Humanizing business management for better leadership

In Human Foundations of Management, IESE's Domènec Melé aims to improve the practice of management with a more complete understanding of human nature.

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"Management always entails a certain vision of the human being, along with a view of the nature and purpose of the business firm and society," write IESE's **Domènec Melé** and César González Cantón in *Human Foundations of Management* (Palgrave Macmillan, 2014). Problems arise when these visions escape questioning and are simply accepted, with their limitations intact.

Melé -- professor and Chair of Business Ethics at IESE, as well as the author or editor of 12 previous volumes -- puts human beings front and center in this philosophical book intended for managers, consultants and academics. Explaining that many studies of management have focused on empirical studies about individual and collective behavior, Melé and Cantón draw from philosophy to discuss what a human being essentially is and why this fundamental question matters to management.

From the outset, they argue that many management theories are unquestioningly based on the theory of *homo economicus* -- seeing a human being as driven purely by reason and self-interest, as in John Stuart Mill's writings. *Homo economicus* is limited because it ignores human emotions, relationships, learning, morality and more. "In contrast with the *homo economicus*, we will inquire into a complete view of the human being: the *homo humanus*," the authors explain.

With a complete view of the human being, the authors look for managers to enable "human flourishing" through work. From Aristotle, human flourishing involves pursuing excellence and

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fulfillment of the noblest human faculties.

Ultimately the authors seek to contribute to "a greater awareness of the overlap between the world of business and our common life, and the responsibility of the manager to build a more just society."

The idea of the human being

The book is divided into two parts. The first, "The Idea of the Human Being," provides an overview of our understanding of humanity from the perspectives of management and organization theories, science, religion and philosophy.

Running through a history of management thought, starting with the "ancient classics of management" (from the early 20th century) and working through neoclassical and new, emerging movements, the authors conclude that many theories share a narrow and quite negative view of the individual. We are more than self-interested, profit-maximizers, are we not?

They look to psychology, cognitive science and neuroscience in their quest for understanding. The authors consider sciences valuable to a balanced understanding of human nature, while offering some caveats. They warn that science can lead to "self-fulfilling prophecies." For example, if *homo economicus* assumes we are purely self-interested, we may act in self-interested ways working within this model because we believe that others will, too.

An outline of the visions of human nature provided by the world's three major monotheistic religions -- Judaism, Christianity, and Islam -- and ancient Asian religions looks at notions of free will, spirit, transcendence and norms of conduct to promote good behavior. A short synopsis of major philosophical thinking on human nature follows, summarizing the view of human nature in relevant philosophers from Aristotle to Wittgenstein. With philosophers using rational inquiry as their main tool, the result is a greater understanding of the complexity of the human being.

Philosophical thinking as a tool

In the second part of the book, "Fundamentals of a Philosophy of the Person," the authors discuss and discern the most influential philosophical thinking on human nature. The goal is to allow readers to come to a more complete idea of the human being and use it as a basis

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for good management.

First, the authors look to the forces that shape a human being and differentiate it from any other being. For example, the form of the human body: our lack of adaptation for any specific task makes us perhaps more adaptable to all tasks. Later, the authors offer an understanding of the difference between freedom of action and freedom of will. The former is freedom from external constraints while the latter is the human ability to exert self-control.

Emotions exist, the authors say, and the sooner we acknowledge that they are factors in human behavior both at work and away from it, the sooner we'll be able to learn to harness them. Most people can prevent themselves from committing a crime of passion, but there's no sense pretending we're rational automatons free from feelings of guilt, pride, shame and so on. Our emotional responses can be controlled with a bit of will or by forming more positive habits.

As with emotions, virtues can be encouraged by practicing good habits, both on an individual and on an organizational level.

Human flourishing

So we want to live a good life and we can cultivate ourselves to do so, but we also want to be happy. Are these goals compatible? When we take the concept of human flourishing into account, they are.

While happiness for some is pleasure, or satisfaction of desires, for many people, knowingly or unknowingly following Aristotle's thinking, it means "living well." This is human flourishing. Put simply, we take pleasure from being virtuous.

Not only individuals, but also managers and whole companies can operate in this way. Jordi Canals reinforces this idea in his forward: "Companies have an opportunity to be more than learning organizations that help solve big social problems," he writes. "They can also be cradles of a new humanism in society, where people can make a contribution and flourish... not only out of self-interest, but with a purpose and a sense of the common good."

An inspiring concept, just in time for New Year's resolutions.

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