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RESEARCH IN ETHICAL ISSUES IN ORGANIZATIONS

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RESEARCH IN ETHICAL ISSUES IN
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THE NEXT PHASE OF BUSINESS ETHICS: CELEBRATING 20 YEARS OF REIO

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INTRODUCTORY ESSAY: THE NEXT PHASE OF BUSINESS ETHICS

Howard Harris and Michael Schwartz

ABSTRACT

This introduction to the 20-year anniversary issue of Research in Ethical Issues in Organizations notes that the role of organisations in society, the international and multidisciplinary scope of business ethics and the importance of narrative, issues identified in the early volumes, remain important.

Keywords: Business ethics; history; narrative; social responsibility; multidisciplinary; organisations

Almost two decades ago two volumes entitled *The Next Phase of Business Ethics* and *Re-imagining Business Ethics* were published in the book series *Research in Ethical Issues in Organizations* (REIO). They were volumes 3 and 4, respectively. Those titles and themes show the forward-looking focus of REIO and of its founders. It is 20 years since the founding of REIO and in this volume we look at three topics which were of concern in those early issues and remain of concern today. Those three topics are the role of organisations in society, the international and multidisciplinary scope of business ethics and the importance of narrative. Although 20 years have passed since REIO was launched there is little reduction in the importance of the topics. It is perhaps sobering, and a cause for reflection in the business ethics community, that these topics remain of interest. Were the founders prescient, have scholars, practitioners and business been slow to act, or are the problems intractable? Avi Kay, in his contribution to the issue, considers the history of business ethics and the tendency to see it as something spawned in quite recent times. That was not the view of REIO's founders, who, even in 2001 were contemplating the next phase of business ethics and saw it linked to both good

corporate practice and a multidisciplinary heritage stretching back well beyond the 1974 conference widely regarded as the starting point for business ethics.

This volume contains some papers specifically written with the 20-year theme in mind, indeed the current editors sought submissions from a number of scholars and the papers by Hemingway, Kay, Rosenstand and Schwartz & Comer which appear in this volume were invited. Rather than concentrate on the changes over the last 20 years (or the absence of change) these authors chose to look forward in their reviews. This is consistent with the original intention of REIO – providing models for the future and searching for a business ethic for the century that was about to begin (Pava, 2001). We thank them for taking this forward-looking approach.

The three topics identified in the first issue – organisations, international and interdisciplinary and narrative – provide the framework within which the contributions to this 20-year review issue are introduced. There are many other classifications and many criticisms of the categorisations (see Liu, Mai, & MacDonald, 2018 for a review), yet our focus here is on REIO and a classification drawn from its founding documents seems appropriate. Two pieces (and a book review) are included in the volume even though they were not submitted as part of the 20-year review. Their inclusion is also in the tradition of REIO, of including articles outside a theme, a trait visible at least since volume 3. By including them the editors are certain that the contributions contribute to interdisciplinary scholarship and add to the search for meaning. A short history of the series is included later in this Introduction. The interconnectedness of organisations, society, research, narrative and history makes it difficult to place each contribution securely in a single category; this is perhaps a result of the intersection between psychology and ethics that founding editor Moses Pava often refers to in early articles and which remains apparent in many of the contributions to this volume.

ORGANISATIONS IN SOCIETY

The place of organisations in society, especially the contribution that for-profit corporations make to society is examined by Christine A. Hemingway in her piece on corporate (social) responsibility. Social responsibility, she reminds us, is a thick concept with a long history, connected for centuries to notions of rights and duty and visible in the philanthropic activities of proprietors. It was not a new idea when REIO was founded in 1999, yet it has remained a leading topic in business ethics for over 40 years (Liu et al., 2018). Although the field is interdisciplinary and contested, Hemingway draws on aspects of organisational psychology and organisational politics to suggest some ways forward. It is in organisations, she argues, that social responsibility develops. That would be an extension of the constructive engagement which Daryl Koehn, writing in the first issue of REIO, said would be necessary for an increase in social responsibility. Twenty years ago, REIO was founded ‘to explore the central and unique role of organizational ethics in creating a flourishing ... economy’ (Pava, 2000); Hemingway shows that the task is not yet over, but she is optimistic about the future.

Organisations have a unique and central role in the formation of society and in the satisfaction of human need in an ethical and meaningful way; that is the opening statement in the very first issue of the series that has become REIO. It is a topic taken up by Avi Kay in his contribution to this 20-year celebratory issue. Kay looks a further 20 years ahead, asking what the business student in the world of alternative facts will be thinking about the role of business in society, and what the students who graduate today, by then in mid-career, will think about their preparation for ethical decision making in such times.

Along the way Kay reminds us that knowledge of history may not be sufficient preparation for the future, but it is nonetheless necessary.

The positive role for business in society expressed in the founding purpose of REIO was not something new, Kay reminds us, with quotes from the founding plan of 1881 for the Wharton School and from a 1903 *Wall Street Journal* article, but it did require a professional approach and an approach to the education of managers and those who worked in organisations which resembled the professions. Kay goes on to provide a useful exploration of the place of business ethics in business and business schools in the United States in the decades before the emergence of the business ethics as an academic discipline in the 1970s, as described in the widely cited De George history. The role of business in society is exemplified by the description of the businessman [*sic*] as the symbol of American culture (Kay is quoting here from a 1953 text). Alasdair MacIntyre (1985) also includes the manager in his short list of the characters that embody the existence of the social world and culture in which they live (p. 28). (MacIntyre of course denies that management is a profession.)

Barry M. Mittnick and Martin Lewinson in their contribution write of the importance of trust and the need to find people one can trust – the trustworthy economic exchange partner – to ensure that ethical relations can be established and maintained between organisations generally and businesses in particular. In keeping with the interdisciplinary theme of REIO, Mittnick and Lewinson make use of the literature in sociology, economic anthropology and economics as well as the Jewish law in their paper. Organisational life would be helped, they conclude, by the formation of a professionalised management community where the values went beyond the procedural to a commitment to informed reflection and the achievement of consensual, directed outcomes.

INTERNATIONAL AND INTERDISCIPLINARY

The contribution by Michael Schwartz and Debra R. Comer, ostensibly about the English pastime of fox-hunting, reminds us that the reach of a publication like REIO extends to Africa, Asia and Latin America. This is not only because the Schwartz and Comer paper opens with reference to Karen Blixen's 1937 memoir *Out of Africa* and to more recent events in Zimbabwe and draws attention to the ongoing poverty in Africa, Asia and Latin America, but also because examples of ethical issues in Africa, business and non-profit organisations in Asia and

research in Latin America come easily to mind. Readership statistics show that a goodly percentage of REIO's readers are in Africa, Asia and Latin America.

The Sustainable Development Goals of the United Nations provide a further platform for Schwartz and Comer, and a reminder that an international and interdisciplinary approach is necessary to 'end poverty, protect the planet and ensure that all people enjoy peace and prosperity' (UNDP, 2015). This interdisciplinarity is right there in the founding vision for the series. In the very first issues the editor encouraged authors to submit contributions from 'a wide variety of academic perspectives' and to be concerned more about the clarity of the writing than about whether the submission was empirical or conceptual (Pava, 2000).

There is a political aspect to poverty, and of many of the other Sustainable Development Goals, something which Schwartz and Comer bring to attention in their contribution. Politics is not mentioned explicitly in the early issues of REIO, although there is a clear preference for a particular form of society, one that involves 'a flourishing, pluralistic, free enterprise economy' (Pava, 2000). Schwartz and Comer explore the relationship between the relief of starvation and flourishing, considering whether one is of greater moral worth than the other. They also draw attention to significant shortcomings of the market economy, noting that in many places, particularly in places of famine, there is no effective market and a market mechanism cannot be effective where there is no market.

NARRATIVE

The statement of purpose (Pava, 2000) recognises the importance of narrative by requiring submissions to be 'written in a clear and convincing style' and by seeing book reviews as an integral part of REIO. The introduction to the *Next phase of Business Ethics* volume in 2001 noted that unless ethics could include narrative statements, which were needed to convey the meaning of ethical terms such as justice and fairness, and was to be restricted to notions that could be captured by empirical observation, then the enterprise of ethics would be restricted to activity of little or no use in the practice of business, making ethics look nonsensical (Moberg, Duska, & Dienhart, 2001). That volume takes its own medicine as it were, including a dialogue about the role of normative concepts in research design; a dialogue that extends across four papers, published in the volume and developed in workshops ahead of publication.

Nina Rosenstand's contribution tells the story of a book which is partly about stories, about the power of stories to provide a shortcut to understanding and applying complex theories in moral philosophy. The book *The Moral of the Story* has been in print since 1994 and used in many ethics classrooms, including that of one of the co-editors. Rosenstand describes how the book was from the outset inclusive – Scandinavian stories came naturally to an author who studied anthropology in Copenhagen. It was the stories, not the ethical theory, that took *The Moral of the Story* in a second and subsequent editions. Using stories as illustrations of ethical issues was not new, and Rosenstand provides examples from Aristotle, Jean-Paul Sartre and Simone de Beauvoir. Martha Nussbaum (1985, 2016)

had argued persistently that philosophers will find narrative models extensively in literature. Rosenstand and her publisher had found a way to support that move. As a further example in this volume, Schwartz and Comer make use of the works of the Victorian novelist of Anthony Trollope and a colonial-era memoir in their discussion of the Sustainable Development Goals.

Movies have been the subject of contributions to REIO, for the narrative is not confined to the written word, and although the initial invitation speaks of “book reviews” it is only a few years down the track that the effectiveness of movies in the teaching of ethics is being explored. Book and film reviews remain an integral part of REIO.

In this issue there is a review by Kemi Ogunyemi of the film *Rocket Singh: Salesman of the Year*, a story of business ethics in practice.

In his paper on Everyday Redemption, Moses Pava examines the way in which old, time-worn stories can be made new to convey complex notions such as redemption and the relationship between oneself and the world. It is, he says, a hopeful project, a way to create islands of relative stability in a sometimes seemingly meaningless and unresponsive universe. Pava draws on ancient Jewish scripture as his source and example, continuing the themes of narrative, of flourishing, and of spirituality expressed in the early volumes of REIO. Pava shows that through the centuries stories have been used, read, analysed and commented upon, specifically because of their usefulness in conveying information about values and about hope.

20 YEARS OF REIO

The final section of this introduction considers REIO itself and looks at how well the articles published in REIO reflect the changes and predilections of academia and business. We asked the founding editor to provide some reminiscences on the beginnings.

The first issue of REIO was published in 1999, 20 years ago. The founding editor, Moses Pava, set out the purpose of the series as being ‘to explore the central and unique role of organizational ethics in creating flourishing, pluralistic, free enterprise economy’. Twenty years, and twenty volumes, on, REIO is still exploring how organisations can ‘satisfy legitimate human needs in an ethical and meaningful way’. In a contribution in this volume, Pava, in 1999 newly appointed to the Sy Syms School of Business at Yeshiva University in New York and later it’s Dean, tells some of the early history.

The topics of that first issue included non-profit corporations, socially responsible investing and the importance of religion and spirituality in business ethics. They are still relevant and are addressed by authors in this volume, 20 years later. The affinity between the first volume and REIO as it is today is enhanced by some decidedly personal links. Of the co-editors now in office, one had a book review published in the first volume (Schwartz, 1999) whilst for the other, the virtue of courage, the topic of his doctoral thesis, was the subject of the opening paper of volume 1 (Cavanaugh & Moberg, 1999).

Avi Kay places the 'REIO decades', the opening 20 years of the twenty-first century, in a larger context in his paper, mentioned more extensively above, on the relationship between organisations, business and society. Kay also shows that some important research topics in business ethics, including ethics education and spirituality, have not been prominent in the major business ethics journals. REIO has never been shy in discussing important yet unfashionable topics. Some topics (such as international development and doing good) that have risen from relative obscurity to high rank (Liu et al., 2018) were in the sights from early on at REIO. The recent volume on *Ethics in the Global South* (Schwartz & Harris, 2017) is evidence that the concern for international aspects of ethics in organisations has not been forgotten.

The REIO of today is more international than it was in 1999 – at least by the metrics. All members of the initial editorial board were from institutions in North America; now there are editorial board members from Europe, Australia and the Middle East. All the papers in the first issue were from North America. In the two volumes published in 2018 there were authors from Australia, China, England, Lebanon, South Africa, Spain and Switzerland as well as the United States and Canada. In one sense there is greater gender equity now; the initial editorial board included five women, almost a quarter; now there are nine and we are approaching equality in numbers. Yet metrics never tell the full story. The first issue included a paper about international operations by corporations, and more than half of the papers in the first two volumes had a female author.

Since its relaunch in 2012, REIO has been the official journal of the Australian Association for Professional and Applied Ethics. The plan has been that one volume each year would contain selected papers from the annual conference of the Association. Changes in the conference timing have meant that there have been some volumes 'out of sequence' but the conferences have been a valuable source of material for REIO. This was not a complete innovation as the second REIO volume, published in 2000, had as its core the papers from a symposium on health care ethics at the International Conference Promoting Business Ethics (the Vincentian ethics conference) held at Niagara Falls in 1999. The link between business ethics education, publication and practice; and the contribution of Patrick Primeaux, co-editor of REIO from volume 2 until his death in 2008, to that endeavour, was explored in a paper by Mark Mitschow (2012).

Whilst many volumes of REIO have had a theme there has been a place for articles that advance knowledge within the wide scope of ethics in organisations. In this volume there are articles on systems for fidelity (Mittnick), and personal redemption (Pava). The first book review appeared in volume 1, in 1999, and for some time REIO has had a dedicated book and film review editor. The first book review was written by Michael Schwartz, now co-editor of REIO, and that in itself is further evidence of continuity.

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