

Value-oriented Management in Transformation

A guest lecture by Dr. Ulrich Vogel

Values sound like permanence, transformation sounds like change. We always live between continuity and flux, we conserve and we change. This has always been the case. How is it different today? The world is becoming ever more complex and interconnected, and this makes technology develop at a faster pace and thus makes change overwhelming. How can we as managers “stay on target”? Let’s take a look at the patterns behind the changes and the constants that we must bear in mind.

Technology up to artificial intelligence

400 years ago, when Galileo Galilei propagating the heliocentric worldview, he had discovered the basic axiom of natural sciences – the principle of motion that we all still remember from school: $v = d/t$. Velocity equals distance divided by time. In technology, everything is in motion, even we ourselves are continually in motion with the molecules and atoms in our body. Then Newton refined it, and the natural scientists became better and better up to Einstein, Heisenberg and Hawking. For that reason, nowadays we are technical giants and soon it will be the case that artificial intelligence not only guides our navigator in the car, but also starts to be on equal footing with us in all subject areas, or even to overtakes us. This is why it is urgently necessary to impose a basic moral code on artificial intelligence that corresponds to human values.

Moral pygmies

This takes us to the topic: even though we are such great technical giants, we have not evolved in ethics and interpersonal understanding in the sense of togetherness and leveraging all our human potential. The *homo oeconomicus* is a thing of the past, and in management we must ask ourselves, in general terms, how we can reinforce ethics and morality in our lives so that we do not destroy ourselves. Unfortunately, up to now there was not any exact ethical science, as there had been in natural sciences since the time of Galileo.

This changed however starting with Robert S. Hartman. In 1949 he established the axiom of value science and was also able to prove it mathematically: Good is whatever fulfills its concept. Although that may sound trivial, it is of great significance, since it enables us to distinguish between three fundamental types of concepts: the human concept, the practical-functional concept and the principle-based-systemic concept. Value hierarchies are derived from this that correspond precisely with the humanistic world view and at the same time allow us to “calculate exactly” and hence manage correctly, i.e., well. Result: The human being is always more valuable than the object, which in turn is more valuable than the principle behind it. If we now assign a value to these three types of concepts in three possible ways, namely, at the human level, the material level or the systemic level, then for better or worse we arrive at 18 value perspectives that can be differentiated precisely on a

mathematical basis. In this way we can measure situations, and also people, with a view to the value system that lies behind it, and in this manner handle them better. It is a really revolutionary approach to the topic of values, which otherwise is discussed only in a vague and intangible way.

Application

It sounds complicated, however, in practice it is not. If you are a manager who plans, e.g., a team meeting, then you have clear steps from the preparation to the holding of the meeting to the follow-up, and these steps can be differentiated. If you plan the activities for each step and as you do so, you impose a grid of H (human), F (functional) and P (principle-based) on this, and you ensure that the right symmetry prevails, such that: $H > F > P$, then you will be managing with a correct value balance and addressing and enhancing human potential. But as a manager it is also possible to operate in the following way: $P > F > H$. What does that mean? It means: I value principles and rules more highly than the actual activities, and I see these activities, in turn, as more valuable than the people – and so, metaphorically speaking, this is a dictatorship. The employees' motivation will reflect this, or they will not stay on much longer. Or it could be that: $F > H > P$. Then material things are obviously more valuable than the people involved. This too is unacceptable for an increasing number of employees. You see how easy it is to distinguish between correct and incorrect viewpoints and approaches.

Ask yourself several times a day what “lens” you use to view the situations around you and to view yourself. Do you see yourself only in your role (F = functional) or in your professional purpose (P = principle-based). Or do you also see yourself as a unique person (H = human), who, apart from their role and goals exists in order to enrich the universe in their very specific way?

Summary

In spite of all complexities and changes, there are constants in the jungle of runaway development. We must use these as a compass to guide us. It remains the case that: The human is always more valuable than material things, which are in turn more valuable than the principle-based considerations that lie behind it. Hence the saying: There is no rule without an exception. You are always correct when you use the structure of fundamental human values. Of course, it requires a little bit of practice to apply this in its entirety in a targeted manner. But it is not “rocket science” either. Ask Strametz & Associates about this: they are trained in value science. Or visit us at profilingvalues.com. Learn how managers can handle values appropriately in transformation.