Business students today confront a plethora of scandals that have plagued corporations in the past decade and a world that is experiencing increasing violence and unrest. Yet what remains is that business is important to, and has a noble role to play in, society. Mary Parker Follett, cited by Peter Drucker as his guru, developed this thinking in the 1930s by stating the chief function of business in society was service and to advance human welfare. Business to Follett was more than a product or a trade; it was a profession. The process of production was a noble goal of business giving the business ‘man’ opportunities to “lead the world in an enlarged conception of the expressions of professional honor and professional integrity” (Metcalf & Urwick, 2003, p. 279).

In 2005, the Peace through Commerce Task Force of the Association to Advance the Collegiate Schools of Business (AACSB) International was established to “consider, plan, and execute strategies that will enable and encourage business schools to help faculty, students, and others to understand and engage in activities that harness the connection between business; social political and economic stability; and peace” (Williams, 2008, p. 460). The Peace through Commerce initiative recognizes that business, as an agent of change, has the power and responsibility to give back to the societies that enable their success. Through peaceful commerce, the broader values and needs that accompany living in a global society are addressed. This initiative evokes the same language as Follett: business has a noble role in society.

Follett's writings and the Peace through Commerce initiative provides a platform to engage student dialogue on moral matters they are certain to confront in their careers. The two together situate the student to consider the objective of business, what it means to be a business professional in today’s world and how to cultivate responsible practice.
Part I of this paper introduces Follett and the Peace through Commerce Task Force initiative. Referencing an MBA ethics class taught as a service learning course. Part II presents how the two are integrated and used to advance student dialogue and understanding of the relationship between one’s professional work and the broader values and needs of society.

PART I: ON FOLLETT AND THE PEACE THROUGH COMMERCE INITIATIVE

“What is most important is that management realize that it must consider the impact of every business policy and business action upon society. It has to consider whether the action is likely to promote the public good, to advance basic beliefs of our society, to contribute to its stability, strength and harmony” (Drucker, 1954, p. 382).

In 1955, Drucker authored Mary Parker Follett: Prophet of Management acknowledging her role as a preeminent management thinker and referring to Follett as his “guru.” Her influence continues today with contemporary management leaders, including Bennis and Moss Kanter, citing Follett as a visionary and pioneer given her foreknowledge of systems theory, action research and leadership. Given Follett’s commitment to human relations at a time of “Taylorism”, her influence is felt in the works of Mayo, Herzberg and Maslow. Although formerly trained and educated receiving a degree from Radcliff College in 1898 in economics, government, law and philosophy, she dedicated her later years to business management as “she was finding that the vital issues and original experiment in new forms of government, which were necessary for the establishment and maintenance of a truly democratic order, were more widespread in business than in any other form of human activity” (Metcalf & Urwick, 2003, p. 17).

As noted in an earlier paper on Follett (Simms, 2009), The Speaker of the House of Representatives, was her first published book, recognized by President Theodore Roosevelt for its insights and research into this government office. Her second book, The New State, with its focus on democracy, government and the role of the local community in creating a participatory democracy, informed her views on management. In Creative Experience, her third undertaking, she introduces the role of integrating differences, constructive conflict, the place of power, and the employee’s role in unifying business organizations.

The area of most import to this paper, particularly given the role of the corporation as the most dominant institution in modern society, are
her views on management as a profession and business as being in service to society. "One of the most heartening aspects of (Follett's) philosophy is that it enables those whose lot is cast in business to see their work, not merely as a means of livelihood, not only as an honorable occupation with a large content of professional interest, but as a definite and vital contribution towards the building of that new social order, which is the legitimate preoccupation of every thinking citizen" (Metcalf & Urwick, 2003, p. 22).

First, Follett had a desire to “make something of herself” (Tonn, 2003, p. 117) and her sense of calling and vocation was beyond mere sentiment. Her life embodied the practice of bringing together one’s activities with one’s character “mak(ing) a person’s work morally inseparable from his or her life” (Tonn, 2003, p. 117). She was influenced by the Idealist philosophers who “emphasized the ethic of self-realization—the notion that goodness lay in the increasing growth of the individual’s real self” (Tonn, 2003, p. 120). This personal development on the part of Follett presaged and influenced her work in the settlements in Boston. As she lived, so she offered a philosophy of management where business was more than a product or trade; she viewed business as a profession. Hence the distinction in questions each would ask: “the business man’s test of an undertaking is: “Will it increase income?” The question a professional would ask is: “Will it increase the sum of human welfare?” (Graham, 1995, p. 278). Follett believed this was the worthy question to be asking.

Second, her philosophy views business as an honorable occupation. Given the number of scandals and debacles in the 1990s and into the first part of the 21st century, most people in business, ‘called’ or otherwise, would have to pull deep to defend their place in the business world as “honorable.” Yet, Follett advanced that “the business man has opportunities to lead the world in an enlarged conception of the expressions ‘professional honor’, ‘professional integrity’. That phrase which we hear so often “business integrity” is already being extended to mean far more than a square deal in at trade” (Follett, 1940, p. 143). For Follett, one’s work was the greatest service to the community and the function of business was in service to society. She viewed business as a social agency committed to developing relationships with one’s self and others to better human welfare.

Third, Follett believed the vital contribution of business was its corporate responsibility. Her views that the individual and society are not separate inform this responsibility: “we cannot put the individual on one
side and society on the other; we must understand the complete interrelation of the two. Each has no value, no existence without the other” (Follett, 1920, p. 256). Her worldview did not include separations between the private and the public; rather she believed no other source has as high a public impact as business. She viewed social and economic responsibilities as integral to effective business practice and work itself as the highest service to the community.

Finally, Follett provided a definition of power that included the concept of integration. She believed in anticipating conflict as a way “to integrate different interests…(to) prepare the way for response, we have to build up in him a constructive attitude” (Tonn, 2003, p. 398). The place of power in integrating differences emerges from her thinking that real authority implies ethical responsibility. “Genuine power is power-with; pseudo power is power-over. Genuine power is not coercive control but coactive control. Coercive power is the curse of the universe; coactive power, the enrichment and advancement of every human soul” (Follett, 1930, xiii). She was interested in enhancing individual growth and development and for developing a capacity for organizational learning and change (i.e., “we need a new faith in humanity, not a sentimental faith or a theological tenet or a philosophical conception, but an active faith in that creative power of men which shall shape government and industry, which shall give form equally to our daily life with our neighbor and to a world league” (Follett, 1918, p. 360).

Follett adopted the theory that business was a social institution and she advanced the human side of management. She valued the role of the business ‘man’ as a professional, thus elevating his role for a higher cause, which she saw as service to society. She viewed business as part of a larger whole, functioning in and with society. Follett chose the field of business management because she believed this was the setting where the “ideal and the practical have joined hands” (Follett, 1926, p. 75). Further, “(t)he business man has probably the opportunity today to make one of the largest contributions to society that has ever been made, a demonstration of the possibility of collective creativeness.”(Follett 1940, p. 93). In all, she was both pioneer and thought leader; she invites us into the very conversation that sparked the Peace through Commerce Initiative: “We are called to think thoughts that matter, thoughts with impact, thoughts that challenge our students, our colleges and business to reach full potential. If our thoughts do not recognize how business fosters peaceful societies, then we would have walked by the most pressing problem of the next generation and the good which is ours to

**THE PEACE THROUGH COMMERCE INITIATIVE**

Corporate social responsibility and corporate citizenship are not new ideas but what is emerging is a new role for business in society. For example, Laszlo’s (2008) work on creating sustainable value by doing well and doing good includes business focus on social and environmental issues of poverty, the environment, health and peace. Similarly, the *Peace through Commerce* (PtC) initiative envisions business as providing a world of goods and a world of good. The PtC efforts began in part as response to globalization, the ensuing complexity of problems and interdependencies a global world creates, including extremist factions often tied to religious beliefs, and a call from the business academy itself to do more. The Association to Advance Collegiate Schools of Business (AACSB) International seeks to “advance quality education worldwide through accreditation and thought leadership” (Report of the AACSB International *Peace through Commerce* Task Force, 2006, p. 4). Woo, dean of the Notre Dame Mendoza School of Business through 2011, advanced the PtC initiative, which now includes major business leaders and scholars and meets the AACSB mission of having business schools involved in influencing the next generation of leaders (Oliver, 2008).

The essence of this initiative is embedded in what may be considered obvious: commerce tends to promote peace by practicing science and commercial opportunities that lead to prosperity. Commerce provides a means for business to participate and offer solutions to some of the world’s deepest problems. Finally, commerce becomes the platform for collaboration that “can transcend governments, religions, and other institutions in fostering international cooperation, trust and tolerance.” (AACSB Report, 2006, p. 7). Many of the projects center on micro-ventures, entrepreneurial training and fund-raising projects in Israel, Palestine, Moscow, Kenya, Cairo, Cuba, Darfur, Northern Ireland, Vietnam, Bosnia and Nigeria.

The PtC process does not ask that business relinquish its essential focus but rather fulfill its societal roles and responsibilities as global citizens. This effort was first recognized at the founding of the United Nations in 1945 with a corresponding treatise on the Declaration of Human Rights. Today, with the growing global economy, the UN Global Compact was initiated in 2000 with intent to increase the benefits of
global economic development through voluntary corporate policies and actions in the areas of human rights, labor, the environment and corruption. “In the course of doing what it does best, which is to build and maintain thriving enterprises, business also has the potential to encourage economic stability around the world.” (AACSB Report, 2006, p. 7).

Underpinning the PtC initiative is the belief that we are “citizens of the world” (Roberts, 2004), that business is “the great integrator” whose “noble purpose is to participate in and often lead to solutions to some of the world’s deepest problems” (Shinn, 2005), and that “solutions to our most complex problems as a society…will happen in partnership with government, or at the prodding of the third sector, which functions as advocates, watchdogs and increasingly as partners” (Samuelson, 2003). Such thinking ushers a different type of dialogue and focus on collaboration. The initiative also redirects attention to consider the objective of business, the role of the corporation and its relationship to society. One is challenged to consider business as a “community of persons who in various ways are endeavoring to satisfy their basic needs and who form a particular group at the service of the whole society” (John Paul II, 1991) and the role business plays in creating community through good trust (Fort & Westermann-Behaylo, 2008).

Finally, the efforts of the PtC are part of a larger venue that includes the Principles for Responsible Management (PRME) launched at the 2007 Global Compact Leaders Summit. University deans, presidents and representatives from leading business schools seek to follow the six principles of dialogue, partnership, values, purpose, method and research that represent business values and attitudes. The focus is on developing the individual to be a thought leader. “Business schools can help by providing educational experiences that the next generation of leaders will integrate into their own management awareness and philosophies” (AACSB Report, 2006, p. 8).

Thus, Follett’s ideas inform the practices and actions of the PtC initiative. In The New State she defined participatory democracy as maintaining difference within unity, conflict within integration (Barber, 1998). Her thinking was influenced by the Gestaltists that successful resolution of conflict depends on changing behaviors—on engaging conflicting parties in activities that over time create a new situation where differences become integrated. She urged that “we should all of us take a conscious and responsible attitude toward our experience.” (Follett, 1933). Follett’s ideas and the PtC initiative provide a platform to engage
student dialogue on moral matters they are certain to confront in their careers. The two together situate the student to consider the objective of business, what it means to be a business professional in today’s world and how to cultivate responsible practice. Even on this front, Follett provides wise counsel to any teacher: to engage the students to learn by watching and interpreting their own experience, to “experiment, record, pool. We do not do any of those things enough” (Follett, 1927).

**PART II: MBA ETHICS COURSE: CULTIVATING RESPONSIBLE PRACTICE**

MBA 5325 *Ethical and Moral Decision Management* aims at introducing students to the ethics and morality of business management and to the corporation as a social system. Topics include the difference between ethical integrity and moral compliance, the role of leadership, types of moral theories, and the moral foundations of the market, consumerism, and sustainability. The course uses cases, role-playing and/or a service learning project to teach students how to recognize, describe, and address ethical integrity and moral compliance issues at the personal, organizational, and societal levels.

Offering this course as a service-learning class informs the relationship between business and society. Ultimately, through community group project work, students are challenged with the question: What is the objective of business? What is my role in fulfilling this objective? How do I cultivate responsible practice?

In the first three weeks, students self-select groups and identify community clients they will work with for 20 hours across the 15-week semester. Community clients are invited to class to introduce projects (e.g., Habitat for Humanity, Junior Achievement, and Urban Business Initiative). Students also introduce current community work/clients in which they are engaged (i.e., Vietnamese Shelter, Houston Food Bank, and M.D. Anderson Medical Center) and/or clients they have identified through their employer or place of worship. The service work provides students with the opportunity to apply their business knowledge by assisting clients in the development of business and marketing plans, providing strategic support, co-managing a project, developing internet capability and infrastructure, or training in the fundamentals of financial planning. Students have also used the service learning format to create their own businesses, including a charity to meet the educational and health needs of children in Cameroon and an NGO to support women
miners in Bolivia. Therefore, the class design invites mutual responsibility in identifying work projects. This positions the students to assume responsibility for their work, recognize their initiative is pivotal to their success and have ownership to their final product. Course design complements an action learning model that emphasizes co-learning, co-participating, and co-leading efforts while bringing together theory with practice.

The first third of the course covers the theories and definitions related to business ethics and society. Seminal cases are used with topics crossing business disciplines (i.e., microfinance and social entrepreneurship; triple-bottom line accounting and sustainability.) All class periods are interactive with small group work and case analysis. Blue books are distributed at intervals for students to comment on a class activity, which is always presented in the form of a question, and completed in that class period. For example, after analyzing the Nestle Infant Formula case, students are asked: Was the ethical norm of significant choice violated by the stakeholders in the case? Do you have a personal experience where your choice was violated? If you were the CEO of Nestle, what would you do? The second third of the course is dedicated to the community client project. Class time is dedicated to applying the concepts directly to their projects. For example, what is your fiduciary responsibility when volunteering your time? How does this answer inform your management practice at work?

Discussions typically involve questions of leadership, project management, team issues and client concerns. The role of student values and interests begin to emerge at this point, lending to a deep learning of self and others. Because of student work schedules, I dedicate four class periods where there are no formal class meetings. I make myself available to meet with the groups informally during this time. Many, if not all of us, are working together on the weekends with community clients. The last third of the class is discussion on additional readings/theories, assimilating experiences and final presentations from each of the groups.

Course assignments include one double-entry reflection paper, which involves reading an academic article, identifying 3-5 main points in the first column and the second column is the student’s reflection/response to the main points. The in-class case presents a management scenario in which the student analyzes the company’s solution and provides an alternative response in the language of ‘oughts’ and ‘shoulds’. The final project combines two streams: one is to discuss their client work and the other is to discuss their personal and professional insights
and growth. Thus, all assignments are process and reflective in nature and follow the action learning design of the course itself.

Consistent with the PtC intent, class focus is on collaboration, a result of their student group/client work. Dialogue is advanced by engaging students in analyzing case studies on moral matters they will or are confronting in their workplaces. By having students involved in practice and reflection, while introducing the insights Follett offers, particularly that business is a noble profession, elevates the conversation. Students are able to consider their role as professionals and as practitioners; to understand not only why but how to cultivate responsible practice. The reflection/integration papers, the community work with nonprofit clients, working in teams, and faculty commitment to both student and client groom this development.

Advancing the student dialogue: What methods are used to help cultivate responsible practice?

1. The use of questions as a methodological tool throughout the semester with the case studies and as part of the final assignment. Examples of questions include: why are you getting your MBA? What do you say is the objective of business? Is there an ethical mandate for business to be involved in the community? How does your service work inform your management philosophy? The focus on questions expands student learning and experience and introduces them to the complexity and ambiguity involved in ethical decision-making. This also invites students to go deeper into their own personal awareness and philosophy as business professionals working with community clients.

2. The use of individual and group reflection papers, and working in teams, advance student awareness and grooms self-and-team leadership. As an applied course, students are confronted with real-time issues that require their attention, be it from the client-side or the student team-side. Issues of character and virtue ethics emerge at this level providing a rich source for student learning.

3. The variety of management theories that are introduced in the course translate into student understanding of their current workplace environments (i.e., Schein's process consultation, Argyris’ triple-loop learning, and Lewin and Lippitt planned change and research on sustainability that incorporates leadership, emotional intelligence and communication). As students are reflecting and applying these theories with their client work, their journals also reflect how they are translating their insight to their jobs.
4. The professor's commitment to responsible practice serves as a role model. This is reflected in course design dedicated to significant learning (Fink, 2003) and being aware of my own motivations and intentions. As one example, students are not asked to do anything that the professor would not be willing to do; therefore, as the professor of this class I also commit to client work projects.

5. Allowing students to choose their own clients reinforces what they view as important; their interest and their project is often their noble cause. End-of-semester evaluations indicate this is a significant part of class success. In several cases, the community project was introduced to the student's employer who subsequently became involved and/or supported the community client. In the past five years the students who were awarded the Greater Houston Business Ethics Leadership Scholarship were selected from students in the class based on their service work. Three students have started their own non-profit organizations.

CONCLUSION

“My conclusion: Management is the most noble of professions if it's practiced well. No other occupation offers as many ways to help others learn and grow, take responsibility and be recognized for achievement, and contribute to the success of a team” (Christensen, 2010, p. 48).

In order to understand the relationship between one’s professional work and the broader values and needs of society we need first consider that business is a profession and those engaged in business are professionals. Such understanding elevates the goals and role of business in society. Designing the MBA 5325 class as service-learning course brings together the concept of social responsibility with active learning. The course prepares MBA students to live in a deliberative democracy where community experiences are necessary to addressing public issues, of which business has a role to play. Experience has shown that many business students indicate making a profit and shareholder wealth are the goals of business. Yet when challenged and placed in a situation to explore this further, they realize the narrowness of this view. This does not come solely from lectures and cases but also through their self-learning and reflection with their clients and with their team.

Bringing together Follett's insights and the work of the Peace through Commerce initiative, students (of which I count myself among them) begin to see that the separation of a personal ethic and a business ethic is as
fallacious as saying there is the individual and there is the society. By designing the course as a service-learning class, potential business leaders are helped in understanding the complexity of a global society, the overwhelming social needs that exist, and the role business can play in affecting social welfare and the common good. Nothing rivals direct real-world experience to come to this insight. Students often see for the first time their role in making a difference, their work as noble, their future as thought leaders who practice responsibly.¹

NOTES

¹Quoting from one final project presentation: What am I going to get out of it?: The Reciprocal Relationship between Corporation and Community students say the following: “I was able to find my inner passion. I realized I had a hidden talent for marketing; what used to be idle time is now dedicated to my inner passion; it just may be my second career.” “...a feeling of accomplishment and satisfaction that I was able to assist someone in an indirect way. This service work has made me want to become more involved in assisting, and as a result I have signed up to become an Apple Corps Team Leader.” “I plan to continue volunteering even after the semester is over because as I am helping the community, in return I am building character and a grateful spirit.” “I re-established a sense of humility. As I participated in events, I realized I was constantly thinking of ways to improve the experience and results. My path of work in philanthropy and development was affirmed and, at this stage in my MBA, that is exactly what I required.”

Student projects ranged across the following organizations: The Houston Food Bank, Ronald McDonald House Charities, Sheltering Arms Senior Services, US Department of Housing and Urban Development, Rotary International, Cystic Fibrosis Foundation, Helping Hands Medical Mission, Race for the Cure and Houston Rescue and Restore: Victims of Human Trafficking.

BIBLIOGRAPHY


