



What Is (Business) Management? Laying the Ground for a Philosophy of Management

Vincent Blok¹

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Abstract

In this article, we philosophically reflect on the nature of business management. We move beyond the political paradigm of the conceptualization of management in order to lay the ground for a philosophy of business management. First, we open-up the self-evident conceptualization of business management in contemporary management practices by comparing ancient and contemporary definitions of management. Second, we develop a framework with six dimensions of the nature of business management that can guide future philosophical and empirical work on the nature of business management: management control, people management, asset management and entrepreneurial action, management as participation, management as responsive action and management as constituting meaning.

Keywords Management · Management and control · Participation · Philosophy of management · Xenophon

Introduction

Today, business management seems to be only a special case of management as more general human condition. Management is everywhere, ranging from people's self-management to social network management, and from household management to planetary management in the context of global warming. This raises the question what is actually meant with the concept of business management. Often, management is self-evidently understood as managerial power and mechanism to control, inspired by the scientific management theory that is still taught in business schools today. In order to develop a better understanding of the contemporary meaning of the concept, one would expect to find deeper insights in the sub-discipline of philosophy of management. It is striking however that this sub-discipline, to the best of my knowledge, never

✉ Vincent Blok
info@vincentblok.nl; vincent.blok@wur.nl

¹ Associate Professor, Philosophy Group, Wageningen University, Hollandseweg 1, 6707 KN, Wageningen, The Netherlands

raised the philosophical question *what management is*. This particular question is both absent in historical and systematic reflections in the field of philosophy of management (Blok 2019a).¹ For instance, in the first volume of the *Philosophy of Management* journal, Alan Bray raised the provocative question “Why is it that management seems to have no history?”, indicating that the practice of management as a corpus of knowledge and skills received only little attention in the literature (Bray 2001). With this, we do not mean that philosophers are not consulted to reflect on issues in management. In his *Introduction to the philosophy of management* for instance, Paul Griseri, one of the leading experts in the field, introduces in section one “the ‘what’ of management”, but he in fact only answers the question about the what of organisations, work and leadership in this section (Griseri 2013) (Tables 1, 2 and 3).

A possible explanation why many non-philosophers define business management self-evidently in terms of managerial power and mechanism of control, while philosophers of management seem to omit the question ‘what is management’, may be that the concept of management is ‘highjacked’ by political philosophers like Michel Foucault. Foucault framed management as governmental technique that indicates the modern governmentality of the world (Foucault 2009). On the one hand, it is acknowledged that our understanding of governmentality originates from the Christian pastorate that governs society and is understood as an *oikonomia*, i.e. as an administration of society according to the model of the management of a household business. On the other hand, economic management is a priori understood from the perspective of political governance as government of populations.² With this, the concept of management is already understood from a bio-political paradigm and becomes such a general characteristic of all relations in modern society, that it does not seem to be able anymore to characterize the particular phenomenon of *business* management.³ This general understanding of the nature of management in our ‘societies of control’ may explain why applied philosophers with a special interest in *business* management shy away from the question ‘what is management’ and instead, turn to questions like what is work, what is an organization, and what is leadership.

And yet, the question of *what is business management* is a legitimate question in the field of philosophy of management. To answer this question, we have to put the political paradigm of the conceptualization of management between brackets in order to articulate the particular nature of *business* management. We also have reason to follow this strategy. First, if the political paradigm of the conceptualization of management stems from the model of the management of the household business, an *economic* paradigm of management may inform us about the particular phenomenon of *business* management. Second, if we experience a discomfort with the orthodoxy of *business* management as managerial power and mechanism of control, we should reflect on this particular context of management and look for alternative conceptualizations of business management that can help us to open up this self-evident notion for philosophical reflection. Instead of being hemmed in by the structures of its self-evident conceptuality, the task of philosophy of management is to develop new theories of imagination for management science (cf. Tsoukas and Cummings 1997; Kompodoros-Athanasidou and Fotaki 2015; Deslandes 2018).

¹ In fact, interest in the history of the concept of management is more often found outside the particular sub-domain of philosophy of management, for instance Mondzain (2005) and Agamben (2007).

² According to Foucault for instance, there are three co-existing types of power relations: 1) legal power in which the sovereign state defines normative codes of what is allowed and what is not; 2) executive power that safeguards the obedience to the legal system, like police and penitentiary detention systems; 3) biopolitical power as government of populations (Foucault 2009). In biopolitical power, “the massive, compact disciplines are broken down into flexible methods of control” (Foucault 1979: 211).

³ Both private and public institutions are understood as economic-political actors (Blok 2019b).

Table 1 Nine dimensions of management that can be found in Xenophon (Blok 2019a)

1. Management concerns the establishment and maintenance of a functioning order of the business in order to make profit.
2. Management concerns the establishment and maintenance of a functioning order of the business in order to evoke public admiration.
3. Management concerns the establishing and maintenance of a functioning order of the business in such a way that both private and public interests are served in an integrated way
4. Management consists in the engagement in the business operations via direct labour.
5. Management consists in the engagement in the business operations via the work done by other people
 - a) Collaboration and partnership with a management team
 - b) Establishment of a management system with internal rules and regulations that employees have to comply with
 - c) Assigning proper roles to trusted middle managers
 - d) Direct people management of employees and/or middle managers
6. Management consists in training and teaching of employees
7. Management acknowledges the fundamental limitations of the establishment and maintenance of the functioning order of the business, and acknowledges the fundamental role of risk and misfortune
8. Management consists in proper asset management in order to increase profit and pleasure.
9. Management consists in proper asset management in order to serve society

In this article we reflect on the nature of business management to contribute to the development of a philosophy of management.⁴ In this, the philosophical method of explorative confrontation is employed to open up the concept of management and critically develop our understanding of business management (Blok 2020). Our approach is *explorative* because it consists in the articulation of a deeper understanding of philosophical and scientific sources about management. Our approach is *confrontational* because we thereby analyse and disrupt the preconceptions held in the tradition to develop our understanding of business management. We explore the limitations and tensions in the definition of management provided by Taylor, Fayol and others.

In section one, we first open up the self-evident concept of management as it appears in philosophical history and in contemporary management theory. We identify a first set of three common characteristics of management, as well as three areas that challenge the self-evident conceptualization of management as managerial power and mechanism of control. Subsequently, we philosophically reflect on the nature of management to move beyond this self-conceptualization of management in section two, and provide three additional characteristics of management. In section three we draw our conclusions.

Because philosophical reflection on business management is still in its infancy, we do not pretend to develop a full philosophy of management in this article. Instead, we lay the ground for such a philosophy by developing a framework with six dimensions of the nature of business management that can guide future philosophical and empirical work on the nature of business management.

Opening up the Self-Evident Concept of Management

Management in Xenophon and Contemporary Management Theory

In management theory, the concept of business management has a long tradition. It is normally understood as managerial power and mechanism to control, inspired by the scientific

⁴ Although we explicitly focus on *business* management in this article, it is assumed that at least some of the characteristics are applicable on organizational management as well.

Table 2 Opening up the self-evident conceptualization of business management

Self-evident Management Practices		Additional Characteristics of Business Management
Instrumental management	→ → →	Management as Participation
Management Control	→ → →	Management as Resistance and Responsive Action
Management for Profit	→ → →	Management as Constituting Meaning

management theory that is still taught in business schools today. Henry Fayol and Frederick Taylor can be seen as the founders of management theory, who introduced scientific management (Taylor 1911) in general and five functions of management in particular: planning, organizing, instruction, coordination and control (Fayol 1949). Further insights in the nature of management was provided by Luther Gulick and Lyndall Urwick for instance, who extended Fayol's work and coined the POSDCORB acronym to indicate the nature of management: planning, organising, staffing, directing, coordinating, reporting and budgeting (Urwick 1952; Gulick and Urwick 2012). Koontz and O'Donnell's developed principles of management as well, such as principles of planning, organizing, staffing etc. (Koontz and O'Donnell 1972). These later developments in management theory are also influenced by scholars who indicated the importance of soft skills in management (mintzberg, 2005), social and informal processes in management (Follett 1940), or studied management from the perspective of organizational behaviour (Miner 2002).

One way to open up the concept of management for philosophical reflection is by tracing the different meanings it has in history. Historical analysis can help us to question the self-evidence of the current association of management and mechanisms of control, to deconstruct the presupposed concepts that always already structure our understanding of management, and to explore the sedimentary conceptual structures which show themselves in the words and notions we self-evidently use in our understanding of management practices (Blok 2019b). One of the first philosophical conceptualizations of business management occurred in the work of Xenophon (2013). In *Oeconomicus*, published around 385 b.c., Xenophon introduces a dialogue between Socrates and Critobulus, a wealthy young man, and Ischomachus, a noble and successful manager, about *oikonomia*. *Oikonomia*, as Xenophon understood it, is not comparable with our contemporary understanding of economics and is primarily concerned with household management (Deslandes 2018). The domain of the household is not limited to the private sphere of the house in which we live, but extends to all property that enables the owner of the household to make a living. Instead of analysing Xenophon's work itself in detail in this article, we rely on an earlier contribution on this topic and render nine dimensions of Xenophon's concept of business management (Blok 2019a) which enable us to open-up its self-evident conceptualization of management in terms of managerial power and mechanisms of control.

Table 3 Six dimensions of business management

1. Management consists in the establishment and maintenance of a functioning order of the business.
2. Management consists in the engagement in the business operations via the work done by other people.
3. Management consists in proper asset management and entrepreneurial action in order to serve business and society
4. Management consists in the participation of the manager in the primary process of the business operations.
5. Management consists in resistance against failures in the world, and in responsive action to change the world in order to address these failures.
6. Management consists in the constitution of a meaningful world for the business operations

It is striking that this early conceptualization of management resonates pretty much with the management theory provided by Henry Fayol. If we compare Xenophon's dimensions with the five functions of management according to Fayol's management theory, we see that the first, second and fifth function of management corresponds with the first dimension of business management that we can find in Xenophon's work, the third and fourth function of management corresponds with the fifth dimension we can find in Xenophon's work. We can even argue that Xenophon's conception of people management already moves beyond the mechanistic perspective of management that is often associated with scientific management, and prefigures the people-oriented perspective that is introduced by the human relations school (Mayo 2003).

Xenophon's dimensions of management also resonate pretty much with contemporary definitions, for instance the one that can be found in the Oxford Dictionary of Business and Management. Management in the verbal sense concerns the act of managing an organization or a part of it in order to make most effective use of available resources, and management in the substantive sense concerns the people involved in these type of managerial activities, i.e. the directing, planning and running of the business operations (Law 2009; Statt 2004). According these definitions, management has three main components: 1) it concerns an organizational skill to establish and maintain the functional order of the organization that is taught at business schools, which corresponds with the first dimension of business management that we can find in Xenophon's work; 2) it concerns the ability to motivate subordinates, which corresponds with the fifth dimension of business management that we can find in Xenophon's work; 3) it has an entrepreneurial sense and concerns the recognition and exploitation of new business opportunities, which corresponds with the eighth dimension of business management that we can find in Xenophon's work. Another similarity is that management is generally seen as something that can be learned by training, which corresponds with the sixth dimension of business management that we can find in Xenophon's work, although the extent to which people management can be taught remains disputable. In sum, there are three common characteristics of management: a) management consists in the establishment and maintenance of a functioning order of the business; b) management consists in the engagement in the business operations via the work done by other people; c) management consists in proper asset management and entrepreneurial action in order to serve business and society. We take these common characteristics in Xenophon and contemporary definitions of management as a first set of dimensions of our conceptualization of management.

Questioning the Self-Evident Conceptualization of Management as Managerial Power and Mechanism of Control

At the same time, some dimensions of management that we find in Xenophon's work enable us to question the self-evident conceptualization of management as managerial power and mechanism of control:

- 1) While currently, business management is mainly focussed on the establishment and maintenance of a functioning order of the business to make profit, Xenophon shows the intrinsic relation between business and society; the aim of business management is to serve private and public interests in an integrated way in order to evoke public admiration (second, third and ninth dimension of business management that we can find in Xenophon's work).
- 2) According to contemporary definitions, management concerns the act of managing an organization in order to make most effective use of available resources. The manager is an

efficient and powerful agent according to traditional management science in general and scientific management in particular (Fayol 1949; Taylor 1911). Management concerns a skill that can be learned at business schools, and this skill enables the individual professional to direct, plan and control the business operations. Although the roles and tasks of business management can be combined with other professional tasks, it often involves a strict division of labour between the manager of the business operations who executes the five functions of management and the workforce, and a strict division of labour between the knowledge and skills of the business manager – leadership and finance for instance, – and sector specific or disciplinary knowledge and skills of the workforce. In this respect, the manager remains external to the primary process of the business operations, and this separation of the primary process ensures the differentiation between hierarchical levels on which the manager is dependent. Further, by withdrawing himself from the primary process in which the workforce is highly dependent on each other, the manager becomes independent and manages and controls the primary process via instrumental control systems (management by numbers). This can be contrasted with Xenophon, who highlights the necessity of sector specific expert knowledge and skills of the manager, and the necessity of the involvement of business managers in the business operations via direct labour (fourth dimension of management that we can find in Xenophon's work).

- 3) While the role of risk and misfortune is normally acknowledged in modern conceptualizations of business management, the radical fallibility and vulnerability of management is often not systematically reflected upon in the literature (Deslandes 2018). It is often taken as something that can be managed and controlled, for instance by risk management practices. Xenophon's conception of management can help us to acknowledge the fundamental limitations of business management and the vulnerability of the manager, i.e. the fundamental role of risk and misfortune and the impossibility to establish full control; there is no such thing as Taylor's 'one best way' to operate the business. In similar vein, the exploitation of new entrepreneurial business opportunities, may always turn out to fail (Blok 2018). This possibility of failure fundamentally limits the ambition of business managers to establish and maintain full control of the business operations. In other words, Xenophon's concept of business management helps to acknowledge the limitations of management control, i.e. the fundamental role of risk and misfortune and the impossibility to establish full control (Blok 2019a)(seventh dimension of management that we can find in Xenophon's work). In this respect, Xenophon can be seen as prefiguring some aspects of Fiedler's contingency management theory, especially his acknowledgement that there is no absolute best way to manage the business, and the situational character of the management style of the manager (cf. Fiedler and Garcia 1987).

Based on this first round of reflection on the nature of business management, we cannot draw conclusions regarding these three contested areas of management yet. But by comparing dimensions of business management provided by Xenophon with the self-evident understanding of business management in contemporary management theory, we open up this concept for further philosophical reflection in the next section.

Toward a Philosophy of Management

In this section, we continue our reflections by focussing on the act of management itself. Although the three characteristics that are common in Xenophon's conception and contemporary

definitions – e.g. management as establishment of a functioning order of the business, people management and asset management and entrepreneurial action – are certainly true, it is questionable whether we do justice to the nature of management if we only conceive the phenomenon from the perspective of its utility, that is, the idea that the nature of management can be conceived based on its effects (e.g. management of effective use of resources, serving private and public interests), and not from the perspective of the *action* and *behaviour* that is involved in the act of management. For this reason, we acknowledge the three characteristics that are common in Xenophon's conception and contemporary definitions as dimensions of management, and concentrate on three additional characteristics of business management in this section. In this, we take the three contested areas of management that we identified in the previous section as point of departure in order to build on but also move beyond contemporary conceptualizations of management as managerial power and mechanisms of control. We subsequently reflect on management as participation (§2.1), management as resistance and responsive action (§2.2) and management as constituting meaning (§2.3).

Management as Participation

As we have seen in the previous section, management is often conceptualized as external to the primary process of the business operations. The business manager manages and controls the primary process via instrumental control systems. We can frame this externality and instrumentality of management practices in terms of a *loss of participation*, namely as a loss of participation in the primary process of the business, while we can argue on the contrary that the importance of participation of the manager in the primary process. This loss of participation of management is often criticized for its focus on computation and calculation, resulting in high levels of bureaucracy. First, because comparability requires standardisation, the loss of participation of management can be criticized because it neglects the singularity of the individual professionals in favour of general governance mechanisms and common corporate goals (Robert 2001). Second, following from the first objection, the loss of participation of management can be criticized because it neglects the moral impulse of individual managers (Bauman 1989) that leads to unethical behaviour in management practices (Jackall 1988). Third, because of the emerging gap between the management level and the workforce level, the loss of participation of management can be criticized because of its lack of understanding of and feeling for the professionals that are involved in the primary process.

At the same time, we can question this loss of participation in many contemporary management practices and open a new perspective on management as *participation* in the primary process of the business operations.⁵ Business management is a particular domain of knowledge, but the proper use of this knowledge, for instance via teaching and coaching of employees, requires *experience* as well. Management can be seen as expert knowledge, that is,

⁵ If we positively characterize management as participation, we do not take the notion of participation in the sense developed and criticized by Levinas (1969). According to Levinas, participation is radically opposed to ethics, which is responsive to the singularity of another person. Participation is always characterized by the reduction of the otherness of the other person to the same in favour of a common ground in which the singularity of the other is neglected in favour of their commonality. From this perspective, participation is always participation in a generality (unifying principle, common ground etc.) in which the singularity of the other person is neglected. This neglecting of the other consists in either the assimilation of the other to myself (self-confirmation) or in the submission of myself to the other person (self-denial)(Blok 2017a). In fact, we agree with Levinas' criticism of participation (Blok 2019c and §2.3) but highlight here another aspect of participation as relation to the self as engaged actor, instead of a relation to the other (cf. Stiegler 2005).

proven knowledge based on experience, which requires the participation of the manager in the primary process to constitute *know-how*; that is, his or her actual engagement in the primary process of the business to produce a product or service for instance. The *know-how* of management does not only concern practice based knowledge how to plan and control the business operations, but first and foremost, the practice based knowledge how to make the product the business sells on the market. This *know-how* not only enables the business manager to teach and manage his or her employees, but also to enjoy the pleasure of engagement in the primary process of the business operations, and to appreciate the beauty of the functioning order that is accomplished under the manager's supervision, next to his or her ability to plan and control the business operations in a proper way. In other words, while current management practices may be characterized by a loss of participation, we could argue that this loss of participation is not a necessary characteristic of the nature of management, and that management is in fact characterized by *participation*.⁶

As participation is a relational term, management as participation raises the question *who* is participating in management. We can argue that management as participation is self-referential, that is, embedded in the manager's abilities or capacities, in his or her ego or self. The ego or self of the manager is the singular condition that determines in which business he is involved. This singular condition can be found in the manager's particular disciplinary interests (healthcare or engineering for instance), in his or her personal or family history (gender differences, family businesses or regional industries for instance), in his or her physical or cognitive abilities (talents in math or communication for instance) etc. The self or ego of the manager is the singular condition that constitutes a range of possibilities for action and behaviour, while it closes off others. All actual activities the manager engages in remain embedded in the ego or self of the manager as centre of his or her participation in the business operations. Most often we do not pay attention to the self-referentiality of management, but only in case of a discrepancy between the manager's abilities and his or her actual performance, for instance in case of a manager of a healthcare institution without any professional experience as health professional, or in case of a manager of a bio-industry company who took over the family business but does not have any affinity with animals. This shows that the ego or self of the manager is not a passive receptor of experiences that subsequently engages him in management practices, but that this self is always already intentionally involved in the business practices, and is determining which business opportunities for action and behaviour he can take advantage of, and which not.

⁶ A legitimate question is what explains the loss of participation in many contemporary management practices. One could point at the ambiguity in the Greek and Latin conceptualization of action: "To the two Greek verbs *archein* ('to begin', 'to lead', finally 'to rule') and *prattein* ('to pass through', 'to achieve', 'to finish') correspond the two Latin verbs *agere* ('to set into motion', 'to lead') and *gerere* (whose original meaning is 'to bear'). ... In both cases the word that originally designated only the second part of action, its achievement – *prattein* and *gerere* – became the accepted word for action in general, whereas the words designating the beginning of action became specialized in meaning, at least in political language. *Archein* came to mean chiefly 'to rule' and 'to lead' when it was specifically used, and *agere* came to mean 'to lead' rather than 'to set into motion'. Thus the role of the beginner and leader, who was a *primus inter pares* (in the case of Homer, a king among kings), changed into that of a ruler; the original interdependence of action, the dependence of the beginner and leader upon others for help and the dependence of his followers upon him for an occasion to act themselves, split into two altogether different functions: the function of giving commands, which became the prerogative of the ruler, and the function of executing them, which became the duty of his subjects" (Arendt 1958: 289). This split in the meaning of action may explain why management is primarily associated with a loss of participation. A full answer to this question would require however a broader reflection on the political economy in which contemporary management functions, and is therefore beyond the scope of this article.

With this self-referentiality of management, we don't want to claim that management as participation is primarily subjective. If the self of management is characterized by a relational term – i.e. participation in the primary process – we can formally argue that the self of this relation is not given *prior* to the relation; management is practice based know-how, which means that the actual participation in the business operations constitute the self or ego of the manager at the same time, namely his or her know-how. In fact, management as participation means that the self of the manager and the primary process which he manages are co-constitutive (see further §2.3).

This first additional characteristic of management – management as participation - enables us to question the loss of participation of management that can be encountered in many contemporary management practices, and to open a new perspective on the nature of business management. The transition from the loss of participation of management to management as participation provides a first additional characteristic of the concept of business management.

Management as Resistance and Responsive Action

How can we further characterize the act of management? What initiates this act? The notion of *failure* may provide an appropriate starting point to reflect on the question what initiates the act of management. It is often argued that business management starts with a *problem*, for instance a problem that is experienced by consumers – e.g. connectivity – and is addressed by the introduction of new products or services – e.g. the cell phone. In this respect, managers can be seen as problem solvers. In some cases, these problems or *market failures* provide opportunities for the manager to establish a profitable business. In others, like in green entrepreneurship, the point of departure is found in ecosystem failures like climate change; natural resources like air and water are not easy to allocate to markets and it is difficult to hold markets accountable for environmental problems like climate change resulting from increased or changed production and consumption processes. For green entrepreneurs, ecosystem failures provide new business opportunities, for instance new products and services that reduce environmental degradation, pollution and greenhouse gas emissions. In similar vein, social enterprises solve societal problems in their business operations. What these cases of profit-, sustainability- and society- driven businesses have in common is that the act of management is initiated because of the experience of a problem or failure that is found in the world. This problem provides a business opportunity for the manager and may lead to profit if the business is successful, but also to social or sustainability benefits in case of social enterprises for instance. Another commonality is that instead of facing the reality of this problem or failure in the world, and instead of bending to the facts just because they are real, the manager is oriented towards opportunities that are not real yet but can become real due to his or her act of management. This means that management is not so much characterized by managerial power to control the business, but by *resistance*, namely resistance against the world as it currently is organized and arranged, and by the manager's decision to change the world; the manager experiences a problem or failure in the world and decides not to leave it this way but to initiate new business operations or to change current business operations in order to address this problem. In case of a profit driven business, this resistance and decision to change the world can be found in a gap in the market that the business manager solves by developing new products or services that meet customer needs. In case of a sustainable business, this resistance can be found in resistance against sustainability related ecosystem failures and in the decision

of the manager to take the responsibility to change the world by engaging in sustainable entrepreneurial action.

The idea that management is characterized by resistance and the decision to change the world opens another perspective on management control. As argued earlier, business management is often understood in terms of the managerial power to control; it concerns the functional *order* and ordered arrangement of the business that is led by the manager who is *in control* of the business, so that its efficient functioning is guaranteed and maintained. Although control is definitely important to sustain the business and serves the survival of the firm, it is also criticized for its focus on computation and calculation and neglectance of the individual professional in favour of bureaucratic control as we have seen. We can prevent this criticism by arguing that management controls have to be balanced with another aspect of management that can be associated with resistance and action to change the world; business management involves the decision to change the world, and can be associated with the entrepreneurial sense of management as recognition and exploitation of new business opportunities. In this way, management as resistance and action enables us to conceptualize the nature of business management beyond mere control, namely as resistance against problems or failures in the world and the desire to change the world in order to address this failure.⁷ The decision to change the world doesn't accept the status quo and results in an acting out upon this desire to change the world, rather than bearing and managing this impulse. Management is not only focussed on control but involves a new beginning to address the problem or failure in the world. This beginning is conditioned by the problem or failure that the manager experiences. At the same time, the manager is the *arché* of this beginning and the one who initiates the acting out to address the problems or failures in the world that he experiences. This acting out of the manager may consist in the establishment of new start-ups, the introduction of new products and services, but also in the entrepreneurial decision to engage in sustainable or social business opportunities or in changes in the current business practices in order to make them socially responsible for instance.

The idea that management control is accompanied by management as resistance and acting out to change the world also shows the structural role of contingency and the possibility of misfortune in management. Every acting out is performed in an environment in which also other actors operate, like customers, suppliers and competitors. This means that acting out at the same time suffers from the acts by others, and this explains why the acting out of the manager may lead to an unlimited variety of consequences. On the one hand, what comes out of the acting out of the manager cannot be calculated upfront and always has unexpected elements in it, as its beginning is determined by the singularity of the self-referentiality of the manager. On the other hand, the success of his or her acting out is not guaranteed. There is always the risk of failure or misfortune, for instance the entrepreneurial risk of bankruptcy or misfortune. To the extent that the success of the acting out of the manager to exploit new business opportunities is fundamentally incalculable – entrepreneurial risk is said to be uninsurable (Knight 1921) – managerial decision making processes are not processes that can be fully determined and calculated via the various steps involved in decision making processes, but remain fundamentally contingent. This structural contingency involved in

⁷ Sometimes management is opposed to entrepreneurship because the latter concerns the exploration and exploitation of *new* business opportunities, while the first maintains the functioning order of *existing* business operations. To the extent that the entrepreneur has to direct, plan and control the exploitation of new business opportunities as well, we see entrepreneurship as a special case of business management in line with contemporary definitions (see §1.2).

management as acting out can partly be limited by management control, but cannot be fully lifted by control measures. In this respect, contingency and the possibility of misfortune are structural characteristics of management as acting out to address the problems or failures in the world.

Because the fundamental uncertainty of management as acting out can never be fully controlled by management control, the act of management always remains exposed to risks and possible misfortune. For this reason, we can argue that business management is in need of the public approval that provides the firm a social license to operate (Blok 2017b). This approval by society can be gained if the business operations are responsive to social needs, next to profitability for instance. In case of business operations that involve significant risks for employees or users, responsiveness may require that the manager becomes responsive to these concerns in the (re)design and execution of the business operations. In other words, because the act of management is always intrinsically exposed to fundamental risks and the possibility of misfortune, the acting out of management to solve problems or failures in the world should at the same time be characterized by his or her *responsiveness* to societal needs and concerns. In fact, acting out and responsiveness belong together and are mutually dependent, as acting out alone can change the world without any guarantee that the way the manager addresses problems and failures in the world is ethically acceptable and societally desirable. At the same time, responsiveness alone can consist in the acknowledgement of a problem or failure in the world without any engagement in its solution. Only in responsive action, the manager engages in such a solution of problems or failures in the world that is ethically acceptable and societally desirable. One can think of firms like the Grameen bank that have other social purposes next to profit maximization, but also of our example of green entrepreneurs who try to address ecosystem failures. With this responsiveness of managerial acting out, we can substantiate the idea that management has not only economic significance but also moral significance.

Nonetheless the permanent exposure to risks and the possibility of misfortune, management as responsive action to change the world is also characterized by fundamental *optimism*, namely the manager's belief that he is able to make the difference in business operations. To explain this, one could refer to the concept of self-efficacy, which is often associated with entrepreneurial behaviour. Self-efficacy affects people's choice of action and their persistence to engage in this action (Bandura 1997). The manager believes that he is *in control* in the sense that he has the power to change the world in a responsible way, and this experience of power motivates manager's resistance to the status quo.

With this characteristic of management as responsive action, we also encounter another aspect of the self-referentiality of management. The self or ego of the manager is existentially involved in his or her choice for responsive action, which involves a risky endeavour without guarantee of success. The manager either existentially chooses and engages in responsive action without certainty about his or her future success or misfortune, or will be no manager at all; management consists in bearing these risks, and in responsive action nonetheless these fundamental risks involved. In other words, the self or ego of the manager him- or herself is at stake in their decision to take responsibility for the problems or failures he experiences in the world. The self of the manager emerges only in this choice that decides about his or her future prosperity or distress. This capability to act in a risky and uncertain environment can be framed in terms of an action competence (Blok et al. 2016). Action competence is the "capability ... to involve yourself as a person with other persons in responsible actions and counter-actions for a more humane world" (Schnack 1996: 15). It is a moral competence of the manager to take responsibility for problems and failures in the world, which involves the manager's believe

that he is capable to change the world by addressing these failures in a responsible way. To the extent that management starts with resistance against problems or failures in the world, the desire to change the world is the impulse for his or her decision to engage in responsive action to change the world to address this failure in a responsible way. In this respect management as responsive action is existentially embedded in the disposition or *ethos* of the manager to do the right thing and how to live the good life. This can be recognized in pro-active firms that actively contribute to the Sustainable Development Goals, but also in the social entrepreneur who never wanted to start a business, but primarily engages in entrepreneurial action in order to address sustainability related ecosystem failures.⁸

This second additional characteristic of management – management as responsive action – enables us to question another aspect of the loss of participation in many contemporary management practices – namely the disconnection of business management and the *ethos* of the manager, i.e. his or her knowledge about the good life – and the lack of attention for the consequences of the structural role of uncertainty and possibility of misfortune for our conceptualization of business practices. It also opens a new perspective on the nature of business management as responsive action. The transition from management control to management as responsive action provides a second additional characteristic of the concept of business management.

Management as Constituting Meaning

While currently, business management is often understood in terms of the establishment of a functioning order of the business in order to make profit, we questioned this orientation towards profit already; the examples of social enterprises and sustainable businesses showed already that profit may be an important condition for firm survival, but does not necessarily define the nature of business management. We can argue that a pure focus on profit maximization is only a special case of the performance of management as responsive action. This raises the question in what the primary performance of business management actually consists, if it is not profit.

We encounter another particular performance of business management if we reflect for a moment on Xenophon's conceptualization of management. Xenophon characterizes management as the establishment of a functioning order in which all natural resources have their proper place, all human resources have their proper task and role, and the manager regulates and governs the proper use of these natural and human resources. He provides the example of a ship:

“Now I saw this man in his spare time inspecting everything that is needed as a matter of course on the ship. I was surprised to see him looking them over and asked what he was doing. ‘Sir’, he answered, ‘I am looking to see how the ship’s equipment is stored, in case of any accident, or whether anything is missing or mixed up with other equipment’” (Xenophon 2013: 8. 15-16).

⁸ As this article focusses on the nature of business management, we identify responsive action as general characteristic of management. This characteristic forms the basis of particular business *ethical* reflections on the role of business management. But contrary to management as participation in the business operations for instance, responsiveness does not necessarily imply any participation, which involves a reduction of the other person (or society at large) to the interests values of the business manager (Levinas 1969). Ethical responsiveness can consist in responsive action to address societal problems and failures without any participation, but in response to the call of the other person (or society at large)(Blok 2019c). The further exploration of the business ethical implications of our concept of management is beyond the scope of this article.

Business management is understood here as the establishment of a functioning order in which all natural resources have their proper place, all human resources have their proper task and role, and the owner of the assets regulates and governs the proper use of these natural and human resources in order to make profit. In first instance, this functioning order of the business enables the manager to act appropriately in times of setback or unforeseen circumstances that threaten the survival of the ship in stormy weather. It also constitutes a “paradise” of beauty that evokes admiration (Xenophon 2013: 4.13; 4.21), for instance the ship in which all equipment is well stored and provides peace of mind and energy to work in.

With this, it becomes clear that the particular performance of management consists in the establishment of a functioning *order*. Only within such an order, resources can have their *proper* role and function. The establishment of order indicates that the manager has a very specific performance next to his or her participation in the primary process and engagement in responsive action. The particular production of the manager does not only consist in the production of new or changed products and services to address problems or failures in the world, but also in the production of *order*.

What is order? Negatively said, we can argue that the production of order has nothing to do with the production of products or services, or metaphysically understood *beings*. The ordered functioning of a firm concerns a meaningful *arrangement* of these beings, in which these beings have their proper place. This arrangement of beings is not attached to these beings themselves, but the orderly arrangement of the primary process of the business to produce particular products and services assigns all resources their proper place; there is not a particular arrangement attached to wood or iron, but in a primary process to produce hammers for instance, wood and iron have their proper place, while wool or grain wouldn't have such a proper place in this particular primary process. If Xenophon associates this orderly arrangement of the business operations with a paradise of beauty that evokes admiration, it is the orderly *arrangement* of the physical and natural resources – the rope, the net, the sailor in case of the ship – that constitutes a meaningful whole that relates all these separate beings to each other and brings them together in a world for fishing for instance, that enables the act of fishing. Not the production of goods – i.e. fish – is the primary task of the business manager, but the constitution of a meaningful world order for the business operations. This meaningful arrangement of the business operations is beautiful, not these resources that have their proper place in this meaningful world of fishing, i.e. in this proper environment for fishing. In this case, fishing is the organizing principle in light of which the business operations function as a meaningful order in which natural and human resources have their proper place. But we can also think of sustainable businesses that embrace sustainability as normative principle in light of which the business operations are (re)designed and improved. Positively said, therefore, we can argue that management originates from the experience of dis-order and consists in resistance against this dis-order by the articulation of order. The primary performance of management consists in the constitution of a meaningful arrangement of the business operations in which all natural and human resources have their proper place, role and task and are arranged in such a way that they enable the manager to produce new or changed products and services for instance. This meaningful arrangement of the business operations is not naturally given, nor produced by the managerial power to control the business, but is articulated by the manager's participation and responsive action to address the problems and failures in the world. With this performance, the natural resources of the business receive their *proper* place, all human resources involved receive their *proper* task and role, and even the manager as regulator and governor of the *proper* use of these natural and human resources receives his or her *proper* place for the first time.

We therefore frame this particular performance of business management as constitution of a meaningful world for the proper execution of the business operations, for instance a meaningful world for fishing, producing hammers etc. that enables the business manager to address the problems or failures that he experiences in the world. This shows on the one hand the intimate relation between the world of the business operations and the world of society it operates in and is responsive to in managerial action; business in society means that the world for the business operations is constituted in such a way that its actions are responsive to problems or failures in the world of society. On the other hand, the world of business and society never coincide, as the world of society is characterized by a plurality of (competing) businesses that constitute a multiplicity of co-existing but different worlds of businesses in society. The world of the different businesses may partly overlap with each other, but the world of society is always beyond the actual world that is constituted by the individual business manager, and always remains open for new beginnings or new configurations of responsive actions by a new generation of managers.⁹

With this, we encounter another aspect of the self-referentiality of management. The self or ego of the manager is not only the subject of the constitution of a meaningful arrangement or world of the business operations, as he establishes and maintains the orderly arrangement of the business, in which the human resources involved in the business operations have their proper place and are at home. The manager is also object of this meaningful world for the business operations, as it gives him his or her proper task and role in the primary process as well. This means that the meaningful arrangement of the business operations is not constituted once and for all, but only *is* in the actual execution of the maintenance of this meaningful arrangement by the responsive action of the manager. With this dual role of the manager as subject and object of the constitution of a meaningful world for the business operations, the importance of business integrity as congruency between the principles of the business and its operations, as well as management integrity as congruency between the manager's role as subject and object of this meaningful arrangement of the business, becomes clear.

This third additional characteristic of management – management as constitution of a meaningful world for the business operations – enables us to question the main focus on profit that can be encountered in many contemporary business practices, and to open a new perspective on the primary performance of business management. The transition from management for profit to management as constituting meaning provides a third additional characteristic of the concept of business management.

Based on this second round of reflection on the nature of business management, based on three contested areas of business management, we have opened the self-evident conceptualisation of business management as managerial power to control the business environment, and articulated three additional characteristics of the concept of management.

Conclusion

In this article, we laid the ground for a philosophy of business management. Based on our comparison of Xenophon's concept of management with contemporary definitions of

⁹ This plurality of worlds also shows why the responsiveness of the world of business to the world of society does not necessarily imply any participation of the world of business in the world of society, but constitutes a multiplicity of co-existing worlds that enable ethical responsibility for the problems or failures of the world without any participation. The further elaboration of this relation is beyond the scope of this article.

management in §1, we identified three common characteristics of management that can be seen as dimensions of the concept of management: e.g. management as establishment and maintenance of a functioning order of the business, management as engagement in business operations via the work done by other people (people management), and asset management and entrepreneurial action in order to increase profit and pleasure. Next, we reflected on three contested areas in management that we identified based on our comparison of Xenophon's conception of management with contemporary definitions of managerial power to control the business environment, namely management as profit maximization, the instrumentalization of management, and management as limitless bureaucratic control. Based on these contested areas in management, we opened up the self-evident conceptualization of business management for philosophical reflection. In §2, we engaged in such reflection and developed three additional characteristics of business management: management as participation; management as resistance and responsive action; management as constituting meaning. These three characteristics of business management move beyond the self-evident conceptualization of management and highlight the possible importance of three 'new' dimensions beyond its conceptualization as managerial power to control.

By combining the findings of this article, we provide a first framework with six dimensions of what the nature of management might be, that can guide future philosophical and empirical work.

The first three characteristics of business management can also be found in textbooks in management and economics. They describe more or less contemporary management practices. The last three characteristics can be found in practice as well, but have a different status as they substantiate our opposition to the dominant concept of management as managerial power and mechanisms of control that is still taught in business schools today, and opens up a new perspective on business management. The normative, rather than descriptive nature of the last three dimensions is not at all problematic, as the development of new theories of imagination for management science is necessary to prevent that we remain intellectually imprisoned by the structures of its self-evident conceptualization (cf. Komporzos-Athanasίου and Fotaki 2015).

With our reflections on the nature of management, we do not want to claim to have established a full philosophy of management. Several questions remain to be asked, for instance how the self-referentiality of management is related to the human condition in general (e.g. management as human condition); what explains the loss of participation in many contemporary business practices; how can the participation of the self or ego of the manager in the business operations be aligned with the non-participation of the self or ego of the manager in his or her responsiveness to societal needs; how can management as control and management as resistance and responsive action to change the world enhance and strengthen each other; in what does the particular nature of *ethical* management consist, and how is business ethics perceived from the perspective of this philosophy of management; how is the meaningful – economic - world constituted by *business* management and the meaningful – political - world constituted by non-business management related to each other; to what extent does our concept of business management move beyond Foucault's concept of management as modern governmentality of the world? With our reflections on the concept of management, we laid the ground for such philosophical questions by providing six building blocks that can guide future research in the philosophy of management.

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Vincent Blok is associate professor at the Philosophy Group, Wageningen University (The Netherlands). In 2005 he received his PhD degree in philosophy at Leiden University with a specialization in philosophy of technology. Together with a research group of 4 post-docs and 6 PhD students, Blok is involved in several (European)

research projects at the crossroads of Business Ethics, Philosophy of Technology and Responsible Innovation. His books include Ernst Jünger's Philosophy of Technology, Heidegger and the Poetics of the Anthropocene (Routledge 2017) and Heidegger's Concept of philosophical Method. *Innovating Philosophy in the Age of*

Global Warming (Routledge 2020). Blok's work appeared amongst others in *Synthese*, *Environmental Values*, *Journal of the British Society for Phenomenology and Philosophy & Technology*. See www.vincentblok.nl for more information about his current research