

Graduate Business Education in the Catholic University

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In the 1990 statement on Catholic universities, *Ex Corde Ecclesiae*, John Paul II tells us that students' education in a Catholic university must "combine academic and professional development with formation in moral and religious principles and the social teachings of the Church."¹ While this position seems natural enough, it raises many questions when we turn to some areas, especially graduate programs in business. A graduate school of business faces intense pressure to provide skill-based, immediately practical education. Students ask this of their university, and their employers (who often pay their tuition) ask it too. But in such an environment, what is the place of the formation to which John Paul refers?

The question arises because tensions exist — tensions between a religiously based education and a secular one, and between an education concerned with the formation of the whole person and one concerned with the development of practical skill. The easiest response to all these tensions, of course, is to ignore them in favor of more immediately pressing matters. But to do so will be to let our school's Catholic identity slip into a state of benign neglect; and before long, the whole discussion of Catholic identity will be reframed as one concerning our Catholic heritage — not a vital identity, but a past, a memory. One could multiply examples of American colleges and universities, Catholic and Protestant, that have let their identities slip away; and some of them have indeed parlayed their loss of religious identity into fiscal gains and gains in academic prestige. Anyone likely to read this essay, however, probably doesn't want to see St. Thomas become like those others, and probably feels that with those short-term gains has come substantial and irreplaceable loss. Nothing, I suspect, could make more urgently the demand for secularization than modern American business, and so it is in business education that the issue of our Catholic identity becomes most problematic. I wish to argue, then, that if we truly want to integrate our Catholicism with our graduate business education, I believe we need to take the pope's call for moral and religious formation very seriously.

The passage from *Ex Corde Ecclesiae* goes on as follows: "the program of studies for each of the various professions is to include an appropriate ethical formation in that profession." Most graduate schools of business today include at least a course in ethics; as an academic field, business ethics is currently booming, with an ever-increasing array of journals, books, and conferences devoted to it. UST is committed to the importance of business ethics, a commitment demonstrable in the GSB curriculum. The challenge for us, as for all graduate business schools, is to prevent ethics from being marginalized. While we need courses specifically in ethics, we are called as a Catholic university to ensure that all our courses treat ethical issues as central. This is not to say that each course has to have an artificial, officially mandated ethics night, a class period toward the

end of the semester when the subject can be conveniently fit in and disposed of; but rather, we need to encourage among our teachers an awareness that all business choices have ethical dimensions, and encourage them to include these dimensions as a natural part of the course. Students should expect such a classroom climate when they take a course at a Catholic university.

But the study of ethics, even if it is made to be vital and central, is not the only way in which our Catholicism should affect professional education. Our aim should be even larger: to model and foster a habit of reflection and critical analysis in our students, a habit which will make them recognize and evaluate their assumptions (often hidden or obscured) and those of the world they live in. We should help them, in Newman's phrase, to develop "the invaluable habit of pushing things up to first principles."² I suspect too little attention is paid to this aspect of education in professional schools generally as well as in graduate schools of business, though its sheer practicality hardly needs demonstration (would anyone want a manager without such critical habits of mind?). And I believe that the graduate school of business within a Catholic university ought to see this as an important part of its own unique mission, one grounded firmly on the Church's insistence on the dignity of the human person. We should not assume that students come to graduate school with their values and intellectual abilities fixed and unalterable; indeed, if that were true, there would be little point in devoting whole courses to ethics. As educators, therefore, we need to remind ourselves that we have a responsibility to try to reach the whole person, not just to impart some data or sharpen some practical skill. Our duty to the student's whole development or formation ought to be in our thoughts as we design programs and as we teach classes.

If we approach teaching with the ethical point of view described above and with the concern I've described for the student's larger intellectual development, we quickly find that the context provided by the Catholic university can help us immeasurably. Newman, again, phrased it best when he said that the university is lent integrity by the Church (p. xxxvii), and this is truer today than ever before: the Church and its long intellectual tradition give the educator a solid ground upon which to operate, a ground lacking in a secular environment. We need to take more advantage of this ground, to depend more on that integrity as we approach our students and our subjects.

The Church provides us with a point of view, a vantage point from which we can look at business more comprehensively and see it as one of many human concerns. Such a vantage point allows us to insist upon the essential dignity of work, a concern that graduate education needs to emphasize. The way we talk about things is a reflection of how we see them, and one area in which a more critical eye is needed is in the language of business, a language we too often accept without thinking about its implications. Business — like the military, the various professions, the universities themselves — loves its own slogans, jargon, verbal formulas; adopting the latest business slang demonstrates that one is a member of the tribe, and to that extent it is natural and relatively harmless. But there is a growing use of dehumanizing language in business today, and this has a subtle but powerful impact on our thinking. Terms like "re-engineering" and "right-sizing" are two obvious examples, for they frequently mean that

people lose their source of income, their empowerment as working individuals — as we used to say, they are fired. But the new terms are nicely impersonal; they avoid speaking of human truths: through the soft filter of such language, employees become not people but mere units, like so much excess weight, that can be shed in the interest of greater efficiency. Recessions no doubt breed such terminology more readily than other periods, and in our day massive and constant layoffs have become so common that we can scarcely see the moral issues involved anymore. When a spokesperson tells us a corporation is "downsizing" by 30 percent and that the board has rewarded the president for taking steps for the greater health of the corporation, we should be at least vaguely reminded of the chilling phrase reported during the Vietnam era, "We had to destroy the village in order to save it." We should be reminded of it — but by and large today we aren't. The language we use keeps us from looking critically at events and analyzing them in terms of our social responsibilities. Our graduate education in business ought to be helping managers regain or develop the kind of perspective that will allow them to isolate and examine the first principles involved.

The Catholic university can help the business educator find a ground for intelligent analysis, then, perhaps even to the point of playing the role of gadfly to the world of business and some of its assumptions. But the Catholic tradition provides us also with themes and values that transcend the all-too dominant ones of career enhancement or profit maximization. Two related themes from the tradition are self-sacrifice (considered as a value, not as it's usually viewed today, as evidence of a personality deficiency) and stewardship. A manager who has thought long and hard about both of these themes and their meaning within a business setting is likely to be equally appreciated by employees, executives, customers, and the community at large. Helping to form such managers ought to be what a Catholic graduate school of business does best.

Values and habits of analysis such as I've been describing can come into conflict with what appears to be the single dominant principle operative in our society — and in business — today: efficiency.³ Of course, it is natural and even right to be attracted to efficiency: in business, an efficient operation increases profits and allows employees to waste less of their time, ideally by letting them use their creativity and by making them more fully empowered. But efficiency is a means to something greater, not an end in itself; and today, means and ends are frequently confused. The employee empowerment movement of the last decade or so is an example of this. Insofar as empowerment on the job led to an enhanced sense of self-worth and personal dignity, nobody could fail to applaud the movement. But the whole initiative is largely sputtering to a stop because we're finding that empowerment doesn't necessarily lead us to the ultimate end of efficiency: if human dignity doesn't help me move my product, what good is it?

When efficiency is our central value, moral questions lose their force, even their relevance: we don't ask whether a thing should be done, but how efficient it is to do it. A notorious example of this is the well-known case of the Ford Pinto decision, where human safety was subjected to a cost-benefit analysis and found to provide fewer benefits than costs.⁴ But a subtler manifestation of the issue comes up in nearly all discussions of business ethics: for many managers today, the most convincing argument that an action is

wrong is the argument that the action is bad for business — that in the long run it will lead to public disapproval or market backlash. Moral right and wrong are suspect concepts — probably subjective, certainly soft. Efficiency, though, can resolve any issue by transforming it into a matter for fiscal measurement.

Not only our ethics but our habits of critical reflection are devalued in an efficiency-based society as well; after all, thinking too carefully about a thing might slow us down in doing it (as the beer commercial counsels, "Why ask why?"). Bandwagon thinking and faddism in American business are astonishingly widespread, often to the harm of all concerned. A good example of such uncritical, follow-the-leader thinking can be seen in the Total Quality movement, which has probably peaked now but is still going strong in many places. TQM was based, certainly, on good and valuable ideas, but in many organizations it devolved into its own highly complex bureaucracy, one that may take future managers years to root out. Quality teams spawned process teams, process teams spawned monitoring teams, team meetings multiplied in order to determine the processes used in determining processes, and the stack of reports mounted steadily higher and higher. And now when an individual employee has an idea for doing something in a new and better way, the idea must pass its way up through a new system of permissions far more complex than the old one. The TQM movement suggests that an overemphasis on methodized solution finding will take us further and further from a solution. What should have been a means has become an end; and it was all done in the name of efficiency. Highly educated people, as so many American managers are, should be capable of standing back from such developments and viewing them critically; managers should be trained in pushing things up to first principles so as to see them for what they are. A Catholic institution — one that brings its religion and traditions into play and insists on their centrality — can oppose a powerful alternative to the worship of efficiency.

Contemporary graduate professional education, including that of business, urgently needs to rethink its mission, to retreat from evolving into a mere training center and return to being truly integrated with the larger goals of the university; and this is especially necessary in Catholic universities, where there is the danger of graduating professionals without the sort of ethical and intellectual formation that John Paul has called for. In fact, he stated the problem directly in an address to a group of professionals:

It is often the case that the great percentage of the lay people who are zealously endeavoring as organized groups to permeate temporal affairs with the spirit of the Gospel and to build genuine Christian communities come mostly from non-professional groups. Thus an unfortunate impression is created that the leader/professional groups are not deeply interested in religious activities.⁵

Graduate business education in the Catholic university ought to be helping to reverse this trend.

The earlier passage quoted from *Ex Corde Ecclesiae* concludes in saying that, in a Catholic university, "Courses in Catholic doctrine are to be made available to all students." How many Catholic graduate schools of business offer such courses? Some

people seem to feel that Catholic doctrine is suitable for theologians or even for the general public, but that it would be irrelevant to the the graduate student in business. But there is a vast body of highly relevant material available for discussion in a course on Catholicism and business, even if one confines oneself to writings from the last century or so. To name just a few examples, Leo XIII's *Rerum Novarum* (1891), with its condemnation of socialism and its defense of a moral capitalism, would be a good place to start; and such a course would also want to include John Paul II's re-examination of the issues in the light of late 20th-century developments, *Centesimus Annus* (1991). Today's vigorous debate over free-market economics sparked by the work of Michael Novak naturally belongs in such a course as well. Nobody would want to require a course in Catholic business for all students, but such studies should be available; such studies would allow graduate schools of business to draw upon the Catholic heritage directly, and would make that heritage accessible to students, the professionals and managers who could benefit so greatly from it.

1 Article 4, subsection 5.

2 John Henry Newman, *The Idea of A University*, ed. Martin J. Svaglic (U of Notre Dame Press, 1986), p. 123. See also the discussion of this idea in Jaroslav Pelikan's chapter titled "Pushing Things Up to Their First Principles" in his *The Idea of The University: A Reexamination* (New Haven: Yale U Press, 1992), pp. 22-31.

3 A critique of the modern obsession with efficiency is one of the main themes of Neil Postman's *Technopoly: The Surrender of Culture to Technology* (New York: Vintage, 1993). A provocative discussion of how an overriding concern with efficiency can make even the most painful moral questions irrelevant is in Stephen Katz', "The Ethic of Expediency: Classical Rhetoric, Technology, and the Holocaust," *College English* 54 (3), March 1992, pp. 255-275.

4 The basic facts in the case are widely reported in textbooks; see, for example, William Shaw and Vincent Barry, *Moral Issues in Business* (Belmont, CA: Wadsworth, 1989), pp. 81-83, and Manuel G. Velasquez, *Business Ethics: Concepts and Cases* (Englewood Cliffs, NJ: Prentice Hall, 1988), pp. 119-123.

5 "Professionals Have Special Responsibilities to Their Society and Their Church," in Robert Kennedy, Michael Naughton, and Gary Atkinson, eds., *The Dignity of Work: John Paul II Speaks to Managers and Workers*, (Washington: University Press of America, 1994), p. 6.