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We argued in Chapter 1 that the authors who have revised liberal political economy over the past fifty years (for instance Galbraith) have increasingly placed managers in the foreground and charged them with the responsibility of acting as custodians of a constitutionalised corporation. Such a view has by no means fully displaced the orthodoxy. Thus, for Friedman, 'good' managers will be single-mindedly dedicated to the pursuit of profit, and in so doing automatically act to the greater happiness of the greatest number. Here, it would be irresponsible for them to act in any other way. Nor can the managerialists convince the Left of the advisedness of deregulating corporations, and therefore the actions of managers. The extent to which managers may be trusted as spontaneous arbiters of the public interest is also questioned.

In this chapter, we shall look more closely at what is at stake in studying corporate social policies. Regardless of which of the above three positions one prefers, what managers do and the understanding they have of their own actions is a reasonable starting point. The case studies will show how managers understood their own work at four manufacturers, and whether the meaning that work had for them fitted within any particular one of the three positions.
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Corporate Social Responsibility

There are two senses in which managers are held ‘responsible’. On the one hand, there is the moral sense of responsibility, and on the other, there is the functional sense. The moral sense refers to what is right and wrong, and here, as we have already hinted, the notion of morally responsible action might be quite different, depending on the political economic theory employed. Thus there are different systems of morality. The functional sense refers simply to what managers do, their duties, their job descriptions and their capacity to solve given problems: their job responsibilities. Again, there are different views on what managers’ duties actually entail in practice, and on how to interpret management’s understanding.

‘Social responsibility’, in both senses of the term, has had an historical career. On the one hand, definitions of corporate morality have changed in radical shifts during the nineteenth and twentieth centuries. What was moral for the New Model Employers1 of the nineteenth century would by many be seen as morally undesirable today2 – hence the changing connotations of the term ‘paternalism’. On the other hand, the ambit of company functions has changed as the state has taken ‘responsibility’ for unemployment, housing, education and health.

Suggestions abound today that managers should once again assume moral and functional responsibilities for certain social problems which they have lost to government over the past hundred years or so. In studying managers’ current views and practices, we examine whether such a transition is feasible, and if so, what the ‘private solution’ would imply for management. Before presenting the case studies, we briefly outline some key concepts and theories which claim to understand the nature of modern management.