8. Corporate agency, character, purpose and the common good

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8.1 INTRODUCTION

I begin this chapter with discussions, in Sections 8.2 and 8.3, about two related concepts – agency and character – which are familiar to us at the individual level, but which I shall argue can be appropriately and usefully applied at the organizational, or corporate, level. This leads, in Section 8.4, to a discussion about the purpose of the firm. I begin that section with what may seem to be a rather technical discussion by way of clarification of and, to some extent, disagreement with a position taken by Sison and Fontrodona (2012) concerning the purpose or, in their terms, the common good, of the firm. This will introduce a MacIntyrean perspective (and, so I shall argue, corrective) to an Aristotelian–Thomistic position as incorporated into Catholic Social Teaching (CST). The importance of this seemingly pedantic correction will, I hope, become clear. Taken together, these three components – agency, character, purpose – give a rounded account of the characteristics and role of the firm and hence of its potential to contribute to the common good.

8.2 CORPORATE AGENCY

That individuals, under normal circumstances, are moral agents, with all that that implies for the allocation of responsibility, praise, blame and punishment, is not in question, although I shall return below to the ability of individuals to exercise that agency inside organizations. However, whether collectives of individuals, such as corporations, can be regarded as moral agents is much more open to question. Despite significant attention in the scholarly literature, this remains a contested area – see, for example, Dubbink and Smith (2011), French (1995), Hess (2013) and Moore (1999), who argue for corporate moral agency; and Hasnas

(2012), Ronnegard (2013) and Velasquez (2003), who argue against it. There is no space here, nor will it serve my purpose, to summarize this extensive literature. However, despite my previous support for corporate moral agency, I am now with those who argue that we cannot attribute *moral* agency to collectives. The position I now hold is known technically as methodological individualism – only individuals, and not aggregations, including organizations, are fully fledged moral agents.

But that is not the end of the matter. We should note that Velasquez (2003) makes a helpful distinction between moral, causal and compensatory responsibility, arguing that, while corporations cannot be *morally* responsible for their actions, and hence that they may have responsibility to compensate those who are harmed by such actions. That is to say, whether we can identify individual members of a corporation who were responsible for a particular action or not (and, if we can, there is nothing in this literature, on either side of the debate, that suggests such individuals should be able to hide behind the 'corporate veil' and so evade their moral responsibilities and not be blamed and punished), it is the case that we can meaningfully say 'the corporation caused this to occur'. We can say such things of a corporation, just as we can say that the wind caused the tree to fall and damage the house. That is, while there is no intentionality and hence no fault intended, and thus no moral responsibility can be attributed, none the less we cannot say 'that organizations never exert causal influences on their members' (Velasquez, 2003, p. 543), although when they do exert these influences, they do so 'through the interior desires and beliefs about the organization that these members have in their individual minds' (ibid., p. 544). In other words, we can legitimately attribute intentional corporate *causal* agency in the sense that 'the corporate organization can be the intentional object of thoughts, perceptions, or desires that cause response or events in [its members]' (ibid., p. 557).

Hasnas (2012, p. 194), while also arguing against corporate moral responsibility, makes a further helpful point in this regard:

> The language of corporate moral responsibility can serve an important expressive function. By allowing us to speak as though moral agency can be predicated on indefinite collections of loosely related and constantly changing individuals, it facilitates people's efforts to express moral condemnation of both the behavior of corporate employees and a corporation's ethical culture. Such language is much more efficient at mobilizing public sentiment than are the cumbersome statements required to identify the interactions among an amorphous group of people that produce morally unacceptable results. One might say that the language of corporate moral responsibility reduces communicative transaction costs.

Taken in combination, this then allows us to speak meaningfully of corporations as having responsibility because they exert causal influences on their members. And while this may be in such a way that it seems as though they possess corporate moral agency, this is actually corporate responsibility in a restricted, causal sense.

Arriving at such a conclusion about corporate agency may be all well and good. However, there is one further issue that we need to address. While corporations possess agency in the restricted way described above, having the ability to exercise it is another issue. At the individual level, and in relation to managers in bureaucratic organizations, this was MacIntyre's concern:

> [I]n his capacity of corporate executive, the manager not only has no need to take account of, but *must* not take account of certain types of considerations which he might feel obliged to recognize were he acting as parent, as consumer, or as citizen. (MacIntyre, 1979, p. 126, emphasis in original)

In other words, according to MacIntyre, the manager's agency is so constrained by the corporate environment that s/he is not a 'free' agent. Institutional theory has addressed this issue, at least at the practical level, and has introduced the notion of the paradox of embedded agency (Battilana and D'Aunno, 2009). On this understanding, individual agency is embedded within the institutional environment (both organizational and at 'higher' levels such as the organizational field). And there is the possibility that such an environment is so 'totalizing' that there is no room for agency to be exercised at all. The Holocaust's impact on Jews is usually taken to be the archetypical case, although even here it is instructive to read stories such as that of Etty Hillesum (see, for example, Hillesum and Hoffman, 1996), which provide evidence that even under these most severe of circumstances, it may still be possible to exercise agency.

Thus, that individuals in the corporate setting still have the opportunity to exercise their agency, and the mechanisms by which that operates, is also found in the literature (see, for example, Fernando and Moore, 2015). Agency can, in other words, become sufficiently *dis-embedded*, thereby allowing an actor 'the ability to make choices independently of existing social structures' (Battilana and D'Aunno, 2009, p. 46). As I have argued elsewhere,

> [i]n MacIntyrean terms this would mean organizational practitioners who … are able through the exercise of virtue to appropriately dis-embed themselves, at least to some extent, from such constraints, so as to create a more

conducive environment and organizational culture through which the organ- ization could flourish. (Fernando and Moore, 2015, p. 189)

That it is possible to apply the same notions of embedded and dis-embedded agency at the organizational level is also supported empirically in this literature (see Fernando and Moore, 2015; Walker et al., 2014).[1] Hence this can be applied not only to individuals but also to organ- izations that not only possess agency in the way described above, but also have the ability to exercise that agency, even within certain institutional constraints. And the virtuous organization (to which we turn next), just as the virtuous individual, would tend to exercise that agency in such a way as to lead to the common good of the organization, and hence potentially to the common good of society.

8.3   CORPORATE CHARACTER

I hope to have demonstrated that we have an intelligible concept of corporate agency. From this as a base, we can move on to consider the notion of corporate character. If a corporation has agency, then it follows that we may be able to speak appropriately and usefully of a corpor- ation's character, in much the same way as we can talk of corporate agency and, indeed, culture. Before I discuss this in detail, however, I should first identify a number of areas where I agree with Sison and Fontrodona (2012), given that I shall be disagreeing with them in the following section. They identify firms[2] as intermediate bodies, 'situated between individuals and families, on the one hand, and the political community, on the other' (ibid., p. 212), and characterize them as artificial and imperfect societies – artificial because the firm 'does not arise directly from human nature in the same necessary way that families or political communities do', and imperfect because, as societies, 'they are not self-sufficing; instead they depend on families and the polity' (ibid., p. 221). From there, they agree with me about notions of the virtuous corporation and, hence, of corporate character (ibid., pp. 229– 30). And they go on to say that 'personal virtues facilitate institutional or corporate virtues in the same way that institutional or corporate virtues facilitate personal virtues' (ibid., p. 230).

   But you may have noticed that there is an elision here from an accepted understanding of virtues (and vices), and hence of character as a summary and shorthand for the virtues and vices an individual possesses, to their application at the corporate level, without much by way of consideration of whether such a move is justified. Can we talk sensibly

about corporate-level virtues, vices and character, and, if so, what precisely do we mean by that, and what practical effect might it have?

In a similar vein to the contested nature of corporate (moral) agency that I discussed above, there has been a debate over the application of notions such as virtue and character to the corporate form. One approach has been to argue not for an ontological position (in effect that, as in the 'for' camp above, corporations are in themselves moral agents), but a metaphorical one (see Chun, 2005, p. 277; Klein, 1988, p. 56; Moore, 2005, p. 664 and note 4; Moore and Beadle, 2006, p. 374; Whetstone, 2005, p. 371). In this approach it is considered both appropriate and helpful to talk by way of metaphor in terms of corporate-level virtues and hence of the aggregated notion of corporate character. On this basis corporations can be described, by way of projection from the personal to the corporate, in a manner that is similar to the way in which we speak of individuals.

However, I now judge this approach to be problematic in so far as it suggests that terms like 'courageous', 'just', 'temperate' and 'wise', when applied to corporations, do not have any literal meaning – only that the corporation has characteristics that are 'like' this or that virtue. It is as if the corporation were like this – but (so the metaphorical approach says) we all know that, in reality, they are not like this. Nor would such characteristics, as metaphors, have any causal power, whereas, in line with the agency position derived above, the classical characterization of the virtues (as Aristotle and Aquinas, for example, understood them) was that they are habits that cause morally laudable behaviours.

The positive organizational psychology literature, while not resolving the philosophical debate around agency, adopts this causal approach. Cameron et al. (2004, p. 768, emphasis in original), for example, speak of 'virtuousness *in* organizations', referring to the behaviour of the organization's members, and 'virtuousness enabled *by* organizations', referring to 'the features of the organization that engender virtuousness on the part of members'. For our purposes it is the use of the term virtuousness as 'features of the organization' that is relevant and suggests neither an ontological nor a metaphorical position, but none the less one in which causal power is evident.

A helpful development of this approach may be found in Palanski et al. (2011). Here, the notion of virtues at the meso level of the team is developed and validated empirically. They begin with an assumption that 'virtues are fundamentally isomorphic – that is, they have the same basic structure and function across levels of analysis' (ibid., p. 202). Their study uses constructs that include transparency, behavioural integrity, trust and performance, and they argue that these are properties not only

of the individuals who comprise the team, but also of the teams themselves. Given that teams are aggregates of individuals, and given their empirical validation of these constructs at the team level, they establish the notion of team-level virtues. But with this conceptual move, it is then consistent to extend this to the organizational level – a further move that is only a quantitatively higher level of aggregation, not, I would argue, a qualitatively different one.

This approach therefore suggests a synergistic hypothesis, that an organization 'is not merely a passive container that holds the virtues of its members, but rather it provides a more generative (or perhaps deleterious) context in which organizational members interact in ways that prompt, enable and/or enhance (or perhaps diminish or inhibit) virtue' (Bright et al., 2014, p. 456).[3]

If this position is accepted, we can refer to organizational-level virtues as properties or (as above) features of the organization that have causal effect. On this basis we could ascribe particular virtues and vices to a business organization, summarize the aggregation of those virtues and vices by means of a description of character, and exercise judgement over such a description of character in overall terms – describing a corporation as virtuous or vicious or, more likely, as having a character that lies somewhere between these extremes, virtuous in some respects and not in others.[4] In effect, as will be appreciated, this is an extension of the agency argument discussed above.

Derivative of this approach, corporate character has been defined as

> the summary of characteristics that develop over time in response to a corporation's challenges, opportunities and its own pursuit of virtue. A corporation can be characterised by the extent to which it possesses and exercises moral virtues (and lacks the associated vices) and by the extent to which it draws on the intellectual virtue of practical wisdom in its pursuit of a good purpose and to enable the correct ordering in its pursuit of both excellence and success. (Moore, 2015, p. 109)

This definition has been developed by incorporating MacIntyrean concepts, in which excellence is a shorthand for the internal goods of the practice and success for the external goods of the institution (see further below and Table 8.1 for a summary). While it refers only to one specific virtue (practical wisdom), the paper from which it is drawn provides a full, philosophically grounded taxonomy of corporate virtues. But what this definition does provide is a means of talking sensibly about the character of individual firms, and with causal effect on the actions of individuals within the firm. As such, it serves a purpose in relation to business ethics, which is usually served by the notion of corporate culture

in the organizational literature and in practice – something I have addressed in an earlier paper (see Moore, 2005).

The implications of this are that we have a robust notion of a firm possessing character, and hence potentially promoting virtuous behaviour in its members, in such a way as to contribute to the common good. Indeed, corporate character may be the major determinant of whether a firm does contribute to the common good or not – as with individuals, a character that is deficient in one or more respects is unlikely to be good for the firm, or for the community within which it is set. But this leads us to consider in more detail what the common good consists of, and how the firm may contribute to it.

8.4 CORPORATE PURPOSE AND A MACINTYREAN CRITIQUE OF THE COMMON GOOD OF THE FIRM

The phrase 'the common good' is an often-used shorthand that obviously expresses something more than the good of any one individual. Yet, as Sison and Fontrodona (2012, p. 211) note, its specific meaning is often opaque and it is unclear whether, if applied seriously, it would lead to determinate courses of action. By drawing on Aristotelian and Thomistic notions and combining these with CST,[5] Sison and Fontrodona develop a composite description (though, frustratingly, never a definition) of the common good. Returning to one source from which they draw, the *Compendium of the Social Doctrine of the Church* (Pontifical Council for Justice and Peace, 2004, henceforth CSDC) within CST states:

> *A society that wishes and intends to remain at the service of the human being at every level is a society that has the common good – the good of all people and of the whole person – as its primary goal. The human person cannot find fulfilment in himself* [sic]*, that is, apart from the fact that he exists 'with' others and 'for' others.* (Ibid., 165, emphasis in original)[6]

And further:

> *The common good does not consist in the simple sum of the particular goods of each subject of a social entity. Belonging to everyone and to each person, it is and remains 'common', because it is indivisible and because only together is it possible to attain it, increase it and safeguard its effectiveness, with regard also to the future.* (Ibid., 164, emphasis in original)

Sison and Fontrodona (2012, p. 215) expand this description from CST by noting that both Aristotle and Aquinas understand the common good to indicate 'a common end or perfection … of human beings' usually taken to be *eudaimonia*, which MacIntyre (2007, p. 148) defines as 'blessedness, happiness, prosperity. It is the state of being well and doing well, of a man's being well-favoured himself and in relation to the divine'.[7] Sison and Fontrodona (2012, p. 217) also note that 'the common good is contingent with time and place, it cannot be determined once and for all. Thus, we are constantly required to engage in dialogue, deliberation and joint action'.

Having described the common good as outlined above, Sison and Fontrodona then apply this general and social idea to the firm. They define the common good of the firm as 'the production of goods and services in which human beings participate through work' (ibid., p. 225). Later, an important clarification is offered: 'the goods and services produced should be truly useful and satisfy the legitimate needs and wants of people' (ibid., p. 233). The common good, clearly, cannot be served through goods and services that do not meet this condition, although this does leave open who determines what is 'legitimate'. We can, perhaps, assume that this is via the 'dialogue, deliberation and joint action' noted above, so that legitimacy is socially constructed and therefore contingent. So far, so good.

However, a distinction is then drawn from this definition of the common good of the firm between the 'subjective' and 'objective' dimensions of productive work. Subjective dimensions are 'such as knowledge or skills acquired, habits and virtues developed, meaning', or, again, 'technical or artistic skills and intellectual and moral virtues' (ibid., p. 212). Objective dimensions are 'such as the goods and services in themselves, or profits earned' (ibid.). Sison and Fontrodona are here drawing explicitly on CST and the Pontifical Council for Justice and Peace document cited above. There it states:

> *Human work has a twofold significance: objective and subjective*. In the *objective sense*, it is the sum of activities, resources, instruments and technologies used by men and women to produce things … In the *subjective sense*, work is the activity of the human person as a dynamic being capable of performing a variety of actions that are part of the work process and that correspond to his [sic] personal vocation: Man … is a person, that is to say, a subjective being capable of acting in a planned and rational way, capable of deciding about himself, and with a tendency to self-realization. As a person, man is therefore the subject of work. (CSDC, 270, emphasis in original)

> *Work in the objective sense constitutes the contingent aspect of human activity*, which constantly varies in its expressions according to the changing

technological, cultural, social and political conditions. *Work in the subjective sense, however, represents its stable dimension*, since it does not depend on what people produce or on the type of activity they undertake, but only and exclusively on their dignity as human beings. (Ibid., emphasis in original)

On a careful reading of these original statements, exactly where the product is made or the service provided seems to be somewhat opaque – is it within the objective dimension, or the subjective dimension, a combination of the two, or somewhere in between? However, on balance, it seems that we should agree with Sison and Fontrodona's precise location of it within the objective dimension.[8]

Taking this as a basis, Sison and Fontrodona (2012, pp. 228–9) then make a comparison with MacIntyre's distinction between internal and external goods and my own use of them in relation to (business) organizations. There it is claimed that there is, in effect, a direct one-to-one correlation between internal goods and the subjective dimension of human work, on the one hand, and between external goods and the objective dimension on the other. However, this is not correct, and while it might seem like a minor technical quibble between academics that has no practical effect, it leads to a fundamental point that, I think, has potentially quite significant practical implications.[9]

MacIntyre is quite clear that internal goods include both the perfection of the individual and the excellence of products or services (MacIntyre, 1994, p. 284; 2007, pp. 189–90). Thus, in this respect, he combines what Sison and Fontrodona identify as the subjective and objective dimensions. External goods, however, are 'such goods as prestige, status and money' (MacIntyre, 2007, p. 188), or, in a business context, 'include survival, reputation, power, profit or, more generally success' (Moore, 2012a, p. 365). Internal goods are associated with what MacIntyre terms practices, while external goods are associated with what he terms institutions – a distinction that has led to the defining of organizations as, in MacIntyrean terms, practice–institution combinations (Moore and Beadle, 2006). Table 8.1 provides definitions of these terms as well as of organizational purpose that we shall come to below.

Now, why does all this matter? It matters because the next move that Sison and Fontrodona make, already implicit in the CSDC quotations above, is to distinguish between the relative priority of the subjective and objective dimensions. And it becomes clear that the subjective is more important than the objective: 'the common good of the firm is the work in common that allows human beings not only to produce goods and services (the objective dimension), *but more importantly*, to develop technical or artistic skills and intellectual and moral virtues (the

Table 8.1 MacIntyrean concepts and definition

Practice

'Any coherent and complex form of socially established cooperative human activity through which goods internal to that form of activity are realized in the course of trying to achieve those standards of excellence which are appropriate to, and partially definitive of, that form of activity, with the result that human powers to achieve excellence, and human conceptions of the ends and goods involved, are systematically extended.' (MacIntyre, 2007, p. 187)

Internal goods

The excellence of the products or services and the perfection of the practitioners in the process.[10] (MacIntyre, 1994, p. 284; 2007, pp. 189–90)

Institutions

'Institutions are characteristically and necessarily concerned with what I have called external goods. They are involved in acquiring money and other material goods; they are structured in terms of power and status, and they distribute money, power and status as rewards. Nor could they do otherwise if they are to sustain not only themselves, but also the practices of which they are the bearers.' (MacIntyre, 2007, p. 194)

External goods

Power, fame, money, success. 'It is characteristic of what I have called external goods that when achieved they are always some individual's property and possession [and are therefore] characteristically objects of competition in which there must be losers as well as winners.' (MacIntyre, 2007, p. 190)

Organizational purpose

'The extent to which the internal goods of the practice at the core of the organization (the excellence of the product or service and the "perfection" of the practitioners in the process) contribute to the overriding good of the community.' (Moore, 2012a, p. 366)

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subjective dimension)' (Sison and Fontrodona, 2012, p. 230, emphasis added; see again Note 8). Or again:

> We have defined the common good of the firm as the participatory work in which all its different members engage, insofar as this provides them firstly, with an opportunity to acquire and develop skills, virtues and meaning

(subjective dimension), *and secondly*, with a chance to efficiently or profitably produce goods and services that society needs (objective dimension). (Ibid., p. 240, emphasis added)

They expand further on this point by stating that '[w]ork in common then becomes *the reason for being of the firm*, [which] brings together all the people and resources involved in the production process; it [work in common] is the end that they all share in common' (ibid., emphasis added). Or again:

> The common good of the firm does not relate, at first hand, to the goods and services produced in themselves. It does not lie primarily in things, but in their production by a group. *Work in common, then, is the reason people come together to form the firm*. Certainly, their activity does not take place in a void and a whole lot of material resources are needed. But people share more directly in the work itself than in the products that come from this work. (Ibid., p. 227, emphasis added)

Now while this comprises a very high view of work, and thence to CST's principled commitment to full employment, it also leads to a prioritization of work over the product that results or the service that is provided, which MacIntyre will not allow. It also leads to what I regard as a problematic identification of the virtues with the subjective dimension; virtue is identified 'in general with the subjective, non-material dimension of the common good of the firm' (Sison and Fontrodona, 2012, p. 212). But, from a MacIntyrean perspective, virtue can be exercised just as much in the production of goods and services, and even in the making and sustaining of institutions with their focus on external goods (see Moore, 2008, for example).

In my own work, I have tended to refer to the good purpose of the firm, rather than to the common good, and define the good purpose of the firm in MacIntyrean terms as 'the extent to which the internal goods of the practice at the core of the organization (the excellence of the product or service and the "perfection" of the practitioners in the process) contribute to the overriding good of the community' (Moore, 2012a, p. 366). While the latter part of this definition fits well with CST's high view of work and the flourishing of individual practitioners, combining this with the product or service, such that both are internal goods, leads to a focus on the good purpose of the firm that asks as much (if not more) about its products or services as it does about the effect of their productive work on the practitioners. And this, it seems to me, is an essential correction to Sison and Fontrodona's work and potentially to CST more generally.

To see why, take the relatively simple example of the Apple iPhone. To the customer, which is more important – the quality of the product or the moral 'perfecting' of the individuals who made it? While we would, quite rightly, be concerned that no one in the process of producing the phone was exploited, including a proper concern for workers in the whole supply chain,[11] I suspect that not only are we in no position to judge the 'perfecting' or otherwise of those individuals, but that we are not overly concerned about it. Now this may well be wrong, and the Aristotelian–Thomistic/CST tradition may well act as a necessary corrective here, and would then take us not only into concerns about full employment but also about the provision of meaningful work (Beadle and Knight, 2012; Yeoman, 2014). But to prioritize the 'perfecting' of the individuals over the product or service seems equally mistaken.

This is exemplified in a later article, in which Sison and Fontrodona (2013, p. 613, emphasis added) state:

> The common good of the university institution … is not the lectures or the research *alone or in themselves*, but the tightly woven web of collaborative work, from cleaning and catering through purchasing and accounting and so forth, that together allow for the lectures and the research (the acquisition and transmission of knowledge) to take place.

But the purpose of a university, its contribution to the common good, is, uncontroversially, I think, the research it conducts and the education it provides, just as the purpose of a school is the education and general development of its pupils. That the professors, lecturers and teachers, together with all those who support them, might well be 'perfected' in the process – and, indeed, that this might be a necessary condition for the school to achieve its good purpose – is also a desirable outcome. But it surely cannot be accorded priority over the good of the production of knowledge and the good of the students and pupils. The same argument could be made about hospitals, where the good of patients must be accorded priority over the good of the doctors, nurses and administrators who work there, with the same caveat that this may be achievable only if the practitioners are 'perfected' in the process. And similarly with firms, with their economic function, as already identified in the Apple iPhone example. In all these cases, the common good is surely served as much, if not more, by the products or services provided as by the 'perfection' of the practitioners.

This is to say (and to repeat) that the good purpose of the firm is the provision of the internal goods of the practice, both the excellence of its products or services and the 'perfection' of the practitioners in the

process, in such a way and to the extent that these contribute to the common good. And, as noted above, since the common good is socially constructed and contingent, and so cannot be determined once and for all, there is a need to constantly engage in dialogue and deliberation over what the common good is and how the internal goods of the firm contribute to it. As MacIntyre (2010) puts it, '[i]n contemporary societies our common goods can only be determined in concrete and particular terms through widespread, grassroots, shared, rational deliberation'.

8.5   CONCLUSION

It is sometimes argued that business organizations are the most significant actors in society, with the resources and abilities necessary to solve social problems. While not seeking to judge between the contributions to the common good of various organizations in different sectors, it is surely the case that business organizations have a significant role to play here. In line with this, I have offered a nuanced account of agency, and of its practical operation at the corporate level. That corporations possess such agency, in the restricted sense outlined above, and can exercise it, means that they are capable of playing such a role. I have explored and sought to justify the notion of corporate character, suggesting that possessing a good character is of singular importance if the potential for the good purpose of the firm is to be realized. I have then suggested a MacIntyrean correction to the Aristotelian–Thomistic tradition as incorporated into CST concerning the purpose of the firm, so that this gives as much weight to the goods produced or services provided as to the intrinsic value of the work undertaken. It is in the good purpose of the firm through the contribution of these internal goods, both the products or services and the 'perfection' of practitioners, that the common good of the firm subsists. And this holds out the possibility that the common good of the firm may indeed contribute to the realization of the general common good.

   In sum, then, and despite MacIntyre's own doubts in this regard, this chapter gives a rounded account of the characteristics and role of the firm and hence of its potential to contribute to the common good.

NOTES

1. Fernando and Moore (2015) argue this explicitly, although with the caveat that this operates through individual actors, in the same way that Velasquez (2003) argues. In Walker et al.'s (2014) case, this is more implicit, although they talk of 'organizational

ingenuity' in much the same way as we speak of organizational culture and of its causal impact on organizational members.

2. I use Sison and Fontrodona's term 'firms' here. This is not meant to imply any difference between corporations and firms, nor indeed between firms and other productive organizations. Everything that I argue in this chapter can be taken as applying to productive organizations in general, even though the focus is on business organizations, and the different terms can be taken as synonymous.

3. Bright et al. (2014) identify the 'container' and 'intrinsic' hypotheses as alternatives to the 'synergy' hypothesis discussed here. The container hypothesis 'sees organizational virtue as an aggregation of individual virtue' (p. 455) such that if an organization is virtuous it is simply the result of its containing virtuous members. The intrinsic hypothesis treats the organization 'as a unified organism with its own deliberative systems, structures, processes, and culture such that the organization itself has virtues' (p. 456). This is equivalent to a fully fledged moral agency position, which I have refuted above.

4. See Moore (2012a; 2012b) for a fuller exploration of the notion of the virtuous corporation.

5. It is worth noting the difference between Catholic Social Teaching, the official statements of the Church, and Catholic social thought, which is a term used to refer to the informal reflections by Catholic theologians, ethicists and philosophers beyond the Church's official teaching documents.

6. References to this document are to the paragraph, not page, number.

7. *Eudaimonia*, according to Sison and Fontrodona (2012, p. 215), is intrinsic, social and practical: '"intrinsic" because it does not exist apart from the political community, "social" because the polity is a mere unity of order, not of being, and "practical" because it is an object of production, not of contemplation'. They are here contrasting the human conception of the common good with Aquinas's notion of God as an extrinsic, ontological and speculative common good.

8. It may be that the status of the distinction here is either metaphysical or practical, but this is unclear and hence problematic. If it is just about the significance of one over the other (a practical distinction), then a balance may be struck. But if it is that the subjective has eternal implications, while the objective is (merely) temporal, then there is no balance to be struck. I am grateful to Ron Beadle for this point.

9. As an aside, but also too important to pass over, Sison and Fontrodona's (2012, p. 229, emphasis added) contention that 'institutions are *necessarily* corrupt and corrupting of practices' is an overstatement. MacIntyre's point is that the necessary focus on external goods of institutions (they are *goods*) always makes the practice 'vulnerable to the acquisitiveness of the institution' and that virtues are required to 'resist the corrupting power of institutions' (MacIntyre, 2007, p. 194). This points to a fundamental tension in organizations that we all know and experience on an almost daily basis – the tension between the relative prioritization of the practice and the institution, and the associated tension between the pursuit of internal versus external goods. But it does not mean that practices are *necessarily* corrupted by institutions, only that they are *potentially* so. The virtuous organization remains a possibility, as I have already argued.

10. MacIntyre does not qualify 'perfection' but it might more naturally be taken as referring to the development of the moral character, or the flourishing, of practitioners.

11. For example, Apple, together with Samsung, was the subject of a Friends of the Earth report on tin mining on the Indonesian island of Banka, where exploitation of the indigenous people and their environment was alleged – see Friends of the Earth (2012).

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