University of St. Thomas, Minnesota
UST Research Online

2017

Using UNPRME to Teach, Research, and Enact Business Ethics: Insights from the Catholic Identity Matrix for Business Schools

Kenneth Goodpaster
University of St. Thomas, kegoodpaster@stthomas.edu

Dean Maines
University of St. Thomas, Minnesota, tdmaines@stthomas.edu

Michael Naughton
University Of St. Thomas - Minnesota, mjnaughton@stthomas.edu

Brian Shapiro
BPSHAPIRO@stthomas.edu

Follow this and additional works at: https://ir.stthomas.edu/ocbeblpub

Part of the Business Law, Public Responsibility, and Ethics Commons

Journal of Business Ethics

Using UNPRME to Teach, Research, and Enact Business Ethics: Insights from the Catholic Identity Matrix for Business Schools
--Manuscript Draft--

Manuscript Number:	
Article Type:	S. I. : IVBEC New York 2015
Full Title:	Using UNPRME to Teach, Research, and Enact Business Ethics: Insights from the Catholic Identity Matrix for Business Schools
Keywords:	Baldrige Performance Excellence Program; Catholic Identity Matrix; Catholic social teaching; ethics assessment, mission integration; United Nations Global Compact; United Nations Principles for Management Education
Corresponding Author:	Brian P. Shapiro, Ph.D University of St. Thomas St. Paul, MN UNITED STATES
Corresponding Author E-Mail:	BPSHAPIRO@stthomas.edu
Order of Authors:	Kenneth E. Goodpaster, Ph.D.
	T. Dean Maines, Ph.D
	Michael J. Naughton, Ph.D
	Brian P. Shapiro, Ph.D
Funding Information:	
Abstract:	We address how the leaders of a Catholic business school can articulate and assess how well their schools implement the following six principles drawn from Catholic social teaching (CST): (1) Produce goods and services that are authentically good; (2) Foster solidarity with the poor by serving deprived and marginalized populations; (3) Advance the dignity of human work as a calling; (4) Exercise subsidiarity; (5) Promote responsible stewardship over resources; and (6) Acquire and allocate resources justly. We first discuss how the CST principles relate to the Good Goods, Good Work, and Good Wealth framework in The Vocation of the Business Leader (Pontifical Council for Justice and Peace, 2012), and then discuss their congruencies and tensions with the UNGC and UNPRME principles. Next, we describe the Catholic Identity Matrix (CIM), an assessment tool that provides a quantitative and qualitative portrait of how well a Catholic business school integrates, within the scope of its mission and capacities, the six CST principles in its strategies, policies, activities, and processes. The concluding section summarizes our analysis and discusses its implications for ongoing UNGC and UNPRME assessment, reporting, and development efforts.
Additional Information:	
Question	**Response**
Is the manuscript currently submitted anywhere else?	No.

**Using UNPRME to Teach, Research, and Enact Business Ethics:
Insights from the Catholic Identity Matrix for Business Schools**

Kenneth E. Goodpaster
Emeritus Koch Endowed Chair of Business Ethics
Opus College of Business, University of St. Thomas
1000 LaSalle Avenue, Mail # TMH 344
Minneapolis, MN 55403, USA
Phone: 1-651-962-4087
kegoodpaster@stthomas.edu

T. Dean Maines
Director, Veritas Institute
Opus College of Business, University of St. Thomas
1000 LaSalle Avenue, Mail # TMH 337
Minneapolis, MN 55403, USA
Phone: 1-651-962-4261
tdmaines@stthomas.edu

Michael Naughton
Director and Koch Endowed Chair, Center for Catholic Studies
University of St. Thomas
2115 Summit Ave, Mail # 55S
St. Paul, MN 55105, USA
Phone: 1-651-962-5712
mjnaughton@stthomas.edu

Brian Shapiro
David A. and Barbara Koch Distinguished Professor of Accounting and Business Ethics
Opus College of Business, University of St. Thomas
2115 Summit Avenue, Mail # MCH 316
St. Paul, MN 55105, USA
Phone: 1-651-962-5086
bpshapiro@stthomas.edu

Using UNPRME to Teach, Research, and Enact Business Ethics:
Insights from the Catholic Identity Matrix for Business Schools

The United Nations Global Compact's (UNGC) ten principles for socially and

environmentally responsible business practices (UN, 2010) and the related United Nations

Principles for Responsible Management Education (UNPRME) build upon the United Nations

Declaration of Human Rights (UN, 1948) and other UN development goals concerning labor, the

environment, and anti-corruption. Altogether, these principles promote what Mele (2003, p. 3)

described as "humanizing organizational cultures," inasmuch as they respect human dignity,

advance human rights, support personal growth, promote care and service for others, and

improve an organization's ability to serve the common good rather than only narrow special

interests. Catholic social teaching (CST) similarly emphasizes such themes as human dignity, the

dignity of human work, promotion of the common good, subsidiarity (employee participation),

responsible stewardship over resources, and solidarity with the poor and other marginalized

members of society.

We examine how the UNGC and UNPRME initiatives can help Catholic business schools

deepen their mission and participate in a broader conversation among institutions of higher

learning about how to educate socially and environmentally responsible global business leaders.

Our discussion and analysis are guided by two primary questions about how the UNGC and

UNPRME principles might inform the teaching, research, and enactment of ethical business

practices in Catholic business schools. First, how do principles drawn from Catholic social

teaching (CST) enable Catholic business schools to enact their Catholic identity and mission in

their teaching, research, service, and operational activities, in a manner that also advances the

UNGC and UNPRME principles? Specific applications of UNGC and UNPRME are expected to

vary depending on the nature of the business organization. Indeed, the UNGC specifically asks

its signatory companies to support and enact, "within their sphere of influence," the ten UNGC principles.[1] Similarly, the preamble to the six UNPRME principles asks its signatory institutions of higher business education to declare their willingness to make progress toward implementing the principles, and to start with those principles that are more relevant to their "capacities and mission."[2]

While every business school arguably communicates moral values and engages in moral education, whether by default or by design, Catholic business schools have the potential to be distinguished by their mission-guided nature, one that involves preparing students to become highly principled and effective business leaders through an education that provides appropriate theoretical material, skill-based training, and integration of Catholic social teaching with professional practices (cf. Pontifical Council for Justice and Peace, 2012, §85-86). To further explore these ideas, we advance six principles drawn from CST: (1) Produce goods and services that are authentically good; (2) Foster solidarity with the poor by serving deprived and marginalized populations; (3) Advance the dignity of human work as a calling; (4) Exercise subsidiarity; (5) Promote responsible stewardship over resources; and (6) Acquire and allocate resources justly. Catholic business schools that take their missions seriously and wish to participate in a broader discussion about the role of business ethics education need to consider how these CST principles relate to the UNGC and UNPRME principles.

The second research question that guides our discussion and analysis asks how the leaders and faculty of Catholic business schools might systematically and effectively articulate, assess, and report on how well they implement CST principles within their activities and processes. The answer is not obvious, for the quality of existing assessment practices for

---

[1] See https://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/index.html.
[2] See http://www.unprme.org/about-prme/the-six-principles.php.

evaluating and then reporting on progress toward implementing the UNGC and UNPRME

principles is highly contested and still much in flux (e.g., see Rasche and Waddock, 2014; Sethi

and Schepers, 2014). We examine how Catholic business schools may assess and improve their

programs in a manner consistent with the UNGC and UNPRME projects as well as the missions

of their own universities. We illustrate how this may be accomplished via a *Catholic Identity*

Matrix (CIM), an assessment tool that provides a quantitative and qualitative portrait of the

current state of a Catholic business school's academic, curricular, and administrative activities.

The CIM is patterned after the assessment process pioneered by the Baldrige

Performance Excellence Program and is based on a previously developed tool that has been used

successfully by senior executives of Catholic health care organizations to assess how well they

deploy Catholic moral principles within their institutions. The CIM framework identifies five

tasks a business school must undertake to enact principles effectively within their operations: (1)

planning, (2) alignment of critical leaders, (3) the deployment of systematic processes, (4)

training, and (5) the measurement of impact. Given our focus on how the mission of Catholic

business schools relates to the teaching, research, and enactment of ethical business practices, we

systematically relate each of the five CIM tasks to the six CST principles. Application of the

CIM involves evidence-based assessment and pursuit of continuous improvement opportunities.

We discuss how these activities can advance the annual assessment, reporting, and continuous

improvement goals of UNGC and UNPRME.

The remainder of this paper consists of three sections. The first section advances the six

CST principles and relates them to the UNGC principles. The second section describes the CIM

and its relation to the UNGC and UNPRME principles. The concluding section summarizes our

2

analysis and discusses how CST principles and the CIM contribute to ongoing UNGC and UNPRME assessment, reporting, and development efforts.

CST Principles and their Relation to UNGC Principles

This section addresses our first research question, namely, how do principles drawn from Catholic social teaching (CST) enable Catholic business schools to enact their Catholic identity and mission in their teaching, research, service, and operational activities, in a manner that also advances the UNGC and UNPRME principles? Below we first advance six principles drawn from CST and discuss their relation to three goods (Good Goods, Good Work, and Good Wealth) set forth in *Vocation of the Business Leader* (Pontifical Council for Justice and Peace, 2012). We then describe linkages between the CST principles and the UNGC principles, highlighting their congruencies and differences.

Six CST Principles Underlying Good Goods, Good Work, and Good Wealth

Table 1 lists six CST principles organized by the "three goods" (Good Goods, Good Work, and Good Wealth) set forth in Pontifical Council for Justice and Peace (2012).[3] The six principles are based on a CST-inspired view of the human person and human flourishing, and may be considered core convictions and principles for Catholic business schools. The three goods, their corresponding CST principles, and their implications for business ethics education and research are described in detail below.

[Insert Table 1 about here]

---

[3] The three interrelated goods also map onto what MacIntyre (2011, p. 323) described as three goods that make work meaningful: "…that the work that we do has a point and purpose, is productive of genuine goods" [Good Goods]; "that the work that we do is and is recognized to be *our* work, *our* contribution, in which we are given and take responsibility for doing it and for doing it well" [Good Work]; "and that we are rewarded for doing it in a way that enables us to achieve the goods of family and community" [Good Wealth]" (cf. Kennedy, 2006; Specht and Broholm, 2009).

Good Goods. The first of the three central goods of business aims to produce goods that are truly good and services that truly serve. In conventional business language, goods and services are understood as objects or actions that have market value, in the sense that someone is willing to exchange money for them. But sometimes markets can be unreliable metrics for value. The fact that nobody will buy at a given time and price, or the fact that a particular good or service sells, may indicate the existence of Good Goods, or it may mean that people's priorities are askew. A normative theory of the good is needed to determine whether goods and services truly advance the health and well-being of individuals and their respective communities (cf. Sandel, 1982; Taylor, 1989, pp. 274-279; MacIntyre, 1990, p. 60).[4]

Two principles address the normative value of goods and services. The first principle of Good Goods is that a business produces goods or services that are authentically good, in the sense that they meet the needs of the human community. It takes a wide range of products and services, from the life-saving to the mundane, to maintain a good society. Business also must strive to create sustainable goods and services, and has an ongoing responsibility to identify and address negative externalities.

The second principle of Good Goods is that businesses must foster solidarity with the poor by serving deprived and marginalized populations. Meeting the needs of the human

---

[4] Pope John Paul II (1991, §36) wrote the following about the phenomenon of consumerism: "In singling out new needs and new means to meet them, one must be guided by a comprehensive picture of the person which respects all the dimensions of his being and which subordinates his material and instinctive dimensions to his interior and spiritual ones. If, on the contrary, a direct appeal is made to human instincts--while ignoring in various ways the reality of the person as intelligent and free--then consumer attitudes and lifestyles can be created which are objectively improper and often damaging to the person's physical and spiritual health. Of itself, an economic system does not possess criteria for correctly distinguishing new and higher forms of satisfying human needs from artificial new needs which hinder the formation of a mature personality. Thus a great deal of educational and cultural work is urgently needed, including the education of consumers in the responsible use of their power of choice, the formation of a strong sense of responsibility among producers and among people in the mass media in particular, as well as the necessary intervention by public authorities."

4

community extends to the needs of all, not simply the needs of a few. This principle requires a sense of fraternal charity toward others (Benedict XVI, 2009, §9).

Implications of Good Goods for Business Education. The two principles underlying Good Goods can (and should) guide thoughtful classroom dialogues and faculty research about such issues as a culture of consumerism; the dominance of market logic in the public square; the non-equivalence of legality and morality; the relationship between needs, wants, and human fulfillment; the assumptions about human motivation that often go unexamined in disciplines like marketing, finance, accounting, organizational behavior; tensions among market dynamics, law, and public policy in relation to controversial products and services; and the extent to which the poor and other marginalized populations have access to employment and good goods and good services.

Good Work. Another central good of business is bringing into existence good working conditions for employees. At a minimum, this requires that the working conditions be safe and not debilitating, that employees are treated respectfully, and that employees be given sufficient opportunity to honor their work/life balance commitments. A highly principled business leader would aim, however, to go beyond the minimum. Two principles of Good Work can guide such a leader.

The first principle of Good Work focuses on advancing the dignity of work as a calling. The Ancient Greeks saw work and in particular manual work as undignified, as beneath them. But while the Greeks saw the "work of one's hands" as slave or non-citizen work, Jews and Christians saw work as a dignified participation in the ongoing work of creation. At the heart of good work is the fundamental call to use our talents, abilities, knowledge and skills to serve the good of others. As a principle, it distinguishes between a careerism focused on having and doing

5

and a vocation that addresses the meaning of our work and our lives. Without a sense of being called, the competitive and complex difficulties of business can erode a leader's sense of the human significance of their actions and decisions and reduce them to technical functions and financial formulae (cf. Yuengert, 2011).[5]

The second principle of Good Work focuses on the structure of work within the organization, and in particular calls the business leader to exercise subsidiarity by drawing upon and developing the diverse gifts, talents, abilities, and skills of all employees.[6] Subsidiarity demands that organizations and their leaders fulfill three important tasks:

1. Design the work of employees in a way that taps their gifts, talents, and skills. Such design fosters initiative among employees and gives voice to all people in the organization.

2. Develop the people in the organization through effective education, skill development, mentoring, evaluation, and adequate resources to perform their work well.

3. Establish strong relationships with employees, not only by delegating work but also by trusting employees. While employees must earn trust through competence, initiative and hard work, leaders must in turn have the courage to assume some risk when relying on the work of their employees.

Implications of Good Work for business education. The conditions for human work and the way it is designed and managed have a significant impact on how well a business can compete in the marketplace and the extent to which its people can flourish through their work.

---

[5] As Pope Francis (2013, §203) put it, "Business is a vocation, and a noble vocation, provided that those engaged in it see themselves challenged by a greater meaning in life; this will enable them truly to serve the common good by striving to increase the goods of this world and to make them more accessible to all."

[6] At the heart of "subsidiarity" as a principle of leadership is a *respect in action* that assists leaders to take another look (*re-spect* from the Latin *respectare* to re-look) at their employees (Naughton, Buckeye, Goodpaster, and Maines, 2015). This *relooking* calls leaders to move beyond first impressions, and to recognize the unrepeatable, irreplaceable personal reality of each employee.

The two principles underlying Good Work can (and should) guide thoughtful classroom dialogues and faculty research about such issues as the value of employee participation that includes not only financial considerations; assumptions about human motivation that may often go unexamined in human resources, operations, organizational behavior, and the management disciplines; a culture of careerism where leaders are more concerned about what they achieve than who they become; the dominance of "instrumental rationality" over moral rationality; the difference between work as a career and work as a vocation; and how job design impacts people.

Good Wealth. CST maintains that capital and other property should be privately held, but nevertheless used in a manner that is sustainable and advances the common good (John Paul II, 1987, §42). Synergies and conflicts among the private and common uses of property urge business leaders to consider the distributive consequences of how they set prices, allocate wages, share ownership, distribute dividends, and support their communities. A profitable business creates wealth, well-paying jobs, opportunities for employee development, satisfied customers, and potentially the good of all stakeholders. Human needs can be better satisfied if the resulting wealth is shared not only with investors but also invested in labor, infrastructure, and research and development. Good Wealth includes a just but not necessarily equal distribution of wealth that rewards individual contributions as well as advances society's well-being. It also aims for just wealth creation through business practices that promote Good Goods and Good Work. Wealth creation is not limited to financial profit alone, but also is linked to wider moral-cultural notions of well-being that include the physical, mental, psychological, moral, and spiritual well-being of individual persons, the well-being of society as a whole, and preservation of other species and the natural environment.

7

The following two principles can guide a Good Wealth approach to business activities. The first principle requires business leaders to promote responsible stewardship over resources. Good stewards are creative and productive with the resources placed in their care (MT 25:14-30); they do not only take from creation's abundance, but also use their talents and skills to produce more from what has been given to them. One manifestation of the good stewardship principle within the business context is financial profit sufficient to sustain the organization. Effective business leaders sustain their organizations when they use their resources effectively, drive out waste, establish and maintain efficient processes, and maintain healthy profit margins. Just as financial resources are vital for the long-run survival of business organizations and the societies in which they operate, so too is stewardship of the physical and the inherited (and not solely humanly created) resources it provides. As the creation stories in the first two chapters of Genesis suggest, we are called to exercise both dominion and good stewardship over the world's resources in order to advance our well-being and the well-being of others (Francis, 2015, Benedict XVI, 2009, §48; Soloveitchik, 1965).

The second principle of Good Wealth requires business leaders to aquire and allocate resources justly. A just acquisition of wealth avoids corrupt means and should not be achieved at the expense of Good Work and Good Goods. A just distribution of wealth renders to others what they are due. As wealth creators, for example, business leaders must seek ways to justly and sustainably distribute their organization's wealth to employees (just wages), customers (just prices), owners (just returns), suppliers (just prices), and the community (just tax payments). Just allocation of wealth also exercises the preferential option for the poor. Leviticus 19:9-10, for example, enjoins farmers to leave the gleanings of their fields (part of their "profit") for the poor and disadvantaged members of society (Shapiro, Cohen, and Naughton, 2013).

Implications of Good Wealth for business education. The two principles underlying

Good Wealth can (and should) guide thoughtful classroom dialogues and faculty research about

such issues as how well organizations monitor, evaluate, and create wealth through just means

(Good Work and Good Goods) and avoid creating wealth through unjust means; steps

organizations may take to exercise good stewardship over all of their resources and to promote

sustainable wealth creation and distribution; how a purely financially focused cost-benefit

analysis may hinder the creation and distribution of good wealth; how organizations handle the

non-equivalence of human and financial resources when they use cost-benefit analyses to reach

their decisions; how a shareholder wealth maximization logic may help or hinder the creation

and distribution of Good Wealth; and how organizations manage tensions among their wealth

creation practices, wealth distribution practices, and investment activities to promote the well-

being of individuals, sustain and grow the organization, and advance the good of society as a

whole.

Relation between the Six CST and Ten UNGC Principles: Congruencies and Tensions

Table 2 lists the ten UNGC principles and their relation to the six CST principles. The

UNGC principles covering human rights, labor, the environment, and anti-corruption are derived

from the Universal Declaration of Human Rights (UNDHR) (UN, 1948), the International Labour

Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on

Environment and Development, and the United Nations Convention Against Corruption. The

historical development of the 1948 UNDHR can help us understand both the congruence and

difference between the UNGC and CST principles. Jacques Maritain, a French Thomist

philosopher, participated in formulating the contents of UNDHR. The UN's agenda included the

difficult task of persuading the members of an international body, many of whom professed

inconsistent and even contradictory first principles, to agree on a common list of fundamental human rights. Maritain believed that notwithstanding the members' differences, their common human experience could lead them to agreement on practical matters regarding their life in common. For Maritain, this achievement represented no small step toward human development across diverse societies. Yet, to have insisted on a clear philosophical or theological statement of the *basis* of human rights in the UNDHR would have derailed this progress toward a genuinely common good. Maritain credited the "neutral" language of practical truths, which we might call the common sense of human action, with enabling the participants to find a measure of unity and agreement, even though they might not agree on why they agreed. As Maritain explained, "We agree on these rights, *providing we are not asked why*. With the 'why' the dispute begins" (Maritain, 1951, 77). Maritain further explained that while the extent of such practical agreements "is doubtless very little, it is the last refuge of intellectual agreement among men. It is . . . enough to undertake a great work; and it would mean a great deal to become aware of this body of common practical convictions" (Maritain, 1951, 77-78; see also Alford and Naughton, Chapter 1).

[Insert Table 2 about here]

Maritain's pragmatic approach has the advantage of advancing agreement within a pluralistic setting. At the UN this approach makes a lot of sense, and the UNGC project in particular is an important vehicle for aligning diverse companies around a common set of principles. But this practical consensus-driven approach should not be the sole approach within a Catholic mission-driven university whose important task includes engaging students in first principles. Indeed, while Maritain saw the great benefit of coming to a pragmatic agreement on *what* human rights people have, he did not think that we should keep the *why* behind our actions

obscure. Specifically, the *why* of our actions represents their motivations, influences their moral

quality, and can foster a deeper commitment to human rights and the other UNGC principles.

Vaclav Havel, former president of the Czech Republic, well appreciated the issue here. He

perceived how a campaign for human rights, without a connectedness to a deeper *why*, was in

danger of becoming a slogan:

> Politicians at international forums may reiterate a thousand times that the basis of the new
>
> world order must be universal respect for human rights, but it will mean nothing as long
>
> as this imperative does not derive from the respect for the miracle of Being, the miracle
>
> of the universe, the miracle of nature, the miracle of our own existence. Only someone
>
> who submits to the authority of the universal order and of creation, who values the right
>
> to be a part of it and a participant in it, can genuinely value himself and his neighbors,
>
> and thus honor their rights as well (Havel, 1994).

In the absence of a moral and spiritual tradition, or other traditions based on first principles, the

UNGC principles can devolve into a corporate checklist and foster an instrumental approach to

corporate policy. For example, some companies publicly assert that if they are good corporate

citizens, they will make more money. Taken to its logical conclusion, this instrumentalism could

be invoked to justify violating the UNGC principles whenever enacting the principles would

reduce a company's profit. CST principles can provide a deeper foundation and commitment to

the intent and purpose behind the UNGC principles. For example, within CST the foundation of

human rights lies in the conviction that human beings are made in the image and likeness of the

Creator. The rich narrative traditions that support and elaborate upon this conviction can anchor

human rights in a firmer foundation than convention, proclamation, or international law, and

provide a normative guide for economic and political institutions.

11

Finally, while UNGC and CST often converge on practical expressions of human rights, labor rights, and environmental responsibility, the two sets of principles may sometimes be in tension or conflict. For example, both CST and UNGC recognize the importance of unions and the right of workers to organize. Both also condemn forced, compulsory, and child labor. But there is less agreement both within and between the two sets of principles in other areas such as gay marriage, employer-provision of health benefits, and the religious rights of employers. Catholic mission-driven business education should be committed to thoughtful classroom dialogues and faculty research on both the congruence and the differences between CST and UNGC principles. The more general point in comparing the UNGC and CST principles is that they both *as collections* offer an interpretation of "global corporate responsibility." Both attend to human rights as well as other social and environmental concerns (authentic goods and services, the dignity of work, environmental sustainability, and social justice).

A Catholic Identity Matrix for Assessing Catholic Mission-Driven Enactment of UNGC and UNPRME Principles

We now address our second research question, namely, how might the leaders of Catholic business schools systematically and effectively articulate, assess, and report on how well they implement CST principles within their activities and processes? We first explain how the CIM integrates the six CST principles and a maturity framework that illuminates the institutional implications of the CST principles. Next, we describe linkages between the CIM and the UNGC and UNPRME principles—highlighting both the congruencies and differences between these two ways to implement mission-driven business education.

12

A Catholic Identity Matrix for Catholic Business Schools

Founded in 2007 as a center within the Opus College of Business at the University of St. Thomas (Minnesota), the Veritas Institute promotes ethically responsible organizational conduct by developing assessment tools that help organizations place moral aspirations into action. The Institute's tools employ a method known as the Self-Assessment and Improvement Process (SAIP). The SAIP is modeled upon the organizational assessment approach pioneered within the Baldrige Performance Excellence Program, and facilitates the creation of assessment frameworks that help leaders determine how well specific moral principles have been deployed throughout their organization.[7]

More specifically, the SAIP translates a set of moral principles into a systematic array of questions concerning an organization's management system. By answering the questions on the basis of empirical evidence, and then evaluating the responses using a set of scoring guidelines, leaders can determine the degree to which the principles have been institutionalized with their organizations – that is, the degree to which they have been embedded within the policies, processes, and practices that shape how the organization operates. The assessment's outcomes highlight improvement opportunities. They also provide information that supports the formulation of initiatives intended to address these opportunities (Maines, 2011, p. 361).

The assessment questions are generated through a process of *progressive articulation* (Maines and Naughton, 2010, p. 674). Progressive articulation resolves a moral principle into more specific moral directives, expressing these directives as questions. However, developing

---

[7] The SAIP uses the Baldrige approach to extend a longstanding moral practice, the examination of conscience, from individuals to organizations. An examination of conscience is a periodic, systematic review of one's thoughts, decisions, words, and deeds for the purpose of evaluating their alignment with or departure from a set of moral precepts. An individual typically performs an examination of conscience by reflecting upon a structured inventory of questions that are rooted in a set of moral precepts. Such reflection helps moral agents identify opportunities to conform their conduct more closely to the precepts and assimilate the moral standards more deeply within their character (Maines, 2011, p. 360).

13

assessment questions is not a matter of simple deduction. Rather, it involves the elaboration of a

moral principle's requirements in light of two factors: (1) a maturity framework, and (2) the

challenges faced by an organization operating within a particular industry.

The maturity framework identifies five implementation tasks an organization must

undertake to integrate a moral principle within its management system. As an organization

matures, it increasingly will address the implementation tasks systematically – that is, through

systems that include defined, effective, repeatable processes or procedures, rather than *ad hoc*

activity. The implementation tasks include reflecting the principle within mission, vision, and

values statements, strategies, operating plans, and critical policies (planning); reinforcing the

principle through reporting, performance management, incentive, and selection systems

(alignment); establishing documented processes that incorporate the principle within relevant

work practices (process); and ensuring that employees have the requisite knowledge, skills,

abilities, and resources to execute and improve these processes (training). The maturity

framework also considers the outputs and outcomes attained through the management system,

i.e., metrics that indicate whether work processes are functioning correctly and yielding desired

results (measurement) (Maines, 2014, p. 426).

The questions for a given moral principle address all five implementation tasks. This

enables an organization to determine whether it is taking all the steps necessary to enable the

principle to effectively influence decisions and actions. Furthermore, the assessment questions

addressing a given implementation task should target critical organizational challenges related to

the principle in question.[8]

---

[8] Such challenges cannot necessarily be inferred from the principle's content alone; rather, their identification
frequently requires the moral insight that comes only with extensive professional experience within a particular
industry or organizational setting – e.g., a manufacturing firm, an acute care hospital, a long-term care facility for
the elderly, a college of business, etc. Consequently, progressive articulation relies heavily upon the practical

The Catholic Identity Matrix: previous applications in health care. The SAIP method is flexible, inasmuch as it can be used in conjunction with different sets of moral principles. Consequently, the Veritas Institute has employed the SAIP method to develop several proprietary assessment tools. One of these is especially relevant to a concern for Catholic business schools. In 2007 the Institute collaborated with the largest Catholic health system in the United States, Ascension Health, to develop a CIM for Catholic health care organizations. This tool enables leaders within Catholic health care to address the challenge of strengthening or renewing the Catholic identity of their organizations. The CIM uses the SAIP method to help Catholic hospitals evaluate the degree to which six principles drawn from the Catholic moral tradition have been integrated within their management systems. The principles include maintaining solidarity with the poor, providing holistic care, demonstrating a profound respect for human life, creating a participatory community of work, stewarding resources effectively, and acting in communion with the broader Church.

The CIM for health care has become a recognized best practice among Catholic hospitals in the United States. To date, nearly 60 acute care hospitals in nine Catholic health systems have applied the CIM to their operations, and the tool's use continues to expand. The health care CIM also is being employed within Germany and Mexico. All of these applications have fostered a practical awareness of the actions organizations must take to intentionally cultivate and sustain their vocation as Catholic health ministries.[9]

---

wisdom of executives and managers (Maines and Naughton, 2010, p. 675). Their experience is critical to creating incisive queries that will help decision makers determine both how well a particular moral principle has been institutionalized and what must be done to integrate the standard deeper within the organization's management system, such that the principle will be embodied more fully within the firm's decisions and actions.

[9] Application of the tool spawned the following examples of improvement: Expanding planning efforts to include the stewardship of natural resources, to ensure the organization intentionally addresses this aspect of its responsibilities; enhancing the metrics used to evaluate programs targeting the health needs of the poor and marginalized, to better assess their clinical effectiveness and ensure they are delivered in a manner that honors the dignity of participants; working with public officials to modify public bus routes, to enhance access to a behavioral

An Assessment tool for Catholic business schools. The success of the CIM within

Catholic healthcare suggests that a similar tool could be crafted for Catholic higher education –

and, more specifically, for Catholic business schools. The heart of this tool is an assessment

matrix formed by juxtaposing the six CST principles identified in Table 1 with the maturity

framework's five implementation tasks. This juxtaposition creates a framework for

systematically examining how the six principles inform the operations of a Catholic business

school (Table 3).

[Insert Table 3 about here]

With the six principles and the implementation tasks arrayed in a matrix, the assessment

framework is completed by formulating one or more assessment questions for each cell. Before

undertaking this effort, however, it is important to recognize that the six principles hold multiple

implications for a business school's activities. For example, the principles suggest directions and

orientations for the school's curriculum, what and how it teaches; for faculty research and

service; and for extracurricular activities. A Catholic business school also must "mirror" the six

principles within its own administration and operational infrastructure. For example, a school

that teaches and engages in research about subsidiarity also should exercise subsidiarity in its

relations with employees; similarly, a school that teaches and engages in research about

environmentally sustainable business practices also should implement such practices within its

facility management processes (cf. Sabbaghi and Cavanagh, 2015). In short, a Catholic business

---

health treatment center by those who are most in need of its services; establishing forums and processes to more
effectively educate physicians and nurses on the bio-medical teachings of the Catholic moral tradition, to provide
them with a broader context for understanding the specific norms articulated within the *Ethical and Religious
Directives for Catholic Health Care Services* (United States Conference of Catholic Bishops, 2012); and identifying
and addressing barriers to nurses' participation in wellness offerings and other support services, to help ensure
caregivers themselves are "whole," flourishing persons, and thus capable of promoting patients' healing in body,
mind, and spirit.

16

school should integrate the six principles within all aspects of its functioning, and hold itself

accountable for doing so (Goodpaster and Maines, 2012: 206-207).

To ensure that a CIM for Catholic business schools adequately probes all the areas noted

above, we constructed two assessment matrices. Both matrices utilize the same six principles and

the same maturity framework, but each has a distinct focus. The first matrix focuses on faculty

members and the activities traditionally associated with this group. Assessment questions within

this matrix accordingly address the curriculum, research, service, and extracurriculum. The

second matrix is dedicated to administrators, administration, and operations. The questions in

this matrix concentrate on workflows that undergird the school's educational offerings, e.g.,

processes that support relationships with students or help the school secure and manage the

financial, human, and material resources and capabilities required to sustain its efforts. Taken

together, the two matrices provide a way to evaluate concretely whether a school has integrated

the principles effectively within its management system, so that the school will both profess and

practice them.

Assessment questions drawn from parallel cells within the two matrices illustrate the

types of inquiries the CIM for Catholic business schools entails, as well as the unique focus of

each matrix. For example, consider the assessment questions for cell 4.3. Cell 4.3 lies at the

intersection of the process stage of the maturity framework with the principle of exercising

subsidiarity. Table 4 highlights assessment questions for cell 4.3 drawn from the matrix

addressing the curriculum, research, service, and the extracurriculum. Assessment questions for

cell 4.3 in the administrative matrix are displayed in Table 5.

[Insert Table 4 and Table 5 about here]

17

The questions in both tables share a specific concern, namely, the degree to which the school has incorporated the principle of subsidiarity within its processes and procedures – that is, within the systematic approaches that shape how work is performed within the school. The first question in Table 4 prompts the organization to examine the processes its follows to develop courses, extracurricular offerings, and school-sponsored publications, as well as processes that guide faculty research and service. The goal of this examination is to ascertain the extent to which exercising subsidiarity is integrated within such procedures. In other words, do these processes systematically draw attention to this principle? Do they consistently and methodically encourage faculty members to consider subsidiarity as they develop class syllabi, extracurricular forums, or articles for school-sponsored journals or magazines? Or is the principle's inclusion within the curriculum, the extracurriculum, and publications a matter of happenstance? The second question in Table 4 prompts the school to consider how it improves these processes over time. In other words, how does the school systematically review these procedures to identify and address opportunities to enhance their effectiveness in promoting subsidiarity, as well as their efficiency and ease of use?

In contrast, the assessment questions in Table 5 lead the school to consider the extent to which subsidiarity is embedded within its administrative infrastructure – that is, the policies, procedures, and practices that envelop and support the curriculum and extracurriculum. The first question in Table 5 offers multiple examples of processes germane to this principle. The list of examples is not exhaustive, but it provides the school with a starting point for considering whether subsidiarity is enacted within its operations. Workflows to be considered include the process used within the school to design jobs, as well as the processes that afford employees the opportunity to enhance their knowledge, skills, and abilities via training and other developmental

18

pathways. Also relevant are processes the school has established to catalyze employee

participation – for example, processes that involve employees in decisions concerning critical

school functions, in a manner that encourages them to exercise initiative and accept

accountability, and that also calls upon leaders to take risks associated with shared authority.

Similar to Table 4, the second question in Table 5 recognizes the need for ongoing improvement

of processes that support subsidiarity.

Responses to the questions in Tables 4 and 5 would be articulated in empirical terms.

Business schools could draw upon a number of data sources for this purpose. For example, the

first question in Table 4 might be addressed by referring to policies, procedures, or other

guidelines issued by the school concerning course development, as well as other resources

available to faculty to support this task. Similarly, policies, procedures, or guidelines related to

extracurricular activities or school-sponsored publications also could be cited. Answers to the

first question in Table 5 might be constructed by consulting human resource policies and

processes, in addition to specific school programs and initiatives that support employee

participation. With both questions, it would be important to note any informal practices that have

emerged in these areas. Such practices frequently represent "the way things are done here,"

especially when formal processes are absent. Passed from employee to employee over time,

these routines can exert a significant influence over how work is performed within the

institution. The questions in Tables 4 and 5 concerning process enhancements might be

addressed by describing continuous process improvement efforts within the business school. For

example, such enhancements might be sought through the application of total management

quality tools, including techniques such as Plan-Do-Check-Act (PDCA), a four-step method for

control and continuous improvement of processes and products.

Scoring template. Answering the questions within all thirty cells of the two matrices

yields an evidence-based, *qualitative* profile – a narrative report – that describes a Catholic

business school's current efforts to operationalize the six CST principles through its management

system. This narrative is complemented by a *quantitative* appraisal. The quantitative evaluation

is developed by comparing responses to the questions in a cell with a set of scoring guidelines.

Table 6 presents an example of a scorecard for cell 4.3 in the administrative matrix. In keeping

with the SAIP method, the scorecards are modeled upon the scoring approach used within the

Baldrige Program. They enable an organization to make an informed judgment about where its

current achievements place it on a six-level scale of performance within each cell of the matrix.

The resulting scores aid efforts to detect relative strengths and weaknesses, and thereby help a

Catholic business school discern where it has made progress in implementing the six CST

principles and where further improvement is needed to align its operations more closely with

these standards. Once opportunities for improvement have been identified, the qualitative

information yielded by the assessment process can facilitate implementation.

[Insert Table 6 about here]

Consistent with the periodic nature of a conscience examination, application of the CIM

for Catholic business schools is not intended to be a one-time event. As with the continuous

review and improvement requirements of the AACSB International Business Standards, regular

application of the CIM process facilitates ongoing improvement. It also helps to instill within a

school the discipline of continuous learning in light of the six principles, a practice that would

sustain efforts to embed the principles more thoroughly within its operations.

Building upon the Baldrige approach and experience within Catholic health care, the

CIM offers Catholic business schools a comprehensive, systematic, and data-based way to

examine and improve in light of the six CST principles – that is, in light of the core moral convictions that should animate these institutions. The assessment is *comprehensive* insofar as it encompasses all facets of a school's activities – the curriculum, the extracurriculum, faculty research, service, and administration. It is *systematic* in that it methodically scrutinizes the degree to which each element of the school's management system addresses each of the six principles, to ensure that all of these moral standards are positioned to influence the organization's performance. The assessment also is *data-based* and *improvement-oriented*: It utilizes evidence about the present state of the school's operations – information about its policies, procedures, and practices, as well as the metrics employed to monitor its performance – to determine how well the school conforms today to the principles' requirements, and to indicate how it might enhance this alignment in the future.

In summary, the CIM for Catholic business schools offers several benefits to the leaders of these institutions. It creates enhanced *awareness*: It provides an improved understanding of where the institution stands in light of six principles intimately linked to their Catholic identity. It offers enhanced *control*: It offers leaders a practical way to intentionally shape their school's operation in light of the principles. Finally, it supports *transparency*: It yields information that helps a school to thoroughly and accurately report the degree to which it places its critical moral aspirations into action.

Integrating the CIM and UNPRME

We now address the relation between the CIM and the UNPRME principles. As suggested by its Preamble, Catholic business schools are called to implement UNPRME principles in a manner that is distinctly relevant to their mission. The UNPRME principles are organized into six categories: Purpose, Values, Method, Research, Partnership, and Dialogue.

Each category incorporates various aspects of the ten UNGC principles and other international initiatives, and applies them more specifically to the scope of goods, services, and constituents that are most closely associated with management education.

[Insert Table 7 about here]

Table 7 illustrates how the CIM and UNPRME correlate. The CIM addresses the UNPRME categories through the contents of the cells within its assessment framework; specifically, the CIM's assessment questions prompt a Catholic business school to examine how well it addresses UNPRME, as well as the six CST principles. Many UNPRME requirements are addressed via questions in the *process* stage of the CIM framework, through the questions contained in cells 1.3 through 6.3 of the CIM assessment matrix for the curriculum, research, service, and extracurriculum. For example, assessment questions in the process stage focus a business school on concerns raised by the Values and Method categories. They require the school to consider how "values of global social responsibility" (the six CST principles, in the case of a Catholic business school) are incorporated within the curriculum, educational frameworks, processes, and infrastructure. Furthermore, when taken together, the assessment questions in the process stage for three CST principles (fostering solidarity with the poor, promoting responsible stewardship over resources, and acquiring and allocating resources justly) call a Catholic business school to articulate how its curriculum and educational processes help students develop into leaders who will generate sustainable value for business and society in an inclusive manner. We believe this addresses the primary concerns of UNPRME's Purpose category. The process-stage questions also address UNPRME's Research category, by asking how a Catholic business school promotes the integration of the CST principles within its faculty's research agendas. Finally, by attending to the extracurriculum, including public events

22

and other college-sponsored forums, the process-stage questions address requirements related to the UNPRME Dialogue category.

Assessment questions in the CIM's *alignment* stage speak to requirements of the Partnership category. Alignment-stage questions drawn from the CIM assessment matrix for administration ask a Catholic business school to examine how it recognizes leaders in the business community whose work reflects a genuine commitment to one or more of the six CST principles. Here, recognition is not limited to the granting of an award. It also may include participating in classes as a guest speaker, supporting the development of case studies, or offering advice concerning the school's research agenda – all activities that help students and faculty better understand the challenges of acting as a responsible business leader.

Table 7 illustrates how the CIM reinforces other critical aspects of UNPRME. For example, questions in the *measurement* stage ask a Catholic business school to provide evidence to substantiate that the six CST principles are included within its curriculum, extracurriculum, faculty research, and service. Examples of relevant data might include course syllabi, faculty publications, and proceedings from school-sponsored conferences. Measurement questions also request evidence to demonstrate that students and alumni have internalized the six principles. Responses might cite course evaluations, postgraduate assessment of degree programs, student research projects, and awards received by alumni that are relevant to the principles. In this manner, questions in the CIM's measurement stage support UNPRME reporting goal of providing evidence that a school is progressing in its implementation of UNPRME's requirements.

More broadly, Table 7 suggests that what the CIM offers Catholic business schools is more than a way to examine themselves and improve in light of the six CST principles. We

23

believe that it also provides these institutions a way to accomplish these goals in the operational

spirit of UNPRME. The CIM's approach to UNPRME is comprehensive and systematic

inasmuch as its assessment questions systematically examine the extent to which the school's

management system addresses requirements within each UNPRME category. The CIM's

approach to UNPRME also is improvement-oriented, inasmuch as the resulting qualitative report

and quantitative scores from a CIM assessment highlight improvement opportunities that can

help a Catholic business school more fully embody the CST and UNPRME principles. Finally,

the CIM facilitates transparency inasmuch as the information generated through the assessment

will help a Catholic business school construct a progress report that accurately reflects its efforts

to put UNPRME principles into practice. Altogether, then, application of the CIM supports the

UNGC and UNPRME assessment, continuous improvement, and reporting initiatives.

What the CIM for Catholic business schools contributes to UNPRME is a robust

examination of institutional commitment through a systematic set of critical questions that can

support the UNPRME goals of self-evaluation, sustained improvement, and transparency. In

pursuit of these goals, the assessment questions contained within the CIM's two assessment

matrices shed light on both the school's academic and scholarly activities and its administrative

and operational infrastructure. In this manner, the CIM promotes one of UNPRME's chief

concerns, namely, institutional integrity, i.e., congruence between what a Catholic business

school advocates in its classrooms and how it operates each day.

3. Summary and Looking Ahead

Two primary research questions guided our discussion and analysis of how Catholic

business schools might teach, research, and enact business ethics in a manner that is consistent

with, but also can enhance, the UNGC and UNPRME principles. First, how do principles drawn

from Catholic social teaching (CST) enable Catholic business schools to realize their Catholic

identity and mission in their teaching, research, service, and operational activities -- and in a

manner that advances the UNGC and UNPRME principles? Second, how might the leaders of

Catholic business schools systematically and effectively articulate, assess, and report on how

well they implement CST principles within their activities and processes?

We first developed six CST principles and related them to the "Good Goods, Good Work,

and Good Wealth" framework in *The Vocation of the Business Leader* (Pontifical Council for

Justice and Peace, 2012). We then discussed how the CST principles correlate with the UNGC

principles, noting both congruencies and tensions. Next, we explained how the CIM assessment

tool integrates the six CST principles and a maturity framework that illuminates the institutional

implications of the CST principles. Finally, we described correlations between cells in the CIM

and the UNPRME principles—highlighting the parallels between these two ways of

implementing mission-driven business education.

Looking forward to future developments, we wish to mention two questions that relate to

the contribution of our project to the research, teaching, and enactment of ethical business

practices within business schools. First, in what manner do CST principles and the CIM

assessment methodology contribute to ongoing UNGC and UNPRME assessment, reporting, and

development efforts? Second, how might the CIM approach be adapted to fit business schools

whose missions are inspired by other religious or secular traditions?

CIM's contribution to UNGC and UNPRME. We believe that the CIM assessment

methodology contributes meaningfully to ongoing UNGC and UNPRME assessment, reporting,

and improvement efforts. The lack of consensus about the role and quality of existing

UNGC/UNPRME assessment approaches (Rasche and Waddock, 2014; Sethi and Schepers,

25

2014) impedes the verifiability and reliability of self-reports aimed at implementing the principles, putting at risk the credibility of the UNGC/UNPRME project. The CIM approach can help Catholic business schools assess and explicitly articulate the strengths and weaknesses in their existing approaches toward integrating CST principles, transparently report the basis for their conclusions in their self-reports, and identify opportunities for continuous improvement.

Given the correspondences indicated in Table 2 and Table 7, substantive content for the UNMPRME self-reports can be extracted from the CIM matrices. For Catholic business schools, the CIM approach adds value in two principal ways: (1) an account of the *roots* of the UN principles in a rich narrative tradition (specifically Catholic social teaching about human dignity and the common good), which in turn enable us to better discern answers to "Why" questions about the authority of the principles beyond mere voluntary consent or assent,[10] and (2) a progressive articulation of normative principles toward institutionalization, which can enable Catholic business schools better manage their continuous progress toward implementing the CST and UNPRME principles.

Adapting the CIM to fit business schools outside of the Catholic tradition. Ex Corde Ecclesiae (John Paul II, 1990) is respectful in its discussion of non-Catholic students and faculty in Catholic universities.[11] It is also clear that tolerance and receptivity to learn from other traditions besides one's own is in fact part of the Catholic intellectual tradition.[12]

---

[10] Insofar as the central elements of a tradition can be formulated as a set of normative principles, the discipline of the CIM methodology is generalizable across organizations in different societal sectors (political, economic, civic) and different religious backgrounds.

[11] For examples of different religious and secular perspectives on CST, a special issue of the *Journal of Business Ethics* included Protestant (Armstrong, 1993), Jewish (Green, 1993), Theravada Buddhist (Piker, 1993), and communitarian democratic (Williams, 1993) perspectives on *Centesimus Annus* (John Paul II, 1991) and modern capitalism.

[12] For further discussion of respectful pluralism, see Hicks (2002, 2003), Shapiro (forthcoming – see especially pp. 15-16), and Ely and Thomas (2001).

Finally, the humanizing values embodied in the CST principles as well as in the UNGC and UNPRME principles have been expressed in other spiritual traditions and traditional societies around the globe (e.g., MacIntyre, 1984, pp. 33-34; Gallhofer and Haslam, 2011), in humanistic philosophy (e.g., Buber, 1970; Gallhofer and Haslam, 2011), and in other secular codes of socially responsible business conduct (e.g., Caux Round Table, 2010; Organization for Economic Cooperation and Development, 2008). The diversity of these other traditions, as well as the practical overlap of their substantive values and commitments with those of CST, suggest that the CIM not only can but should be adapted to fit business schools whose missions are inspired by other moral traditions.

References

Alford, H.J. and Naughton, M.J. (2001). *Managing as if faith mattered: Christian social principles in the modern corporation*. Notre Dame, IN: University of Notre Dame Press.

Armstrong, J. (1993). One Protestant looks at *Centesimus Annus. Journal of Business Ethics*, *12*(12), 933-944.

Benedict XVI. (2009). *Caritas in veritate*. Rome, Italy: The Vatican.

Buber, M. (1970). *I and Thou.* New York, NY: Simon & Schuster.

Caux Round Table (CRT). (2010). *Principles for business*. Retrieved September 5, 2011, from http://www.cauxroundtable.org/index.cfm?&menuid=8.

Ely, R.T., and Thomas, D.A. (2001). Cultural diversity at work: the effects of diversity perspectives on work group processes and outcomes. *Administrative Science Quarterly*, 16(2), 229-273.

Francis. (2015). *Laudato si: On care for our common home.* Rome, Italy: The Vatican.

Francis. (2013). *Evangelii Gaudium*. Rome, Italy: The Vatican.

Gallhofer, S., and Haslam, J. (2011). Emancipation, the spiritual and accounting. *Critical Perspectives on Accounting*, 22(5), 500-509.

Goodpaster, K.E., and Maines, T.D. (2012). The distinctive vocation of business education in Catholic universities. *Journal of Catholic Higher Education*, 31(2), 193-212.

Green, R.M. (1993). *Centesimus Annus*: A critical Jewish perspective. *Journal of Business Ethics*, 12(12), 945-954.

Havel, V. (1994). "The miracle of being: Our mysterious interdependence." Reprinted from *Sunrise Magazine*, October/November 1994, Theosophical University Press. Retrieved August 8, 2015, from http://www.theosophy-nw.org/theosnw/issues/gl-hav1.htm.

28

Hicks, D.A. (2003). *Religion and the workplace: Pluralism, spirituality, leadership*. New York, NY: Cambridge University Press.

Hicks, D.A. (2002). Spiritual and religious diversity in the workplace: Implications for leadership. *The Leadership Quarterly*, 13(4), 379-396.

John Paul II. (1991). *Centesimus annus*. Rome, Italy: The Vatican.

John Paul II. (1990). *Ex corde ecclesiae*. Rome, Italy: The Vatican.

John Paul II. (1987). *Solicitudo rei socialis*. Rome, Italy: The Vatican.

Kennedy, R. (2006). *The good that business does*. Grand Rapids, MI: Acton Institute.

MacIntyre, A. (2011). How Aristotelianism can become revolutionary: Ethics, resistance and utopia. In P. Blackledge & K. Knight (eds.), *Virtue and Politics* (pp. 11-19). Notre Dame, IN: University of Notre Dame Press.

MacIntyre, A. (1990). *Three rival versions of moral enquiry: Encyclopaedia, genealogy, and tradition.* Notre Dame, IN: University of Notre Dame Press.

MacIntyre, A. (1984). *After virtue.* Notre Dame, IN: University of Notre Dame Press.

Maines, T.D. (2014). Self-Assessment and Improvement Process. In C.L. Cooper (ed.), *Wiley Encyclopedia of Management*, 3rd edition, Vol. 2 (pp. 425-428). Chichester, UK: John Wiley & Sons Ltd.

Maines, T.D. (2011). Self-Assessment and Improvement Process for organizations. In L. Bouckaert & L. Zsolnai (eds.), *The Palgrave Handbook of Spiritualty and Business* (pp. 359-368). New York, NY: Palgrave Macmillan.

Maines, T.D., and Naughton, M.J. (2010). Middle level thinking: the cultural mission of business schools. *Journal of Management Development*, 29(7/8), 669-677.

Maritain, J. (1951) *Man and the State.* Chicago, IL: University of Chicago Press.

Melé, D. (2003). Organizational humanizing cultures: do they generate social capital? *Journal of Business Ethics*, 45(1), 3-14.

Naughton, M., Buckeye, J., Goodpaster, K., Maines, T.D. (2015). *Respect in Action: Applying Subsidiarity to Business*. St. Paul, MN: University of St. Thomas. Retrieved August 22, 2015, from http://www.stthomas.edu/cathstudies/cst/research/publications/subsidiarity/.

Organization for Economic Cooperation and Development (OECD). (2008). *Guidelines for multinational enterprises.*

http://www.oecd.org/department/0,3355,en_2649_34889_1_1_1_1_1,00.html.

Piker, S. (1993). Theravada Buddhism and Catholicism: a social historical perspective on religious change, with special reference to *Centesimus Annus*. *Journal of Business Ethics*, 12(12), 965-973.

Pontifical Council for Justice and Peace. (2012). *Vocation of the business leader.* Vatican City, Italy: Pontifical Council for Justice and Peace.

Rasche, A., and Waddock, S. (2014). Global sustainability governance and the UN Global Compact: a rejoinder to critics. *Journal of Business Ethics*, 122(2), 209-216.

Sabbaghi, O., and Cavanagh, G. F. (2015). Jesuit, Catholic, and green: evidence from Loyola University Chicago. Journal of Business Ethics, 127(2), 317-326).

Sandel, M.J. (1982). *Liberalism and the limits of justice*. New York, NY: Cambridge University Press.

Sethi, S.P., and Schepers, D.H. (2014). United Nations Global Compact: the promise-performance gap. *Journal of Business Ethics*, 122(2), 193-208.

Shapiro, B. (Forthcoming). Using traditional narratives and other narrative devices to enact

    humanizing business practices. *Journal of Business Ethics.* DOI: 10.1007/s10551-015-

    2645-x

Shapiro, B., Cohen, N., and Naughton, M. (2013). Leviticus on how to make and distribute

    profit. *Society and Business Review*, 8(1), 45-54.

Soloveitchik, J. (1965). *The lonely man of faith.* New York, NY: Three Leaves Press.

Specht, D. and Broholm, R. (2009). *Three-fold model of organizational life.* Retrieved August 21,

    2015, from http://www.seeingthingswhole.org/uploads/Watermark-Three-Fold-

    Individual_439175.pdf.

Taylor, C. (1989). *Sources of the self: the making of the modern identity.* Cambridge, MA:

    Harvard University Press.

United Nations. (2010). *UN Global Compact: The blueprint for corporate sustainability*

    leadership. Retrieved July 1, 2015, from

    www.unglobalcompact.org/docs/news_events/8.1/Blueprint.pdf.

United Nations. (1948). *United Nations universal declaration of human rights.* Retrieved January

    15, 2015, from http://www.un.org/en/documents/udhr/.

United States Conference of Catholic Bishops. (2009). Ethical and religious directives for

    Catholic health care services (5th ed.). Washington, D.C.: United States Conference of

    Catholic Bishops.

Williams, O.F. (1993). Catholic social teaching: a communitarian democratic capitalism for the

    New World order. *Journal of Business Ethics*, 12(12), 919-932.

Yuengert, A. (2011). Economics and interdisciplinary exchange in Catholic social teaching and

    "*Caritas in Veritate*." *Journal of Business Ethics*, 100(1), 41-54.

Table 1. Six principles drawn from Catholic social teaching and their relation to three goods (cf. Pontifical Council for Justice and Peace, 2012).

Good Goods: Meeting the Needs of the World through the Creation and Development of Goods and Services

1. Produce goods and services that are authentically good.
2. Foster solidarity with the poor by serving deprived and marginalized populations.

Good Work: Organizing Good and Productive Work

3. Advance the dignity of human work as a calling.
4. Exercise subsidiarity.

Good Wealth: Creating Sustainable Wealth and Acquiring and Distributing it Justly

5. Promote responsible stewardship over resources.
6. Acquire and allocate resources justly.

Table 2. The ten UNGC principles and their relation to six CST principles.

UNGC Principle	Relation to CST Principles
Human Rights	
1. Businesses should support and respect the protection of internationally proclaimed human rights.	2. Foster solidarity with the poor… 3. Advance the dignity of human work . . .
2. Businesses should make sure that they are not complicit in human rights abuses.	2. Foster solidarity with the poor… 3. Advance the dignity of human work . . .
Labor	
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	3. Advance the dignity of human work . . . 4. Exercise subsidiarity . . .
4. The elimination of all forms of forced and compulsory labor.	2. Foster solidarity with the poor… 3. Advance the dignity of human work . . . 6. Acquire and allocate resources justly.
5. The effective abolition of child labor.	2. Foster solidarity with the poor… 3. Advance the dignity of human work . . . 6. Acquire and allocate resources justly.
6. The elimination of discrimination in respect of employment and occupation.	3. Advance the dignity of human work . . . 6. Acquire and allocate resources justly.
Environment	
7. Businesses should support a precautionary approach to environmental challenges.	1. Produce goods and services that are authentically good. 2. Foster solidarity with the poor… 5. Promote responsible stewardship over resources.
8. Undertake initiatives to promote greater environmental responsibility.	1. Produce goods and services that are authentically good. 2. Foster solidarity with the poor… 5. Promote responsible stewardship over resources.
9. Encourage the development and diffusion of environmentally friendly technologies.	1. Produce goods and services that are authentically good. 2. Foster solidarity with the poor… 5. Promote responsible stewardship over resources.
Anti-Corruption	
10. Businesses should work against corruption in all its forms, including extortion and bribery.	3. Advance the dignity of work . . . 6. Acquire and allocate resources justly.

Table 3. Catholic Identity Matrix for Catholic business schools.

	Planning	Alignment	Process	Training/ Education	Measurement
Produce goods and services that are authentically good	1.1	1.2	1.3	1.4	1.5
Foster solidarity with the poor	2.1	2.2	2.3	2.4	2.5
Advance the dignity of human work and one's calling	3.1	3.2	3.3	3.4	3.5
Exercise subsidiarity	4.1	4.2	4.3	4.4	4.5
Promote responsible stewardship over resources	5.1	5.2	5.3	5.4	5.5
Acquire and allocate resources justly	6.1	6.2	6.3	6.4	6.5

Table 4. Matrix Cell 4.3 (Exercise Subsidiarity/Process): Assessment questions for a Catholic business school's teaching, research, service, and extracurricular processes.

4.3.1 How is exercising subsidiarity integrated within processes supporting   - The core curriculum;   - The extra-curriculum (clubs, speakers, public events, and other student activities);   - School-sponsored publications; and   - Research and service?
4.3.2   How does the School identify and address improvement opportunities related to this principle within processes supporting   - The curriculum;   - The extra-curriculum;   - School-sponsored publications; and   - Research and service?

Table 5. Matrix Cell 4.3 (Exercise Subsidiarity/Process): Assessment questions for a Catholic business school's administrative processes.

4.3.1 How is exercising subsidiarity integrated within the School's administrative processes (e.g., within processes that address job design; support training and development opportunities for School employees; and promote participation by School employees in organizational decision-making)?
4.3.2   How does the School identify and address improvement opportunities related to this principle within its administrative processes?

Table 6. Sample scorecard for Cell 4.3 (Exercise Subsidiarity/Process), applied to a Catholic business school's administrative processes.

SCORE	PROCESS
0% - 5% 1	• No processes addressing the exercise of subsidiarity are defined or documented.
10% - 25% 2	• Operations related to the exercise of subsidiarity are characterized primarily by activities rather than systematic approaches. • Systematic processes addressing the exercise of subsidiarity are emerging.
30% - 45% 3	• Processes addressing the exercise of subsidiarity are defined, documented, and utilized regularly within *some* relevant work units.
50% - 65% 4	• Processes addressing the exercise of subsidiarity are defined, documented, and utilized regularly within *many* relevant work units. • Data-based, systematic methods for evaluating and improving processes are *beginning* to be applied to processes addressing the exercise of subsidiarity.
70% - 85% 5	• Processes addressing the exercise of subsidiarity are defined, documented, and utilized regularly within *most* relevant work units. • *Some* processes addressing the exercise of subsidiarity that span interdependent work units are defined, documented, and applied within *most* relevant work units. • Data-based, systematic methods for evaluating and improving processes are *applied broadly* to processes addressing the exercise of subsidiarity.
90% - 100% 6	• Processes addressing the exercise of subsidiarity are defined, documented, and utilized regularly within and across *all* relevant work units. • Data-based, systematic methods for evaluating and improving processes are *applied regularly* to *all* processes addressing the exercise of subsidiarity.

Table 7. The UNPRME Principles and their relation to the CST Principles through the CIM Matrix.

UNPRME Principles	Relation to CST Principles through the CIM Matrix
Preamble: As institutions of higher education involved in the development of current and future managers we declare our willingness to progress in the implementation, within our institution, of the following Principles, starting with those that are more relevant to our capacities and mission. We will report on progress to all our stakeholders and exchange effective practices related to these principles with other academic institutions.	*Business Schools in Catholic Universities are called to pursue in their teaching and in their own operations:* **Good Goods: Meeting the Needs of the World through the Creation and Development of Goods and Services** 1. Produce goods and services that are authentically good. 2. Foster solidarity with the poor by serving deprived and marginalized populations. **Good Work: Organizing Good and Productive Work** 3. Advance the dignity of human work. 4. Exercise subsidiarity. **Good Wealth: Creating Sustainable Wealth and Acquiring and Distributing it Justly by** 5. Promote responsible stewardship over resources. 6. Acquire and allocate resources justly. *Periodic application of the CIM supports continuous improvement and generates information for reports.*
1. **Purpose:** We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.	**Cells 1.3, 5.3, and 6.3** of the CIM address how fostering solidarity with the poor, promoting responsible stewardship, and acquiring and allocating resources justly is integrated with the core curriculum, the extra-curriculum, and faculty research, and service, and ask how the School identifies and addresses improvement opportunities in this arena. **Cells 1.5, 5.5, and 6.5** ask the School what evidence it can provide to demonstrate that students and alumni have internalized these three principles.
2. **Values:** We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.	**Cells 1.3 through 6.3** of the CIM address how well the six CST principles are integrated within the core curriculum, extra-curriculum, and faculty research and service, and ask how the School identifies and addresses improvement opportunities in this arena. **Cells 1.4 through 6.4** address how the School promotes ongoing reflection on each of the six principles among faculty, e.g., through seminars on the Catholic intellectual tradition, forums addressing management as a vocation or calling, through training related to teaching, research, service, etc.

6

Table 7. (Continued). The UNPRME Principles and their relation to the CST Principles through the CIM Matrix.

3. **Method:** We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.	**Cells 1.3 through 6.3** of the CIM address how the six CST principles are integrated within the core curriculum, the extra-curriculum, and faculty research and service, and ask how the School identifies and addresses improvement opportunities in these arenas. Also **Cells 1.4 through 6.4** address how the School promotes ongoing reflection on each of the six principles among faculty, e.g., through seminars on the Catholic intellectual tradition, forums addressing management as a vocation or calling, through training related to teaching, research, service, etc. **Cells 1.5 through 6.5** ask the School what evidence it can provide to demonstrate that students and alumni have internalized these principles.
4. **Research:** We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporations in the creation of sustainable social, environmental and economic value.	**Cells 1.2 through 6.2** of the CIM ask how the School maintains a faculty commitment to social values (goods, services, attention to the poor, human dignity and subsidiarity), exercises responsible stewardship, and acquires and allocates resources justly (e.g., through hiring, performance evaluation, compensation, and tenure criteria). The cell questions also ask how the School recognizes faculty for their attention to these principles through their teaching, research, or service. **Cells 1.3 through 6.3** ask how social values (goods, services, attention to the poor, human dignity and subsidiarity) and economic values (responsible stewardship over resources, acquiring and allocating resources justly) are integrated within processes that support faculty research. **Cells 1.4 through 6.4** asks how the School promotes social values through ongoing reflection on all six principles (e.g., through seminars on the Catholic intellectual tradition, forums addressing management as a vocation or calling, faculty training in relation to teaching, research, service, etc.) **Cells 1.5 through 6.5** of the CIM ask what evidence the School can provide to demonstrate that all six principles have been integrated in faculty research, service, the curriculum, and extra-curriculum. These cells also ask for evidence that students and alumni have internalized the principles.

Table 7. (Continued). The UNPRME Principles and their relation to the CST Principles through the CIM Matrix.

5. **Partnership:** We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.	**Cells 1.2 through 6.2** of the CIM ask how the School recognizes staff, students, alumni or others in the business community whose work reflects commitment to authentic goods and services, attention to the poor, human dignity and subsidiarity, and the exercise of responsible and just stewardship over resources.
6. **Dialogue:** We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.	**Cells 1.3 through 6.3** of the CIM ask how the school integrates the six principles – including exercising responsible stewardship over resources – within the core curriculum and the extra-curriculum, including public events. It also asks how the School identifies and addresses improvement opportunities in these arenas.