

The business of mankind: A humanistic business model

What should a business mean in society? A book co-edited by IESE's Domènec Melé suggests developing a humanist business model for an ethical future.

March 25, 2015

"Business!" cries a repentant ghost in Charles Dickens' *A Christmas Carol*. "Mankind was my business... charity, mercy, forbearance, benevolence... The dealings of my trade were but a drop of water in the comprehensive ocean of my business!"

It's a sentiment that is still echoed today, most recently in a 2015 book edited by IESE's [Domènec Melé](#), together with Martin Schlag. [Humanism in Economics and Business](#) is a call for humanism and ethics in business, aimed at a wide audience of entrepreneurs and managers.

The book makes the argument that the Catholic humanist tradition is best suited to promoting a kind of business that advances the common good and allows people to grow and flourish within society. It is a cross-disciplinary book, as IESE dean [Jordi Canals](#) points out in his preface, a book that serves to help us navigate the business world with an understanding of the human being and his or her motivations.

The volume is made up 13 articles, most of which were presented at the International Colloquium on Christian Humanism in Economics and Business, held at IESE in 2011. The contributions by international academics are organized into three parts: the first contributes to an accurate understanding of Christian humanism, the second details how Christian humanism relates to economic activity and the third addresses Catholic humanism in business practice.

Why humanism?

The need for humanism becomes increasingly apparent in times of crisis, when a purely profit-driven model of doing business loses sight of the individual and his or her need for progress and development.

In his contribution to the book, the University of Michigan's Lloyd E. Sandelands outlines the basic tenets of the dominant shareholder-value model of business, arguing that this abstraction leads to the false conclusion that employees are human resources or "assets" to be deployed on behalf of profit-seeking owners. Such a conclusion is wrong both factually and morally, he says, and we must remember that the shareholder-value model is not the only model out there. "The Business of Business Is the Human Person," his chapter is titled, calling for a person-centered ethic for business administration.

Domènec Melé, in his chapter on Catholic humanism and economic activity, presents Catholic humanism as a guarantor of human dignity, human rights and human development. Applying these three core concepts to the practice of business, Catholic humanism helps engender fair treatment, an understanding of the value of the individual and a positive attitude toward diversity.

"Business should be oriented to people, to their development," rather than mere profit maximization, he concludes.

Practicing humanists

In his chapter, [Antonio Argandoña](#) of IESE asks: What makes a Catholic manager or entrepreneur different? Pursuing the answer, Argandoña reminds us that entrepreneurs often start businesses to produce things that others need and that managers organize people to work together on common goals. "Business enterprise, like other human activities, is good and the social function of an entrepreneur deserves recognition," he writes.

Furthermore, Argandoña states: "The life of a human being revolves largely around work, which is not a punishment or a curse but an expression of the dignity of man." Managers, following Catholic teachings, need to make work a concept that reflects its values and contributes to the good of society.

But what does a workplace operating on Christian humanist values look like? The book's final chapter -- by Geert Demunijnck, Kemi Ogunyemi and Elena Lasida -- provides concrete

examples. One is Kadick Integrated Limited, a telecommunications company in Nigeria that is intensely focused on human dignity and development. Kadick inducts new recruits into its company culture, including its norms for decorum, and provides on-the-job training.

Kadick also has a policy of complete transparency, and staff can see all bank details and assets. This creates a culture of trust, with "budgets proposed by the owners and defended; and everyone agrees."

Another example is the Christian landscape-gardening firm Agrément du Jardin whose values lead to the refusal of under-the-table (tax-free) work in an industry rife with such transactions. The owner calculates that he loses 5 to 10 percent of his possible deals but stresses that it's more important for the company to put its money where its mouth is and stand up for what's right.

Ultimately though, the authors argue that it's to everyone's benefit if we move from a corporate culture that accepts such breaches toward one that doesn't. Imagine going to work every morning for a company that you know has your best interests and personal development, as well as the common good, in mind. That's worth more than just a paycheck.

www.iese.edu/insight