



Spiritual Enterprise: Doing Virtuous Business

by Theodore Roosevelt Malloch

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■ reviewed by Richard J. Goossen

Ted Malloch is chairman and CEO of the Roosevelt Group and founder of the Spiritual Enterprise Institute. His recent book is a valuable reflection on ethics in business and the pursuit of meaning and significance at work.

Malloch does this by presenting the uncommon notions of a 'spiritual enterprise' and doing 'virtuous business.' He writes his book as 'a committed Christian' but what he says 'does not reflect a narrow or specifically sectarian Christian theology' (p.xx). Malloch recognises the centrality of faith in business dealings and explains how business can, despite recent notorious examples to the contrary, be conducted in a virtuous manner by individuals; an organisation itself can be a spiritual enterprise. The bookshelf is relatively bare with respect to books dealing with the intersection of faith and business in terms of the philosophical underpinnings, so this is a welcome contribution.

Malloch approaches his topic in an ideologically balanced fashion. He advances arguments with careful

deliberation, taking into account the most frequent rebuttals to his position. Refreshingly, he does not engage in knocking down feeble straw men; instead he fairly summarises opposing perspectives and offers his own contrasting view. This contributes to, rather than detracts from, the overall credibility of his argument. *Spiritual Enterprise*, by its very structure, distinguishes itself from much overtly biased fare that is clearly preaching to the choir and misrepresenting opposing viewpoints.

Malloch, to his credit, has one foot in the world of mainstream business and the other in the world of mainstream academia and thus does not fall into the common disposition of caricaturing either perspective. He builds his arguments carefully, drawing on a depth of knowledge in economics and philosophy, citing thinkers from Adam Smith to Aristotle. The book has numerous (mainly American) examples to buttress his points, from oft-cited companies such as Chick-fil-A to lesser-known ones such as Providence Healthcare. In a primer such as this, his examples serve as practical evidence for

each argument, rather than being a conclusive position. Malloch also includes an appendix titled a 'gallery of virtuous companies' which will be helpful to readers.

Malloch adds to his credibility through developing his position by anticipating arguments. The book is written in the style of advancing an argument and offering responses to anticipated objections. In some instances, Malloch offers arguments in response to what he calls 'a Leftist view' of business which is very negative. In other cases he cites sceptics who require a response. Throughout the book Malloch's tone of discourse reflects the sensitivities of being a Christian who is an academic. The environments of the world's leading universities are at best arrogantly dismissive or patronisingly sceptical of any religiously-based claims; in their mind science decimated the value of faith long ago. As a result, Malloch is quite aware that he must argue for the relevance of his inquiry, which some readers would dismiss out of hand by virtue of the title of the book alone.

Spiritual Enterprise begins with a discussion of 'spiritual capital', which

Malloch defines as 'the fund of beliefs, examples and commitments that are transmitted from generation to generation through a religious tradition, and which attach people to the transcendental source of happiness' (pp.11-12). He explains that social capital is 'built through creating networks of trust and goodwill which enable people spontaneously to pool their intellectual and physical resources in a common enterprise' (p.6). Spiritual capital, however, is not built on relations simply among people (that would be akin to social capital) but it incorporates a relation with God. Spiritual capital finds its source in the accumulated wisdom of a religious tradition, whether Christian or otherwise, and is manifested in virtues; in other words, what you 'are' rather than what you 'do'.

The book then reviews the manifestation of these concepts through virtues. Malloch first reviews the theological virtues of faith, hope and charity; he then discusses a number of virtues of particular relevance to business. He explores 'hard virtues' which are virtues necessary for success, but which can border on selfishness if not tempered. The hard virtues are leadership, courage, patience, perseverance and discipline. To achieve balance these hard virtues must be complemented by what he calls 'softer virtues'. These virtues include justice, compassion, forgiveness, gratitude and humility. Malloch explains that virtues endure and spread when they are sustained by faith.

The discussion of virtues leads to a consideration of how they can be embodied in a legal entity, such as a company. Malloch

explains that the virtuous company, building on spiritual capital, is different from other companies. It knows from the outset that it is a steward of all it touches, just as virtuous people are (p.126). Malloch's perspective is that 'corporations come into the world as distinct individuals, with souls that are shaped by the spiritual capital that has been invested in them' (p.127). He views the 'soul' of the company as 'the shared sense of belonging, following, leading and obeying that unites the members around their common interests' (p.128).

But how can a company be virtuous if the entire capitalist system is rooted in greed and self-interest? In a response to critics of the capitalist system, Malloch's 'bold idea' is that 'the creation of wealth by *virtuous* means is the most important thing we can do for ourselves and others, for our society and for the world at large' (p.xix). In particular, it is the virtuous enterprise that accomplishes two important things: 'it makes the world in which we live a better place, and it makes our businesses far more successful, more *profitable* than they otherwise would be' (p.xx).

The final part of the book discusses spiritual capital in an age that is sceptical of the value of faith-based insights. Malloch addresses possible objections from the cynic, the Christian and the pragmatist. To the cynic, he cautions that criticism is misguided if based on the notion that Christians are apparently focused on wealth accumulation. Malloch's reply is that their spiritual capital often results in

focus and industriousness, the first fruits of which are often an accumulation of capital. To the Christian, he argues that so long as the proper moral qualities are pursued then the fruits can be enjoyed. To the pragmatist, who might ask why focus on spiritual capital, Malloch argues its positive influence is pervasive, having been built up in previous generations or existing afresh in subtle ways in other companies. Malloch also argues that spiritual enterprise is not only useful locally but also in the global economy.

In conclusion, *Spiritual Enterprise* is likely to resonate with several groups of people. Christians who welcome a serious treatment of classic Christian virtues and their application to the marketplace will find this book helpful. The book will provide ample means to connect virtues with which they may be familiar to the intricacies of their business practice. On a broader scale the book will hopefully appeal to those who may have nominal understanding or some residual respect for the Christian faith, and possibly some past exposure, but have not connected with its relevance for the working world or contemplated how it can address some pressing needs. This wider group will find the work of relevance. Finally, the book may find its way into the hands of sceptics who, though not convinced by Malloch's arguments, will respect his approach and see the value of the Christian perspective as part of future dialogue. One of the virtues cited in the book is courage, which Malloch himself exhibits by advancing a spiritually-based position. ■

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A central strength of Spiritual Enterprise is that it offers a legitimate critique of capitalism's ability to be uplifting and empowering when there is an absence of moral foundations and influence. According to Michael Novak, who wrote the book's introduction, Spiritual Enterprise is "capitalism in its most profound and important form." Without virtue or some form of spiritual capital on a company's balance sheet, its priorities and decision making could degenerate into the Randian mantra Malloch himself references: "the purpose of wealth is to put oneself on a pedestal." Doing Virtuous Business by Theodore Roosevelt Malloch is an excellent book that presents the theory that creating wealth through virtuous means is a Biblically sound principle. The book explores how companies that follow an ethical business model often perform at a higher level than their competitors. Doing Virtuous Business: The Remarkable Success of Spiritual Enterprise by Theodore Malloch is a great tool for anyone interested in not only increasing their ability as a business person but also as a pursuer of God. The book investigates this concept of how capitalism within our social constructs creates an atmosphere for progress in the business world. Includes bibliographical references and index. Introduction: spiritual entrepreneurship -- Spiritual capital -- Virtue -- Faith, hope and charity -- Hard virtues: leadership, courage, patience, perseverance, discipline -- Soft virtues: justice, compassion, forgiveness, gratitude, humility -- Spiritual capital in a skeptical age -- Conclusion: spiritual enterprise in the global economy. "Critics of capitalism view big businesses as insatiable masters of the universe with little regard for the public, and label those who create wealth as greedy, malicious, and unscrupulous. In this insightful and original book, Theodore Roosevelt Malloch answers these charges head-on with the bold idea that the creation of wealth by virtuous means is the most important thing we can do for ourselves and for others."