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978-1-107-64230-0 - *Virtue in Business: Conversations with Aristotle*

Edwin M. Hartman

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Virtue in Business

The virtue approach to business ethics is a topic of increasing importance within the business world. Focusing on Aristotle's theory that the virtues of character, rather than actions, are central to ethics, Edwin M. Hartman introduces readers of this book to the value of applying Aristotle's virtue approach to business. Using numerous real-world examples, he argues that business leaders have good reason to take character seriously when explaining and evaluating individuals in organizations. He demonstrates how the virtue approach can deepen our understanding of business ethics and how it can contribute to contemporary discussions of character, rationality, corporate culture, ethics education, and global ethics. Written by one of the foremost Aristotelian scholars working in the field today, this authoritative introduction to the role of virtue ethics in business is a valuable text for graduate students and academic researchers in business ethics, applied ethics, and philosophy.

EDWIN M. HARTMAN was Visiting Professor of Business Ethics and co-director of the Paduano Seminar in Business Ethics at the Stern School of Business in New York University until his retirement in December 2009. Before joining Stern, he taught for more than twenty years in the business school and the philosophy department at Rutgers University, where he was founding director of the Prudential Business Ethics Center at Rutgers. He is the author of *Substance, Body, and Soul: Aristotelian Investigations*, *Conceptual Foundations of Organization Theory*, and *Organizational Ethics and the Good Life* (named Book of the Year [2003] by the Social Issues in Management Division of the Academy of Management).

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*For M. S. H. and S. M. H.
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Foreword

Ed Hartman has brought Aristotle to life for the business world of the twenty-first century. This book leaves no doubt about the relevance and importance of Aristotle's wisdom for today's executives and management thinkers. And Hartman shows that it is not just a matter of the importance of virtues and the golden mean. He shows in detail how understanding the strengths and weaknesses of Aristotle's worldview enlightens how we can think about business today.

There is very little certainty in today's business world. There are breathtaking technologies that change everything from life spans to how we see each other. And there seems to be an increasing shortage of "common sense." Hartman navigates these waters with an Aristotelian sense of what is important and what is not. He does not founder on dichotomies such as "normative vs. positive" or "business vs. ethics" or "science vs. philosophy." He shows how a modern-day pragmatist in the spirit of both Dewey and Rorty can read Aristotle as contributing to the theoretical conversation in business ethics, and as yielding practical insights into how organizations need to be managed in this new world.

Hartman brings a career of philosophical training, teaching in business schools, and work as a management consultant to the task. He has studied with some of the best philosophical minds in the world, and has worked with senior executives from industry and education. He has given us a new interpretation of Aristotle that is both philosophically deep and practically relevant.

For instance, in Chapter 4 he makes Aristotle relevant to those behavioral theorists who question our ability to deliberate and improve the kinds of decisions we might make. Chapter 5 has much to say to so-called "new institutionalists" who want to work only at a very abstract level in organizations. Yet Chapter 7 is quite relevant to the policy analysts who want to prescribe how issues such as globalization should unfold with the help of mediating institutions, including businesses.

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Aristotle had a remarkably comprehensive view of his own world, and Hartman follows suit, but he is able to make Aristotle speak to others who do not share or even understand Aristotle's worldview. Yet perhaps some of the most remarkable passages in the book are the stories of people from Hartman's own consulting experience. He then goes on to interpret how Aristotle would see these situations, not in terms of the world of Ancient Greece, but in our modern terms. These passages bring Aristotle to life for business in a way that has never been done.

It is a pleasure 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 today. Hartman's interpretation makes Aristotle a citizen and an important voice in this new world. We need more new scholarship like this that builds on the work of our intellectual heroes yet offers the alternative of a world of hope, freedom, and human flourishing.

R. Edward Freeman
University Professor and
Elis and Signe Olsson Professor
The Darden School
University of Virginia
Charlottesville, Virginia, USA

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Acknowledgments

Interpreting Aristotle is a humbling task. One stands on the shoulders of giants; occasionally one steps on their toes. The giants include not only the great interpreters of Aristotle but also leading scholars in fields to which Aristotle has something to say: ethics, psychology, sociology, politics, and so on and on. So much has been written about trust, social capital, the commons, individualism, rationality, liberalism, baseball, and much else that it would be difficult for one scholar to encompass them all. For this scholar it is impossible. The most I can reasonably hope is that those whose mastery of these subjects exceeds mine will learn from my work that Aristotle has something interesting to say to them.

Over the years I have learned about Aristotle from many sources. I can no longer recall exactly who taught me what, so I cannot fairly acknowledge all my debts. It will be obvious that, as I have worked on this book in recent years, I have been much influenced by the work of Terence Irwin, Julia Annas, and Daniel Russell on the *Nicomachean Ethics* and that of Fred Miller on the *Politics*. I am sure I also owe thanks to Rosalind Hursthouse, Nancy Sherman, Martha Nussbaum, Sarah Broadie, John Cooper, and others for their work on Aristotle's ethics. I am grateful to John Keaney for a graduate seminar on the *Politics* nearly fifty years ago. My great teachers of the *Metaphysics* were Richard Rorty, Gwilym Owen, Richard Woods, and Terry Penner. Penner, my very patient thesis adviser, gave me a good start on Aristotle's *De Anima*, and David Furley contributed to my further work on it. Gregory Vlastos was my guide to Socrates and Plato. On philosophical issues generally I learned most from Rorty, Antony Kenny, and Donald Davidson. James Ward Smith, Alan Montefiore, and Richard Hare taught me a great deal about ethics. Nick Sturgeon, Don Waterfall, Frank Lewis, Richard Kraut, Hardy Wieting, and Alexander Nehamas were good influences in many areas of philosophy, starting but not ending in graduate school. Where social

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psychology offers insights to virtue ethics, the great recent influence on my thought has been the work of Jonathan Haidt, though John Doris and Daniel Kahneman are deservedly highlighted here as well. But social psychologists have been working on me since I took an undergraduate class with David Rosenhan.

I had the pleasure of working with Alejo Sison and Joan Fontrodona in editing a special number of *Business Ethics Quarterly* on the virtue approach to business ethics. I learned a great deal from them and from the contributors, and I profited from their encyclopedic knowledge of the literature of the field.

But for the encouragement of Ed Freeman, I might still be in management consulting rather than business ethics. I trust that his efforts have improved both fields. Ed has offered good advice on this book, as on much else that I have written.

Concerning virtue ethics as an approach to business ethics I am, as so many are, most in debt to the late Bob Solomon. Miguel Alzola, Robert Audi, Jerry Cavanagh, Joe DesJardins, Ron Duska, Gabriel Flynn, Kevin Jackson, Daryl Koehn, Domenec Mele, Dennis Moberg, Geoff Moore, Craig Walton, and Gary Weaver have contributed to the virtue approach and to my work. I will add Pat Werhane's name, though it may not have occurred to her that she is a virtue ethicist. Other names deserving of mention appear in the Bibliography. It was my privilege to have Miguel Alzola as a student. I doubt that I have taught him as much as he has taught me.

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- 2013. "The virtue approach to business ethics." In D. Russell (Ed.), *Cambridge Companion to Virtue Ethics*, 240–64. New York: Cambridge University Press.
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