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Invisible Hands

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gathered 32 of our top executives and charged them to study our company and others, and to present a concrete proposal on what improvements need to be made in the area of governance and social responsibility.

Our mission is not just to be a great company for investors, but a good company in the eyes of the world. We've all learned that a business without ethics is a business at risk. And that the slide into a fatal ethical morass is all too easy if top company management is unfocused, or incompetent, or unethical.

In *Genesis*, Adam and Eve are told by God: "Be fruitful and multiply, and fill the earth and subdue it."

To Pope John Paul II, the expression "subdue the earth" refers to the way each person uses the resources of the earth to make things: to grow food, to build housing, to invent new CAT scans, to design jet engines, and even to create TV shows. His point is that "subduing the earth" is a synonym for human work, which is not only creative and ethical—but is mandated by God. We can translate those lines like this: "Be fruitful and multiply—and get to work."

Indeed, the Pope suggests that the act of work, of contributing your talents to a

business, of making things of value, is analogous to the very first act of creation—God's creation of the world. When we work, we are reflecting the very action of the Creator of the universe. As the Pope writes, "Man's work is a participation in God's activity."

This is worth remembering as we go about our work. Honest and ethical work is dignified by God and connected to His creativity. Of course, some types of "work" don't fall into this category: accounting fraud, setting up sham transactions, booking phantom revenue, or manipulating markets.

Think how the state of business could be improved if all of us asked: "Do my actions at work contribute to the creation of value? Does my work reflect the creativity and integrity of God himself? Or is it a sham transaction?"

In *Genesis*, each day of creation ends with the words: "And God saw that it was good." My hope is that we can look at our organizations and be able to say these words as well. Because ethical work is good. EE

Bob Wright in Vice Chairman and Executive Officer of GE and CEO of NBC. This article is adapted from a speech delivered to the Logansport Tri-State Chapter with permission of Vital Speeches of the Day.

ACTION: What are you doing to restore trust?

Invisible Hand



by Andrew Sikula

WHY ARE ECONOMISTS often wrong in their predictions? Because they believe that individual behavior is motivated by money and that corporate activity is motivated by profits.

In reality, desires and sense, not dollars and cents, determine performance. People pursue passions, not pesos. Heads and hearts count more than guts and groins in most people's lives.

Economists are correct in identifying an "unseen force" that guides the production, distribution, and consumption of goods and services. Their mistake is in not recognizing that the "invisible hand" is spiritual, not economic; it belongs to Jesus Christ, not to Adam Smith; and it is the providence of God, not the power of markets. Spirits and demons, not supply and demand, rule the world. The "good" life should properly be envisioned as a moral, not a monetary, measure. The bottom line is no longer envisioned as economic only and for the sole benefit of stockholders or owners. There are multiple variables, including economic, social, political, ethical, technological, and cultural.

I believe the ethical dimension to be the most important, although I recognize the impact of all variables. There are also multiple stakeholders—including owners, managers, employees, customers, suppliers, and the community. Among these, I believe that employees should be given the top priority, since they, if given a chance, may devote their entire working lives to one enterprise. Customers come and go with the drop of a hat or a price, as also do stockholders.

The visible hands, and the spiritual soul, of an organization belong to the working employees, not to transitory consumers, executives, and owners. EE

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ACTION: Give priority to the working contributors in your enterprise.

Ethical Compass



by Tim Hatcher

THE RECENT ETHICAL failures make it clear that companies without a moral compass are cast adrift, or worse are broken apart on the rocks. Although companies with formal ethical standards perform better than those with no standards, this is not an ethics "silver bullet." Enron had a well-developed code of ethics. Beyond a fancy proclamation of ethical do's-and-don'ts, a moral compass can be set by executives who know the ethical traction that learning and training provide.

Training strategies can do more than supply skills and knowledge, they can change or reinforce attitudes and values. Savvy executives use training and learning to set their company's moral compass and help the company stay an ethical course. But offering a few training programs is often not enough.

Learning-oriented, creative, entrepre-

neurial, and fast-moving companies with a quality of human spirit have purpose, intention, vision, and common values that create meaning for people. These companies address the needs of people to find meaning in their work. They tend to keep good people and steer clear of ethical problems. Companies that support spiritual values get more from employees because they get more from the company. Building stories related to organizational spirit into orientation sessions, training programs, and mentoring activities helps to re-create for all employees what is meaningful.

Unethical leaders and companies suffer from the inability to attract and keep top talent, build community support, or maintain good reputations. Leaders need to set a moral compass by building corporate citizens with both financial and moral staying power. Executives who see the ethical traction that learning, training, and education can provide can steer their companies on an ethical course. EE

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ACTION: Do you have an ethical compass?