

# VIRTUE ETHICS AND COMMUNITY

SET management is based on **virtue ethics**, which focuses on how happiness is achieved by practicing virtues in community. The SET approach emphasizes virtuous process and character, not financial outcomes. Indeed, virtue ethics deems it unethical to maximize economic goals for their own sake. When it comes to financial well-being, virtue ethics emphasizes that “enough is enough.” This applies both to having enough consumer goods, as well as to creating enough financial value capture (e.g., profits). Thus a SET approach stands in contrast to the insatiable “more money is better” assumptions that are evident in the FBL and TBL approaches. From a virtue theory perspective, the purpose of business is not to make as much money as possible, but rather to optimize the socio-ecological value of the goods and services it provides.

Virtue theory goes back to ancient Greece and philosophers like Aristotle and his peers, who argued that using money simply to make more money, and achieving luxurious amounts of financial wealth, is dysfunctional and unethical. Rather, from the perspective of virtue theory, the purpose of human activity is to optimize people’s happiness, which is achieved by practicing virtues in community. For example, in terms of the four cardinal virtues, the virtue of *wisdom* is evident when managers make decisions that are deliberately aware of, and informed by, their larger socio-ecological setting; *justice* is evident when managers ensure that all stakeholders associated with a product or service receive their due and are treated fairly (being especially sensitive to the marginalized); *self-control* is evident when managers temper their own narrow self-interests; and *courage* is evident when managers are willing to address shortcomings of dominant socio-economic structures and systems.

The SET management emphasis on community is also consistent with the time honored moral-points-of-view associated with the indigenous peoples of the planet, such as North American Cree and Ojibway, Australian Aboriginals, and the African Ubuntu philosophy whose heritage stretches back thousands of years to the Egyptian idea of *Maat* (which was associated with the Hebrew idea of *shalom* or wholeness). Like other indigenous moral philosophies, Ubuntu has a lot to do with interconnectedness, in particular with humankind’s inter-connectedness with others and with nature. Whereas from a traditional western perspective people see themselves primarily as individuals and secondarily try to also understand themselves as members of a larger community and cosmos, from an Ubuntu perspective we are primarily members of a larger cosmos and community who secondarily see ourselves as individuals: “I am, because I belong; and since we are, therefore I am.”