



Book review

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Title: *Management Ethics: Placing Ethics at the Core of Good Management*

Author: Domènec Melé

Publisher: Palgrave Macmillan

Year of publication: 2012

Number of pages: 182

I well remember my early days as a business ethicist, when I was taking my early steps in what was, for me, a new and forbidding field. Much to my surprise, the transition was relatively painless, and this was due, above all, to the happy fact that the Lagos Business School, which I helped to launch, was being guided in its early steps by the much better-established IESE Business School in Barcelona, Spain, then and now one of the top European business schools. The Lagos Business School sent me to Barcelona to receive guidance and orientation in my new field, and to my great advantage, the person who was given the task by IESE of helping me was Prof. Melé, who had pioneered the systematic study of business ethics in that institution. His unflinching generosity and availability during these first two weeks I spent in Barcelona and during frequent visits in subsequent years made a decisive difference in my later career.

How lucky I was can most simply be shown by having a look at his impressive list of publications. He is the author of six books and over 50 journal articles, and the editor of six collective works. Of course, scholarship is not just a numbers game. More important than the number of his contributions is the significant impact that he has had on the field of business ethics. Perhaps the most direct indicator of that influence is the fact that, at my most recent

checking on Google Scholar, one of his articles had been quoted more than 1 500 times. To my great delight, I now find that the recent book by Prof. Melé, *Management Ethics: Placing Ethics at the Core of Good Management* (published by Palgrave Macmillan), makes available to a larger public precisely the qualities that made mentoring by Prof. Melé so useful to me.

Very important among those qualities is an ability to make business ethics accessible and understandable to business managers. The book I am reviewing is compact (155 pages of text), due to the fact that no space is given to a discussion of schools of ethics, often a sure douser of any spark of interest a manager could have in ethical matters. This is not to say that Prof. Melé ignores foundational issues. As he says, he avoids “complex philosophical discussions by presenting an approach based on very basic concepts which are easily understandable” (Melé, 2012:26). His discussion of basic concepts and principles, though simple and accessible, is careful and profound. It is precisely because of the attention he pays to basic concepts that he is able to offer such an effective treatment of topics like the Golden Rule (Melé, 2012:28-29), human dignity (Melé, 2012:30-31), participation (Melé, 2012:93-95), and business firms and the common good (Melé, 2012:31-32 and 112). The set of concepts he deploys proves especially effective

in overcoming the long-running argument between shareholder- and stakeholder-centred conceptions of the purpose of the firm by offering his very attractive “common good stakeholder approach.” This approach basically “considers the business firm as a community of persons within society, and not only a system of stakeholder interests. It takes the common good of the firm and its *contribution to the common good* of society at large as the key orientation for corporate governance and management” (Melé, 2012:112, italics in the original text). Another notable move by the author is his categorisation of responsibilities towards stakeholders into two basic types: (1) responsibilities of justice and (2) responsibilities of proactive cooperation (Melé, 2012:118). In my view, this simple move is greatly fruitful in allowing us to overcome numerous false problems that plague the discussion of many topics in business ethics.

The central theme of the book is the integration of ethics and management, and the main idea that Prof. Melé puts forward on how to carry out this integration is that ethics should be placed at the core of good management. This whole programme seems refreshing to this reviewer, used as I am to so many treatments of business ethics that see ethical norms as a limit to what is permissible for a manager to do. A typical example of the approach one finds throughout the book is the discussion it offers of the holistic approach to decision making in management, by considering four basic dimensions when analysing alternative courses of action. The procedure offered (Melé, 2012:50 ff.) deploys specific criteria along four basic dimensions: ethical, instrumental, relational, and internal. Of great value to the practitioner is also a four-page table in which the author summarises the main responsibilities of the firm towards the main stakeholders (Melé, 2012:120-23). I should hasten to add that all of this should not be confused with the practice of so many how-to books that offer their readers lists of points to keep in mind when making decisions. Prof. Melé offers us a list, but then, there are lists and lists.

In evaluating such lists, one should look at the justification behind them, and at the quality of the insights they offer. When one applies these tests, one can appreciate the great distance that exists between standard how-to books and this solid product of many years of work in the field of business ethics.

An aspect of the book that is well worth highlighting is the foundational role in business ethics it accords to intelligent love and, closely related to it, friendship-based reciprocity. To move beyond a consideration of duties of justice to the requirements of intelligent love in a discussion of business ethics, and to do this without dissolving the argument into some kind of syrupy sentimentalism, is indeed an achievement. It is perhaps worth remarking that this is only one of several points in the book in which one can discern the important foundational role that key Aristotelian concepts play in the thoughts of the author.

Another key idea in the book is that ethics does not contribute to good management by ensuring a better bottom line, though it often may have this effect. Even the best financial results will not be a ‘good’ result if they were obtained by damaging human beings; as Melé says: “Acting without ethics can be astute and cunning management, but it is not good management” (Melé, 2012:21). Three other important points along these lines, which the author makes repeatedly, and which help define his ethical position, are that ethics is primarily about doing good, not just about avoiding wrong; that morality is intrinsic to managerial action, and not just an extrinsic addition to it; and that people are not just resources for business, but primarily persons with human dignity and innate rights.

It could seem from my preceding comments that I am in full agreement with the author, but, of course, I have never met two ethics scholars who are in full agreement with each other. I know that Prof. Melé has serious reservations about some of my positions, and, regarding this

book, in spite of my great admiration for him, I would advise readers to examine critically his discussion of what he calls *The First Principle of Natural Moral Law* (I would even object to the name he has given this principle). I am also inclined to complain that he too frequently uses practical wisdom as a universal problem-solver. I have no doubt that practical wisdom is a virtue, and that it has central importance in the management profession, but I would have appreciated more specific propositional guidance on how to tell whether, in making

a certain decision, it is practical wisdom or foolishness that I am exhibiting. However, in the context of the whole book, harping on these points would seem to me mere quibbling.

To conclude, after having carefully read this work, it is my considered judgment that the effusive endorsements by several leading scholars and practitioners of management and business ethics, which one finds on the back cover of the book, are fully justified. I recommend it heartily to both practitioners and academics.