Can Economic Necessities Limit Ethical Requirements? Business Decisions In A Benedictine Monastery

Koller, Edeltraud

Both economics and business ethics deal with the concept of constraints. For example, from the principle of profitability may follow, in certain situations, the need to reduce spending. Therefore constraints can be used to justify business decisions. In an ethical view, the problem is the ethical justification: Does a management decision correspond to moral demands just because it is necessary for business? In other words: Can business necessities restrict ethics?

Questions on the meaning of economic constraints concern the whole society, including non-profit-organizations of the third sector. In this field it may be worthwhile to investigate organizations, which are characterized by an explicit ethical self-understanding and which must also meet economic criteria. Such organizations are Benedictine abbeys. While being mainly guided by religious beliefs and ethical rules, they often are confronted with financial limitations. This may come into conflict.

This paper aims to analyze the meaning of business constraints in economic and ethical perspectives. On the base of previous studies on business limitations (Koller 2008; Koller 2010) and on economic analysis concerning Benedictine abbeys (Feldbauer-Durstmüller 2013; Feldbauer-Durstmüller et al. 2012; Payer-Langthaler et al. 2013; Inauen et al 2010; Rost et al. 2010 etc.), this research provides a new study to analyze the conflict between mission and restriction on the base of a small Austrian Benedictine abbey. In the analysis of the empirical database it is evident, that the financial situation may threaten the future of the abbey as a whole. In this case it is necessary to pay attention to the peculiarity: any business strategy should be compatible with the religious and ethical guidelines of Benedictines.

The paper first analyzes the economic and the ethical concept of financial constraints. It presents an ethical framework, which is then applied to the single case study. The case allows identifying the financial problems in a Benedictine abbey and their consequences. Then, the results provide the main factors which claim relevance for satisfying all main spiritual and economic requirements.

The main arguments are the following: (1) Business responsibility and competence is part of the ethical responsibility. (2) Management generates not only economic but also ethical problems if it ignores long-term orientation. (3) The reasons for inefficient policies of Benedictine abbeys can be caused by its self-understanding. (4) Vice versa new possibilities can be obtained from this mission. (5) Benedictine monasteries thus can set an example to other abbeys and organizations.

The paper is located in the wider field of business ethics of non-profit-organizations. It argues within the governmental ethics (Brink 2011; Soh et al. 2005 etc.) and the Christian social ethics (Curran 2002, Naughton 1995), and analyzes the necessity to respect the specific methodologies of economics and ethics to gain responsible decisions. This case study should be valuable to understand and to deal responsibly with this problem in similar situations. So the results should also be relevant for other religious, non-profit, or third sector organizations.

References: