

What is the Common Good for Business?

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The decision between right and wrong may be intuitively clear because there are moral standards

But the choice between right and better is far harder to discern

What is Common Good?

There is an implicit “moral imperative” but less clarity on how we guide firms through these moral claims

Assumption 1

- Wealth creation has long been viewed as the firm’s purpose in society
- Growing responsibility of firms as actors within civil society

Assumption 2

- Purpose can be a-moral – assumptions of morality are limiting
- Yet, “responsibility” is a moral claim
- No clear standards for what is moral, and how that is connected to purpose
- “What” is good?

Assumption 3

- Tensions over “who” has moral claim on firm actions

Corporate Purpose

- Purpose is the essence of an organization's existence (George et al., 2021: 7).
 - A clear definition of the firm's intent (framing)
 - Actionable pathways (formalizing)
 - Aspirational outcomes (realizing)
- Central to this is values, or the ideals about what is worth pursuing, having, and doing, which help organizations and their members decide what is "right" in a given situation.
- Purpose is sustaining the corporate mind

The Common Good

- Contemporary discussions revolve around the concept of “common good resources”
- The “common good” describes those facilities—whether material, cultural or institutional—that the members of a community provide to all members in order to fulfill a relational obligation they all have to care for certain interests that they have in common.
- Eludes a single definition as philosophers have arrived at different conclusions about what the Common Good actually is

Aristotle’s Virtue ethics: purposive disposition to live in service of society, by thinking of oneself as a member of a larger societal community

Virtue, justice, solidarity

Kantian ethics of moral duty: circumstantially unconditional standing motive to act morally

Accountability, dignity, subsidiarity

Utilitarianism: morally-grounded outcomes that maximize happiness and minimize suffering

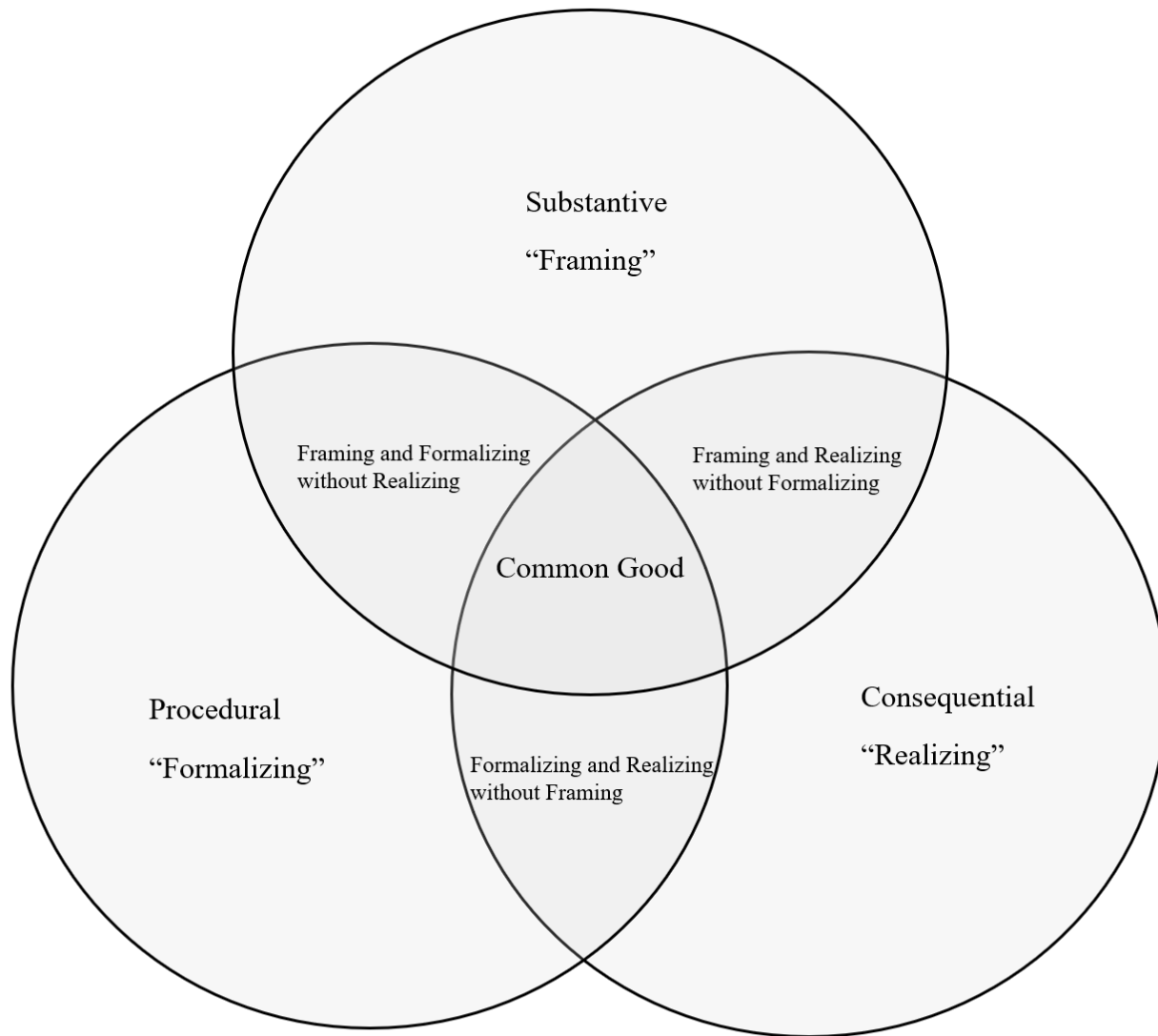
Inclusivity, sustainability, reciprocity

A moral view of corporate purpose

The moral view of corporate purpose expands the firm's goals beyond shareholder interests by describing the firm as morally bound to the collective interests of society.

In doing so, a moral corporate purpose consists of: (i) orienting the firm's goals towards societal progress, (ii) enacting a duty of moral responsibility to society, and (iii) interpreting the consequences of its actions through the collective interests of society; where each of these components are jointly necessary but individually insufficient.

Perspective	Components	Existing Representations in Business	In the Common Good
Substantive	Virtue	<ul style="list-style-type: none"> • Strategy as a moral and ethical practice. • Standards of excellence. 	The firm holds a morally desirable code of conduct oriented to the collective interests of society.
	Justice	<ul style="list-style-type: none"> • Commitment to social justice. • Social norms of fairness. 	The firm is committed to social fairness and equity.
	Solidarity	<ul style="list-style-type: none"> • Models of social innovation. • Binding of social and financial profitability. 	The firm conflates societal interests with those of the firm.
Procedural	Accountability	<ul style="list-style-type: none"> • Ethical reporting processes. • Formal and legal standards of conduct. 	The firm is responsible to moral standards of conduct.
	Dignity	<ul style="list-style-type: none"> • Humanizing business practices. • Respecting human needs. 	The firm promotes practices that respect humanity.
	Subsidiarity	<ul style="list-style-type: none"> • Decentralized decision making • Empowering employees to act with conviction 	The firm distributes decision making to the appropriate groups.
Consequential	Inclusivity	<ul style="list-style-type: none"> • Advancement of society's disenfranchised. • Protection of public at-large interest. 	The firm considers the directly and indirectly affected societal groups.
	Sustainability	<ul style="list-style-type: none"> • Solving planetary grand challenges. • Conserving ecological, social, financial, and intergenerational integrity. 	The firm protects the integrity of profit, people, and planet.
	Reciprocity	<ul style="list-style-type: none"> • A mutually beneficial relationship between the firm and the community • Repaying those who benefit us. 	The firm uplifts individual and community well-being.





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Common Good provides a lens through which we can imbue moral standards through values and moral action

