

University of St. Thomas, Minnesota

## UST Research Online

---

PowerPoint Presentations

Publications and Curricular Materials

---

May 2021

### Vocation of the Business Leader: Highly Principled Leaders

Michael Naughton

*University Of St. Thomas - Minnesota*, [mjnaughton@stthomas.edu](mailto:mjnaughton@stthomas.edu)

Follow this and additional works at: [https://ir.stthomas.edu/ryan\\_powerpoint](https://ir.stthomas.edu/ryan_powerpoint)

---

#### Recommended Citation

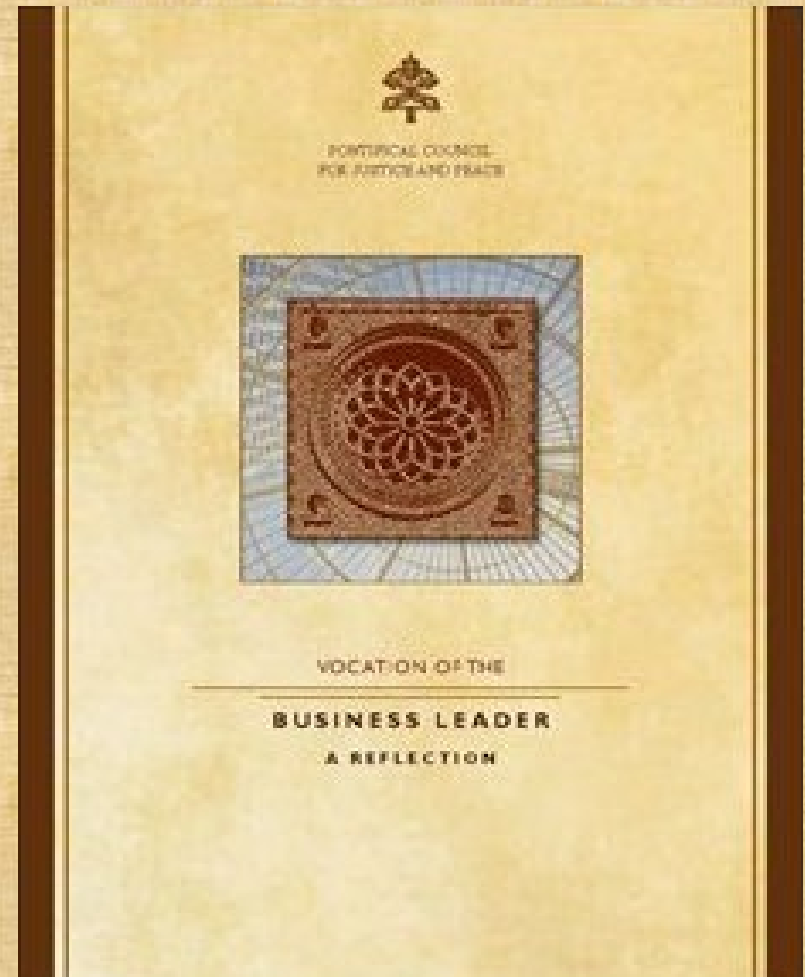
Naughton, Michael, "Vocation of the Business Leader: Highly Principled Leaders" (2021). *PowerPoint Presentations*. 2.

[https://ir.stthomas.edu/ryan\\_powerpoint/2](https://ir.stthomas.edu/ryan_powerpoint/2)

This Article is brought to you for free and open access by the Publications and Curricular Materials at UST Research Online. It has been accepted for inclusion in PowerPoint Presentations by an authorized administrator of UST Research Online. For more information, please contact [libroadmin@stthomas.edu](mailto:libroadmin@stthomas.edu).

# Vocation of the Business Leader

**Highly Principled  
Leaders**



# VOCATION OF THE BUSINESS LEADER

## Outline

1. Challenges
2. Title: *Vocation of the Business Leader*
3. The Structure of the Document:  
See, Judge, Act
4. Discussion





# 1. Challenges

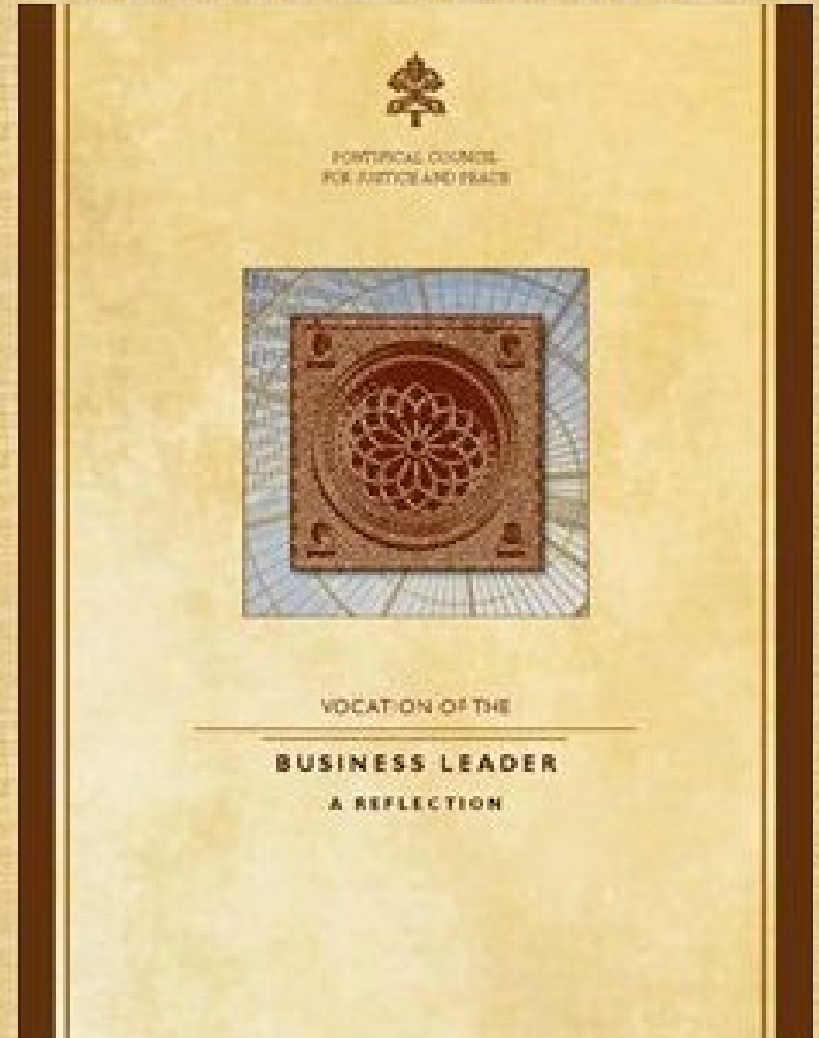
## 1. Two Ditch Problem:

**Accommodation:** “Christians . . . have accommodated themselves to the world, living as if God does not exist. They not only live *in* the world, but they have become *of* the world. When Christian business leaders fail to live the Gospel in their organizations, their lives ‘conceal rather than reveal the authentic face of God and religion’.”

**Anti-Business Attitudes:** Some in the church think that if we are to change the world, we should do it only through the state not through “good companies.”

## 2. Abstraction Problem:

“We seem to have a sense of what we yearn for, but behavioral specificity is thin” (Andre Delbecq).

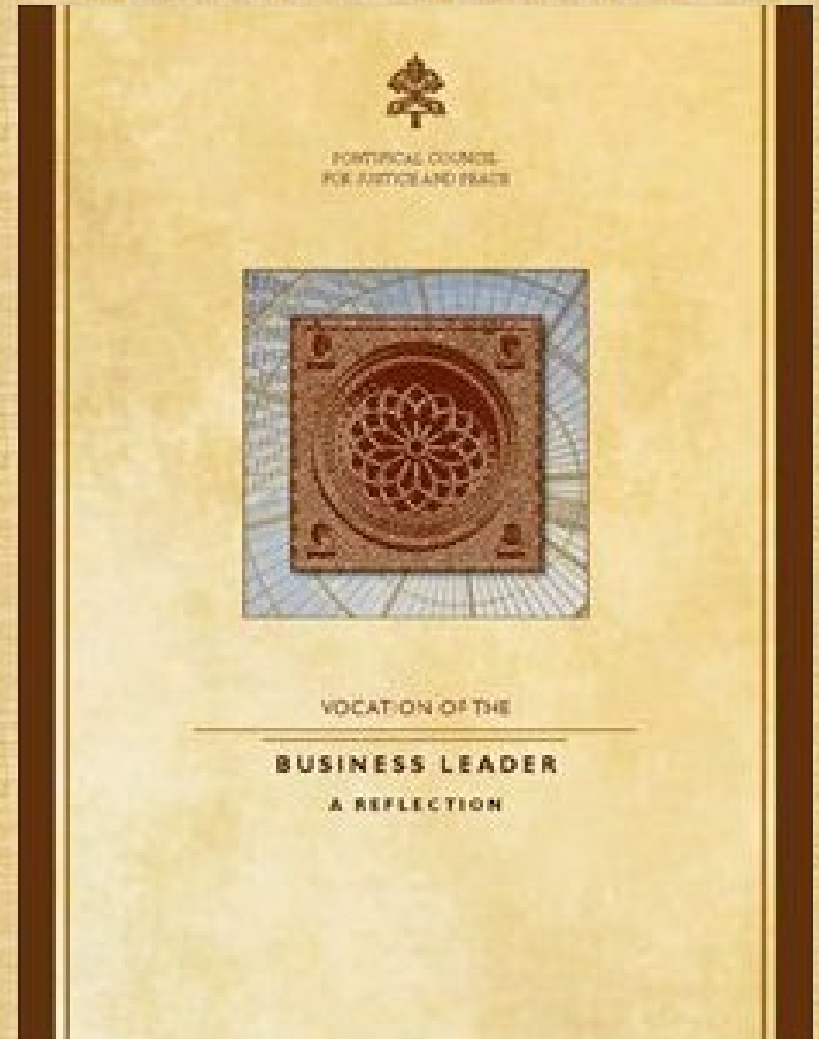




## 2. The **VOCATION** of the Business Leader

# The Logic of Gift

“From everyone who has been given much, much will be demanded; and from the one who has been entrusted with much, much more will be asked” (Lk 12:48).





# Vocation: Being Chosen

- “There is no more feeling more desperate than that of being free to choose, and yet without the specific compulsion of being chosen.
- “After all, one does not really choose; one is chosen. This is one way of stating the difference between gods and men. Gods choose; men are chosen.
- “What men lose when they become as free as gods is precisely that sense of being chosen, which encourages them, in their gratitude, to take their subsequent choices seriously.”

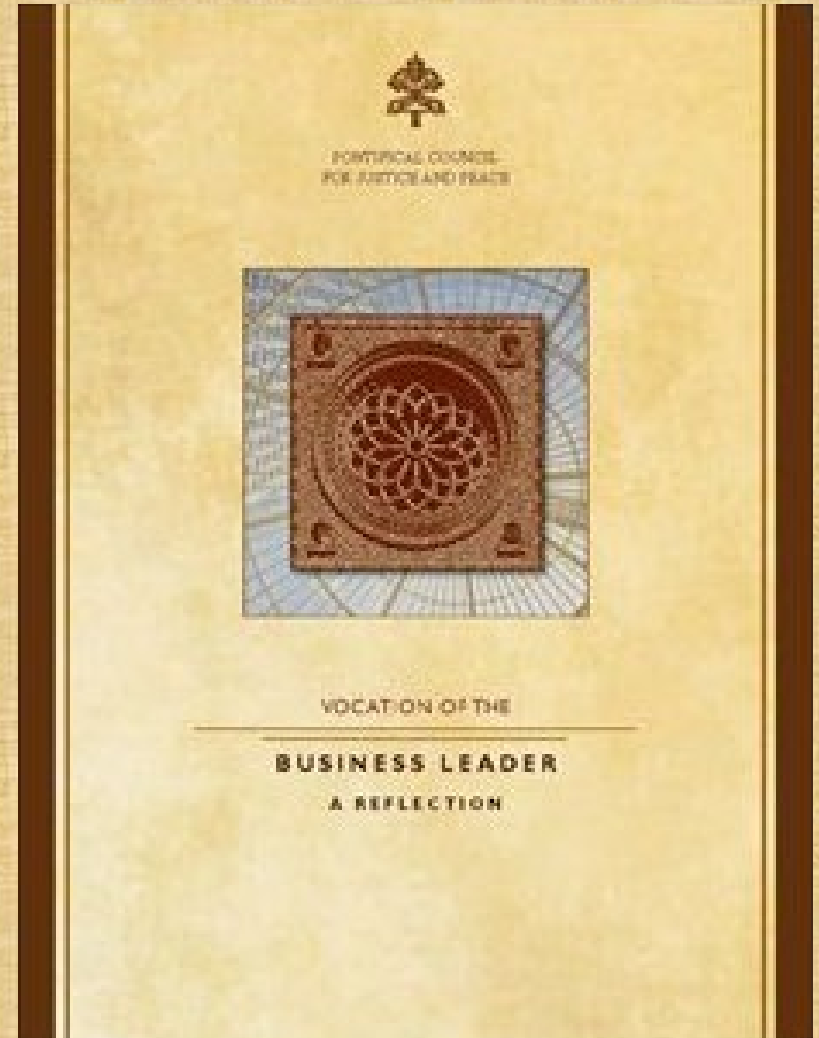


(Philip Rieff)



Business “institutions are highly diverse, including cooperatives, multinational corporations, small entrepreneurial start-ups, employee-owned businesses, family businesses . . . Some of these businesses are publicly traded stock companies, while most are privately held. Some have revenues larger than many countries, but most are small. Some are owned by thousands of investors, others are owned by a single person or family.”

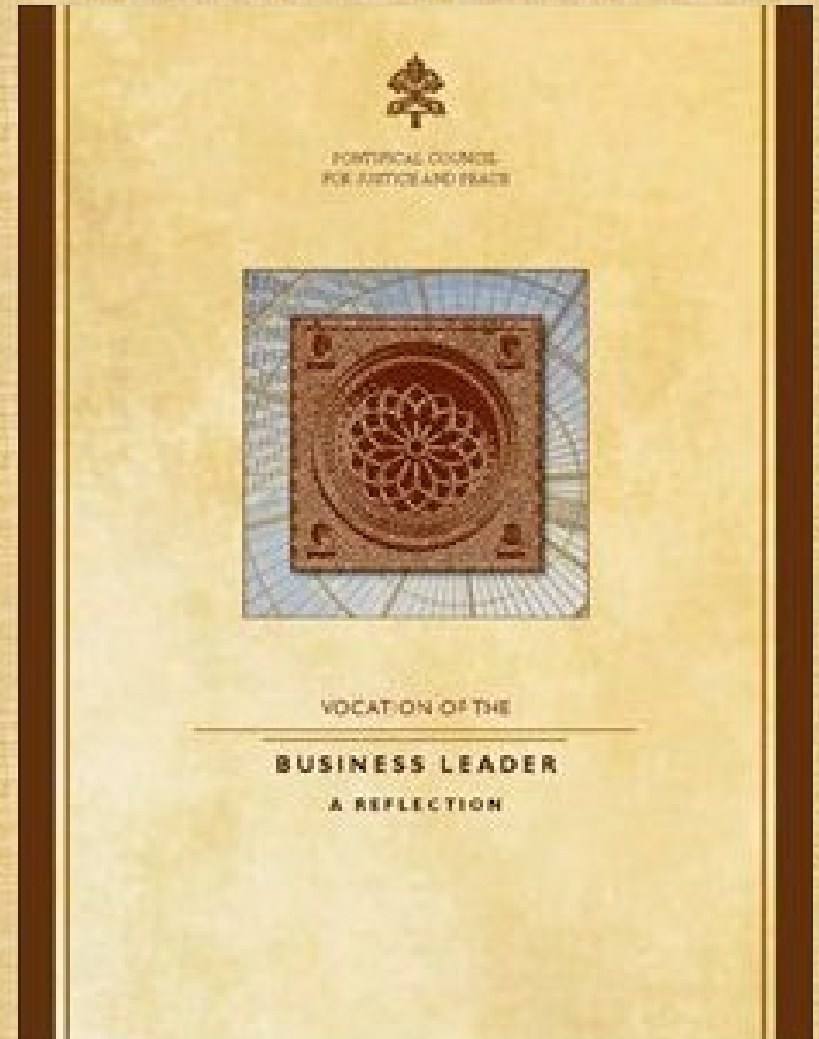
## 2. The Vocation of the **BUSINESS** Leader





- “We wish to speak specifically to Christian business leaders, who have at the heart of their work the deep sense of God’s calling to be collaborators in creation.
- “We wish to speak to all business leaders of good will who have an influence on the behaviors, values, and attitudes of the people comprising their enterprises.
- “From CEOs to heads of teams to those with informal influence, business leaders of all kinds play a critical role in shaping economic life and creating the conditions for all people to develop integrally through business institutions.”

### 3. The Vocation of the Business LEADER

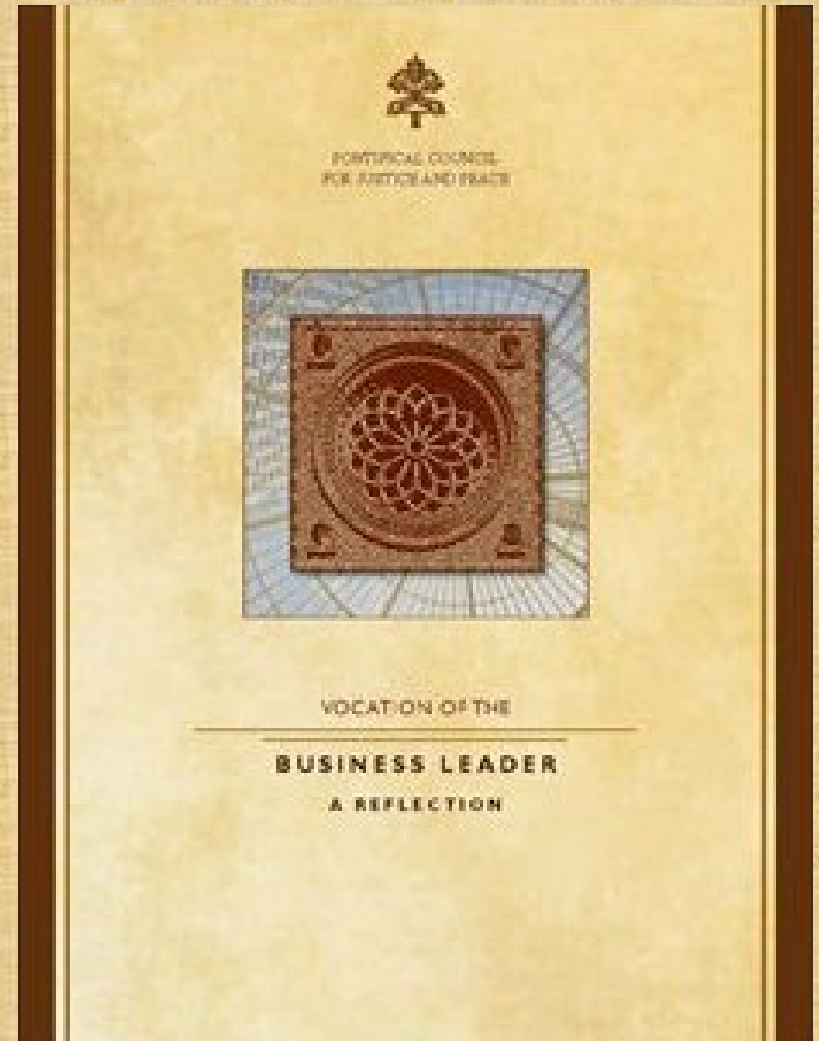






“An important part of the business leader’s vocation . . . entails **seeing** clearly the situation, **judging** with principles that foster the integral development of people, and **acting** in a way which implements these principles in light of one’s unique circumstances.”

### 3. The Structure of the Reflection



# Seeing Reality



- **Seeing Things Whole and not Just Parts**
- **Seeing Fact and Value and not just Numbers**
- **Seeing beyond “neighbors” – to *fraternity*.**



# Seeing Reality

## Permanent White Water



- **Globalization**
- **Communication Technology**
- **Financialization**
- **Cultural Changes**

# Communication Technology



- **Described**
- **Positive Developments**
- **Negative Fallout**

“Communication techniques have developed incredibly in little less than a century. Yet we have to admit that what is being communicated does not always reach a particularly high intellectual level. Technology can transmit the best and the worst indifferently” (Severais Pinckaers, O.P.).



# Financialization



- **Described**
- **Positive Influence**
- **Negative Fallout**

Work can never be reduced to the pay given, that is, the wage given can never fully account for the labor done, precisely because work is always more than its economic output or instrumental value.

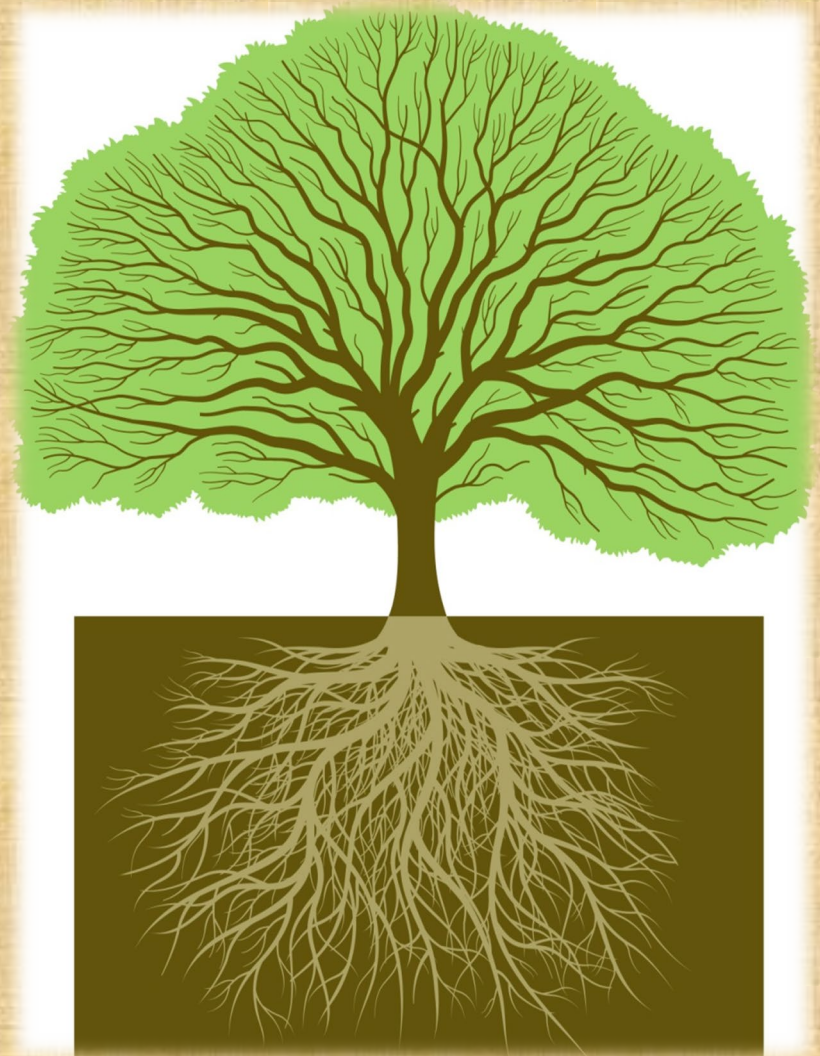
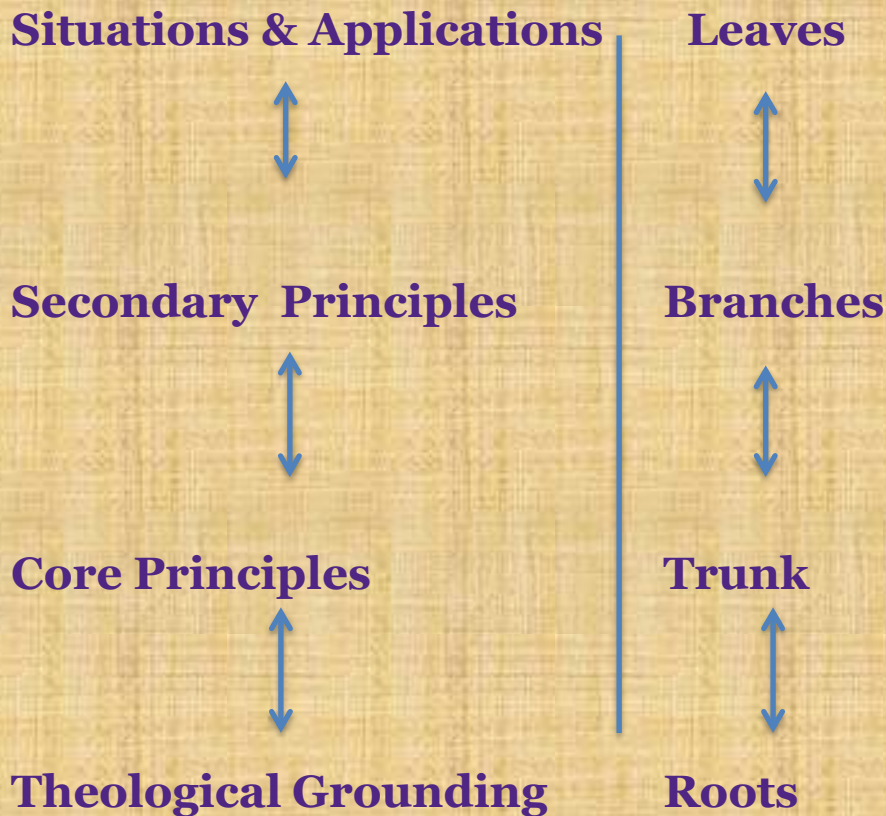
# Judging with Principles



- Is about being formed in first principles that can guide decisions that foster the integral development of people.
- Is about revealing and *reminding* us of “the greater purpose of the trip.”
- Is about locating the good to be done.

“The ability to make reasoned judgments . . . must be nurtured in the moral and spiritual culture from which business leaders come, namely their families, religion, educational institutions, and the larger communities to which they belong.”

# Judgment Informed by Catholic Social Principles

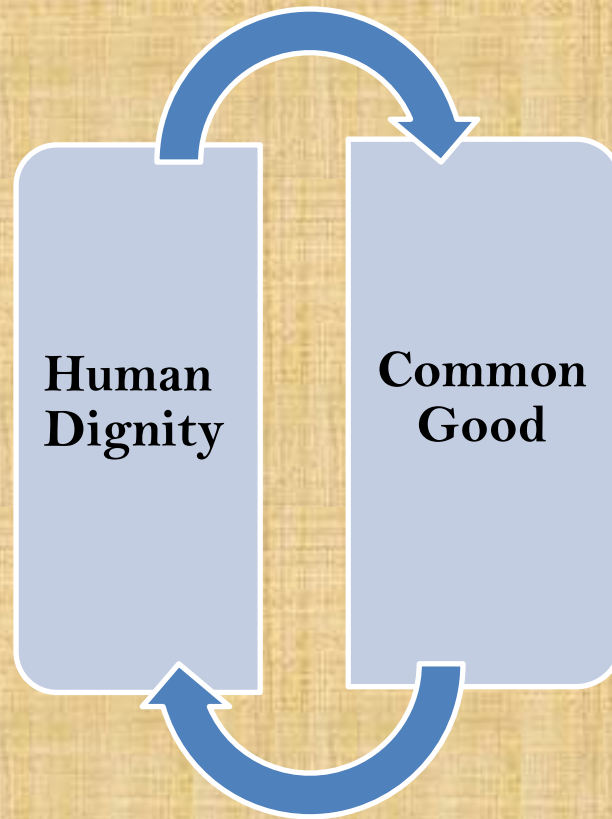






# Judging

## Core Principles of Business Judgment

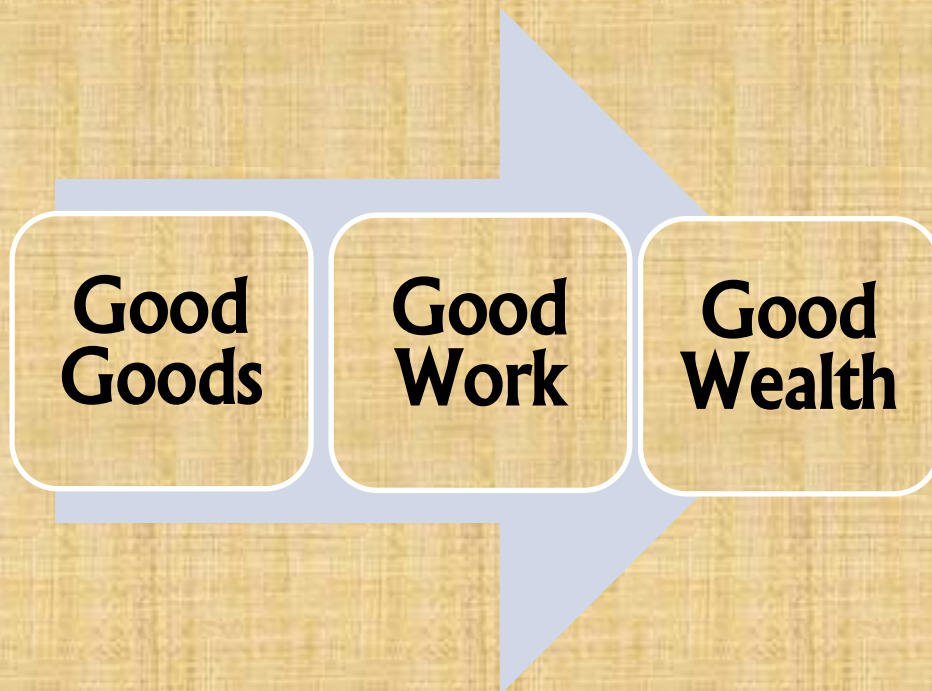






# A FRAMEWORK FOR JUDGMENT

## The Good Business Does



- **Good Goods:** making goods which are truly good and services which truly serve;
- **Good Work:** organizing work where employees develop their gifts and talents; and
- **Good Wealth:** creating sustainable wealth and distributing it justly.



# 3 Goods and Their Principles

## Good Goods

- Meeting the Needs of the World
- Solidarity with the Poor

# The Good of good goods and services

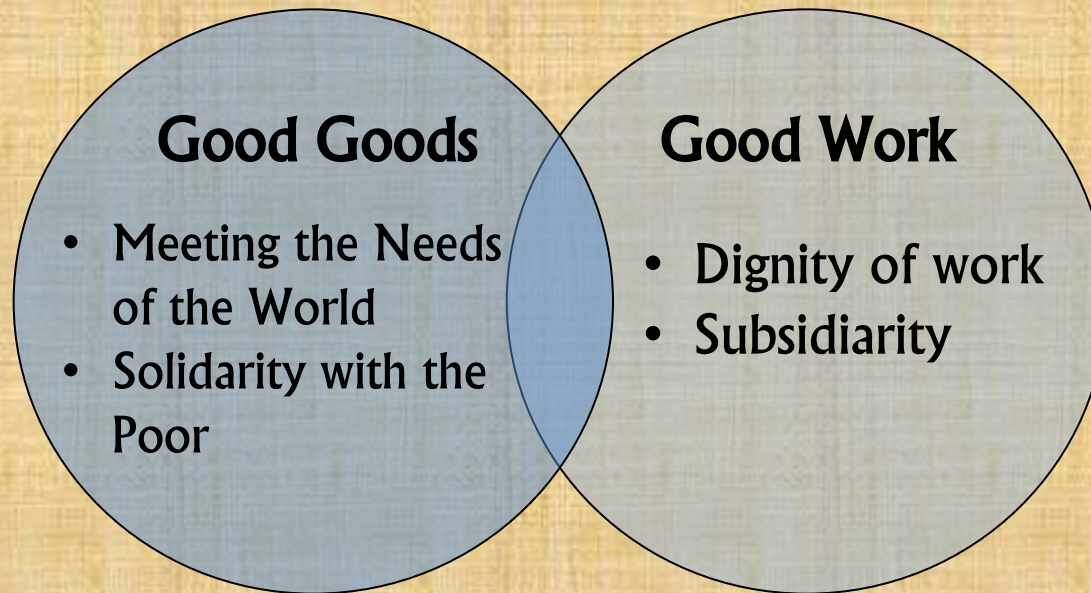


- A primary way entrepreneurs create good in the world is through making excellent products for other people
- It would be a bad world if everyone worked for the United Way, or making pacemakers. Shoes, hinges, yes even video games and mortgages can be morally good
- Ask “is this product the best use of my talents?” “Is the product a net contribute to the common good?” Is it designed to be as good as it can be?” “Have I tried to minimize as many negative potential consequences as possible?”





# 3 Goods and Their Principles



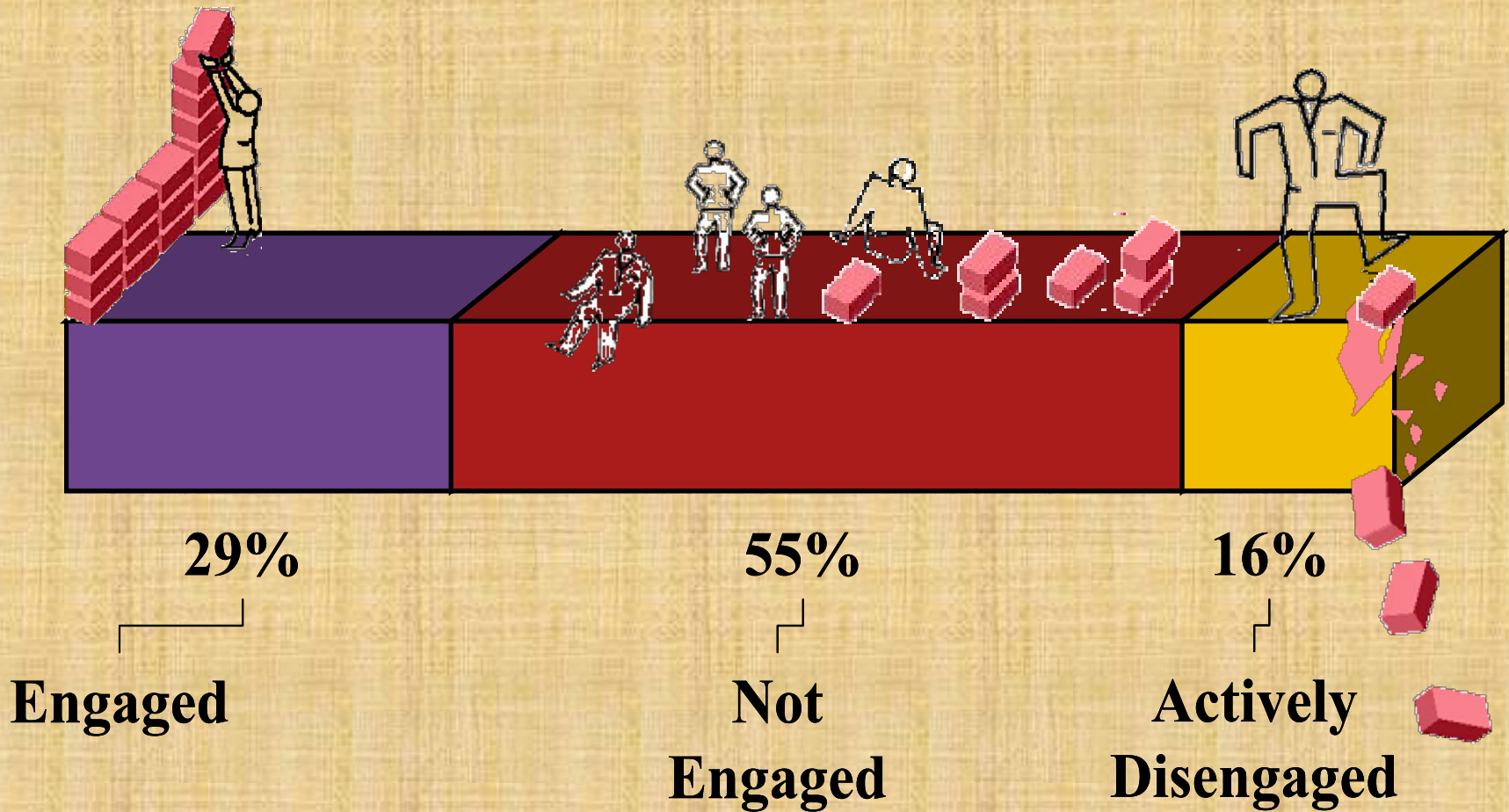


# Subsidiarity

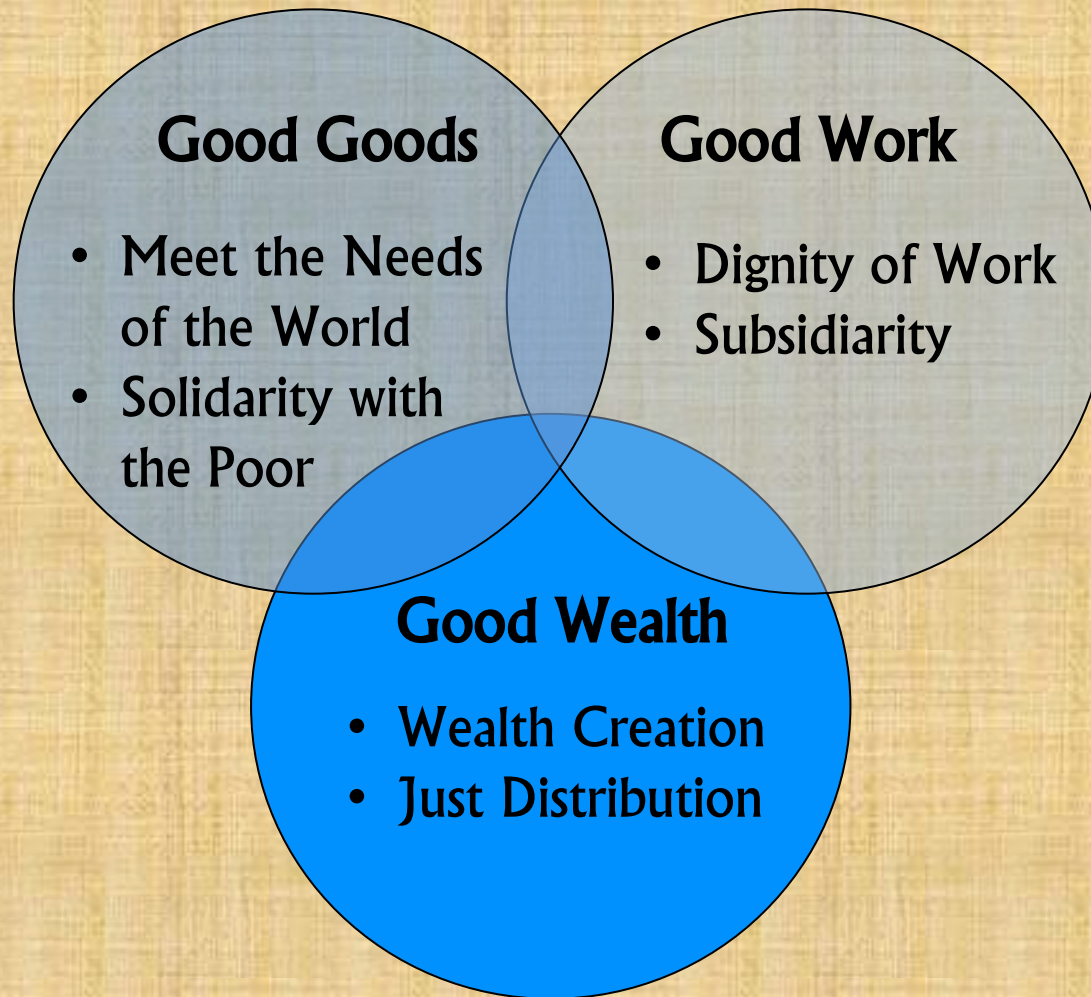


- **Define the Work Broadly:** Design work with greater participation, skill development and responsibility so as to push decision making down the ranks.
- **Teach and Equip:** Those closest to the work often know the most about the work, especially when educated and equipped.
- **Trust, not only Delegate:** Leaders take upon themselves, in full trust, the risks of the lower level's decisions.

# Engaged and Disengaged Employees



# 3 Goods and Their Principles







# **Wealth is Foundational to a Firm Not what is Most Excellent**

- We do not define profits as the purpose of the company, but we do recognize that reasonable profitability is necessary to continue in business and to reach our full potential. We see profits in much the same way that you could view food in your personal life. You probably do not define food or eating as the purpose of your life, but recognize that it is essential to maintain your health and strength so you can realize your real purpose.

**Reell's Founders Message to New Employees**



# Acting



# Acting



- **Receiving:** “The first act of the Christian business leader, as of all Christians, is to receive; more specifically, to receive *what God has done for him or her.*”

# The Illusion of the Self-made “Entrepreneur”



“[W]ithout receptivity [and interiority] in their lives, business leaders can be tempted . . . to regard themselves as *determining* and *creating* their own principles, not as receiving them. Business leaders may only see themselves as creative, innovative, active and constructive, but if they neglect the dimension of *receiving*, they distort their place within the world and overestimate their own achievements and work.”



# Acting



- **Receiving:** “The first act of the Christian business leader, as of all Christians, is to receive; more specifically, to receive *what God has done for him or her.*”
- **Giving:** “The second act to which the Church calls the business leader is *giving* in a way which *responds* to what has been received.”





# Giving

- **Good Goods:** seek new and improved innovative products and services in a world of great need, especially for the poor; effective and just supply chain practices; manage negative externalities, especially environmental difficulties; fair and honest marketing and advertising; etc.
- **Good Work:** humane job design; mission driving hiring practices and orientation; deep and useful leadership formation; employee training and development; just firing and layoffs; evaluation systems that promote the growth of coworkers; etc.
- **Good Wealth:** good stewardship of resources in reducing waste and rework, managing inventory, etc.; transparent financial and accounting practices; socially responsible investment; just allocation of resources in relation to receivables/payables, wages, prices, returns; community giving; etc.

# Disorders

## Fixations and “GOLDEN CALVES”

“The **golden calf** is a symbol of *misplaced devotion*, born of a false idea of true success. . . . Each of these ‘golden calves’ amounts to a kind of **fixation** [and] . . . [e]ach has the capacity to ‘en-trance’” the leader and the business into **idolatry**.



# Three Fixations/Golden Calves

## 1. Consumerism

- ❖ Choice as King
- ❖ Disordered Goods

## 2. Individualism

- ❖ Satisfaction as King
- ❖ Disordered Work

## 3. Materialism

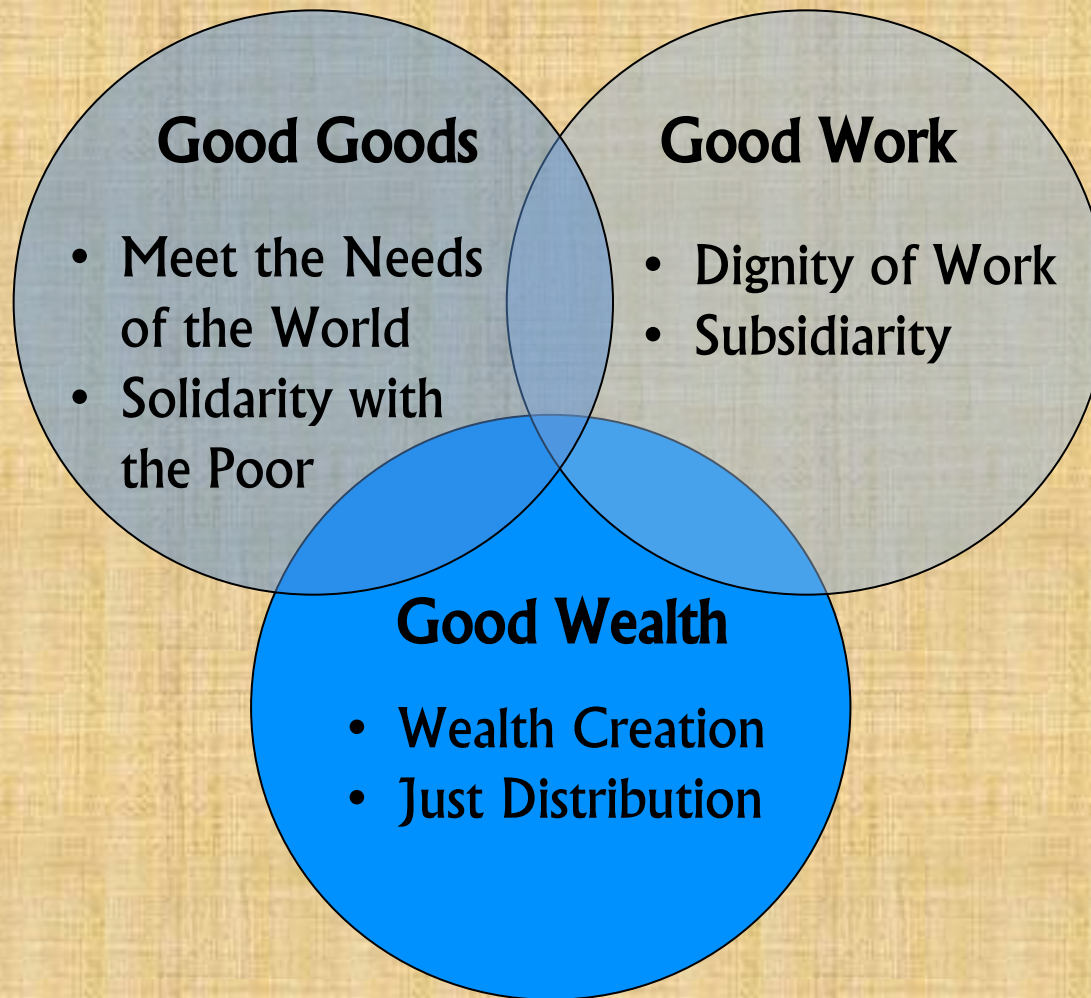
- ❖ Price as King
- ❖ Disordered Wealth







# Seeing Things Whole





# Logic of Gift



“He [Peter Maurin] did not begin by tearing down, or by painting so intense a picture of misery and injustice that you burned to change the world. Instead he aroused in you a sense of your own capacities for work, for accomplishment. He made you feel that you and all (people) had great and generous hearts with which to love God. If you once recognized this fact in yourself you would expect and find it in others ‘the art of human contacts’ Peter called it happily.”

Dorothy Day



# Concerns over the Document

- See, Judge, Act: Too Sequential?
- Triple Bottom Line: People, Profit, Planet—Isn't this better?
- Why Vocation? Why not just Profession?
- Faith and religion in the Workplace: Appropriate?
- What about other religions?
- Missing topics such as role of unions and government, work/family tensions, environmental issues, corporate philanthropy, corporate lobbying, etc.



# Act: Tensions and Challenges

- **Good Goods:** In light of the continuing pressures to reduce the value of business to a price (commoditization), how do business leaders find innovative ways to operationalize the principles of meeting the needs of the world and solidarity with the poor?
- **Good Work:** In light of the increasing individualism and entitlement attitudes in the larger culture, how do business leaders foster the dignity of work and subsidiarity?
- **Good Wealth:** In light of the logic of the market, how can business leaders be distributors of justice and not merely maximizers of economic utility? What does a just wage, fair price, fair returns, etc. look like in market economy?