

# **A Fly in the Ointment**

**By Charles E. Smith Ph.D.**

There is a fly in our national ointment. Government is so expensive, bureaucratic, inefficient and procedural that it suppresses personal freedom and wastes money. Years ago, I worked for the Air Force and talked to several colonels in the modeling and simulation area. They said that everything they did cost four times too much, took far too long and often disappeared in a sea of monitoring. They said that there was so much procedure and people looking over each other's shoulders that most of what they did was wasted.

Business is not morally or socially conscious enough to deal with vital social and community problems comprehensively and effectively. Sure, lots of businesses are socially conscious and contribute to the betterment of the world. But it's a drop in the bucket compared to the attention they pay to making money. The business of business is business, and nothing human is more important than that.

Charity has limited impact on complex infrastructure problems. Charity is an act of mercy but there will never be enough to deal with major infrastructure problems or enough to assure long term education that fulfills Thomas Jefferson's vision of an educated citizenry.

Social responsibility defaults to government. How else can one deal with big social problems? Welcome to Catch 22. Only government can take on social responsibility and only big government can be counted on to cost too much and do it with a huge waste of human energy. Businesses could do it if they lived on a different planet and worked together in unthinkable ways, but that isn't going to happen. So, nothing new can happen, except out of crises like war or scary deep recession.

Everyone I know and see on the on the left and right, whether they are intelligent people of good heart or noisy morons, assumes that primary business self-interest or primary government social responsibility is the answer.

They are all wrong. Everyone wants a successful, happy thriving world. You cannot get there from here. Liberals and conservatives, wing nuts and sensible people are all dancing toward species extinction blaming others every step of the way.

Unless businesses in general assume a noble purpose with as much conviction as their pragmatic purpose, we have an irreconcilable problem.

Assuming a noble purpose with as much conviction as a business purpose is a paradox – *a statement or proposition that seems self-contradictory or absurd, but in reality expresses a possible truth.*

Here is the value proposition:

- Pervasive national and global social issues will be resolved more cost effectively when company commercial interests are aligned with the intent to resolve them.
- Engaging noble purpose and business purpose with equal conviction will release far more human energy for innovation, cooperation and performance aspirations beyond normal. At present, culture, leaders and the fact of hierarchy often suppresses peoples' power to act. Research indicates that 75 percent or more innovation and change projects do not succeed as intended.
- Pursuing apparently contrary goals with equal conviction stimulates dialogue and the discovery of shared meaning from which collective action for both results and social responsibility is enabled. Existing systems organized in silos and a bias toward financial and performance measurement result in goal segmentation, departments going their own way, superficial interpersonal and group relationships that undermine performance, and dissociated individuals living in a world of their own and not caring much about company concerns.
- You may or may not make more money in the short term. Maybe, yes; maybe, no. You will have a more sustainable combination of economic success and fair play...and eventually you will prevail.

Noble purpose is whatever someone says is an important contribution in service of others. My idea of a noble purpose may not be the same as yours. Social concerns are unique to individual CEOs, and have included the future of their state or community, energy independence, space, security, health and nutrition, family, poverty, sustainability, climate change, governance and other such issues.

Hylan Lyon, a friend and science advisor to three US presidents, says, "*Noble Purpose is not simply an elevated sense of social consciousness. It is a pragmatic admission of what's*

*required to successfully pursue large markets over time and geography that encompass cultural differences. It is the recognition that when you explain your value proposition, much of its worth is embedded in your ability to recognize and respond appropriately to local value systems. The common values that hold across these diversities always relate to what all of the customers, in the whole, deeply care about, and how your product enables them to see the linkage.”*

Our job is to align noble purpose and business success...