



## Business Insights

Cutting Edge Research in Business, Management, Economics and Finance

### PalgraveBiz and The Humanistic Management Network Twitter Chat

On 26th April 2017, Ernst von Kimakowitz and Claus Dierksmeier from The Humanistic Management Network joined us for an exclusive chat about all things humanism in business and management. We've prepared a summary of what was discussed below, or you can read the full conversation [here](#).

#### What is humanistic management to you?

**Claus:** Marrying morals and markets by making ethics the bedrock of economics education, economic policies, and corporate strategy.

**Ernst:** To me, humanistic management is geared towards making better use of business to generate broad based societal benefit. We define humanistic management on three principles: unconditional respect for human dignity, integration of ethical considerations in management decisions and stakeholder engagement.

#### Do you think one of these stands out from the rest, or are they of equal importance?

**Claus:** Of the greatest long-term importance is surely the work on the minds of coming generations through curriculum change in business education.

**Ernst:** I think the foundation is respect for human dignity, unconditionally inclusive of business contexts.

#### Do you think the world is slowly approaching a turning point towards a "humanisation" of business and management?

**Ernst:** I would hope so, essentially we have no alternative but to rethink some of the ways in which we frame and conduct business activity.

**Claus:** We inch closer there with every financial and economic crisis. Hopefully, though, we shall move there also proactively, not only reactively.

#### Education is certainly of the utmost importance! Is this area one of the main foci for work by the Humanistic Management Network?

**Ernst:** Many members of the Humanistic Management Network are active in university teaching and embrace the need for change in what and how we teach.

**Claus:** We consult for today, we teach for tomorrow, and we research for the day after tomorrow. All three efforts are equally requisite.

**Ernst:** No way to put it better!

#### Where do you think new academic research in humanistic management is heading?

**Ernst:** Management research has not always delivered for the common good. Humanistic management is taking a shot at improving that.

**Claus:** Humanistic management is increasingly becoming a platform to integrate the efforts on behalf of moral, social, and ecological sustainability in business. My personal interest: Mental models. Mental models matter. Corporate strategies rely on models about markets and people. Change these models and different actions will follow.

#### What would be concrete mental models that you consider promising?

**Claus:** Complement and correct the fictional 'homo economicus' with research on the real 'condition humana'. Not only by looking to behavioral and neuro-economics but also to the humanities. Human beings become what they aspire to; our ideals shape our reality.

## Do you think that it will be possible to create an accepted curriculum across the discipline to benefit from this positive influence?

**Ernst:** We sure hope so and think it will happen but it will take time. Curriculum change is no fast turning matter.

**Claus:** We do not aim to replace one dogma by another but aspire to a pluralist economics - open to societal change and the values of the students.

## How did you both get involved in humanistic management?

**Ernst:** We started about a decade ago, wanting to make impact towards a more sustainable and more equitable planet also applying research results.

**Claus:** I joined shortly after the inception stage of the project, trying to contribute to the requisite philosophical foundations for the movement. We set out as a handful of idealists. Now, the network has national chapters & interest groups all around the globe. Seems we hit a nerve.

## Have the philosophical foundations been developed by new research during that time? Or have they stayed constant?

**Ernst:** I think our knowledge on the question of what respect for human dignity really means for biz in very practical ways is still nascent. First steps have been taken but we still need to build a body of knowledge for how to operationalize respect for dignity in business.

## Do you think this can go along with profits and growth or do we need a strict reorientation towards less materialistic economic concepts?

**Claus:** Where there cannot be win/win-scenarios, principles must trump profits. But often firms are overlooking win/win-opportunities. Why? Mental models again. If you think only of rational maximizers of self-interest, you won't even try to do business based on moral values.

**Ernst:** I cannot think of a more profitable business proposition than offering a solution to a challenge we face as a global community, but we must always view profit as a means and not an end in itself. On growth we will need to settle for growthless prosperity at some point.

## Exciting to think what the future could hold! At present which companies do you look to as inspirational examples of humanistic management?

**Claus:** Semco in Brazil and Allsafe-Jungfalk in Germany, for example, since in both firms the employees come first and make all the strategic decisions.

**Ernst:** Business that have a clear sense of purpose, than can demonstrate how they add value to society at large. Take a look at our series book *Humanistic Management in Practice* for some great examples.

## Which brings me to our last question! What topics and case studies will be in your next book, *Humanistic Management in Practice Volume II*?

**Claus:** How conventional firms worldwide can transform their business models step by step so as to prosper as humanistic businesses. But there are also certain constants that apparently hold fast across the confines of historical time and cultural space. One such is... Put people's dignity first. Respect their freedom; expect their responsibility. View profit as a means of business, not as its goal.

**Ernst:** Deliver proof of the concept that humanistic management is not just an abstract idea but a workable solution for some challenges we face around the globe. The case studies will provide inspiration and insight on how we can become smarter in using business for societal benefit.

**Claus:** Yes, and it also works, to the surprise of some, in the financial industry as we showed in *Banking with Integrity*. Our books *Humanistic Ethics in the Age of Globality* and *World Humanism* investigate the intercultural foundations for humanistic ethics.

**Ernst:** Re-positioning business-ethical questions from a limitation to an enhancement of managerial freedom is a theme present in all books in the series.

## About the Humanistic Management Network

The [Humanistic Management Network](#) is an international, interdisciplinary, and independent network that promotes the development of an economic system with respect for human dignity and well-being.

*Dr. Ernst von Kimakowitz is Director and co-founder of the Humanistic Management Center. Professor Claus Dierksmeier is Academic Director of the Humanistic Management Center. They are both series editors of our [Humanism in Business Series](#).*

## Books in the Humanism in Business Series

