



Centro de Ética Aplicada
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Leadership ethical perspectives on future outcomes:

**Towards a framework and diagnostic
tool for organizational culture**

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The plot

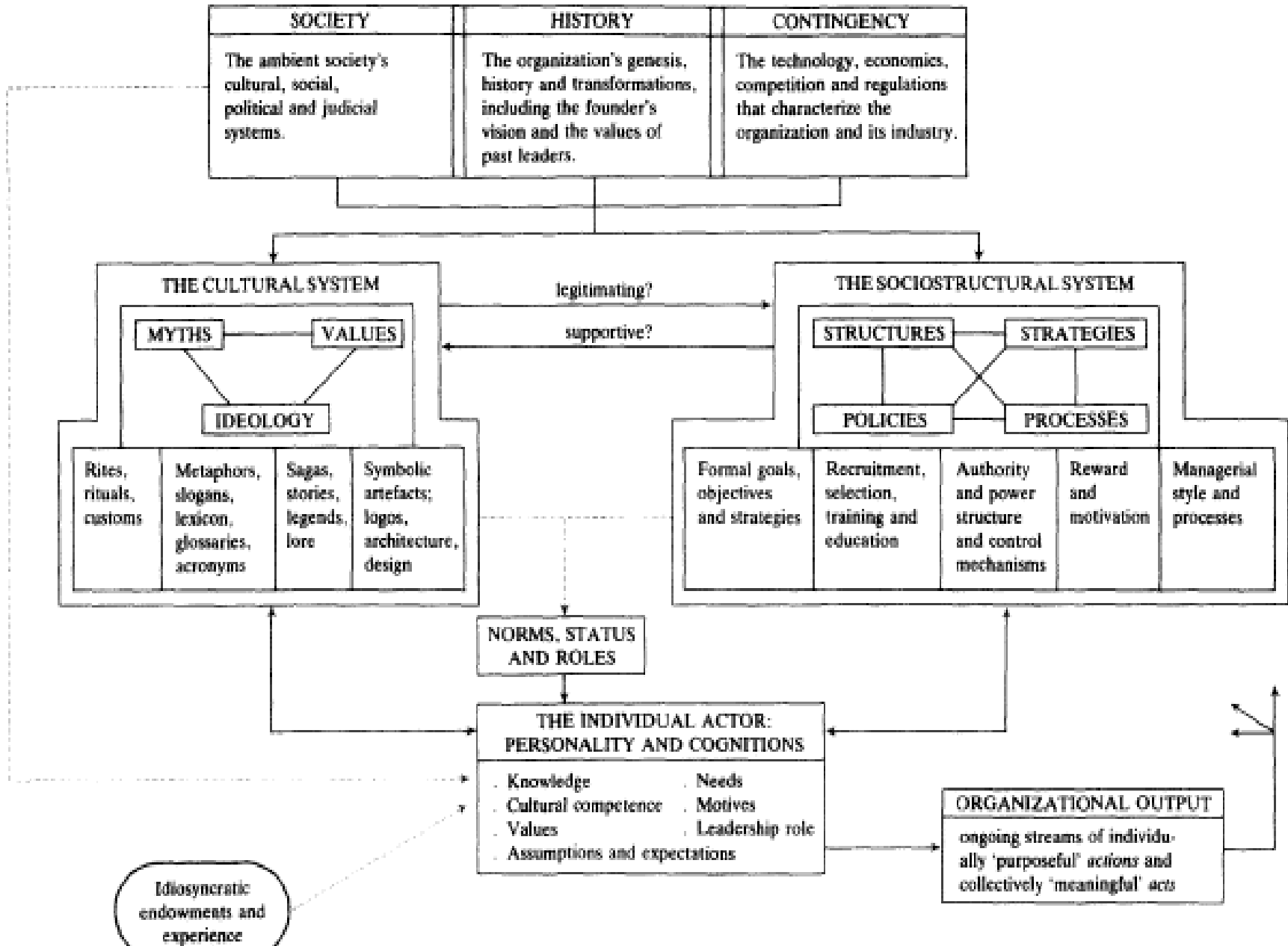
- **The field of organizational culture can benefit by incorporating future scenarios as a diagnostic tool of ethical culture.**
- **The role and importance of ethics in the scenario building process with a Theoretical and Analytical Framework**
- **Results from two examples of futures thinking that applied an ethical perspective**
 1. **Experimental scenario planning workshop with a learning community dedicated to managerial ethics**
 2. **Dialogue interviews with top managers from a European energy company**
- **Conclusions of connecting scenario planning with ethics and organizational culture.**

Futures studies and Ethics

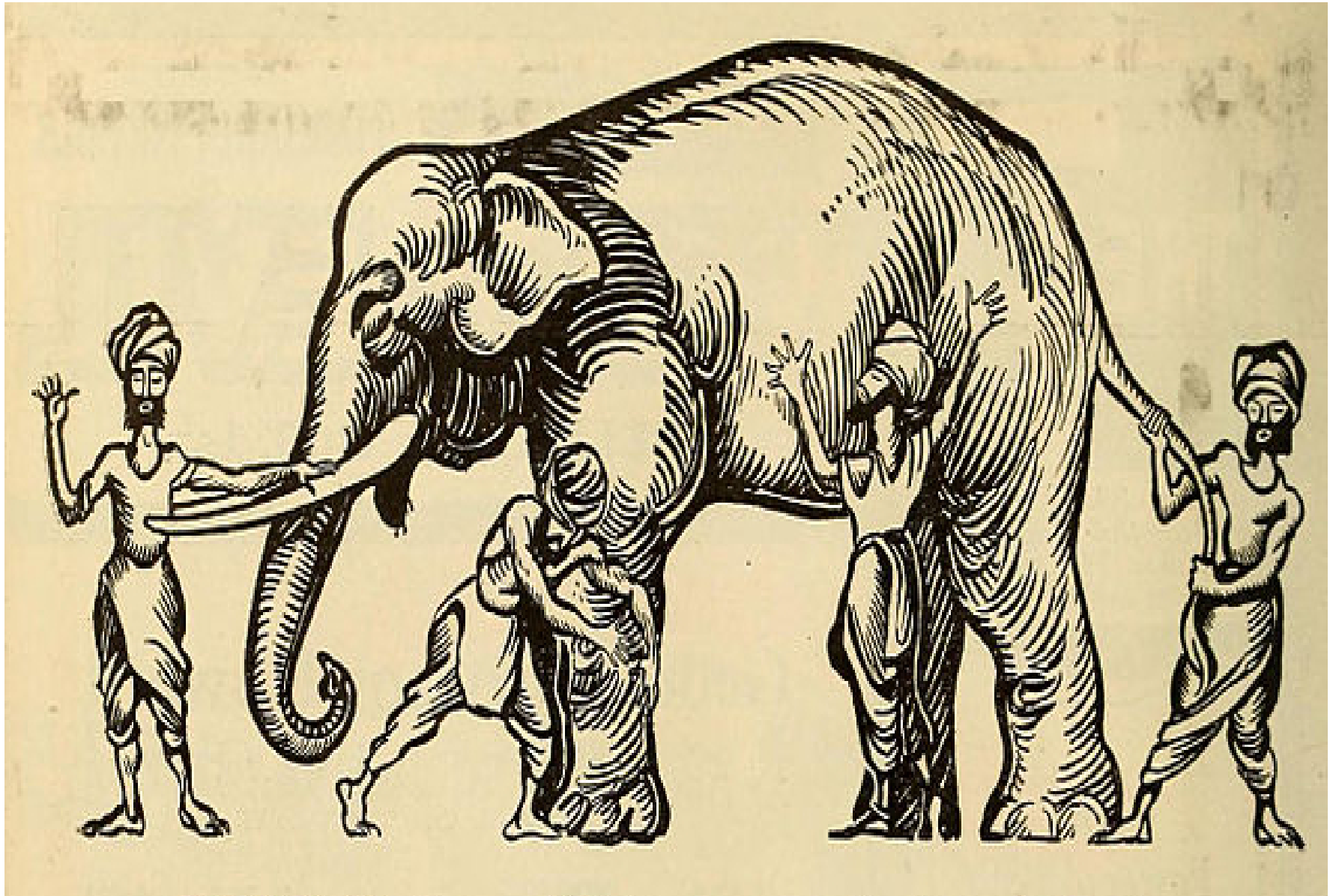
- Berger (1959): *‘Voir loin, voir large, analyser en profondeur, prendre des risques et penser à l’homme.’*
- Inayatullah (1998): Causal Layered Analysis
- Masini & Vásquez (2000): Human and social perspective
- Futures Special Issue (2005): ‘The futures of ethical corporations’ – Fuller & Tilley
- Floyd (2007): Systems methodology for futures studies and “to deal with complex, human related problems”.
- Adam & Groves (2011): Acting responsibly in creating futures.
- Bowman (2013): Inductive method and storytelling theory – “Putting yourself in someone else’s shoes”
- Ramírez & Wilkinson (2016): ‘Dominant powers and vested interests’
- Lang & Ramírez (2017) Building new social capital and forging common ground
- Bojer (2018) “Convening and container building”

Comparing different perspectives

- Ramírez, Mukherjee, Vezzoli and Kramer, (2015): Scholarly methodology
- Selin & Boradkar (2010): Responsible innovation
- Popa, Guillermin & Dedeurwaerdere, (2014): Transdisciplinarity in sustainability research

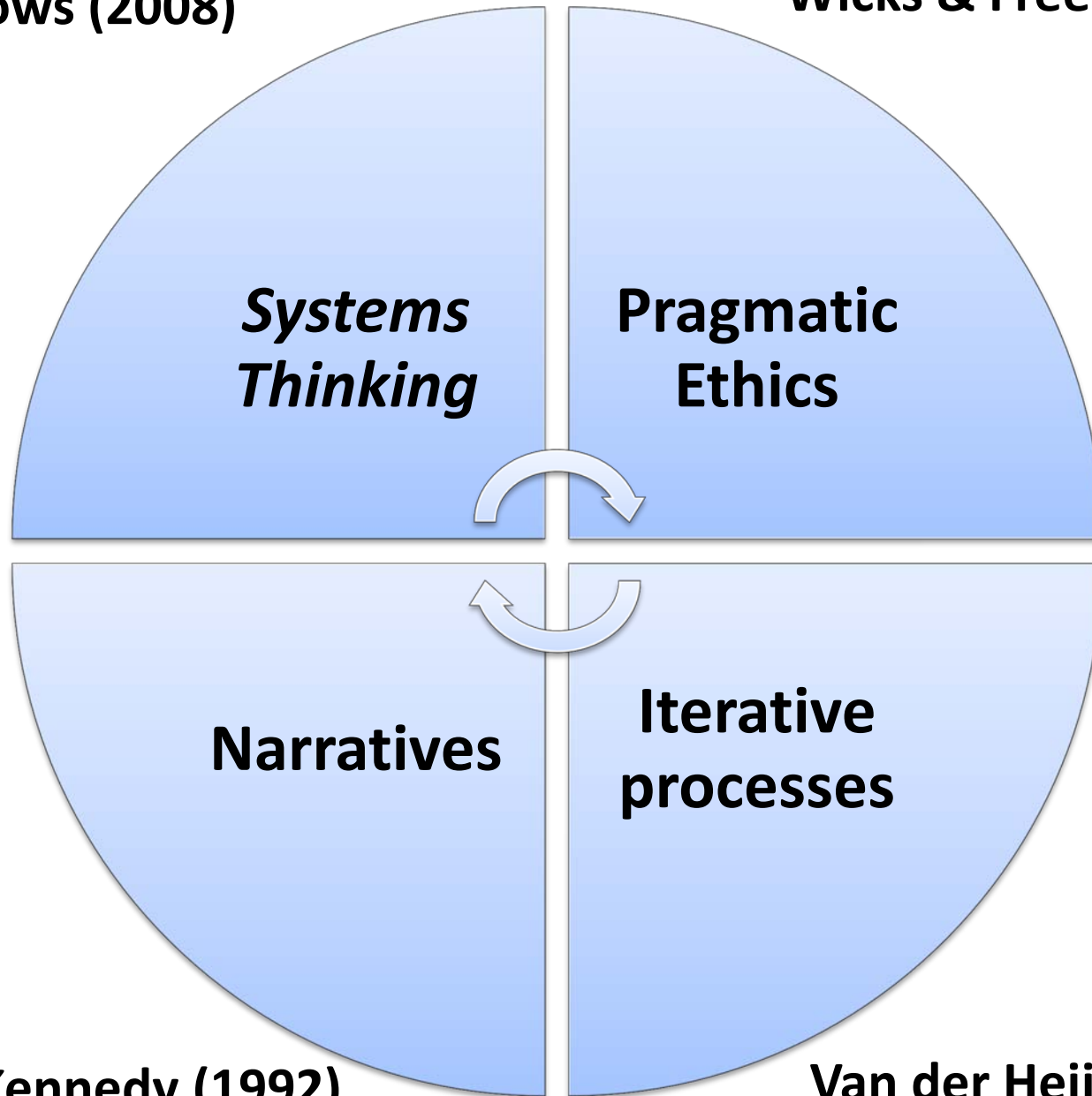


Partial Truths



Meadows (2008)

Wicks & Freeman (1998)



*Systems
Thinking*

**Pragmatic
Ethics**

Narratives

**Iterative
processes**

[Aristotle] Kennedy (1992)

Van der Heijden (2005)

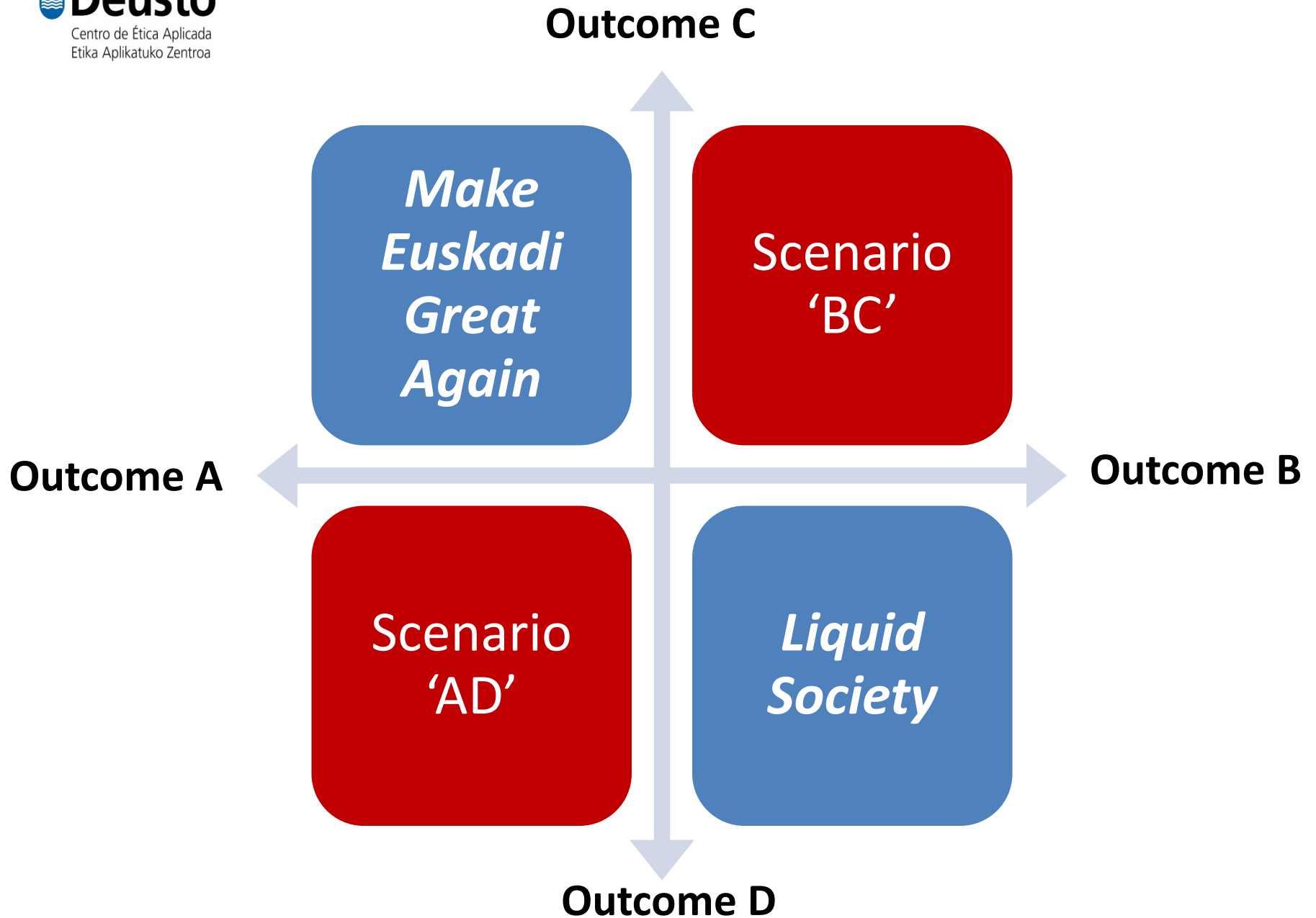
First example: Experimental scenario planning workshops

- **Where? University of Deusto, Centre for Applied Ethics – Bilbao, Basque Country/Spain.**
- **Who? Learning community composed of diverse industries from the Basque Country.**
- **What? Managerial ethics.**
- **Why? First intention was to understand how a methodology used in corporations apply an ethical perspective and reinforce corporate culture.**
- **When? First semester – 2018.**
- **How? Three monthly scenario planning workshops.**



Scenario planning: ethical organizations in a digital society

- The Basque Country is reported to be among the most digitally developed in the European Union (*Orkestra, Basque Institute of Competitiveness, 2018*)
- Our objectives:
 1. To reflect on what will it mean to be an ethical organization within the context of a digitalized Basque Country.
 2. Extract partial truths from each company in order to visualize a solid ethical culture to confront possible ethical dilemmas.
 3. To understand that ethical content appears from the articulation of each discourse and of the interaction of the managers unique experiences in the work environment.
 4. Build scenarios with ethical content.



Can the inductive method be more ethically oriented?

- **Bowman, MacKay, Masrani & McKiernan (2011)**
- **Storytelling theory**
- **Putting yourself in someone else's shoes**

Iterative Processes

1. Processes of inquiry with academics and practitioners (prior to 1 st session)	2. Revisit the purpose and end users/audience (1 st session).
3. Processes of Inquiry: Engage external experts (2 nd session).	4. Reassess the ethical perspective (1 st , 2 nd and 3 rd session).
5. Revisiting the purpose and the audience (2 nd session).	6. Processes of Inquiry: Academics and practitioners (before the 3 rd session)
7. Evidence and early signs (3 rd session).	8. Create a systems map for the scenarios (3 rd session).
9. Rethink the decision making process(3 rd session)	10. Follow-up interviews: (after the 3 rd session).

Findings

Two critical uncertainties:

- **The changing nature of labor and The level of state intervention**

Building the scenarios:

- **Debating the ethical impact that digitalization will have in organizations surfaced some interesting ethical culture components.**

Analyzing the scenarios:

- **The ethical challenges that appeared in both scenarios are clearly more relevant and are becoming more and more evident.**

Further questioning

- **What is the ethical responsibility of the companies in the Basque Country?**
- **And, what is the responsibility of leadership within the companies?**

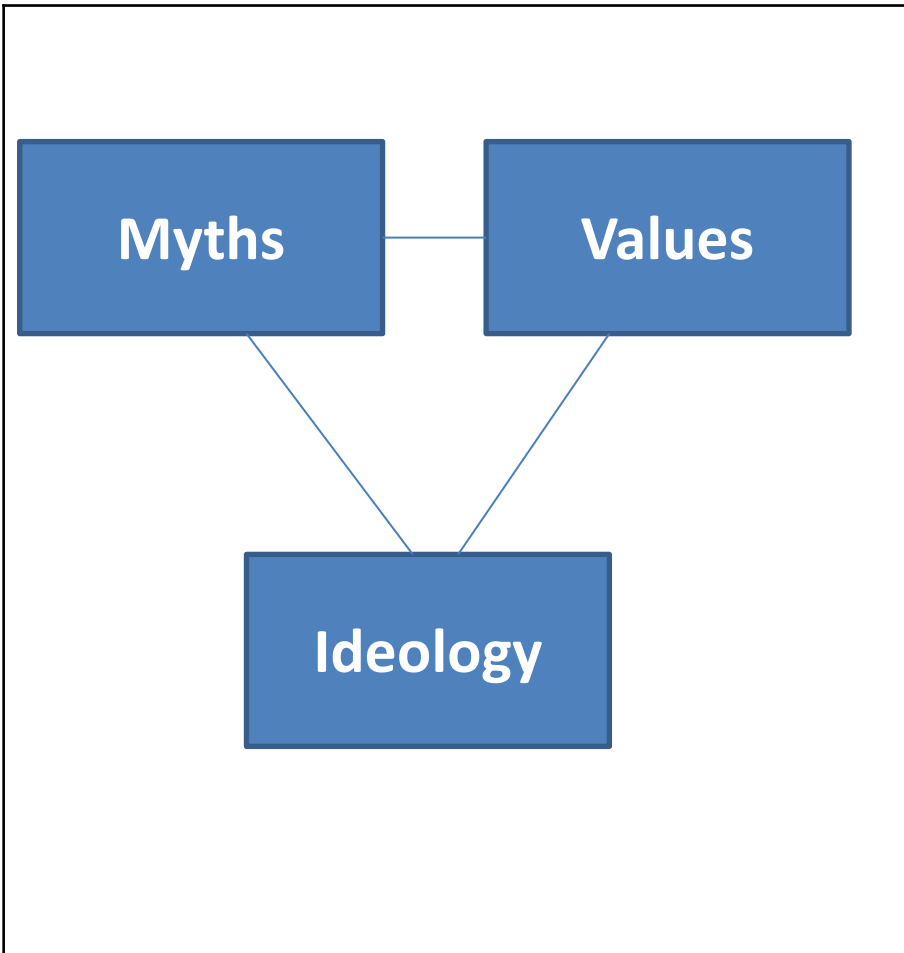
Challenges

- **Time constraints: Three hours for each workshop**
- **Fluctuating/Changing participation.**
- **Due to inconsistency in participation, there was difficulty in following the train of thought developed in prior workshops.**

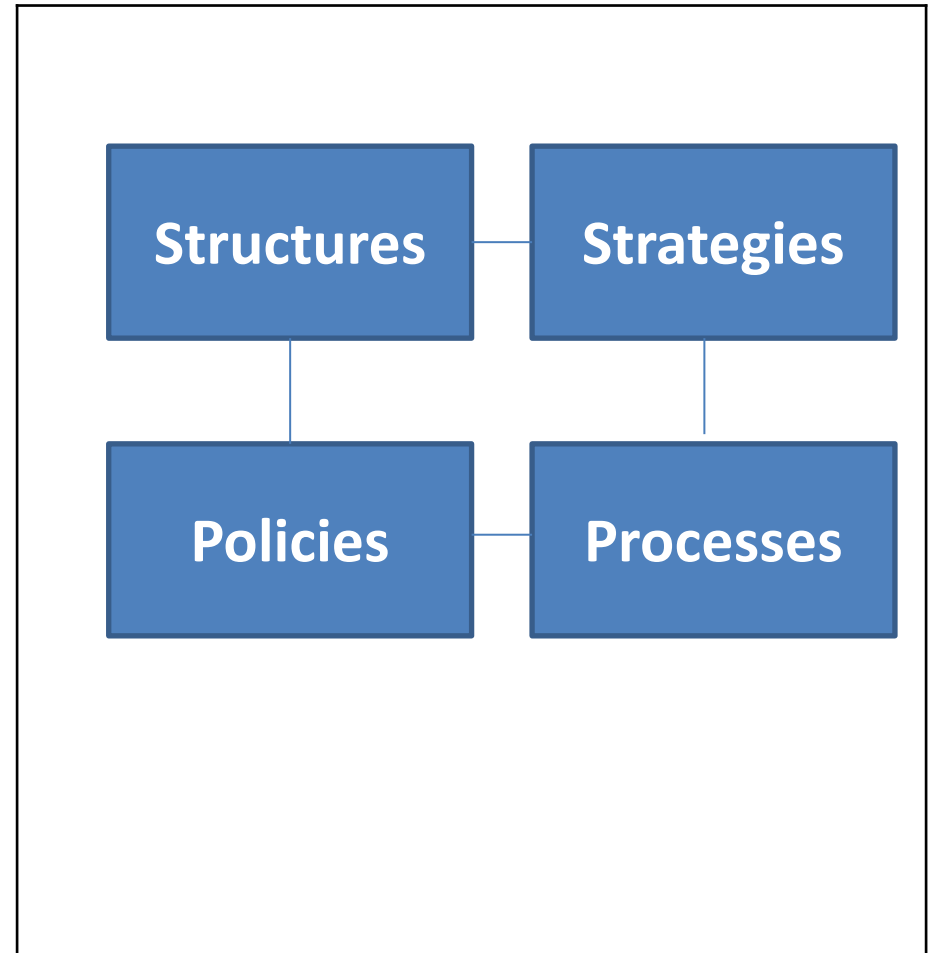
2nd example: Futures thinking through dialogue interviews

- **Unit of Analysis: Transnational energy company and its organizational culture.**
- **Futures thinking, coping with complexity and taking uncertainty into account.**
- **Internal Analysis in Europe and South America**
 - **Interviews with top managers in Europe (8) and South America (8) in order to identify key themes.**

CULTURAL SYSTEM



SOCIOSTRUCTURAL SYSTEM



Allaire & Firsirotu (1984)

Methods

- **Following a questionnaire adapted from van der Heijden (2005) and Chermack (2011).**
 - **Past developments in the energy sector.**
 - **Trends that will change or impact the future of the energy sector and the future of the company's organizational culture.**
 - **Top managers' definition of organizational culture and how ethics is incorporated into this definition.**
 - **Constructing thoughts on organizational culture and on how future changes may expose ethical issues.**

Findings – Key Themes

- 1. From profit to purpose – The orientation of energy companies**
- 2. Cultural consistency – building a culture rather than imposing**
- 3. The role of leadership – transmitting or sharing value**
- 4. Regulation and relation with public institutions – uncertainty and deficient knowledge among political actors**
- 5. Digital and technological advances – Decentralization and prosumers**
- 6. Environment – planning, lack of infrastructure and political skepticism**

Challenges

- **Considering ethics beyond HR and compliance.**
- **The reticence of speaking about ethics and culture.**
- **Engage participants for the next steps of the scenario building process.**

Combining experiences: scenarios for corporate culture and ethics -

TEMPLATE on next slide

1. (+) Why would corporations **be open to** implement scenarios for corporate culture and ethics?
2. (-) Why would corporations **be reluctant to** implement scenarios for corporate culture and ethics?

Corporate values & goals	Ethical concerns	Cultural characteristics	Constraints: time & budget
Humanistic Approach (+)	Organizational values (+)	Forward-looking culture (+)	Complementary tool (+)
Culture part of Strategy (+)	Common ground (+)	Open engagement (+)	Value the time to interact (+)
Participation at all levels (+)	Moral pluralism (+)	Culture against retaliation (+)	Think slow (+)
Probalistic evidence (-)	Fear of changing values – social pressure (-)	Primarily market/profit oriented (-)	No time and budget (-)
Identifiable “\$” value (-)	Ethics Officer not involved (-)	Fear of retaliation (-)	Think fast (-)
Forecasts and predictions (-)	Conflicting ideas (-)	Prefer external consultants (-)	Time consuming (-)

Conclusion

Partial truths of organizational culture.