*Business Ethics as Practice*

In recent years, a succession of corporate scandals has rocked the international business community. As a result, many companies have invested considerable time, money, and effort on the development of ethics management programs. However, in many cases, such programs are nothing more than insurance policies against corporate liability, designed merely to limit the fallout of scandals should they occur. In *Business Ethics as Practice*, Mollie Painter-Morland urges us to take business ethics seriously by reconsidering the role of ethics management within organizations. She redefines the typical seven-step ethics management program from within – challenging the reader to reconsider what is possible within each aspect of this process. In doing so, she draws on the insights of Aristotle, Nietzsche, Heidegger, Foucault, and numerous contemporary organizational theorists and sociologists to create the space for the emergence of a morally responsive corporate ethos.

MOLLIE PAINTER-MORLAND is Associate Professor in the Department of Philosophy at DePaul University, Chicago. She is also Associate Professor in the Department of Philosophy at the University of Pretoria, South Africa, where she was, for many years, Director of the Centre for Business and Professional Ethics. In this capacity she acted as ethics management consultant to various business corporations and the South African government. In 2006, she was awarded an International Ethics Award by the Society of Corporate Compliance and Ethics (SCCE) for her contributions to the ethics profession internationally.

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# Business Ethics as Practice

Ethics as the Everyday Business of Business

MOLLIE PAINTER-MORLAND

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# *Preface*

Though all writing can be described as an attempt at conversation, writing this book confronted me with the considerable challenge of engaging in a conversation with a number of disparate audiences, each with its own set of expectations and priorities. Academic writing is always directed at one's academic peers and senior students, but the intended audience of this book also includes fellow consultants, and those in the corporate and public sectors who are charged with ethics and compliance programs. In fact, it is one of the primary objectives of this text to engage this practitioner audience. However, having emerged, as it has, not only from the experience of a consultant, but also from the reflections of a philosopher, the text is informed by a number of scholarly preoccupations and fascinations. To sustain this kind of conversation required a delicate balancing act in which detailed analysis had to be weighed against accessibility, philosophical interest against immediate relevance, and the exploitation of existing literature against the exploration of new ideas. As such, a certain degree of compromise was both inevitable and unavoidable. I am not entirely convinced that the right "balance" was always struck, but then, finding "balance" would mean accepting the compromise, whereas avoiding it means that the struggle continues.

The questions to which this text is a response originated in and through my engagement with ethics management projects. This exposure presented a much-needed reality-check to a young scholar, eager to put into practice what she had the privilege of studying and contemplating. I soon came to the sobering realization that many of the well-reasoned theoretical constructs with which I set out did not translate well to the messy realities of corporations and public service departments with which I began grappling as a consultant. This may not come as any great surprise to practitioners, nor, one suspects, to some scholars. However, I remain convinced that in its various iterations, all philosophical ethics is concerned, informed and precipitated

by practice. As such, merely accepting that philosophical ethics does not have much to say to business practice would undermine my motivation for pursuing it in the first place. It is precisely the reintegration of theory with practice that this text seeks to accomplish. To do so, I judged it necessary to make use of both philosophical insights and multidisciplinary studies of organizational life. This hybrid approach is likely to test some people's endurance and I can only beg the reader's patience and indulgence in light of the objectives that I have outlined above. I can only hope that the reader will become convinced, as I am, of the necessity of the many "compromises," "translations" and "negotiations" that have shaped this text. For the sake of better understanding and by way of preparation, I would like to outline just a few of these.

Some practitioners may not be aware of this, but the philosophical landscape is divided into distinct traditions. For instance, in the US, there is a definite divide between so-called "analytic" and "continental" philosophical traditions. The differences between these traditions have become so marked that analytic and continental philosophers do not generally attend the same conferences, publish in the same journals, or read one another's work. The majority of business ethics scholars in the US subscribe, either explicitly or implicitly, to the basic epistemological suppositions of the analytic tradition. For me, this represents yet another challenge in sustaining the kind of inclusive conversation that I consider necessary in business ethics. I broadly describe myself as a continental philosopher, at least in research interests and style, and hence I often find myself having to "bridge the gap" between the two traditions. At conferences and during peer review processes, I have to "translate" my ideas into terms that are more familiar and palatable to my audience. To do so I am compelled to resist, as much as possible, dwelling on the continental philosophers' preoccupation with the ineffability of experience and the hermeneutic complexity of representation and to try to convey my ideas in the sober, unembellished prose and syllogistically precise logic that is valued in analytic scholarship. Though it is often challenging and uncomfortable, putting oneself through the analytic "paces" makes one "multilingual" in a way that fosters conversation. This book is another experiment in this "multilingualism," drawing equally strongly on continental thought, pragmatism, communitarianism and the work of some of my more analytically inclined colleagues in business ethics.

I suspect that many of my colleagues in continental philosophy will wade through the corporate jargon and the data drawn from empirical studies with great difficulty.[1] Many of them will feel that the text could have explored the philosophical traditions employed in far greater detail, and described them in a more nuanced way. They would, of course, be entirely correct. Others will wonder why I chose to accept the terms within which "ethics" is pursued in the corporate environment so uncritically and why I did not level macro-economical critiques against the broader capitalist regime. These would all have been legitimate agendas, but they bring me back to what this book is. It is an attempt at conversation, and as such, it requires accommodation and translation. A certain measure of accommodation is indispensable if the conversation through which the tensions between ethics as theory and ethics as practice may be resolved is to be productively sustained. It means that theory starts, and ends, in a situated practice, i.e. one that is not only shaped and informed, but also bound, by the particulars of a specific material, temporal, and epistemological context. Here I take the advice of those philosophers who would have us start right where we are, in the here and now, in our own skin, and within the parameters of whatever constraints we may presently be subject to. From this perspective, it is our task is to try to ascertain who we are, how we got to where we are, and how we may change where we are, should that prove necessary.

If the book therefore reflects the conversations brought about by my own particular philosophical identity, it is also significantly shaped and informed by the unavoidable practical constraints to which business ethicists working in South Africa and the US are subject. As a practical matter, business ethics is limited, in many respects, by a fairly rigidly delineated and regulated set of organizational practices. This is especially true in the US with its well-developed regulatory framework. One of the practical implications of such a developed regulatory environment is that legality often inadvertently becomes conflated with morality in organizational practice. When and where this is the case, it is something that may rightfully be bemoaned. However, it would simply be impractical, at this particular historical juncture, to advocate

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[1] Not to mention the philosophical objections against such objectifying empirical work and the critique of the power dynamics that inform its hypotheses!
Those philosophers who are driven up the wall by this kind of academic work should scan – with forebearance – the last part of Chapter 1.

the abolition of an extensively entrenched regulatory system, such as the one that exists in the US, on the basis of such an objection. The truth is that with so many people so deeply invested in the idea, it simply isn't going to happen any time soon. This being the case, it is perhaps more sensible to set our sights on, and invest our efforts in, more realistically attainable goals – in other words, to play with the cards that we have been dealt. I therefore chose to start the conversation right here, in the current reality of ethics officers and corporate counsel – a context that is fraught with legislative demands and in which liability threats abound. However problematic we may find this notion from a philosophical point of view, the legal and regulative context requires certain step-by-step ethics interventions, the ''management'' of ethics, if you will. One can argue that ''ethics management'' undermines the essence of what ethics is, and as this book will indicate, in some respects I agree. But we still have to start right here, and reconsider the practices that exist, in order to redefine ethics as such.

In the process of reconsidering established corporate ethics management practices, I also have to beg the patience of my practitioner audience, who may feel that I really did not need that much philosophical justification to make my point. Such objections are certainly understandable, but this book is also an attempt to involve my graduate students and my colleagues in a conversation (there are, of course, many others) that I truly believe makes what we do in philosophy exciting. It wants to restore us to our role as public intellectuals who care deeply about the realities navigated by those without the luxury of living primarily as readers, writers and teachers. The role of public intellectuals relies on the ability, and willingness, of both audiences to translate. Practitioners have to share their questions, and their answers, and scholars have to relate their insights into how the history of thought informs our options in the present and in the future. This is no simple task, as many of the thinkers whose ideas still inform our presuppositions and prejudices in the present lived in completely different times, and as such could not possibly have anticipated the contemporary relevance of their proposals. Yet there is so much to be gained from knowing where our understanding of ourselves and our beliefs comes from. It provides us with the kind of perspective that is necessary to effect change.

In this text, certain chapters are more deliberately focused on providing the philosophical background to why we do things in particular

ways in ethics. They try to explain why and how certain assumptions prevent us from exploring rewarding new avenues of thought and practice. I leave it up to my practitioner readers to decide whether they want to accompany me on this part of the journey. For instance, Chapter 2 provides a detailed analysis and critique of some of the most prevalent approaches to ethical decision making, which may be of interest to some practitioners, especially those involved in designing ethics training programs, but certainly not to all. Chapter 3 makes a case for the need to rethink who we are as moral agents on the basis of a number of philosophical considerations. Managers and executives who are not interested in exploring these issues in such philosophical depth may simply scan Chapters 2 and 3 without fear of losing the thread of the overall argument.

In each conversation, some common ground has to be established, and in this text, I suspect that Chapter 4 is it. It contains a lot of philosophical analysis, but it employs these perspectives to redefine values in a very practical sense. I would therefore suggest that regardless of what the reader's specific reason for picking up this text is, he/she would need to read this chapter as conceptual framework for the propositions put forward in the last part of the book. It lays out the basis of a new epistemology, advocates a new understanding of what business is about, redefines what values are, and ultimately what business ethics could be.

The book ends with practice, as I think all books should. Chapters 5 and 6 explain why we may need to rethink leadership and "ethics management." In following the broad argument of the book up to this point, as well as the various observations offered along the way, it may be possible for some readers to conclude that all the elements of ethics management programs are best abandoned. However, I deliberately chose not to go that route. I believe that changes to practice occur incrementally. From the perspective of complex adaptive systems, small changes can have large effects. If you tinker with enough elements in the system, new patterns emerge. But you have to tinker often, and insistently. It is the initiation of such a process to which this book aspires.

The arguments and observations offered here potentially have many other applications, but the focus of this book is on rethinking ethics management. I have focused in this text on the practice of which I have had the most experience, and for the moment it ends there. But this

ending opens many other avenues, which I hope to explore in future projects. However, for that research to happen, the places, people and problematic conversations that will shape and inform it are yet to announce themselves with sufficient immanent force. In a sense, I have no choice but to wait patiently until they do, because to me, it is this that makes ethics as practice possible.

# *Foreword*

Mollie Painter-Morland has written an important book. It charts a new direction for business ethics as a discipline along a number of dimensions. First of all the book introduces more of the continental and post-modern traditions to the largely Anglo-American conversation about business ethics. Second, this is accomplished by paying attention to the practical problems of ethics in modern organizational life. Third, by merging theory and practice, Painter-Morland offers us real wisdom about how to think about ethics in corporate life.

Professor Painter-Morland begins by arguing that most of our thinking about ethics has become disconnected with the practical problems that we face in our lives. And nowhere is this clearer than in business, where the scandal of the day seems to drive the analysis of most philosophers, who simply conclude that people need to be more ethical. Typically they mean by this phrase, "become more in tune with the tenets of Anglo-American ethical theory." She rightly claims that "business ethics is supposed to be as much about business as ethics," but shows us how the kinds of narratives that are present in the current business ethics conversation can never really be about business. And she eschews the idea that ethics can be built into business practice through the traditional means of ethics officers and codes of principles and behaviors.

What Painter-Morland offers in the place of this tradition is a view of business ethics that does not make the theory–practice distinction, but rather is grounded in practice. It is a view that puts questions such as "how should we live" and "who am I and what kinds of relationships with others are possible" squarely in center stage. She makes it abundantly clear that in the traditions on which she draws, "there is a general acknowledgement and appreciation, . . . of the role that people's emotions, bodies, relationships, histories and contexts play in shaping one's sense of self, and any perceptions and beliefs that one may have."

After opening chapters which set the stage for her new approach, we find concrete discussions of the role of context and relationships in

business, the nature of moral values and their place in an epistemology that is skeptical of the tradition of moral reasoning and the search for normative certainty and foundations.

Nietzsche, Heidegger, Lakoff and Johnson, Young, Nussbaum, Bourdieu, Polanyi, Marcuse, Butler, Merleau-Ponty and others join the conversation about the connection between business and ethics. We find topics like authenticity, sexuality, gender, power and domination, embodiment, and others alongside management theory, stakeholders, rights, leadership, and decision making. What holds the conversation together is its profound concern with the practical Socratic question of how should we live.

Business ethics as a discipline is in danger of becoming irrelevant. It has held onto its foundational roots for too long. As others discover the power of thinking about values and ethics in business, the role of philosophers, mired in traditional ethics, will become increasingly marginal. Painter-Morland offers hope to philosophers working in business ethics, and she offers a sound philosophical roadmap to those in business schools who find the current landscape problematic.

By integrating the work done in continental philosophy, traditional business ethics, and management theory, Painter-Morland gives us a multi-layered argument that should set a new direction for the conversation about business and its role in society. Indeed it is an honor to publish this book in the series on *Business, Value Creation, and Society*. The purpose of this series is to stimulate new thinking about value creation and trade, and its role in the world of the twenty-first century. Our old models and ideas simply are not appropriate in the "24/7 Flat World" of today. We need new scholarship that builds on these past understandings, yet offers the alternative of a world of hope, freedom, and human flourishing. Mollie Painter-Morland has given us just such a book. She has breathed new life into business ethics.

R. Edward Freeman
Olsson Professor of Business Administration
Academic Director, Business Roundtable
Institute for Corporate Ethics
The Darden School
University of Virginia
Charlottesville, Virginia, USA

# *Acknowledgements*

So many people, places and experiences contributed to the conversation that takes shape in this book. Naming them is a daunting task and thanking everyone who has somehow helped me along the way is simply not possible. In some respects this book is the culmination of a journey that started a number of years ago, and as I retrace my steps over the past seven years, scores of faces drift into focus.

My journey in Business Ethics started during my time as a PhD research scholar on a Fulbright grant at the Center for Business Ethics at Bentley College in 2000–2001. I cannot give enough credit to Professor W. Michael Hoffman, and his wonderful team of people, for the support, resources, and companionship they offered me during my stay in Boston. The time I spent at the CBE provided me with the best possible exposure to best practice in ethics management. The Ethics Officer Association (now ECOA) under the leadership of Ed Petry was also instrumental in exposing me to the practical roll-out of ethics management programs. I learnt a great deal from practitioners within the ECOA and Society of Corporate Compliance and Ethics (SCCE) and I continue to do so.

Many decision-makers and mentors at the University of Pretoria deserve thanks for the trust they put in me by appointing me as Director of the Centre for Business and Professional Ethics upon my return to South Africa in 2001. This position gave me the opportunity to gain consulting experience in both the South African public and private sectors. Thrown in at the deep end, I was fortunate enough to have had wonderful clients, who learnt with me, debated the issues with me, and believed in me. I owe so much to their practical advice, experience and dedication. The dilemmas we confronted together informed the questions that led to this book. I hope that my new ideas and proposals will enhance their programs and will stimulate further conversation between us. I also want to thank some of the consultants who partnered with me on large projects, especially Deon Rossouw,

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The University of Pretoria deserves thanks for appointing me to a challenging position early on and then being gracious in allowing me some focused research time when I needed it most. My research leave greatly contributed to bringing this book project to fruition. Their support since my move to DePaul University has remained unfaltering, and I continue to work with the Centre for Business and Professional Ethics (CBPE) and the Philosophy Department there on a part-time basis.

My current institutional home has been the perfect base from which to further my research. Not only did DePaul University support my research through a Summer grant, but it is also an institution that has become well-known for its wealth of Business Ethics expertise. I was fortunate to have two of the strongest women in the field, Patricia Werhane and Laura Hartman as colleagues and friends. This was not the full extent of my good fortune however. DePaul University's Department of Philosophy provided me with the collegial environment that any philosopher could only dream of. Not only did I have access to some of the best minds in continental thought, but I was offered the friendship and moral support of an amazing group of people. Nothing inspires writing more than that. I often found myself exploring new research ideas during happy hour-long conversations with Peg Birmingham, Tina Chanter, Jason Hill, Sean Kirkland, Rick Lee, Bill Martin, Will McNeil, Darrell Moore, Michael Naas, David Pellauer, Franklin Perkins and Peter Steeves. A special word of thanks goes to my friend and colleague Elizabeth Rottenberg for her wisdom and much needed perspective. David Krell has been a pillar of support since my arrival at DePaul and was gracious enough to comment on this book and to provide generous proofreading assistance. He, more than anyone, buttresses my faith in the power and value of conversations and collaborations. I also owe immense gratitude to Edward Freeman, who has supported this project since its inception and never ceases to inspire me through the way in which he lives the academic life.

I am in the fortunate position to have been brought up as someone who thrives on conversation, debate, and mediation. For that, I have my father, mother and my two brothers to thank. Submitting to the force of the better argument has never come easy for any of us, but, as I have come to appreciate from an early age, it has its own worthy

rewards. To a great extent this exposure to the cut and thrust of the debate made me and continues to make me who I am, and informs everything I do and write.

I am particularly grateful to my husband, Arno Morland, who has had to live with the anxieties that my multiple conversations precipitate, and continues to love and support me regardless. He is the one person who has read every single word I have ever written. He is also someone who believes that there is no formulation that is beyond improvement. As such, he has inspired me to work even harder at conveying my thoughts in writing. As language editor of this book, he smoothed out many of the rough patches that is the inevitable consequence of my simultaneous participation in so many widely disparate conversations. For his hours of work and his tenacious support I can never thank him. For who and what he is I do love him and dedicate this book to him.