Managing People Humanly: Some Catholic Social Teaching Considerations for Human Resource Management

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ABSTRACT

There is an extensive and ongoing discussion about the moral implications of managing people in organizations. However, little research has focused on drawing managerial implications for human resources management from religious and cultural visions of reality. In this paper, we try to contribute to reducing this gap by analyzing the main Human Resource Management Practices (HRMP) in the light of Catholic social teaching (CST). Specifically, we consider, 1) job design, 2) staffing and recruitment, 3) training and development, 4) benefits and compensation, 5) performance evaluation and promotion, and 6) downsizing and outplacement. We argue that a close look at the CST might humanize the practice of managing people in organizations. Accordingly, we present a synthetic number of considerations, which may serve as a basis to inspire management theory and practice.

Introduction

One of the main challenges of every manager is to get other people to do what they are supposed to do in order to achieve the organizational goals. In short, management consists in getting things done through others (Koontz, 1961). Accordingly in management, those practices for managing people in organizations are known as the Human Resource Management Practices (HRMP).

In the human resource field, several well known authors have offered comprehensive menus of practices (Delaney and Huselid, 1996; Huselid, 1995; Schuler and Jackson, 1987), lists of policies (Lepak et al., 2006), typologies (Lengnick-Hall and Lengnick-Hall, 1988) or frameworks (Baron and Kreps, 1999) for an efficient human resource management. Although there are some particularities among these proposals, there is no great difference in what one could call the main HRMP. Drawing from them, here we will consider the following practices: 1) job design, 2) staffing and recruitment, 3) training and development, 4) benefits and compensation, 5) performance evaluation and promotion, and 6) downsizing and outplacement.

The importance and dynamism of HRMP and their contribution to the effectiveness of business firms have received rising recognition worldwide, as one of the ways in which organizations can increase strategic efficiency within the market (Becker, Huselid, 2006; Bratton and Gold, 1999; Huang, 2000; Miles, 1984). Over the past years, most human resource management authors have put emphasis mainly on the technical, psychological or sociological dimensions of HRMP, but few have devoted time to the moral dimension of it. Given that human resource management is a human action, it has a moral dimension that ought not be be forgotten (Etzioni, 1990). This moral dimension of human resource management has been recognized and emphasized by many scholars (Deckop, 2006; Fisher, 2000; Frederickson, Walling, 1999; Gama et al., 2012; Greenwood, 2002; Köster, 2007; Schumann, 2001; Wiley, 2000; Winstead, Woodall, 2001). In this line of thought, some well-known authors, stress that HRMP could have important limitations, essentially because of the potential risk of treating persons just as mere means to achieve organizational
efficiency, which is a necessary but not a sufficient condition for good management (Andrews, 1973; Handy, 1999; McGregor, 1966, among many others).

Since this moral dimension exists, it seems that there is a need for an inclusive view of the moral implications of managing people in organizations. In fact, Greenwood (2012) has recently argued that current approaches to human resource management fail to place ethical considerations as their central demand and that the field of ethics and human resource management remains underdeveloped. Similarly, Jack et al. (2012), claim that the current academic response to ethical questions in human resource management is fragmented, with limited conversations between intellectual fields since the early 2000s.

Many authors have argued, in contrast to what seems to be in fashion in management circles, that the reintroduction of humanistic concepts and language will provide an important start for the application of ethical frameworks in the field (Bowie, 2011; Melé, 2003; Moore, 2005; Melé, 2009; Pirson, Lawrence, 2010; Rosanas, 2008; Spitzeck, 2011; Winstanley, 2000). Recently, Ricart and Rosanas (2012) led an important initiative, in which a numerous group of scholars claim there is a need for a new theory of the firm in order to humanize the firm and the management profession.

This task of analyzing the moral dimension and therefore of humanizing HRMP could be undertaken from the point of view of different philosophical approaches, and also from different religions or wisdom traditions. Here, we will focus on the perspective of Catholic social teaching (CST), a rich body of teachings that the Roman Catholic church has developed since the latter part of the nineteenth century, based on Christian spirituality and morality, regarding how a Christian should behave in social life and economic activities, including business (Melé, 2011).

There are authors that have applied the Catholic thought to some specific aspects of human resource management (Chmielewski, 1997; Guitián, 2009; Gregory, 1998; Kennedy, 2010; Naughton and Lacznki, 1993; Zigarelli, 1993). However, as far as we know, there is no study systematically analyzing the main HRMP in the light of the Catholic tradition. Some of the previous studies have selected only some HRMP and some other studies have suggested interesting ethical principles, but some of those principles are not necessarily the ones explicitly contained in CST. We suggest Catholic thought constitutes a sound moral base for people management.

The aim of this paper is to draw possible recommendations for managing people in organizations humanly by examining the main HRMP outlined in the light of the Christian thought. For this purpose, we perform an in-depth review of the main documents of the CST through the lenses of managing people in organizations. Documents include encyclical-letters, pastoral constitutions, Papal addresses, the Catechism of the Catholic Church (Catholic Church, 2003), and the Compendium of the Social Doctrine of the Church (PCJP, 2004). We do not claim that the considerations included in the present work are the only ones, but we believe they are relevant to advance in the understanding of the multiple managerial implications of Christian thought in relation to people management within organizations.

To attain the aforementioned goal, firstly, we offer an account of the CST principles that we consider most relevant for managing people in organizations. Secondly, we draw relevant considerations for each of the HRMP from the main sources of CST. Thirdly, helped by scholarship within the intersection of HRMP and CST, we discuss our findings. Finally, we offer conclusions and suggestions for further research.
Relevant CST Principles for Managing People in Organizations

The purpose of CST is to inspire Christians and people of good will eager to find “the principles for reflection, the criteria for judgment and the directives for action, which are the starting point for the promotion of an integral and solidary humanism” (PCJP, 2004, n. 7).

CST is clear in stating that the Church is not called to regulate technical or temporal order realities (Vatican Council II, 1965, n. 36) and does not have technical solutions to offer (Benedict XVI, 2009, n. 9). The Church’s purpose with CST is to provide “an instrument for the moral and pastoral discernment of the complex events that mark our time; a guide to inspire, at the individual and collective levels, attitudes and choices that will permit all people to look to the future with greater trust and hope” (PCJP, 2004, n. 10) and therefore to promote moral excellence in human action, including managing people in organizations.

The Social Doctrine of the Church contains principles and fundamental values which are considered as the basis of a sound social life (PCJP, 2004, Ch. 3-4). Among the most important CST principles, there is charity, which for Christians is love received from God the Father and given by men and women as instruments of God’s grace. “This dynamic of charity received and given is what gives rise to the Church’s social teaching, which is caritas in veritate in re sociali: the proclamation of the truth of Christ's love in society” (Benedict XVI, 2009, n. 5). Along with charity, there is also the recognition and respect for the human person and its inherent human dignity (PCJP, 2004, Ch. 3), which, gives birth to five other principles, which are: the common good principle, the universal destination of goods principle, the subsidiarity principle, the participation principle and the solidarity principle. Inherent to the dignity of the human person, there are four values that favor integral human development which are: truth, freedom, justice and love (Vatican Council II, 1965, n. 26). Recently, the encyclical Caritas in Veritate additionally suggested the Principle of Gratuitousness within the economic activity, as a requirement of both economic logic and of charity and truth (Benedict XVI, 2009, n. 36).

Among these principles there is complete unity and thus it cannot be claimed that in some cases only some principles apply and others do not. Within that unity and harmony, all principles are relevant, but depending on the issue or situation under analysis, there are some that might play a more paramount role.

A previous exploration led us to consider the following principles as the most insightful and relevant within the sphere of managing people in organizations: i) respect for Human Dignity (PCJP, 2004, n. 132-134), ii) the Integral Human Development (Benedict XVI, 2009, n. 67), iii) the principle of Justice (PCJP, 2004, n. 201-203), iv) the Gratuitousness principle (Benedict XVI, 2009, n. 34-39), v) the Subsidiarity principle (PCJP, 2004, n. 185-188), and vi) the Solidarity principle (PCJP, 2004, n. 192-196). These major CST principles for managing people in organizations present challenges for each of the HRMP. Consequently, in the following section of the paper, we will analyze each of the selected HRMP, and present some key managerial implications that arise from the application of these CST principles to the HRMP.

Managerial implications of CST for the six main HRMP

Christianity has a particular understanding of business and of the role of business leaders. Within Catholicism, every business is called to perform a social function (John Paul II, 1982, n. 9). This is to be done by the leadership of businessmen who aim at the individual development of each member of the business community, without any
discrimination, creating the conditions that enable a work in which employees develop personal skills, and where efficient production of reasonable goods and services is achieved.

The Catholic Church highlights that profitability and economic efficiency are desirable. Catholicism acknowledges profits as perhaps the main indicator of the health of a business, but not the only one (John Paul II, 1991, n. 35). Other moral aspects must be considered, among other reasons, because those other factors can in the long run get to affect the behavior of profits themselves.

Catholicism recognizes the important position that businessmen play in society. An important part of businessmen’s role is manifested in the design of the managerial practices that are put into action in the firms they lead. As noted, one of these sets of practices is the HRMP, in which morality plays a major role.

Managing people is a human activity in which the job of some persons implies “shaping” the lives of others, at least their professional lives. This presents a particular challenge for the design and implementation of HRMP as human beings should never be considered just as mere means to any type of end.

The moral excellence of superiors and subordinates is at stake and there is an underlying risk, as “it is possible for the financial accounts to be in order, and yet for the people –who make up the firm's most valuable asset– to be humiliated and their dignity offended” (PCJP, 2004, n. 340; John Paul II, 1991, n. 35).

With the purpose of enriching the discussion of the ethical implications of managing people in organizations, in what follows, we analyze the main moral requirements that should be considered in the design and implementation of HRMP. We therefore use as a moral framework the CST principles explained in the first section of this paper.

**Job Design**

Job Design is the HRMP concerned about the contents of a job position. It defines the duties and responsibilities of the job, the methods of doing the job and the relationships between superior and subordinate. Job design has been examined from different viewpoints including organizational behavior, sociology, economics, corporate strategy, entrepreneurship, and evolutionary psychology (Grant et al., 2010), however very few have assessed the ethical dimension of it. Piccolo et al. (2010) propose that ethical leaders in fact design jobs to provide higher levels of autonomy and task significance, which leads to higher levels of employee performance. Still, the analysis of job design on the basis of morality rather that efficiency remains to be explored. CST has its own conceptual approach in relation to job design, which could be summarized in a number of considerations, as follows:

a) Having a job is a fundamental right, which should be promoted and protected by businesspeople along with other inherent rights at the workplace, including a just salary and other minimum human conditions. Business’ owners and managers should foster employment promotion in accordance to some specific and basic conditions. CST insists on the need to structure work promoting family development, taking into account needs of mothers (PCJP, 2004, n. 345), considering the human being as a whole unity without fictitious separations of private and professional life. Catholicism encourages businesspeople to invest in places where the necessary conditions for business are present but especially if those market
opportunities will allow employees to develop their own potential as human beings and will allow them to make good use of their abilities and potential (John Paul II, 1991, n. 36).

The legitimate pursuit of profit should be in harmony with the protection of the dignity of the persons that make part of the company. Employees cannot be exploited. Moreover, allowing them to develop is in line with the efficiency criterion. The compendium stresses, “allowing workers to develop themselves fosters increased productivity and efficiency in the very work undertaken” (PCJP, 2004, n. 340). John Paul II, in addition, pointed out to businessmen that, “the reference point of your economic performance must always be interest in every human being” (John Paul II, 1986, n. 6).

In this line, CST considers the indiscriminate pursuit of profit maximization a form of alienation. The lack of concern about whether the worker grows or diminishes as a person through his own labor, is an indication of an instrumentalization of the human being within business which should be stopped and prevented (John Paul II, 1991, n. 41).

CST stresses the fact that the right to work is a fundamental human right, which states and civil societies have to promote and which businesspeople can influence positively (PCJP, 2004, n. 288). But the Church is aware that having a job is not necessarily enough, as there are fundamental rights of workers (PCJP, 2004, n. 301) that should be promoted and defended by the managerial practice of job design. Such workers’ rights are detailed in the encyclical letter Laborem Exercens and include the right to a just wage, the right to rest, the right “to a working environment and to manufacturing processes which are not harmful to the workers’ physical health or to their moral integrity” (John Paul II, 1981, n. 19), the right of not “suffering any affront to one’s conscience or personal dignity” (John Paul II, 1991, n. 15), the right to appropriate subsidies that are necessary for the subsistence of unemployed workers and their families, the right to a pension for old age, and to insurance for sickness, and for work-related accidents, the right to social security connected with maternity and the right to assemble and form associations.

b) Work should be designed and organized in order to promote the integral human development of employees. It being true that the corporation has the responsibility of organizing human resource efficiently and therefore that it has to design jobs in an economically efficient way, CST stresses that it is also important to consider that the human being is the foundation, the cause and the end of every social institution (John XXIII, 1961, n. 219). This suggests that, actually, technical efficiency should be ordered or subordinated to the human being. Human beings have a higher intrinsic and transcendent dignity which has to be recognized and respected as indicated by the first principle of CST commented in the first section of the paper.

Work within Christian tradition is seen as a way of achieving human perfection. According to CST, “human work not only proceeds from the person, but it is also essentially ordered to and has its final goal in the human person” (PCJP, 2004, n. 272). Consequently, CST states that, “work is for man and not man for work” (John Paul II, 1981, n. 6). Also, “the human being must always be an end and not a means, a subject and not an object, nor a commodity of trade” (John Paul II, 2001, n. 4).

Human work is source of economic efficiency, but the integral human development of the employees – the second CST principle of the first section of this paper – is a higher order criterion than the economic efficiency. Integral human development is an objective that should be pursued and achieved by means of the job design. It is a development that includes economic conditions, but also familiar, spiritual, moral, intellectual and physical conditions.
It is a moral requirement of Catholic managers to strive for providing meaningful job positions, considering that, “the integral development of the human person through work does not impede but rather promotes the greater productivity and efficiency of work itself” (John Paul II, 1991, n. 43).

c) Employees’ active participation in decision-making, profits and ownership of the company should be fostered by means of job design. Catholic thought welcomes and fosters participation of employees in the activities of the firm (John XXIII, 1961, n. 91). This participation may vary according to the specific characteristic of the firm, the type of workers, the products and services produced and other relevant circumstances. Nevertheless, what is necessary is to have proper relations between managers and employees, to ensure that all parties cooperate actively and loyally in the common enterprise with understanding, appreciation and good will on both sides (John XXIII, 1961, n. 92). This current demand of workers to have a greater say in the conduct of the firm is in line not only with human nature, but also with current political, economic and social development of societies (John XXIII, 1961, n. 93).

d) Personal initiative and creativity are conditions that should be fostered and promoted by means of job design. They are characteristics required from subordinates in order to achieve integral human development. CST stresses that business activity has a human significance, prior to its professional one (John Paul II, 1991, n. 32). Work is an “actus personae” (John Paul II, 1981, n. 24), which highlights the personal moral responsibility of organizational members to take advantage of training and development opportunities. CST stresses the fact that when a person works, he desires not only due remuneration but to know that “he is working ‘for himself’” (John Paul II, 1981, n. 15).

e) Job design should consider the primacy of God, family and children over work. Therefore, Sunday rest must be promoted along with some other minimum humane conditions. CST explicitly has highlighted the primacy of the family and children over work. Managers are invited not to neglect their families and children because of work (John Paul II, 1982, n. 11). Rest, and especially Sunday rest, is encouraged by Catholicism as an opportunity for the necessary encounter with God. More specific conditions such as light, quality of air, safety and temperature need to be considered under the light of the principle of human dignity, especially in industrial or agricultural business (John Paul II, 1981, n. 21). In this regard, the golden rule of ethics is a good instrument to assess how dignifying are the conditions selected. It is likely to discover shortcomings asking if one would be willing to work under the conditions designed for one’s subordinates. If the response is negative, then there may well be improvement opportunities.

Businessmen need to foster human and personal development of those who work beside them and cooperate with them and to achieve that the benefits of their companies imply benefits for all organizational members (John Paul II, 1982, n. 9). There is need for a change of mindset in order to stop thinking in terms of owners of capital and providers of labor in a separated manner. Any company requires both capital and labor to exist and to be efficient. There is a need to stop thinking that return on assets is a good enough indicator of company performance, or that a paternalistic approach to workforce is desirable.

In addition, managers need to think about the job design and organizational climate and culture, which they desire to prevail within the organizations they lead. CST encourages this culture to be developed as to respect and promote human dignity and the integral human development of employees and all organizational members. It is a personal responsibility of
each employee to achieve integral human development, but it is also a responsibility of the company to promote and facilitate such development by means of a more humane job design.

Humane structures of work according to CST might be attained by the principle of subsidiarity – the fifth principle discussed in the first section of this paper. In this sense, higher positions within the company should foster the success and internal learning of their subordinates, as they constitute lower-order communities. This is to be done without interfering in the internal life of them, i.e. without eliminating their autonomy and initiative. Consequently, CST suggests that each part of the hierarchy of the business or community is meant to fulfill its duty while perfecting oneself as a human being, allowing for the human perfection of others and contributing to the common good of the community (John Paul II, 1991, n. 48).

**Staffing and Recruitment**

Staffing and recruitment is the process of finding and hiring the best-qualified candidate for a job, in a timely and cost-effective manner. Staffing and recruiting are full of challenges (Hough, Oswald, 2000). Being fair and transparent is not only an ethical requirement, but it is also in the best interest of the company. The hidden costs of hiring people that do not fit in the company or those costs of not being able to attract the right candidates could get to be very high in economic but also in moral terms.

Staffing and recruitment present the challenge of satisfying the criterion of justice – the third element defined in the first section of this paper. This includes dealing in a proper way with issues such as privacy, unfair discrimination, diversity management, abusive contracting, deception and truthfulness among others. Within CST, one finds the following elements:

a) **Staffing and recruitment must be exercised bearing in mind that all human beings are worth the same; thus, avoiding unfair discrimination and deception.** In Christianity, work is seen as a gift from God, and given that the subject of it is the human being, it doesn’t make any sense to classify men differently, according to their occupation, as if some jobs were nobler than others. “The human person is the measure of the dignity of work” (PCJP, 2004, n. 271). Hence, while selecting employees, it is important to remember that a different thing is technical qualification or skills of a candidate and another one his or her dignity. Technical qualification might be related to remuneration and consequently to life styles – among other things because of the supply and demand specific circumstances– but it is a mistake to think, for instance, that an executive has greater dignity as a person than a doorman. Technical qualification is normally assessed by a close look at the curriculum vitae of the candidates. Personal education, work experience and previous achievements are signaling mechanisms that are fostered by companies. In this regard, it is important to note that the present labor conditions of high competitiveness and in some cases high rates of unemployment increase the likelihood of some candidates to cheat on their credentials. It is a requirement of justice that the organization puts into effect mechanisms to minimize the risk of fraud in order to guarantee a fair process to the honest candidates.

In addition to curriculum-vitae screening, within staffing and recruiting, two of the most commonly used filtering mechanisms for people selection are job interviews and psychometric tests, which are implicitly designed to select the most suitable candidate and to minimize the risk of biases such as for instance the self-fulfilling prophecy, the similarity bias or the recency or halo effects.
b) Selection and filter of candidates should be carried out according to the truthfulness and justice principles, putting oneself in the place of the other. A major challenge in interviewing and direct testing and evaluation is precisely to produce just decisions. CST suggests truthfulness as a possible solution in this type of situations. “Men and women have the specific duty to move always towards the truth, to respect it and bear responsible witness to it” (PCJP, 2004, n. 198). Perhaps the right question is derived also from the golden rule of ethics, and it would be asking oneself if one is applying, reporting, reading and interpreting the selection tests and interviews in the way one would like others to apply them to oneself. The ambition, thus, should be to pursue truth and to act in justice while filtering candidates.

c) Selection processes should assess not only technical skills, but also moral dispositions. Personal development implies the pursuit of excellence. Christian ethics is concerned with excellence. It is human flourishing that a Christian is meant to achieve (Catholic Church, 2003, n. 2013). Thus, considering that economic development is not enough, CST encourages technologically advanced societies “to rediscover within themselves the oft-forgotten virtues which made it possible for them to flourish throughout their history” (Benedict XVI, 2009, n. 59). This is the reason why staffing and recruiting in the Christian tradition is encouraged to go beyond the assessment of technical formation or work experience so as to try to assess employees’ values and virtues.

d) All forms of unfair discrimination in selection should be avoided. These include: racial, nationality, gender or cultural, among others. It is clear that the selection process is discriminatory per se, but only objective criteria such as the nature of the task to be performed or the knowledge required by it, are criteria to be accepted as fair measures. There are several forms of unfair discrimination that are condemned explicitly by the CST. The most recurrently rejected include: racial discrimination (PCJP, 2004, n. 433), nationality discrimination (PCJP, 2004, n. 298), gender discrimination (PCJP, 2004, n. 295), familiar-composition discrimination (PCJP, 2004, n. 237), religious or spiritual discrimination (PCJP, 2004, n. 536) and physical or health discrimination (PCJP, 2004, n. 148). One more specific form of discrimination to be avoided in selection is cultural discrimination. In a globalized world, the Church stresses that no external power has the right to downplay and even less to destroy the value of human cultures (PCJP, 2004, n. 366). “Globalization must not be a new version of colonialism. It must respect the diversity of cultures, which within the universal harmony of peoples, are life’s interpretive keys” (John Paul II, 2001, n. 4).

e) The necessary search for information within the selection process needs to be in harmony with the right to privacy of each human being. Staffing and recruiting imply searching for information about the candidates. However, sometimes it is possible that companies look for information that is not relevant for the selection process and even for such that has a private character. There is information that when asked about forces the candidates to commit immoral actions. Think for instance about the possible unintended consequences of asking a candidate for pregnancy tests or credit ratings in a country with a high rate of unemployment and poor salary conditions. Furthermore, the speed of technological advances and increasing availability of information poses some challenges especially in relation to the employees’ privacy and their data protection.

f) Managers should disclose to rejected candidates, when possible, the reasons why they are not being hired, and to advise them on how to find a job where they might fit. CST finds in the gratuitousness principle –the fourth CST principle introduced in the first section
of this paper— a great insight for businesspeople, as it persuades managers to use their influence at the service of their collaborators and encourages them to serve the development of their subordinates. Finally, as the selection process is a bidirectional process, it is also a requirement of justice and of charity to explain the candidates that are not hired—when possible—the reasons why they are not being hired (PCJP, 2004, n. 198), and even to give them some advice in order to help them find an employment where they might fit, and develop as human beings considering their personal characteristics and circumstances.

**Training and Development**

Training and development are a HRMP in which managers potentially show, by concrete actions, the value they put on their subordinates as human beings. Training and development is a tool for managers to increase productivity by developing technical skills of their employees. Training and development are genuine actions. They lead to higher productivity and generally bring benefits for all organizational members (Tannenbaum, 1992). CST invites to consider people’s learning potential, both in technical and moral terms and to foster by means of subsidiarity the integral human development of organizational members including both superiors and subordinates. A close look at CST suggests the following managerial implications stemming from it:

- **a) Training and development require an attitude of support, promotion and development in accordance to the subsidiarity principle as work provides distinctive opportunities for superiors to help subordinates to become better persons.** Human formation is connected with the integral human development—the second CST principle defined above—as it is concerned with helping employees become better human beings. Work itself is a unique source of human formation. Through work, man not only transforms the environment, but also achieves fulfillment as a human being. He or she becomes a “more human being” (John Paul II, 1981, n. 9). Work provides distinctive opportunities for managers and superiors to help their subordinates to become better persons. While working, employees show character traits and behaviors that would never be detected in a staffing and recruitment process. While working, persons behave genuinely. Consequently, many development opportunities will be revealed by employees, which superiors can and should manage with the real interest of helping their subordinates to flourish as human beings.

Within training and development, the CST principle of subsidiarity—the fifth principle defined in the previous section of the paper—takes an important preponderance. According to this principle, superior institutions or communities must assume an attitude of support, promotion and development with respect to lower-order communities (PCJP, 2004, n. 186). This is suggestive of the role that superiors should assume in relation to their subordinates’ technical and moral development.

An organization in which the principle of subsidiarity is lived is an organization where technical training is important, but so is moral training. A real concern for human beings goes beyond the efficiency criteria. Subsidiarity in training and development necessarily leads to the integral human development promoted by Catholic thought. If managers decide to care about the human development of their subordinates, then, they will assume the extremely rewarding challenge of helping their subordinates develop virtues and become better human beings. Note, however, that as stated by the subsidiarity principle, the subordinates—being the lower-order institutions— are the ones who have to acquire and exercise good moral capabilities as a consequence of a free and personal decision. The
superiors—being the higher-order institutions—have the responsibility of promoting and facilitating this process.

_b) Training and development within organizations is a manifestation of distributive justice. They should include not only technical aspects, but also moral elements to really come to integral human development._ CST recognizes technical skills, knowledge and know-how as modern forms of property (John Paul II, 1991, n. 32). Along with land and capital, they are considered sources of wealth for nations within Catholic thought. CST is open to technical training and even encourages it as a necessary manifestation of distributive justice in relation to profits (John Paul II, 1983, n. 7) and as a necessary condition for productivity (John Paul II, 1991, n. 15).

However, technical training has the potential risk of treating employees as mere means to efficiency. Managers and especially Christian managers ought not to forget that employees have a supreme value as human beings (Vatican Council II, 1965, n. 25-29). If a business trains its workforce only in order to achieve efficiency, it is for that reason treating them as mere means. A sound moral behavior from business leaders requires, apart from technical training, human formation and development of themselves and their employees.

**Benefits and Compensation**

It has been shown that benefits and compensation programs have a positive impact on employee turnover, performance and motivation. However, at least from the technical point of view, there does not seem to be an optimal remuneration system (Schiemann, 1987). CST is concerned not only with the efficiency of the remuneration system, but also with the conduciveness of it for the integral human development of people. A review of CST offers the following insights, which could help in order to have a more complete view of the HRMP of benefits and compensation.

_a) Remuneration should fulfill the requirements of commutative, distributive, legal and social justice as it is the most important way to regulate just relationships among workers and employers._ In CST, the main driver for designing policies of benefits and compensation is the criteria of justice—the third criterion defined in the first section of this paper. The Catholic Church considers remuneration of work the most important way to regulate and secure a just relationship between the worker and the employer (John Paul II, 1981, n. 19). Wealth creation is a process that takes place within a society or community. Business owners and managers have not created their capital on their own. Normally, they have benefited from the work of other persons and have done so within a community that supported them or at least permitted their operations (Francis, 2013, n. 53-54). Consequently, managers have to be accountable to these workers and communities when making decisions (Catholic Church. National Conference of Catholic Bishops, 1986, n. 113).

Catholic thought encourages businessmen to fulfill the requirements of commutative, distributive, legal and, even more, social justice (PCJP, 2004, n. 201). There are different levels of involvement of workers and, thus, the type of justice applied must vary. Employees who give their entire time and effort to one business are not to be treated in the same way as those employees that only contribute partially to the company. Hence, for the former group, distributive justice seems to be the right criterion and for the latter the criterion of commutative justice seems to be the most appropriate.

_b) It is a moral requirement for employers to provide salaries that allow employees to have a frugal and well-sustained life according to the human dignity of the worker and his or
her family. CST is clear in stipulating that natural justice draws a minimum line by which managers should provide a minimum living salary as to support a frugal and well-sustained life according to human dignity (Leo XIII, 1891, n. 45). There is a duty of providing salaries adequate for the maintenance of the workers and their families, with a certain level of money spare for savings. When these conditions are not met, CST acknowledges the role of trade unions in negotiating those minimum working conditions and salaries (John Paul II, 1991, n. 15). Moreover, CST recognizes the right to a minimum ‘just wage’ which cannot be left up to the free agreement of the employer and employee. Also, the employer, according to CST, has to be aware that paying the salary agreed upon might not be enough, as he might be called to go beyond (John Paul II, 1991, n. 8).

CST even goes beyond as to suggest that in some cases remuneration might not be enough. There are situations where different forms of ownership should be put in practice. There are “proposals for joint ownership of the means of work” (John Paul II, 1981, n. 14) that are highly encouraged by the Catholic magisterium.

Within a company, salaries might be seen as a form of distributing profits to some important stakeholders, as it is the case of employees. However, most of the times, the destination of the remaining part of the profits after discounting all direct costs of production, salaries and taxes is not decided by employees, but only by shareholders. CST stresses that as, within companies, persons are the ones that are united by relationships between owners and employees, there is a need for the promotion of an “active sharing of all in the administration and profits of these enterprises” (Vatican Council II, 1965, n. 68). Moreover, John Paul II, addressing a group of businessmen in Argentina, stressed that they must promote “appropriate forms of worker participation in profits of the company, and to open channels that allow greater access for all to property, as a basis for fair and caring society” (John Paul II, 1987, n. 3).

c) **Businesspeople should foster appropriate forms of worker participation in profits and ownership of the company.** The distribution of salaries is connected with the economic wellbeing of a country. Authentic development should be pursued by means of adequate social policies for the redistribution of income, looking not only at the merits, but also at the needs of each citizen (PCJP, 2004, n. 303). Also, internal equity is an indispensable requirement of justice in order to maintain an organizational culture of cooperation within the organization.

Nonetheless, salary is not the only compensation. Learning, treatment, status and safety, among others, are part of compensation as well. It must be emphasized that in general terms “the person who works desires not only due remuneration for his work; he also wishes that, within the production process, provision be made for him to be able to know that in his work, even on something that is owned in common, he is working ‘for himself’” (John Paul II, 1981, n. 15). There are additional mechanisms that play an important role in motivation of employees.

**Performance Evaluation and Promotion**

Performance evaluation and promotion are closely linked. The criteria used to evaluate the performance of employees are the basis used to promote them. Some scholars have suggested that financial and accounting information tend to be the most common and influential criteria used for personnel promotion (Cichello et al., 2009). Thus, the moral quality and personal skills of candidates tend to be considered less important and in many cases left aside, despite the fact that some studies have shown the positive influence of ethical
development on individual performance (Lee et al., 2011). Within CST, this HRMP should mainly consider the justice criterion. Justice in this HRMP, apart from what has already been mentioned in relation to the HRMP of compensation, is related to procedures and to decision-making systems implemented. These procedures and systems have to promote equal treatment and just decisions.

a) Justice, solidarity and gratuitousness in evaluation and promotion lead to organizational cultures of mutual cooperation in which the integral human development is more likely to take place. CST encourages achieving both perceived and actual justice. Perceived justice is closely related to charity. There are many situations in which decisions contrary to the will of the employees, even being actually fair, are perceived as unfair, merely because of the way they are communicated. Charity plays an important role in increasing the perception of employees of a fair and just treatment.

Solidarity is a principle that changes the common logic of performance evaluation and promotions. It implies being responsible for the personal development of others with generosity and gratuity. Justice is a principle that warrants fair procedures and outcomes. Gratuitousness is a principle that goes beyond justice and therefore increases the likelihood of just decisions to be welcomed, even when they go against personal desires. Together, the justice, solidarity and gratuitousness principles promote a culture of cooperation and fairness very healthy for competitive environments as the one mankind is facing in current times. They are needed principles for the realization of the business as a community of persons.

b) Businesspeople should cultivate and promote managers who are dutiful, honest, competent and socially sensitive and who prefer the wealth of love to the love of wealth. The way in which the HRMP of promotion is exercised sends clear messages to the rest of the organization about the type of employee that the company actually values. CST encourages businesspeople to foster a model of a deeply human manager, “dutiful, honest, competent and imbued with a deep social sense, which makes him capable of resisting the inclination to selfishness, to prefer the wealth of love over the love of wealth” (John Paul II, 1987, n. 4).

A clear risk, which is a consequence of the deep root of the efficiency criterion in business, is the one of favoring economic results over ethical behavior and consequently of promoting only efficient people but not necessarily ethical employees. Catholic thought reminds us that “business’ objective must be met in economic terms and according to economic criteria, but the authentic values that bring about the concrete development of the person and society must not be neglected” (PCJP, 2004, n. 338). Thus, a company willing to promote the Christian concept of a ‘deeply human manager’ should keep in mind that integral human development is a higher order criterion than the economic one. John Paul II was aware of the natural inclination of human beings, which were to be overcome by the exercise of a conscious virtuous behavior. He warned a group of business people in Argentina with the following words: “do not forget the really dangerous temptations that can haunt your conscience and your activity: the insatiable thirst for profit, easy and immoral gain, wastefulness; the temptation of power and pleasure, the unbridled ambition, unbridled selfishness; lack of honesty in business and injustices towards your workers” (John Paul II, 1987, n. 4).

c) Solidarity of work, solidarity with work and solidarity at work, are behaviors that should be evaluated and promoted. Another principle of CST that plays an important role in relation to the way a company promotes personnel is solidarity –the sixth one of the CST principles of the first section of this paper. The solidarity principle “requires that men and
women of our day cultivate a greater awareness that they are debtors of society of which they have become part” (PCJP, 2004, n. 195). Hence, a company aware of this reality should foster a climate of cooperation among its employees. Employees, likewise, should be aware that their achievements are not necessarily personal. They are embedded in a social reality, which is conducive to and facilitating to that success. CST underlines the power of work as a human reality capable of giving life to a community through solidarity. John Paul II emphasized solidarity of work, solidarity with the work and solidarity at work as key elements to overcome selfishness and to achieve integral human development (John Paul II, 1982, n. 10).

**Downsizing and Outplacement**

Downsizing is normally referred to the intentional reduction in the size of the workforce, to survive a downturn, improve efficiencies, or become a more attractive candidate for acquisition or merger. Outplacement is the process of assisting recently fired employees with searching for other employment opportunities.

Employees who are dismissed face a lot of mental difficulties coping with such a situation. Some scholars have studied the best way to deal with such negative circumstances (Stybel, Peabody, 2001). In spite of this knowledge, the personal consequences for the employees are there, and it is thus important for employers to consider the moral side of the intended downsizing. Among the CST principles, the ones that apply more directly to the HRMP of downsizing and outplacement are the ones of solidarity and justice and the following are some of the implications Christian thought brings to this HRMP.

**a) Justice and solidarity should guide all downsizing and outplacement processes.**
There are times when in fact downsizing is an act of justice. Justice toward the ones remaining in the company, as sometimes those who are asked to leave have not contributed in a proper way, or, because if the downsizing is not performed, the survival of the company would be jeopardized. However, an especial role is to be played by solidarity. Those leaving the company might have been there for a long time, or even if they have not, solidarity calls for foreseeing possible negative consequences of the dismissal and therefore to try to mitigate these.

Because “we are all really responsible for all” (John Paul II, 1987, 38.), solidarity sometimes means to prepare those persons who are being dismissed to find another job and a company where they can contribute. “As a minimum, workers have a right to be informed in advance when such decisions are under consideration, a right to negotiate with management about possible alternatives, and a right to fair compensation and assistance with retraining and relocation expenses should these be necessary” (Catholic Church. National Conference of Catholic Bishops, 1986, 303.) This sometimes goes as far as to train people before dismissing them and here creativity plays also an important role.

**b) Downsizing has to be considered among the last alternatives to resolve financial problems. It cannot be a mechanism where companies prosper and employees pay the price.**
In important decisions concerning strategy and finances, in decisions to buy or sell, to resize, close or to merge a site, financial and commercial criteria must not be the only considerations made (PCJP 2004, n. 344.). In contraposition, business leaders are invited to promote good practices of just compensation and humane job design with special emphasis on hiring and firing practices. (PCJP 2012, n. 72.). Church authorities discourage business leaders from
downsizing without a real need of doing it. It is often the case that jobs are cut and workers thus pay the price for the downsizing, while companies keep prospering (Catholic Church. National Conference of Catholic Bishops, 1996, p. 4.)

c) It is a moral requirement for businessmen to try to reduce unemployment in society. It is clear that one of the direct consequences of downsizing and outplacement is unemployment. Special attention is to be put to this HRMP as very often downsizing is correlated with long-lasting and generalized financial crises that might generate in people a “feeling of insecurity, lack of initiative, frustration, irresponsibility, lack of confidence in society as a whole and in themselves” (John Paul II, 1982, n. 5.). Thus, businessmen need to be aware that dismissing someone or even a group of people is not an isolated decision they can freely make. Unemployment is not only an economic or political problem; it is “a symptom of the presence of a moral disorder existing in society” (John Paul II, 1982, n. 5.), as it very often violates the hierarchy of the ethical values.

Business leaders and employees should favor overcoming the lack of jobs, “maintaining the pace of production in their companies, and performing with due efficiency in their work, willing to give in by solidarity, to "double" employment and to systematic "extraordinary" work that actually reduce the chances of admission for the unemployed” (John Paul II, 1982, n. 6.). John Paul II, explicitly reminded a group of businessmen gathered in Durango that, “one of your major responsibilities has to be the creation of jobs” (John Paul II, 1990, n. 7.).

Discussion

The hitherto introduced considerations inspired by CST in relation to each of the six HRMP studied are summarized in Table 1. Although for purposes of clarity we present them schematically in a separated fashion, in line with CST, management practitioners and scholars should consider them as a unity. It is not possible to fulfill one without considering the others. For example, the human dignity CST principle cannot be fulfilled without considering for instance the principle of justice. Consequently, the real challenge is to find imaginative ways to pursue and achieve a real human management. Our findings suggest a number of deep reflections such as the interrelation between HRMP, implications for other management functions such as marketing, operations and finance, among many others, comparison with other views of HRMP, and further implications for management practice and theory. All of them could be subject of future research. Given the limited space of this article, we will only discuss here some noteworthy elements in order to get deeper into what has been presented to this point.

CST has inspired several areas and developments of management theory and practice and it has been shown to be an important source of management ethos. Some CST scholars have addressed the identity and purpose of the firm and the meaning of the economic activity; there are initiatives regarding the main capabilities or virtues that entrepreneurs or managers should exercise; other authors have also focused on the CST implications for management...
education; and, finally some authors have addressed specific management functions, finance, marketing and human resource being the three most recurrent.

Within the literature at the intersection of CST and human resource management there are very limited undertakings. Authors have contributed connecting CST principles with some HRMP in a mostly isolated way. HRMP such as job design, workers compensation and participation have been addressed separately. Also, scholars interested in human resource management and CST have developed the meaning, context and rights of work.

A very interesting and perhaps the most wide-ranging study thus far, is Naughton and Laczniak (1993) concerning the context of work. They detailed the principles and virtues that CST provides, that can help managers to direct essential activities of all workers toward the common good and to the affirmation of their own dignity. They also suggest how to tie CST principles and virtues to four organizational activities, which they consider as possible dimensions of work. The principle of human dignity and the virtue of solidarity are linked to formation of employees; the principle of common use/private property to the HRMP of remuneration; the principle of subsidiarity/participation and the virtues of diligence and industriousness to the production process; and the principle of common good and the virtue of munificence to product-related issues.

In relation to the six HRMP studied in this paper, little has been said, although some proposals have been already developed. The most commonly addressed HRMP are benefits and compensation and the least frequently addressed are performance evaluation and promotion.

Regarding job design, it is clear that the corporation has the responsibility of organizing human resource efficiently and therefore it has to design efficient job positions economically; but CST stresses that it is also important to consider that the human being is the foundation, the cause and the end of every social institution (John XXIII, 1961, n. 219). Therefore, technical efficiency should be ordered or subordinated to the human being. Following this reasoning, Guitián (2009) argues that business responsibility with employees’ families should be considered as part of the corporation’s responsibilities. Based on CST principles, he proposes a set of normative propositions to be followed by managers willing to reduce the conflicts which employees face regarding family and work conciliation.

Staffing and recruiting is a bi-directional process. The company is not the only one filtering candidates to be hired, but the candidates are also assessing companies and making decisions about whether or not to accept an offer. The hidden cost of hiring people that do not fit in the company or hiring those who are not the right candidates, could be very high not only in economic but also in moral terms. On this topic, Zigarelli (1993) claims that within CST there are three principles, i.e. respect for workers’ dignity, for his or her family's economic security, and for the common good of society, which clearly constitute guidelines for responsible people-management. He also specifically addresses the HRMP of compensation and job design with some specific insights taken from CST.

Training and development is a HRMP in which managers show by concrete actions the value they put on their subordinates as human beings. It is clear that training and development are genuine actions and that they are tools managers have at their disposal to increase productivity by developing technical skills of their employees. They typically lead to higher productivity and generally bring benefits for all organizational members. However, technical training has the potential risk of treating employees as mere means to efficiency. In
relation to this, Chmielewski (1997) builds on the values centered in the US Bishops’ document *Economic Justice for All* (1986), stressing that the principle of subsidiarity proposed by CST offers a channel by which the functions of communication, information transfer, and education within cooperative activity can be enhanced. He also affirms that worker participation and free personal activity within a diverse, institutionally plural society help in achieving society’s common good.

One of the instruments to pursue moral alignment, habitually used in training and development, are codes of conduct. Very often, they are the departure point of the induction and introduction processes of new employees to companies. Those codes are intended to influence ethical behavior. Wiley (2000), for instance, argues that the content of a particular code of ethics represents the preferred character dispositions that should control the way the profession is practiced. Similarly, Reed and Anthony (1992) emphasize the value of ethical training within management practice. As CST is full of humanity, there is a potential opportunity in it to enrich the HRMP of training and development at large.

*Benefits and compensation* are the HRMP most frequently addressed by CST scholars, one reason being that remuneration of work within CST is considered the most important way to regulate and secure a just relationship between the worker and the employer. One of the key elements discussed along this paper is the CST criterion of justice. Simmons (2008) introduced the notion of organizational justice with a threefold distinction: distributive, procedural and interactional, which are very much in line with the Christian notion of justice.

Regarding compensation, Kennedy (2010) proposes to treat employees differently according to their level of participation within the company. He claims there are full employees who should be compensated according to distributive justice, and there are also non-ordinary or not full employees who should be compensated by means of commutative justice. Kennedy suggests the principles of human dignity, equity, level of contribution, and sustainability as the main drivers to attain justice in compensation within organizations.

In this line of thought, on the 50th anniversary of the Taft-Hartley Act, a United States Federal Law that monitors the activities and power of labor unions, Gregory claims that CST, starting from the encyclical *Rerum Novarum*, “remains the timeless, and most timely, beacon for fundamental human dignity” (1998, p. 912). By taking a close look at the Catholic tradition, he develops the basis of the employees’ right to unionize and to receive a decent living wage.

Up to our knowledge, no scholar has explicitly addressed the HRMP of *performance evaluation and promotion or downsizing and outplacement* from the point of view of the Christian tradition. Performance evaluation and promotion are closely linked. As it has been shown in the second section of this paper, there are CST principles like solidarity and gratuitousness, which actually completely change the dynamics of the usual understanding of these two HRMP. In the present time where sustainability is in vogue and the ecological concern is so explicit, we consider that a Christian focus in these HRMP would provoke much more cooperative, enjoyable and sustainable organizational cultures. An organization where solidarity and gratuitousness are exercised, in unity with other CST principles such as justice and subsidiarity, will be a much more human organization.

Similar to Schumann’s proposal (2001), CST suggested principles and considerations are a unity to be applied according to circumstances but never in an isolated fashion. Frederickson and Walling (1999) have shown how the ethical orientation of the human
resource manager matters a great deal. The decision-making mental process will not be the same if the manager bases his or her actions on teleological or deontological reasoning. CST offers an inclusive framework. Accordingly, it is more likely that object, the aim and circumstances will be considered. Hence it is more likely that the decision will be more complete.

Employees are a unique stakeholder group. They are the most directly affected, persons for good and for bad, by organizational decisions, but they also are those who can have a major influence on the relationships the organization has with other stakeholders. Thus, the challenge of managing people humanly is not only a moral requirement, but also perhaps the most efficient way of spending energies to achieve a sustainable growth.

Even though the present work might seem to be too optimistic, we agree with Argandoña (1990) in the importance of being early grounded, as there is the potential risk in ethics—as its goal is pursuing what it ought to be—of not materializing concrete actions. It is in the realm of management and economics where CST should be interpreted and materialized in concrete actions that businessmen and managers can apply according to the so far know rules of the market.

Human resource management itself is a field where there could potentially be a separation between technique and morality. Given that managing people in organizations is a human activity, it is actually not possible to separate these two dimensions. There is no single human action that does not leave consequences on others or on the agent. Any human action generates not only external results but also internal outcomes on the human quality of the agent.

Conclusion

Managing people in organizations, as any human activity, has both economic and moral dimensions that can be distinguished but not separated. Although CST is not intended to provide technical solutions for earthly realities, a deep look into CST principles has proved the viability and applicability of Catholic thought for managing people in organizations in a more humane fashion.

We present here a far-reaching and applicable set of considerations of concrete actions in relation to the main HRMP, which businesspeople and managers of good will might consider, reflect upon, and apply in their day-to-day decision-making and managerial action. CST principles such as the centrality and transcendent dignity of the person and the integral human development, among others, shed moral light on the challenging matter of managing people in organizations with humanity.

Further research could focus on whether or not Catholic managers are actually aware of the implications of their faith towards their profession and to empirically test up to what extent these CST principles are exercised within the organizations they lead. Also, the interrelation between all six HRMP could be studied. Possible implications of these considerations for other management functions such as marketing, operations and finance, among many others, would be important as well and so would be a comparison with other views or epistemological approaches to HRMP. Finally, an in depth and separate analysis of each of the six HRMP with further implications for management practice and theory is still to be developed.
We hope with this paper to contribute to the analysis of human resource management and its ethical and managerial implications. We are confident it will be inspirational for Catholic managers and for managers of good will eager to make of their daily task of managing people in organizations a more humane activity.

References


Table 1. Summary of CST Considerations per HRMP

JOB DESIGN
   a) Having a job is a fundamental right, which should be promoted and protected by businesspeople along with other inherent rights at the workplace, including a just salary and other minimum human conditions.
   b) Work should be designed and organized in order to promote the integral human development of employees.
   c) Employees’ active participation in decision-making, profits and ownership of the company should be fostered by means of job design.
   d) Personal initiative and creativity are conditions that should be fostered and promoted by means of job design.
   e) Job design should consider the primacy of God, family and children over work. Therefore, Sunday rest must be promoted along with some other minimum humane conditions.

STAFFING AND RECRUITMENT
   a) Staffing and recruitment must be exercised bearing in mind that all human beings are worth the same; thus, avoiding unfair discrimination and deception.
   b) Selection and filter of candidates should be carried out according to the truthfulness and justice principles, putting oneself in the place of the other.
   c) Selection processes should assess not only technical skills, but also moral dispositions.
   d) All forms of unfair discrimination in selection should be avoided. These include: racial, nationality, gender or cultural, among others.
   e) The necessary search for information within the selection process needs to be in harmony with the right to privacy of each human being.
   f) Managers should disclose to rejected candidates, when possible, the reasons why they are not being hired, and to advise them on how to find a job where they might fit.

TRAINING AND DEVELOPMENT
   a) Training and development require an attitude of support, promotion and development in accordance to the subsidiarity principle as work provides distinctive opportunities for superiors to help subordinates to become better persons.
   b) Training and development within organizations is a manifestation of distributive justice. They should include not only technical aspects, but also moral elements to really come to integral human development.

BENEFITS AND COMPENSATION
   a) Remuneration should fulfill the requirements of commutative, distributive, legal and social justice as it is the most important way to regulate just relationships among workers and employers.
   b) It is a moral requirement for employers to provide salaries that allow employees to have a frugal and well-sustained life according to the human dignity of the worker and his or her family.
   c) Businesspeople should foster appropriate forms of worker participation in profits and ownership of the company.

PERFORMANCE EVALUATION AND PROMOTION
   a) Justice, solidarity and gratuitousness in evaluation and promotion lead to organizational cultures of mutual cooperation in which the integral human development is more likely to take place.
   b) Businesspeople should cultivate and promote managers who are dutiful, honest, competent and socially sensitive and who prefer the wealth of love to the love of wealth.
   c) Solidarity of work, solidarity with work and solidarity at work, are behaviors that should be evaluated and promoted.

DOWNSIZING AND OUTPLACEMENT
   a) Justice and solidarity should guide all downsizing and outplacement processes.
   b) Downsizing has to be considered among the last alternatives to resolve financial problems. It cannot be a mechanism where companies prosper and employees pay the price.
   c) It is a moral requirement for businessmen to try to reduce unemployment in society.
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