercially viable new businesses. Unlike a typical venture capital fund, Minnesota Seed Capital had less than a majority equity in the new companies it funded, and when the new company was able to do so, it was offered the opportunity to purchase the equity owned by the Fund. The Fund operated at a profit and invested its earnings in other start-up companies.

Norris demonstrated that it is possible for business to “do well” and “do good” at the same time. Throughout his time as head of Control Data he used computer technology to improve education and healthcare, reform the prison system and produce cleaner, less expensive energy. Along with value-added products, Norris saw that his company operated ethically and grew in a way that did not deplete the resources of his community or the planet.

From a practical perspective, business serves the community best when it:

- Creates a work environment that removes as many stress factors as possible, benefiting workers and their families.
- Trades, hires and invests locally.
- Helps create and maintain a qualified local workforce through involvement in local education.
- Trains and hires disenfranchised persons and helps to assure their access to affordable housing, transportation, childcare and healthcare.
- Eliminates in every way any negative impact on the natural environment.
- Develops ethical profiles regarding product and service impact, pricing, production processes, advertising and investments.

Bill Norris demonstrated that there are at least three good reasons for business to serve the community—it's the right thing to do, it's good for business and, most important, because business is the community.

RESPONSIBILITY FOR THE WHOLE

Despite indications to the contrary, there are signs that business is indeed beginning to embrace a new, more comprehensive role than just hitting quarterly profit projections in order to meet Wall Street expectations. Leslie Wayne, in the May 29, 2009 *New York Times*, wrote that graduates of top business schools are no longer adhering to the proposition that “greed is good” but are beginning to

embrace the understanding that the purpose of business is to serve the greater good and that managers must lead in that direction.⁹

Willis Harman, mentioned earlier as co-founder of the World Business Academy, made a statement in 1990 that has become widely recognized as one of the more important declarations of the definitive role that business is called upon to play in the twenty-first century.

Business has become, in this last half century, the most powerful institution on the planet. The dominant institution in any society needs to take responsibility for the whole... But business has not had such a tradition. This is a new role, not yet well understood and accepted.

...in the last decade of the twentieth century, it has become clear that the "invisible hand" (of Adam Smith) is faltering. It depended upon a consensus of overarching meanings and values that is no longer present. So business has to adopt a tradition it has never had throughout the entire history of capitalism: to take responsibility for the whole. Every decision that is made, every action that is taken, must be viewed in light of that kind of responsibility.¹⁰

If there is any doubt about the dominance of business, today thirteen of the top fifty economies in the world are companies, not countries.¹¹ In recent times the primary impact of business has been to negatively influence societal values with its emphasis on short-term, bottom-line returns and growth at any cost. But the potential for a reversal is there. According to the *Harvard Business Review*, "when a well-run business applies its vast resources, expertise and management talent to problems that it understands and in which it has a stake, it can have a greater impact on social good than any other institution or philanthropic organization."¹² Considering the source, this is a revolutionary statement!

The slogan of the World Business Academy, "taking responsibility for the whole," is reminiscent of Peter Block's definition of stewardship. "Stewardship is defined as the willingness to be accountable for the well-being of the (whole) by

⁹ Lesley Wayne, "A Promise To Be Ethical In An Era of Temptation," *New York Times Business Section*, May 29, 2009.

¹⁰ Taken from the back cover of the World Business Academy's quarterly journal *Perspectives on Business and Global Change*. The Academy printed Harman's full statement, from which this excerpt was taken, on the back cover of every issue of *Perspectives*. The journal is no longer in publication.

¹¹ This statistic is quoted in an article entitled "About Seven Revolutions" from the web site of the Seven Revolutions project, led by the Global Strategy Institute at the Center for Strategic and International Studies, in the section on "Revolution 7 – Governance."

¹² The *Harvard Business Journal* quote is from the *Perspective on Business and Global Change*, vol. 10, no. 1, 1996.

operating in service, rather than in control, of those around us. Stated simply, it is accountability without control or compliance.”¹³

This concept contradicts one of the key principles learned in Management 101, that one can be held responsible and accountable only for that over which he/she has authority. To the contrary, what is now being suggested is that business take responsibility for the general well being of that over which it has little or no authority. And yet this concept of stewardship appears to be one whose time has come, and it is resounding not only throughout the world of business but across the whole society, even occasionally from unexpected sources. In his most recent encyclical letter entitled *Caritas in Veritate* (Charity in Truth), Pope Benedict XVI shares his vision of the new role of business.

*Today's international economic scene...requires a profoundly new way of understanding business enterprise. Old models are disappearing, but promising new ones are taking shape on the horizon. Without doubt, one of the greatest risks for businesses is that they are almost exclusively answerable to their investors, thereby limiting their social value... Moreover, the so-called outsourcing of production can weaken the company's sense of responsibility towards the stakeholders—namely the workers, the suppliers, the consumers, the natural environment and broader society—in favour of the shareholders... Yet there is also increasing awareness of the need for greater social responsibility on the part of business... ...there is...a growing conviction that business management cannot concern itself only with the interests of the proprietors, but must also assume responsibility for all the other stakeholders who contribute to the life of the business... By contrast, though, many far-sighted managers today are becoming increasingly aware of the profound links between their enterprise and the territory or territories in which it operates... What should be avoided is the...temptation of seeking only short-term profit, without regard for the long-term sustainability of the enterprise, its benefit to the real economy and attention to the advancement, in suitable and appropriate ways, of further economic initiatives in countries in need of development.*¹⁴

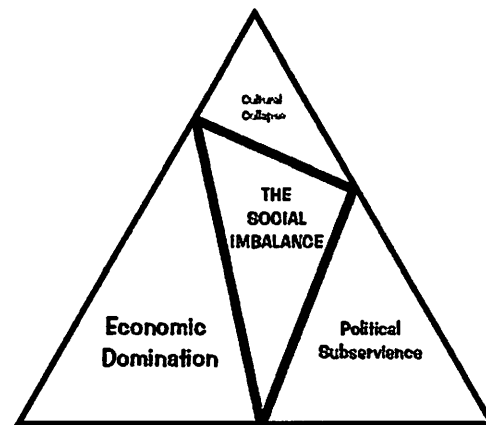
NOBLE WORK

Whether realized or not, everyone has some story of the future they would like to see come to pass. For some it may be very reduced and for others quite comprehensive. The Institute of Cultural Affairs (ICA), with whom I worked in the 1970s, articulated one of the more comprehensive future visions of which I am aware. “All the earth belongs to all the people; all the goods of nature, all the decisions of history and all the gifts of culture.” That clearly is a vision of the future and not the current situation. The real situation is that there exists a

¹³ Peter Block, *Stewardship: Choosing Service Over Self-Interest*, Page xx.

¹⁴ Pope Benedict XVI, *Caritas In Veritate*, paragraph 40.

gaping abyss of disparity between the few who have much and the many who have little, and the gap is growing. This disparity exists not only between developed and developing nations, but also within nations, and even communities, themselves. An analysis done by the ICA found that this gap is being precipitated by a social imbalance whereby the economic dynamic dominates society, the political dynamic is subservient to the economic, and the cultural dynamic has collapsed into impotence. Despite the recent ineffectiveness of economic systems, in the U.S. and globally, to maintain any semblance of equilibrium, the economic dynamic still dominates and the political is still its lackey. This is seen most dramatically in the pandering of legislative bodies at the local, state and national levels, to the enticements and outright demands of special interest groups, many of whom represent major corporations whose goal is to enhance bottom line profits through externalizing costs by having taxpayers foot the bill.



Any vision of the future which has the slightest possibility of being realized will not be someone's imposition of their fondest hopes and dreams for how they would like to see things turn out. Vision has less to do with hopes and dreams and more to do with positive trends and dynamic movements already underway that hold the promise for a better day. The Jewish philosopher Martin Buber put it this way.

The free man is the one who wills without arbitrary self will... He believes in destiny, and believes that it stands in need of him... The matter will not turn out according to his decision; but what is to come will come only when he decides on what he is able to will. He must sacrifice his puny, unfree will, that is controlled by things and instincts, for his grand will, which quits defined for destined being. Then he intervenes no more, but at the same time he does not let things merely happen. He listens to what is emerging from himself, to the cause of being in the world; not in order to be supported by it, but in order to bring it to reality as it desires...¹⁵ (my emphasis)

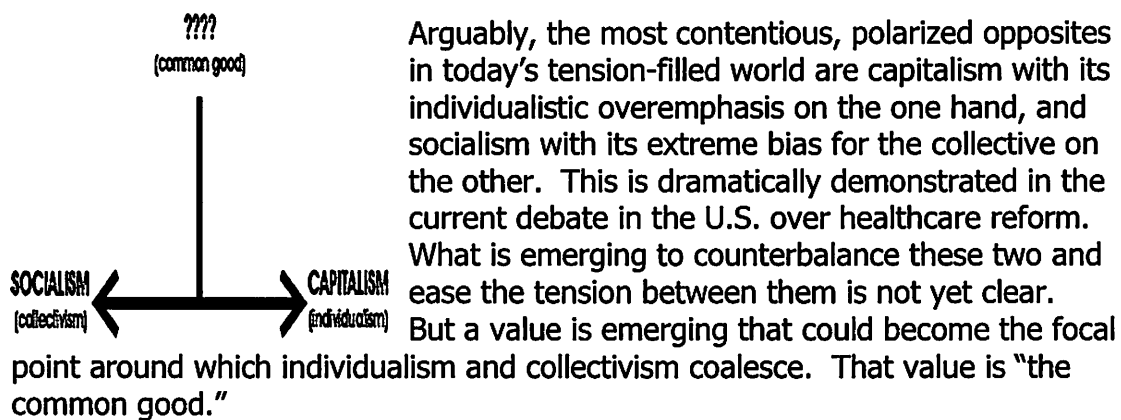
A few years ago I was part of a team that facilitated a strategic planning session with a group who referred to their work as "noble work." The phrase sparked my imagination and I wondered what "noble work" might be. Buber's "bringing to reality what is emerging to the cause of being" has become for me the definition of noble work. Vision has to do with what wants to emerge from each

¹⁵ Martin Buber, *I and Thou*, pg. 59

of us "to the cause of being in the world." Noble work is "to bring it to reality as it desires." If we assume that we create the future we are mistaken. We merely participate in that which is seeking to emerge by taking up "the cause of being." We may either accept the inevitability of the future as a victim, or we may participate with being in bringing to reality that which is seeking to emerge. The choices are clear—victim or participant.

So, the noble work of business is to become a participant in the emerging new reality, but what does that mean practically and particularly for business?

BUSINESS AND THE COMMON GOOD



With the collapse of the Soviet Union in 1989 it would appear that capitalism had won the day. However, in a world that, from an economic perspective, seeks the equitable distribution of resources in a way that eradicates poverty in all its forms, both capitalism and socialism have failed. Each system has fallen prey to a dominating hierarchy—in the case of capitalism, private owners of capital, and in the case of socialism, public controllers of the means of production. Both systems have depended on the altruism of the dominant group for the equitable distribution of resources. (Under capitalism, "trickle down" economics is an example of dependence on the altruism of the rich.) The result in both cases has been the widening of the gap of economic disparity and the gradual disappearance of the middle class.

The concept of the common good is not a new one. It was first mentioned over two thousand years ago in the writings of Plato, Aristotle and Cicero. John Rawls, a contemporary ethicist, has defined the common good as "certain general conditions that are...equally to everyone's advantage."¹⁶

¹⁶ Rawls' definition of the common good was quoted in "The Common Good," and article by Manuel Velasquez *et al* in *Issues in Ethics*, vol. 5 no. 2 (Spring 1992), published by the Markkula Center for Applied Ethics at Santa Clara University.

In Catholic social teaching "the principle of the common good...stems from the dignity, unity and quality of all people."¹⁷ It defines the common good as "the sum total of social conditions, which allow people, either as groups or as individuals (*my emphasis*), to reach their fulfillment more fully and more easily."¹⁸ This definition provides the basis for engaging what is best about both capitalism and socialism and coalescing them into one system, based upon acknowledged interdependence and enlightened self-interest, that promotes and protects the common good. "Belonging to everyone and to each person, it is and remains 'common,' because it is indivisible and because only together is it possible to attain it..."¹⁹ "The common good, then, consists primarily of having the social systems, institutions, and environments on which we all depend work in a manner that benefits all people."²⁰ The system or structure that will best promote the common good has not yet emerged.

In addressing the issue of the noble work of business the subject of the common good arises as it relates to such concerns as sustainable development, environmental protection, consumer and worker rights, responsible investment, equitable compensation, etc. Even though there is no well-defined system that promotes the common good the way capitalism promotes individualism and socialism promotes collectivism, there are viable alternatives that are emerging. Riane Eisler addresses the issue in her book *The Real Wealth of Nations: Creating a Caring Economics*. She proposes "partnerism," which she defines as "caring economics," as an alternative counterforce to ameliorate capitalism and socialism.²¹

Whether Eisler's "partnerism" or some other, business as "the most powerful institution on the planet," has the responsibility and the possibility to participate in bringing to reality the emerging structures and systems that will promote and preserve the common good of all the people, and of the natural habitat upon which we and all living creatures depend for life. Business must lead by example. It and all its stakeholders are being called to new ways of seeing the world and their purpose and role in it, and subsequently to adopt new principles and practices for the conduct of day-to-day affairs. Here are some emerging trends in the way business and its stakeholders are coming see reality that may change the way business is done in the future.

¹⁷ *Compendium of the Social Doctrine of the Church*, par. 164, published by the Pontifical Council for Justice and Peace. I have found Catholic social teaching to be one of the richest sources of principles and practices working for social and economic justice.

¹⁸ Second Vatican Ecumenical Council, *Gaudium et Spes*, 26: AAS 58 (1966).

¹⁹ Op. cit., *Compendium of the Social Doctrine of the Church*.

²⁰ Op. cit., "The Common Good"

²¹ Riane Eisler's *The Real Wealth of Nations: Creating a Caring Economics*, pp. 145-151, contains a discussion of the author's proposal that what she calls "partnerism" may be the system or structure which promotes and preserves the common good, while using what is best of capitalism and socialism.

1. The success of businesses and families is being determined less by the accumulation of wealth, and more by the development of the human capacities for consciousness, caring and creativity.²²
2. It follows that the progress of organizations, communities, families and individuals is having less to do with growth—that is, having more—and more to do with development—which means doing more with what we have.
3. Our view of the good things of the earth is shifting from a fear of scarcity to one of an appreciation for abundance, and the assurance that there is enough for everyone if no one has more than their share. This will eventually result in a shift in priorities from competition to cooperation, and in attitude from greed to gratitude and hospitality.
4. In giving and caring our motivation is shifting from altruism, giving until it feels good, to compassion, giving because we “are all part of one another.” This was Thomas Merton’s observation when he said, “The whole idea of compassion is based on a keen awareness of the interdependence of all these living beings, which are all part of one another, and all involved with one another.”²³ Enlightened self-interest is more dependable and more consistent than charity.
5. Rachel Naomi Remen said, “Serving is not helping or fixing. Serving is when my wholeness serves your wholeness, and we’re both served.”²⁴ Therefore, rather than helping those who are “less fortunate,” or fixing those who are “broken”, we are beginning to see that our task is to serve the wholeness in the other with the wholeness in me.
6. Finally, this. The purpose of our work is being seen less as primarily to make a living and more as an expression of our gratitude for that which we already have. Paulo Freire in a reflection on his work educating peasant farmers in Brazil said:

...by requiring men to reflect about themselves and about the world they are in and with, it makes them discover that the world is also theirs, that their work is not the price they pay for being men but rather a way of loving—and of helping the world to be a better place.²⁵

²² The development of the human capacities of consciousness, caring and creativity is central to Riane Eisler’s work.

²³ This is an often used quote from the late Trappist monk who, reportedly made this statement in a speech he gave just a few hours before his untimely death.

²⁴ Rachel Naomi Remen, a doctor and medical school professor, made this statement in a speech I attended at the annual meeting of the Institute for Noetic Sciences in San Diego in 1995. She has subsequently written and spoken extensively on the difference between helping and fixing on the one hand, and serving on the other.

²⁵ Paula Freire, *Education for Critical Consciousness*, pg. 81

May business, and we who associate with and depend upon it, find and embrace a story that compels us to see our work as loving and serving, and making the emerging world a better place. May we strive together to develop within us the critical intelligence to know what to do and how to do it; the grand will to act courageously with sustained initiative; and the spiritual energy to see why it matters that we engage in this noble work.

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