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# DIGNITY, HUMANISTIC MANAGEMENT, AND THE SUSTAINABLE DEVELOPMENT GOALS

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## INTRODUCTION

Business leaders have long been called on to become political leaders. The United Nations has long understood that it needs to engage business leaders. The late UN Secretary general Kofi Annan said that globalization will either work for everyone or it will not work for anyone. He initiated the Global Compact which was the first time the UN worked directly with business leaders instead of political leaders.

With the adoption of the Sustainable Development Goals (SDGs) in 2015, the business community has been invited to become political in the deepest sense of the word—caring for the polis, i.e., society. The times in which focus on profitability as the only objective for business are largely viewed as passé. From high impact investors to consumers and employees, many important stakeholders ask more from business leaders. Yet, business practice is arguably lagging behind stated intentions.

In this paper, I wish to highlight one possible reason for the slow progress of the shift of business toward caring for society: a paradigmatic mismatch of the traditional business paradigm, which I label economistic with the paradigm that has borne out the SDGs. I also offer possible pathways forward to create alignment between business and the SDGs: a humanistic paradigm for business management. I elaborate how a humanistic perspective aligns the notions of responsible management with

the SDGs and can accelerate their achievement. These ideas are built on my previous work and discussions with colleagues (Pirson, 2017a; Pirson 2017b; Pirson, 2019; Pirson, 2020; Pirson & Bloom, 2012; Pirson, Dierksmeier, & Goodpaster, 2015; Pirson, Goodpaster, & Dierksmeier, 2016; Pirson & Lawrence, 2010; Pirson & Steckler, 2019; Pirson & Turnbull, 2011; Pirson & Turnbull, 2015; Pirson, Vázquez-Maguirre, Corus, Steckler, E., & Wicks, 2019).

## **A PARADIGMATIC MISMATCH AS SOURCE OF SLOW PROGRESS**

Architects look at the blueprint of a building such as a church to understand how it can be repurposed. I argue that looking at the blueprint of business can inform the discussion about progress on the SDGs. I further posit that an economic paradigm informs the blueprint of our currently dominant institutions—the corporations. I suggest that understanding the underlying paradigmatic blueprint is of benefit for those that wish to repurpose business organizations. Much like architects, they can detect structural problems that can direct actions and ultimately accelerate success reaching the SDGs.

### **Economic Paradigm Based on Utility**

Mele and others label the dominant paradigm “economic” (Mele, 2003; Pirson & Lawrence, 2010), i.e., a perspective that elevates the assumptions underlying classical economics to explain every type of human behavior. People are thus understood as individualistic utility maximizers (Jensen & Meckling, 1994). They act opportunistically in their narrow self-interest because it is rational. *Homo economicus*, as the paradigm names people, is asocial and amoral. What matters to him or her is cost and benefits only (Dierksmeier, 2011; Kirchgässner, 2008).

Organizations have been designed around this notion of *homo economicus* (Jensen & Meckling, 1976). Whereas the market is the dominant organizing mechanism, some organizations, such as hierarchies, are arguably superior to market arrangements because they save costs (Coase, 1937; Kahneman, Knetsch, & Thaler, 1990). The most prominent example is the corporation which was designed as a legal entity with limited liability to the public (Korten, 1998). In the economic paradigm, other people and society do not matter; they are either taken as a given or ignored since managers are required to focus on shareholder value according

to corporate governance mechanisms (Carroll, 1999; Hoffman, 2007). Efforts to promote social responsibility are arguably saddle-bag efforts: add-ons to lessen, mask, or disguise shareholder value maximization efforts (Garriga & Mele, 2004; Lawrence & Pirson, 2015; Mele, 2009).

The dominant measure of policy success has been the measure of Gross Domestic Product (GDP). GDP can be traced back to the foundational notion of utility which arguably manifests itself in revealed preferences in the marketplace. The dominant category in this realm is price, which is given in exchange for something desired and may even be at the expense of morality or dignity (Jensen & Meckling, 1994; Pirson, 2019).

The economistic paradigm, the corporate business model, and its corporate governance implications became prominent in the United States and other parts of the world during the 1990s (Davis, 2009) and have persisted because of the underlying assumptions for the American corporate design (Pirson, 2020).

### **Humanistic Paradigm Based on Dignity**

In contrast, the humanistic paradigm is built on the notion of *homo sapiens* (see also Table 1). It draws on the consilience of knowledge traditions including modern neuroscience and evolutionary biology as well as ancient wisdom. It views human beings as fundamentally social beings endowed with reason. Paul Lawrence outlines four fundamental drives that all humans need to satisfy to survive: the drive to acquire, the drive to bond, the drive to comprehend, and the drive to defend (Lawrence, 2010; Lawrence & Nohria, 2002). Rather than maximizing any of these drives, Lawrence suggests human life is a quest for balance of these drives (Lawrence & Pirson, 2015). In an earlier paper, I suggested that *homo sapiens* reaches a dignity threshold when drives are balanced at a minimum level: when humans have enough to eat, have family and friends to support, pursue a higher purpose, and feel physically and psychologically safe (Pirson, 2017b).

In the humanistic paradigm, groups and organizations are a natural way of organizing for humans because it expresses their sociality (Wilson, 2015; Wilson, 2012b). Groups and organizations make sense because collaboration provides clear survival benefits beyond reduction of transaction costs (Dutton, Worline, Frost, & Lilius, 2006; Weick, Sutcliffe, & Obstfeld, 1999; Wilson, Ostrom, & Cox, 2013; Wilson,

Van Vugt, & O’Gorman, 2008; Wilson, 2012a, 2012b). Organizations, including businesses, then are created to solve problems that cannot be solved individually but only through collaboration and division of labor (Turnbull, 2017). Typical organizations are cooperative units such as cooperatives and social enterprises, small businesses, and family businesses.

	Economistic	Humanistic
<b>Ontology</b>	Homo Economicus	Homo Sapiens
<b>Foundational Concept</b>	Utility	Dignity
<b>Metaphor</b>	Triangular Sandwich	Doughnut/Bagel
<b>Organizing Logic</b>	Maximization of Wealth/ Status/Power	Balancing of 4 Drives above dignity threshold
<b>Objective Function</b>	Shareholder Value Maximization (short and long term)	Stakeholder Well-Being Enhancement (SDGs)
<b>Managerial Responsibility</b>	Maximization of Shareholder/ Stakeholder value	Balance
<b>Source of Responsibility</b>	Outside-In	Inside-Out
<b>Result of Responsibility</b>	Competitive Advantage	Collaborative Advantage
<b>Stakeholder Management</b>	Risk Management	Co-Creation
<b>Innovation</b>	Value Creation	Shared Value Creation
	Value Extraction	Value Recognition
		Value Restoration
		Value Protection

Table 1: Comparison Between Economistic and Humanistic Paradigm

Success at the societal level is measured by well-being-oriented measures (Dierksmeier & Pirson, 2009; Durand & Boarini, 2016; OECD, 2019). These measures include financial wealth yet extend and include measures of social well-being, spiritual well-being, physical and mental health, etc. These measures reflect the four drives by Paul Lawrence in terms of wealth and status, social trust and

trustworthiness, a sense of a shared and higher purpose, as well as psychological and physical safety (Bennis, 2010; Lawrence, 2010; Lawrence & Pirson, 2015). The Organization for Economic Cooperation and Development (OECD) has developed the “Better Life Index” to measure such well-being (OECD, 2019). The UN SDGs are a specification of such well-being-oriented measures (Pirson, 2019; Scherer, Palazzo, & Seidl, 2013).

### **The Dysfunction and Insanity of a Paradigm Mismatch**

The comedian’s definition of insanity is doing the same thing over and over and expecting different results. Albert Einstein said that you cannot solve a problem with the same mindset that created it. Both point to a need for a shift of mindset or paradigm to address underlying problems (Chapman & Sisodia, 2015; Mackey & Sisodia, 2014; Pirson, 2017b, 2020; Sisodia & Gelb, 2019; Sisodia, Wolfe, & Sheth, 2003; Waddock, 2016, 2018).

Most corporate leaders are operating within the economic paradigm (Korten, 1998, 2007, 2015; Wilson, Ostrom, & Cox, 2013). The dominant narrative of success forces them to do so, even if they do not personally prefer it (Sisodia & Gelb, 2019). While the economic paradigm is increasingly questioned by the likes of Ray Dalio or Larry Fink, it is deeply anchored in the consciousness and sub-consciousness of most actors in business and beyond (Laszlo & Tsao, 2017). The recent Business Roundtable Statement on the purpose of the firm has raised many hopes and yet Bebchuk and Tallarita (2020) find that most companies are not managing for stakeholders and call it illusory that they are expected to.

The mantra that “the business of business is business” remains the guiding rule despite the fact that many investment banks are now also considering environmental, social, and governance factors in their investment decisions (Freshfields, Bruckhaus, & Deringer, 2006). They all quickly acknowledge the fact that this is because of risk-related concerns, i.e., these concerns matter because they affect costs and benefits especially in the long term (Freshfields et al., 2006).<sup>1</sup>

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<sup>1</sup>See also more recent investor communications:  
<https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter>  
<https://www.morningstar.com/features/esg-risk>

Yet, I argue that business leaders are better served by understanding and navigating within a humanistic paradigm, especially if they want to make swift progress towards the UN SDGs. It seems painfully obvious that we cannot expect a dog to behave like a dolphin, and an old accountant like a young artist. While some surface behavior may be similar, the genetic code as well as the mindsets differ. Therefore, we also should not expect business managers trained in the context of the economic paradigm to easily adjust to a humanistic paradigm (Pirson, 2020).

The developers of the SDGs, much like the developers of the OECD Better Life Index constructed their measures reacting to the deficiencies of GDP as societal success measure and the deficiencies of the economic paradigm at large (Durand & Boarini, 2016; Sachs, 2017). Hence, I argue, the slow progress towards the SDGs is rooted in a paradigmatic mismatch. For business managers to really swiftly and speedily make progress on the SDGs they will need to adopt a different mindset (Pirson, 2019; Sachs, 2017; Sisodia & Gelb, 2019).

## **DIGNITY AS SHARED FOUNDATION FOR PARADIGMATIC ALIGNMENT**

The legal scholar Jeremy Waldron suggests that both dignity and utility are foundational concepts upon which rules and norms can be constructed (Waldron & Dan-Cohen, 2012). Thus, dignity can be considered “a category for all that is of intrinsic value and which cannot be replaced” (Pirson, 2019: 42), and all that which has no price, including the arts or the environment. The SDGs follow the foundational concept of dignity while the traditional objective function in terms of GDP, profit, and income is derived from utility (Pirson, 2017b; Raworth, 2017).

### **Dignity and the SDGs**

The origin of the millennial development goals (MDGs) and the SDGs can be traced back to the universal declaration of human rights adopted by UN member states in 1948. This charter builds on the notion that human life has intrinsic value, i.e., dignity, and that such dignity needs to be protected (Cragg, 2012; Dierksmeier, 2015; Sachs, 2017; Wettstein, 2012). The notion of dignity as intrinsic value has arguably been developed in many religious and philosophical traditions not only in the Western hemisphere but globally. The most prominent thinker that outlined the notion of dignity is often argued to be Immanuel Kant. He famously stated:

everything has either a price or a dignity. Whatever has a price can be replaced by something else as its equivalent; on the other hand, whatever is above all price, and therefore admits of no equivalent, has a dignity. (Kant, 1785: 435)

Emanating from this statement, others have developed a number of notions related to dignity (Hicks, 2011, 2018; Kostera & Pirson, 2016; Pirson, 2017a). There are arguably three separate yet interconnected ways to understand the notion of dignity: 1) as a general category of intrinsic value, 2) as an unconditional and inherent form of human value, and (enshrined in the Declaration of Universal Human Rights by the United Nations, 1948<sup>2</sup>), 3) as a conditional and earned form of human value (Pirson, Goodpaster, & Dierksmeier, 2016).

### **Dignity as a General Category of Intrinsic Value**

Dignity cannot be substituted with something else; thus, based on the categorical understanding according to Kant (1785), the value of dignity is “terminal and priceless” (Pirson et al. 2019: 10) and cannot be exchanged like goods in a market system. Several legal scholars argue that “dignity is a complex and constructive idea with a foundational and explicative function” (Pirson, 2019: 10), consistent with its value.

In terms of the SDGs, the categorical concept of dignity relates specifically to the dignity of the environment. SDGs 13/14/15 are expressions of the intrinsic value of the environment. SDG 13 focuses on climate action by strengthening resilience and adaptive capacity in all countries; integrating climate change measures into national policy, strategies, and planning; as well as improving education on climate change mitigation, adaptation, and early warning. SDG 14 aims to “conserve and sustainably use the oceans, seas, and marine resources for sustainable development”<sup>3</sup>. This goal focuses on pollution prevention, protection of marine life and coastal ecosystems as well as action to restore healthy and productive oceans. SDG 15 aims to “protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and biodiversity loss”<sup>4</sup>. This goal focuses on ecosystem management; the conservation, restoration and sustainable use of forests, wetlands, mountains; combatting desertification; and maintaining biodiversity.

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<sup>2</sup><https://www.un.org/en/universal-declaration-human-rights/>

<sup>3</sup><https://sdgs.un.org/goals/goal14>

<sup>4</sup><https://sdgs.un.org/goals/goal15>

## **Human Dignity as Unconditional and Inherent**

Human dignity has been a central concern from antiquity to the Middle Ages and specifically the Renaissance. Religious tradition and philosophical thinkers of the humanistic traditions debated the concept of human nature and the tension between its intrinsic value and its external vulnerability (Rosen, 2012). At the root of much thinking was the question of the inherent and universal value of life (Dierksmeier, 2015; Forschner, 1981, 2011).

In terms of the SDGs, the concept of unconditional human dignity relates specifically to the dignity of us, human beings. SDGs 1 to 6 are expressions of the intrinsic value of human life. The goals focus on the elimination of poverty, the eradication of hunger, the promotion of health and well-being, quality education, gender equality and access to water and sanitation for all. These goals are all ultimately justified by the notion that human life is invaluable and therefore needs to be protected, no matter the price or cost.

## **Human Dignity as Conditional and Earned**

Another overarching precept of human dignity is earned respect (Dierksmeier, 2015; Pirson, Dierksmeier, & Goodpaster, 2015), which is conditional in the sense that it depends on the development of certain faculties, abilities, and virtues (Hodson, 2001) and “the actual use of rational capacities (Rosen, 2012)” (Pirson et al., 2019: 131). When it comes to human dignity, Kant differentiates between *Würde* and *Wert*, i.e., every human being has dignity because of the theoretical ability to be moral (*Würde*) but only those actually lead moral lives can be attributed with personal ethical value (*Wert*) (Dierksmeier, 2015; Pirson et al., 2019). Thus, while every person’s dignity must be recognized and respected, praise should be reserved “for those who pursue and actualize dignity for themselves and others” (Dierksmeier, 2015; Pirson et al., 2015; Pirson et al., 2016; Pirson, 2019; Pirson et al., 2019: 131).

To receive qualified praise, achieve respect, and conditional dignity, a manager would need to contribute to achieving the SDGs. Dignity-oriented managers orient themselves towards ensuring access to affordable, reliable, sustainable, and modern energy (SDG7); promote inclusive and sustainable economic growth, employment and decent work for all (SDG8); build resilient infrastructure, promote sustainable industrialization and foster innovation (SDG9); reduce inequality within and

among countries (SDG10); ensure sustainable consumption and production patterns (SDG11); make cities inclusive, safe, resilient and sustainable (SDG 12); promote just, peaceful and inclusive societies (SDG16); and develop partnership for the goals (SDG17)<sup>5</sup>.

## DIGNITY AND MANAGING FOR THE SDGS—A DIFFERENT PERSPECTIVE

A renewed and radically humanistic paradigm for business management is anchored in the foundational concept of dignity (de Colle, Freeman, Parmar, & de Colle, 2016; Dierksmeier, 2016; Hicks, 2018; Huehn & Dierksmeier, 2016; Kostera & Pirson, 2016; Pirson, 2017b; Pirson, 2019; Pirson et al., 2015; Pirson et al., 2016; Pirson, Vázquez-Maguirre, Corus, Steckler, & Wicks, 2019; Stephens & Kanov, 2016; Westermann-Behaylo, van Buren, & Berman, 2016). This statement is more than a throwaway statement. It has fundamental implications for how we think about organizing. The SDGs emanate from a fundamentally different paradigm of who we are as human beings and what we aspire to than the traditional and dominating economic paradigm would make us believe (Dierksmeier, 2017; Pirson, 2019; Pirson & Steckler, 2019; Sachs, 2017).

Language is a critical component to support and accelerate progress for the SDGs and metaphors and images help accelerate a paradigmatic alignment (Hambrick, 2002; Lawrence & Pirson, 2015; Lovins, 2016; Pirson, 2017a; Raworth, 2017; Waddock, 2016). To guide the argument that follows I will use a metaphor introduced by Kate Raworth in doughnut economics (Raworth, 2017). The generic idea suggests that responsible managers need to organize to enter and stay in the safe and just zone of operating—the doughnut. This zone is specified by the planetary boundaries as outer limits, respecting dignity of the planet and by the social minima required for a dignified human life as the inner limits (respecting unconditional human dignity). Humanistic management scholars describe this type of responsible management as the protection of dignity (at the core) and the promotion of well-being within the planetary boundaries (Pirson, 2019; Pirson, 2020; Pirson & Steckler, 2019; Pirson et al., 2019).

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<sup>5</sup><https://sdgs.un.org/goals>

To extend Raworth's image, I represent managerial responsibility within the economic frame as the slope on a triangular sandwich (Pirson, 2019; Figure 1). With this parallel metaphor, managerial action is guided by effectiveness and efficiency oriented along an unlimited growth trajectory; there are no limits to growth in that perspective.

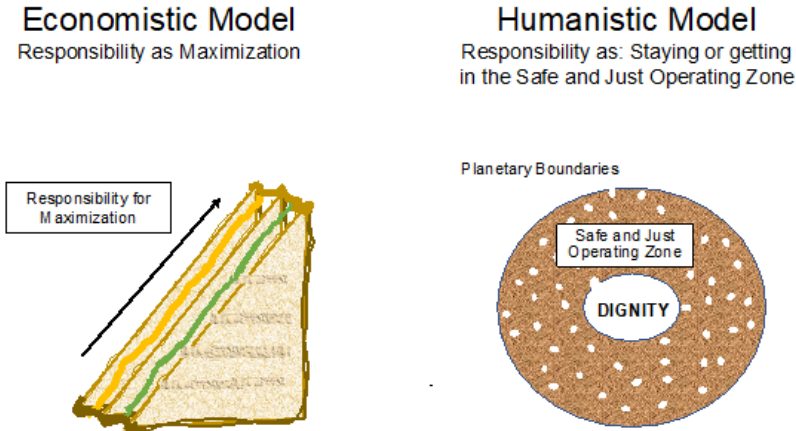


Figure 1: Guiding Metaphors – From Sandwich to Bagel Management (Source: Adapted from Pirson, 2020: 789; Raworth, 2017)

To represent managerial responsibility within the humanistic frame, I use the image of a bagel (Pirson, 2019; Figure 1) to define the managerial responsibility space. The dignity core defines the hole of the bagel while the planetary boundaries define the outer limits. As specified above, the SDGs represent a specification of managerial tasks that allow our species to enter and stay within the “bagel zone.”

Responsible management, stakeholder engagement as well as innovation and creativity for well-being promotion are required to move current practices into the safe and just operating zone (Drayton, 2011; Jain, Triandis, & Weick, 2010; Lane, 2011; Leach et al., 2012; Maciariello, 2012; Nidumolu, Prahalad, & Rangaswami, 2009; Pirson et al., 2019; Prahalad, 2012). Leaders and managers can, for example, get their stakeholders to understand the negative impacts of their operations on the planetary boundaries and to develop innovations to address issues of climate change, biodiversity loss, overfishing as well as the protection and restoration of dignity (Pirson, 2020). There are many resources that offer learning opportunities for corporate managers and leaders so they may get their organizations to address

the SDGs, such as the UN Global Compact and the World Business Council for Sustainable Development (Pirson, 2020).

The transition from economic to humanistic managerial responsibility is very challenging, but the UN Climate Treaty (Paris Accord) and the UN Global Compact have shown that many more corporate managers are considering this. Such a shift would require new competencies that go beyond typical change management approaches. They would need to use technology-driven solutions, new mindset, novel communication strategies that include language, metaphors, and images (Pirson, 2020). All these can support such a paradigmatic alignment to advance the SDGs.

## **SHIFTING THE UNDERSTANDING OF MANAGERIAL RESPONSIBILITY**

Using the above metaphors, I will outline how they can inform the conversation about the paradigmatic mismatch and accelerated progress towards the SDGs.

### **Pure Economism: Managerial Responsibility as Maximization**

Many corporate managers operate from the economic paradigm, i.e., they follow the maximization imperative as measure of success, be it the pursuit of market share, organizational size, profitability, or shareholder value (Chapman & Sisodia, 2015; Mackey & Sisodia, 2014; Porter & Kramer, 2006, 2011; Sisodia & Gelb, 2019; Sisodia et al., 2003). They follow the metaphor of sandwich management. This is precisely what they have been asked to do by investors. This is what they have been trained to do by business schools (Amann, Pirson, Diercksmeier, v. Kimakowitz, & Spitzbeck, 2011; Burchell, Kennedy, & Murray, 2015; Pirson & Bloom, 2012; Spender, 2017). Such thinking became legitimate, not because it was deemed irresponsible. It became dominant because it was arguably leading to the best social outcome for all of society (Jensen & Meckling, 1976; Jensen, 2002). Maximization strategies have thus been deemed the moral imperative for responsible business leaders (Jensen, 2002). Responsibility as the expectation for shareholder value maximization was thus adopted from the outside-in (Pirson, 2020).

## **Bounded Economism: Managerial Responsibility as Maximization Under Constraints**

Pure maximization strategies were soon found to undercut societal trust (Jensen, 2002; Paine, 2003). The most egregious cases were connected to outright fraud, such as Enron, Parmalat and Lehman Brothers (Currall & Epstein, 2003; McLean & Elkind, 2003; Melis, 2005; Turnbull, 2002; Valukas, 2010). The less egregious and more normalized maximization strategies were oftentimes legal in the strict sense of the term yet short-term-oriented (Guerrera, 2009; Pirson & Turnbull, 2011). Corporate governance codes were formulated and corporate social responsibility became a common place activity—heretofore unknown—to assure societally beneficial outcomes (Kirkpatrick, 2009; OECD, 2009, 2019).

Managerial responsibility was thus soon viewed as adhering to certain societal expectations in addition to shareholder value maximization. Responsibility was codified as constraint to the maximizing business manager. Corporate governance systems and codes are now being developed to uphold both societal and shareholder interests (OECD, 2001). Similarly, the strategic response has been rooted in various approaches to maximize shareholder value by legitimizing corporate behavior with corporate social responsibility (CSR) activities (Pirson & Turnbull, 2015; Pirson & Steckler, 2019).

An example to highlight the grip of the economic paradigm on managers: In the wake of the Rana Plaza accident in which more than 1000 factory workers died in Bangladesh, the fashion industry was under media scrutiny. Nobel Laureate Muhammad Yunus asked the CEOs of large fashion companies that had produced their merchandise in the collapsed building to come up with a more responsible approach to fashion. The fair fashion coalition emerged and its main principles are sustainability and profitability.<sup>6</sup> The coalition is formed by 41 CEOs of the largest fashion houses. Anna Wintour, famed editor at Vogue, joined the coalition because the London Fashion Week had been disrupted by Extinction Rebellion activists. The stated goal of this coalition is to achieve the SDGs.<sup>7</sup> Yet, the approach to responsibility for achieving those goals has been reactive—from the outside-in. Whenever an accident or incident is happening that threatens to undermine societal trust and damage reputation, maximization strategies are constrained. In the case of

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<sup>6</sup><https://www.gcufairfashioncenter.org/>

<sup>7</sup>Personal conversation with its leaders.

the fashion industry coalition, profitability is the main goal and chasing the waste is the main objective. While this approach is clearly the most workable within the economic paradigm, I question whether it is the most functional in achieving the SDGs. It may simply follow the mantra of doing less harm (Laszlo & Tsao, 2017).

In these approaches, I suggest that

the general design imperative was oriented towards getting managers to be responsible from the outside-in: outside expectations as formalized in various standards, codes, and reporting criteria were supposed to curb managerial opportunism and irresponsible behavior (Paine, 2003). As the theoretical design assumed amoral agents, moral, ethical, and social concerns needed to be imposed. (Pirson, 2020: 780)

The main approach to assure responsible management focuses on reporting related activities, such as submitting reports to the Global Reporting Initiative or the United Nations Global Compact.

However, studies have shown that outside-in responsabilization schemes have hurt investors and society in the long run because of managerial opportunism (Cadbury, 1992; Kirkpatrick, 2009), as demonstrated by various crises (e.g., Enron in 2001, the global financial crisis of 2007–2008), which highlighted the insufficiency of structural and strategic responses to ensure managerial responsibility, and thus, their effectiveness as well (OECD, 2009; Pirson & Turnbull, 2011). As such, I argue an alignment with a different paradigm is more functional and responsible.

### **Humanistic Managerial Responsibility – Responsibility from the Inside-Out**

Rather than follow the maximization imperative of the “sandwich” model, managers within the humanistic paradigm view responsibility to move and keep their organizations within the “bagel” zone—the safe and just zone for humanity. This safe and just zone is described and specified by the SDGs.

The paradigmatic shift towards a humanistic perspective or responsible management is manifested as the freedom to balance four drives—to acquire, to bond, to comprehend, and to defend—above the dignity threshold, resulting in the enhancement of well-being (Pirson, 2020). This stems from within the individual and is carried over to relationships, groups, organizations, and society (Lawrence

& Pirson, 2015). This inside-out approach of humanistic management is a relevant alternative to the economic perspective and has been shown to lead to more stable, resilient, happier, and productive organizations (Diener, 1994; Dunn, Iglewicz, & Moutier, 2008; Healy & Cote, 2001; Kasser & Ahuvia, 2002; Ryff & Keyes, 1995). Teams that have learned to balance the four drives outperform others (Child, 2001; Edmondson, 1999; Jarvenpaa, Knoll, & Leidner, 1998; Senge & Society for Organizational Learning, 2004). These organizations ensure that they balance the drives to go above dignity thresholds by providing living wages (the drive to acquire), psychological and physical safety (the drive to defend), trusting relationships (the drive to bond), and a higher purpose (the drive to comprehend) (Anderson & White, 2009; Collins, 2001; Collins & Porras, 2002; Mackey & Sisodia, 2014) and effectively become resilient or excellent.

The humanistic paradigm also provides the ontological foundation for organizational forms, which have reinvented business models and structures and made moral and social responsibility as foundational and core to their purpose as an organization. These include social enterprises (Austin, Leonard, Reficco, & Wei-Skillern, 2006; Bornstein & Davis, 2010; Drayton, 2006, 2009), for-benefit corporations (Sabeti, 2011), common-good businesses (Felber, 2015; Maciariello, 2012; Naughton, Alford, & Brady, 1995), and social businesses (Yunus, 2006, 2008). Responsibility is practiced as a normative principle that resides within the manager and the organization. It is not provided by an outside entity only. Shifting to the humanistic form of responsibility can accelerate progress towards specified, desirable human outcomes such as the SDGs. Examples of dignity-based practices such as Greyston's Open Hiring or the Truly Human Leadership approach of Barry-Wehmiller are just some applications of a humanistic paradigm. SEKEM in Egypt or Natura in Brazil are prominent other examples. Yet, so far they remain outliers. To meet the SDGs, we need to multiply organizations and managers that lead from a humanistic perspective.

## CONCLUDING THOUGHTS

To achieve the SDGs, the business world needs to make faster progress. I argue that one of the barriers to faster progress lies in a paradigmatic mismatch. This mismatch between economic paradigm that guides corporate management and the humanistic paradigm that guides the SDG agenda leads to cognitive dissonance

and disorientation. Many business leaders have to shift from an economic to a humanistic paradigm. Much like a tourist in London is not served by a map of Tokyo, many business leaders need to reorient and find an appropriate humanistic map. I suggest that understanding human nature from an evolutionary and holistic perspective allows managers to make better decisions. Companies that have done so have also been highly successful in financial terms. The evidence for the superiority of the humanistic approach has been overwhelming for decades with studies continuously showing higher innovation, resilience, and performance (Peters & Waterman, 1982; Collins, 2001; Sisodia, Wolfe, & Sheth, 2003). Yet, the evidence does not seem to get more leaders to adopt more humanistic practices across the board. And if they do, they often do it for the wrong reasons, namely to maximize profit. Adopting intentionally a humanistic paradigm based on dignity represented by the doughnut or bagel metaphor can guide corporate business managers better. The movements towards social enterprise, B-Corporations, or the Economy for the Common Good are capturing a broader shift towards humanistic management. To close the gap, more awareness of the humanistic possibility needs to be created via advocacy, media, and collaborations between humanistically-oriented businesses, researchers, and policy makers. Such initiatives are emerging, such as Imperative 21, the Economy of Francesco, the Economy for the Common Good, and several more. Yet, overall awareness is still comparatively low, while cynicism is raging ever higher. Initiatives such as the Humanistic Leadership Academy aim at upskilling professors, students, and practitioners to shift towards a humanistic paradigm that is simultaneously beneficial to self, others, organizations, society, and planet.

With this paradigmatic shift, managerial responsibility shifts away from maximization to a balance orientation. The intentional alignment of organizations with a humanistic management agenda will advance progress towards the SDGs—and global sustainability—faster and more comprehensively.

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