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Dealing with the Wicked Problem of Sustainability: The Role of Individual Virtuous Competence

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Abstract: Over the past few years, individual competencies for sustainability have received a lot of attention in the educational, sustainability and business administration literature. In this article, we explore the meaning of two rather new and unfamiliar moral competencies in the field of corporate sustainability: normative competence and action competence. Because sustainability can be seen as a highly complex or ‘wicked’ problem, it is unclear what ‘normativity’ in the normative competence and ‘responsible action’ in the action competence actually mean. In this article, we raise the question how both these moral competencies have to be understood and how they are related to each other. We argue for a virtue ethics perspective on both moral competencies, because this perspective is able to take the wickedness of sustainability into account. It turns out that virtue ethics enables us to conceptualize normative competence and action competence as two aspects of one virtuous competence for sustainability.

Key words: Action Competence, Normative Competence, Corporate Sustainability, Environmental Virtue Ethics, Virtue ethics

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**Introduction**

Over the past few years, individual competencies for sustainability have received increasing attention in the educational and sustainability literature. Competence is the combination of the individual knowledge, skills and attitudes which enable individuals to perform certain tasks and achieve specific goals, for instance regarding sustainability. Although the focus has been mainly on the educational context, significant progress has been made on conceptualizing key competencies for sustainability (Barth et al. 2007; de Haan 2006; Willard et al. 2010; Wiek et al. 2011; Rieckmann 2012).

In the business context, Dentoni et al. (2012) and Lans et al. (2014) have developed and tested a framework of seven competencies required by sustainability managers who are actively involved in solving sustainability problems: systems-thinking competence, foresight-thinking competence, strategic management, embracing diversity and inter-disciplinarity, interpersonal competence, normative competence and action competence. Anticipatory or foresight thinking is for instance important to assessing the future impact of business operations (cf. Wiek et al. 2011), while systemic thinking is important to assessing the interrelation and interdependency between several factors involved in sustainability (cf. Rieckmann 2012).

The first five of these competencies are relatively familiar in management, business and entrepreneurship literature. However, normative competence and action competence are rather new concepts. Normative competence enables the sustainability manager to assess and improve the sustainability of social-ecological systems, on the basis of a set of fixed values and principles. 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). In contrast to the other competencies for sustainable development, both normative and action competence can be considered moral competencies; they concern norms, values and beliefs which define what is right and wrong concerning sustainability, and enable professionals to take the right decisions and behave in a responsible way. At first sight, the introduction of two moral competencies seems strange, since normativity, as generally understood in the philosophical literature, has to do with a central kind of action-guidance; one cannot recognize normativity without being at the same time motivated to take action on it. Nevertheless, one can argue that the acknowledgment of our ethical responsibility is one thing, but that our actual taking action on this responsibility is something else, as numerous examples in business life clearly showed (think for instance of a banker who clearly knows that manipulating
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interest rates is violating the norm, but who does not necessarily act upon this knowledge. The difference between the two moral consequences can be conceived therefore in the following way: based on normative competence, actors can be held responsible for sustainability, while based on action competence, actors can take responsibility for sustainability.

A complicating factor is, however, that sustainability is a so-called wicked problem. Wicked problems are highly complex because they concern global issues like climate change, desertification and poverty, and cannot be solved in traditional ways or by simple solutions; the complexity of sustainability consists in the fact that cause and effect relations are either unknown or uncertain, and that multiple stakeholders are involved with differing ideas about what the ‘real’ problem is and often having conflicting norms, value frames and beliefs regarding the subject (cf. Rittel and Webber 1973; Peterson 2009; see section 1 for a full discussion of sustainability as a wicked problem). In this context, it is not self-evident that professionals are able to take the ‘right’ decision and to behave in a responsible way.

This raises the question how the moral competencies for sustainability have to be understood. On the one hand, sustainability is a normative concept because it doesn’t describe the world as it is, but the way it should be (cf. Hahn 2009). But on the other hand, if sustainability has to be understood as a wicked problem, the norms and values required of the various stakeholders are not readily available or at least conflict with one another. In other words, if sustainability is considered a wicked problem, it is unclear what ‘normativity’ in the normative competence and ‘responsible action’ in the action competence actually mean. We can even point to a tension between both competencies, since the application of universal norms and principles seems to stress the universality of ethical judgments, while the actions involved in the action competence seem to highlight the singularity of ethical decision making processes; they concern the professionals’ autonomous and critical stance toward moral standards and universal norms (cf. Ellis and Weekes 2008; Jensen and Schnack 1997; see sections 3 and 4 for a full discussion). The research question we would like to address in this article is therefore, how both moral competencies have to be understood in case we acknowledge the wickedness of sustainability, and how both normative and action competence are related to each other. Why is for instance the normative competence not sufficient and why do we need an additional action competence?

In section one, we discuss the role of corporate sustainability, sustainability as a wicked problem and the genesis of organizational competencies for sustainability in the business environment. In the second section, we zoom in on the
concept of individual competencies and in section three we explore the meaning of normative and action competence. The question will be raised how both these moral competencies have to be understood and how they are related to each other. In section four, we propose an answer to our research question by introducing a virtue ethics perspective on both moral competencies. Our hypothesis is that virtue ethics enables us to conceptualize normative competence and action competence as two aspects of one virtuous competence for sustainability, that constitutes the good character of corporate decision makers and enables them to enhance and secure corporate sustainability.

1. Corporate Sustainability, Sustainability as Wicked Problem, and the Genesis of Organizational Competencies for Sustainability

In recent years, corporate sustainability has become increasingly important in our Western society. By engaging in sustainability, companies respond to the expectations of their stakeholders in order to enhance and secure their license to operate (Gunningham et al. 2004). Corporate responsibility can therefore be seen as a business approach to sustainable development, in which companies voluntarily integrate sustainability into their business strategies.

The transition toward corporate sustainability is a huge challenge for companies because it is a so-called wicked problem. Wicked problems are complex, ill-structured and public problems, like international terrorism, climate change and poverty. According to Rittel and Webber (1973), who described the concept of wicked problems as opposed to tamed problems for the first time in 1973, these problems are not called wicked because they are themselves ethically deplorable. Rather, the term means that these problems are difficult to pin down, highly complex and cannot be solved in traditional ways or by simple solutions. They concern complex systems in which cause and effect relations are uncertain or unknown. Rittel and Webber (1973) specified ten characteristics of wicked problems. Examples include the fact that there is no definitive formulation of a wicked problem, that solutions to wicked problems are not true or false but better or worse, that wicked problems have no stopping rule, i.e., that the problem solver does not know when an acceptable solution to the problem has been found etc. (cf. Batie 2008). Another aspect of the complexity of wicked problems is that multiple stakeholders are involved with differing ideas about what the ‘real’ problem is, who have often conflicting norms, value frames and beliefs regarding the subject (Kreuter et al. 2004).\(^1\)

It is not difficult to recognize that sustainability is a wicked problem (Wiek et al. 2011; Grunwald, 2007; Swart et al. 2004).\(^2\) On the one hand, the famous
definition of sustainable development from the Brundlandt report—*Our common future*—(World Commission on Environment and Development 1987) seems to be quite simple, stating that the use of resources today should not constrain the use of (non-renewable) resources in the future. If, however, we take the biophysical finiteness of the earth into account and, with this, the fact that every resource will eventually be exhausted, it becomes clear that the problem is difficult to pin down and highly complex, just like its solution (Peterson 2009). In fact, it is not possible to satisfy the needs of the current generation *without* changing the conditions for future generations. Because sustainability problems have no closed form and concern complex systems in which cause and effect are uncertain or unknown, no simple solutions exist for them. On the one hand, we cannot propose definite solutions if we do not have a definite problem description. On the other hand, all proposed solutions remain finite and provisional compared to the complexity and depth of the sustainability problem itself. In this sense, we can never reduce sustainability to a finite set of particular ‘problems,’ nor say that these problems can definitely be solved, i.e., that sustainability is fully achieved. This complexity increases even further when we take into consideration that multiple stakeholders are involved with various (conflicting) value frames and even ideologies with regard to sustainability (de Wit and Meyer 2010; Peterson 2009). In the case of sustainability, this involvement of multiple stakeholders even includes future generations with unknown and in principle unknowable interests and values. Therefore, not only does sustainability involve various judgements of multiple stakeholders, but these judgements will always be limited and finite by their very nature.

From the perspective of corporate sustainability, it is suggested that managing wicked problems like sustainability requires the active involvement of internal and external stakeholders—employees, supply chain partners, research institutions like universities, NGOs and customers—in addition to shareholders (Dentoni et al. 2012). On the one hand, information from stakeholders can open a window of opportunity, i.e., new ideas for sustainable solutions, new forms of green supply and logistics, new substitutions for exhaustible natural resources, new market needs etc. On the other hand, because the primary responsibility for sustainability is allocated to different players in society—the profit sector on the one hand and governmental organizations, NGOs and civil society on the other—stakeholder engagement can be seen as crucial to managing sustainability problems and to developing more sustainable products and services for the company on the other (Adriana 2009; Anderson and Bateman 2000; Dunphy et al. 2007; Freeman 2010; Lee 2009; Molnar and Mulvihill 2003).
In order to enable companies to interact with stakeholders and manage the wicked problem of sustainability, various interventions are available. Examples include the development of specific policies for sustainability (Harris and Crane 2002), the implementation of a code of conduct (Andersen and Skjoett-Larsen 2009; Mamic 2005) or a sustainability management system (Holton et al. 2010).

However, the complexity and dynamics of environmental issues like climate change ensures that rules and regulations are not sufficient, especially not for large companies that operate in a global market. Rules and regulations presuppose that we have sufficient knowledge about preferred outcomes regarding sustainability, that we have knowledge about certain norms to measure these preferred outcomes and that we can envisage when these norms are violated and have undesirable outcomes (cf. Owen et al. 2013). But in wicked problems like sustainability, rules and regulations are insufficient because the preferred outcomes are not always clear, the norms to measure these outcomes can be contested by other stakeholders, and the future impact of corporate sustainability cannot always be foreseen because of the complexity and uncertainty of the wicked problem of sustainability (cf. Thompson 2010). Furthermore, insights and knowledge about sustainability change rapidly and therefore the adjustments made to companies’ rules and regulations often come too late.

In order to deal with the particular challenges related to wicked problems like sustainability, rather than the ‘tamed’ problems which are associated with normal business operations, organizations have to develop the skills, capabilities and competencies to (re)consider sustainability in all strategic and operational decisions which are made. Organizational skills are derived from practice and experience and concern repetitive behaviours to perform specific tasks developed by an organization (Sanchez et al. 1996), for instance skills that enable sustainable sourcing strategies. Organizational capabilities combine and reconfigure internal and external skills in such a way that the organization becomes responsive to the changing demands in the environment and creates and produces new products that meet the requirements of the market, for instance the dynamic capability of understanding, adapting and responding to the requests of multiple stakeholders (Teece et al. 1997). Organizational competence concerns the coordinated deployment of skills and capabilities in such a way that it helps the company to achieve its strategic goals, for instance the development and execution of a long-term strategy regarding sustainability, such as Unilever’s Sustainable Living Plan (Heugens 2006).

In a case study about the environmental issue management of Unilever, Heugens explored the relation between individual knowledge and experience
of employees and the development of organizational skills, capabilities and competencies. Not only are organizational skills, capabilities and competencies embedded in a workforce of employees and managers involved in the execution of these skills and capabilities, but new organizational capabilities and competencies also originate from well-managed individual resources. This concerns the acquisition of experiential, reflective and integrative knowledge by individual employees and the application of it at the organizational level (Heugens 2006; Marcus and Geffen 1998).

The role of individual competencies of employees is also confirmed in the sustainability literature. Individual employees in companies have to (re)consider sustainability in all decisions they make and actions they undertake at an operational, tactical and strategic level. According to Dunphy et al. (2007), this implies the need for technical skills to accomplish sustainability tasks, interpersonal skills to interact with, learn from and adapt to stakeholders, management skills in ethics, sustainable decision making, etc. According to Wesselink et al. (2015), dealing with wicked problems like sustainability requires specific individual competencies and higher order thinking skills. These skills, knowledge and attitudes stem from the individual competencies of specific employees involved in managing sustainability problems (Wood 1991). In this article, we focus on the individual level of competencies for dealing with the wicked problem of sustainable development.

2. The Concept of Individual Competence

The concept of individual competence has been applied in widely differing ways in different countries (Gonczi 1994), different disciplines and different times. This diversity of conceptualizations of the concept is one of the major pitfalls in working with competencies (Biemans et al. 2004). In order to fully understand what is meant by individual competence in this article, first a clear conceptualization of the concept is presented.

Gonczi (1994) distinguishes three main conceptualizations of individual competence: behaviouristic, generic and holistic. Whereas in the behaviouristic conceptualization, competencies are described as discrete behaviours associated with the completion of each small task, in the generic conceptualization, competencies are personal qualities or traits that distinguish average performers from excellent performers (Eraut 1994).

Many authors warn that the conceptualization of competence in the behaviouristic and generic tradition falls short in addressing the developmental and situated nature of professional practice. The behaviouristic conceptualization
results in detailed work descriptions without a connection to the capabilities of a professional to accomplish the task efficiently. The generic approach to individual competence results in a context-independent description of competencies, without a connection to the complexity of the application of these competencies in practical situations (Billett 1994; Brown et al. 1989; Cheetham and Chivers 1996). In the context of individual competencies for dealing with the wicked problem of sustainability, it is clear that it is insufficient to judge professional employees on the basis of their performance as measured against certain standards, while omitting to include the complexity and dynamics of practical situations in the context of corporate sustainability.

In order to conceptualize individual competencies for dealing with sustainability, we therefore prefer the holistic approach to competence, mainly because of its close relationship with the context of professional practices. Within the holistic tradition, the concept of competence is defined as follows: "Competence is the integrated performance-oriented capability of a person or an organization to reach specific achievements. These capabilities consist of clusters of knowledge structures and cognitive, interactive, affective and where necessary psychomotoric skills, and attitudes and values, which are conditional for carrying out tasks, solving problems and effectively functioning in a certain profession, organization, position and role" (Mulder 2001: 76). The holistic approach stresses the situated character of the development of competencies within a (complex) context of professional practices.

Hodkinson and Issitt (1995) have identified two dimensions of the holistic conceptualization of individual competence. The first dimension concerns the integration of knowledge, skills and attitudes that are meaningful for a practitioner; individual knowledge refers to the representation of facts, procedures and principles about a subject, individual skills refer to specific learned activities and individual attitudes refer to a person’s feeling and dispositions toward other persons or toward specific topics (cf. Osagie et al. 2014). The second dimension of the holistic conceptualization of competence relates to learning and assessment processes that should be interrelated and take place in relevant practical situations. The importance of these two dimensions is confirmed by our discussion of sustainability as a wicked problem in the previous section. Professionals are in need of specific individual competencies and higher order thinking skills (cf. Wals and Jickling 2002), for instance experiential, reflective and integrative knowledge and skills (cf. Heugens 2006), and these competencies are developed and employed in their day-to-day decisions and actions on an operational, tactical and strategic level.
The two dimensions of the holistic conceptualization of competence show two important aspects concerning the capabilities of a person (or organization, but we focus on the individual level in this article) to fulfil certain tasks, roles or jobs; the input and output of competencies (Hoffmann 1999). The input concerns the personal capabilities of a professional, while the output concerns the tasks professionals successfully perform. Although the concepts of tasks (output) and personal capabilities (input) can be conceived as two distinctive operationalizations of individual competence (Hoffmann 1999; Mansfield and Mitchell 1996), in the holistic conceptualization of competence, these two aspects of individual competence are integrated; a professional in the field of corporate sustainability is expected to have specific personal competencies which are deployed within the complex and dynamic context of sustainability and enable him or her to enhance and secure corporate sustainability in an effective way.

3. The Role of Moral Competence in Dealing with Sustainability

As stated in the introduction, previous research has identified seven competencies required by sustainability managers: systems-thinking competence, foresight-thinking competence, strategic management, embracing diversity and inter-disciplinarity, interpersonal competence, normative competence and action competence (Lans et al. 2014). These competencies can be seen as necessary inputs to manage the wicked problem of sustainability as output. In this article, we focus on the role of the two moral competencies and ask how both moral competencies have to be understood in case we acknowledge the wickedness of sustainability, and how both competencies are related to each other.

In the literature, normative competence is defined as a competence that enables professionals involved in corporate sustainability to assess and improve the sustainability of their company or otherwise of social-ecological systems, on the basis of values and principles (Wiek et al. 2011). Normative competence helps in this respect to ensure that managers are held accountable for the decisions made (Grunwald 2004; Gibson 2006). We can assess the role of normative competence if we look at ethical decision-making processes.

According to Jones (1991), ethical decision-making comprises four stages: to recognize a moral issue, to make a moral judgment, to establish moral intent and to engage in moral behaviour. In ethical decision-making, the input is our competence to recognize the moral issue and to make a moral judgment about the right thing to do based on certain ethical norms, and the output is efficient task-fulfilment in response to this moral judgment.
In the context of this article, sustainability can be seen as an ethical norm because it describes the world as it should be (Hahn 2009; Wals 2010). For Gibson, the normativity of sustainability consists in the integrity of socio-ecological systems; a generic criterion for sustainability is derived from the necessity to maintain and protect the long-term integrity of the eco-systems upon which humans as well as other organisms depend (Gibson 2006). Other such sustainability related norms include democratic governance (Wiek et al. 2011; Mogensen and Schnack 2010), intra-generational and inter-generational equity (Wiek et al. 2011). Also de Haan’s (2006) competencies for sustainability imply specific normative measures, such as “striving for a global view,” “a global ‘we’ feeling,” etc. In corporate decision-making processes about sustainability, the moral judgment can be based on such norms and on specific measures and moral standards which are derived from these norms.

Important individual influences on ethical decision-making are found in the cognitive moral development of the level of reasoning in the application of moral judgment (Kohlberg 1969; Rest 1979; Rest et al. 2000; cf. Fraedrich et al. 1994), in emotional systems that evolve unconsciously based on (early) experiences (Narvaez 2008), in skills to deal with ethical issues based on training and work experience in general (Treviño and Nelson 2007) and in moral imagination and systems thinking in particular (Werhane 2002), in personal values such as self-respect, freedom, honesty etc., and in the attitude professionals have regarding an ethical issue, whether or not influenced by social or cultural aspects (Haidt 2001). In the context of corporate sustainability, we can think of the application of universal ethical principles like the socio-ecological system integrity (Gibson 2006), education for sustainable development (de Haan 2006; Ellis and Weekes 2008), environmental values like altruism or self-transcendence rather than egocentrism (de Groot and Steg 2008; Wall et al. 2007; Clark et al. 2003), and positive attitudes toward the environment (Meinhold and Malkus 2005; Barr and Gilg 2006). In short, normative competence comprises the knowledge, skills and attitudes that enable a professional in corporate sustainability to recognize moral issues related to sustainability and to make a moral judgment about the right thing to do based on ethical norms.

However, if sustainability has to be considered a wicked problem, then this has profound consequences for our conception of normativity. In corporate sustainability, business objectives often compete with sustainability objectives. In a recent study of the individual competencies of CSR managers of multinational enterprises, the ability to strike a balance between idealism—what, from a normative perspective, should be achieved in order to be corporately
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responsible—and pragmatism—what, from a business perspective, is feasible to achieve given existing market conditions such as consumer preferences, competition etc.—was stressed (Osagie et al. 2014). But even if a corporation accepted the norm that the use of resources today should not constrain the use of resources in the future, as is suggested by the Brundtland report, it is not clear in advance which use of resources will lead to these constraints and which will not. Do we for instance mean that we cannot use fossil fuel anymore in order to enable future generations to use these resources as well? Or is it possible to use fossil fuels for the current generation while investing in the development of renewable energies for future generations? The problem here is that human needs change over time and their satisfaction develops in different ways. This limits the one-to-one applicability of principles and norms, because we should at least know ‘what’ the long-term effect of our actions is in order to assess whether our acts respect the rights of future generations. In wicked problems like sustainability, there are too many unstable and situational factors and complexities which make it at least difficult to apply such principles and norms.

Furthermore, an important aspect of the complexity of wicked problems is that multiple stakeholders are involved with differing and often conflicting norms and value frames, as we have seen in section one. In ethical decision making in the context of wicked problems, the moral judgment is not easily based on ethical norms, because these norms may differ and even conflict. Establishing norms regarding the wicked problem of sustainable development requires first of all that a professional is aware of his or her own norms—i.e., his or her ‘moral compass’ (Thompson 2010)—and the norms of others (e.g., stakeholders), and is able to come up with a procedure to develop and establish shared norms with other stakeholders, for instance via moral imagination (Werhane 2008). Gibson (2006: 180) speaks about the ability to “adopt evaluation and decision criteria and trade-off rules that reflect the full set of core requirements for progress towards sustainability, recognize interdependencies and seek multiple reinforcing gains on all fronts, provide means of specifying the sustainability decision criteria and trade-off rules for specific contexts, through informed choices by the relevant parties (stakeholders).” The first problem is therefore that normative competence does not consist in the one-to-one application of norms and principles in such wicked problems as sustainable development, but involves the “ability to collectively map, specify, apply, reconcile, and negotiate sustainability values, principles, goals, and targets” (Wiek et al. 2011). The second problem is that the content of these norms and of the corporate behaviour based on these norms can always be contested in wicked problems such as sustainability. What
then does normative competence mean? We are in need of a more open-ended approach to normative competence in which the complexity, instability and situatedness of ethical judgments has to be stressed.

If we conceptualize normative competence from the perspective of sustainability as a wicked problem, we have to put references to norms and principles between brackets. Instead, we have to emphasize that normative competence concerns the ability to apply, negotiate and reconcile norms and principles based on the judgements of multiple stakeholders. Normative competence doesn’t consist then primarily in the application of norms but in the ability to identify and generate norms that solve ethical conflicts and are acceptable to multiple stakeholders. This process of the development, negotiation and reconciliation of norms is unique in every situation because of the differences between the norms and interests of multiple stakeholders. The norms and interests of multiple stakeholders have to be weighed and revised over and over again because of changing circumstances or new insights, and the role of the professional involved in corporate sustainability is to decide which norms to work with in a given situation.

But can this normative ability still be seen as a moral competence if we conceptualize it in this way? In the next section, we introduce a virtue ethics perspective in order to better understand the normative aspects of both moral competencies for sustainable development.

4. A Virtue Ethics Perspective on Normative Competence and Action Competence

4.1 Virtue Ethics

Virtue ethics assumes that good actions come from good persons and therefore that ethical behaviour will be undertaken by actors with virtuous characters. Virtues are characteristics of a person that enable him or her to lead a good life, and can be found in intellectual virtues like practical wisdom and moral virtues like courage, friendship, modesty etc.

The origin of virtue ethics can be found in the work of Aristotle who developed the vocabulary of virtue ethics: arête (virtue), phronesis (practical wisdom) and eudaimonia (happiness) as the content of good life. The good life can be seen as the general normative basis which is central to virtue ethics, which is specified in terms of an account of the virtues needed for achieving this good life. Virtue is a character trait or disposition of a person which determines his or her behaviour (Aristotle 1990: 1105b25–30). An honest person doesn’t act in an honest way because of expected punishment or reward or another external
cause, but because he or she values honesty or telling the truth in itself. It is quite rare to exercise a virtue perfectly, however. There are many ways of falling short of this ideal, such as a lack of practical wisdom (Athanassoulis 2000; Hursthouse 1999). In order to achieve the good life, therefore, we need practical wisdom to decide how we ought to act and behave in a given situation in order to achieve the good for our life as a whole. While a person lacking practical wisdom may sometimes be too honest in a given situation—think of a young child that is sometimes too honest about his or her feelings for another person, expressing directly what he or she feels etc.—practical wise people know which level of honesty is beneficial or harmful in a given situation. In this respect, virtuous actions are conceived as actions in between the extremes of excess (being too honest) and deficiency (being dishonest and misleading) (Aristotle 1990: 1106a25–b10). In other words, virtue concerns the disposition of a person to do the right thing and virtue in combination with practical wisdom is the ability to actually do this right thing in a given situation (Hursthouse 1999); virtues are only fully developed in their deployment in combination with practical wisdom (Aristotle 1990: 1144b10–20). One can think of professionals like doctors or lawyers who act in the best interest of their clients by doing the right thing in a given situation; defending a ‘lost case’ by a lawyer is not virtuous, just as is giving up a case too easily under pressure of powerful opponents. The practically wise person has this knowledge of how to act in a given situation, because of his experience of (professional) life and because he or she knows what is worthwhile and truly important in life, i.e., what is a happy (eudaimon), good or virtuous life.\footnote{For Aristotle, the good life consists in our actual living and acting virtuously, i.e., in the actual application of virtues in a way that is practically wise (Aristotle 1990: 1098b15–20; Kraut 2014).} We propose that virtue ethics can provide a normative basis for the moral competencies we introduced in this article. The good life (eudaimonia) can be seen as general normative basis for the normative competency, which includes both knowledge about the virtues and the ability to apply these virtues in a given and complex situation (action competence). Before we explore this virtues perspective on normative and action competency any further, in this subsection we first discuss the general applicability of virtue ethics in the business context, and in the following subsection the relation between virtues and competencies.

In the context of business ethics, virtue ethics has developed over the last twenty years (cf. Chun 2005). Following the example of Moore and Beadle (2006), we use MacIntyre’s (1985) conceptual framework of virtue ethics to develop our virtue ethics perspective on normative and action competence for
corporate sustainability. Elaborating on the work of Aristotle, MacIntyre developed his virtue–goods–practice–institution framework which is well known in the business ethics literature (cf. Moore 2005; Moore and Beadle 2006).

The point of departure for MacIntyre’s virtue ethics is the practical wisdom of a professional who judges well and acts effectively to achieve his or her goal, for instance a sustainability professional who knows how stakeholder expectations have to be managed in a particular case or in a particular situation. He conceptualizes this as a practice in which the practitioner knows what to do in pursuit of a desired end, a social license to operate for instance. According to MacIntyre, practices result in goods internal to these practices—the excellence of a practitioner which is the result of his or her increasing experience in professional life and can only be acquired in associated practices—and goods external to these practices such as wealth, fame and power. According to MacIntyre, internal goods are established by practitioners as a result of cooperative forms of activity—addressing sustainability in new product development for instance—and these practices are supported by institutions—a company like Unilever for instance—which establish external goods such as profit, success and reputation. From a business point of view, we could say that MacIntyre’s central insight is that practices and institutions are two interdependent conditions for corporate behaviour; companies are in need of institutions in order to produce external goods, and also need practices in order to produce internal goods.

According to MacIntyre, there is also a tension between practice and institution, because practices tend to pursue goods internal to practice while institutions tend to pursue goods external to practice (Moore and Beadle 2006). The company in our example may value the external good of profitability more highly than the internal good of the excellence of their workforce. Also personal desires of practitioners to pursue goods external to the practice—for instance a practitioner who is influenced by suppliers to weaken sustainable sourcing strategies—may hinder the pursuit of internal goods. In this respect, both practices and institutions could damage and even destroy the practices with which they are linked.

Through the exercise of virtue, professionals involved in a practice are able to withstand these internal and external pressures: “The integrity of a practice causally requires the exercise of the virtues by at least some of the individuals who embody it in their activity” (MacIntyre 1985: 195). Professionals who exercise these virtues are thus key to preventing institutions from corrupting business practices. Virtues are conceived as dispositions or ‘acquired human qualities’ that enable professionals to achieve the internal goods of a certain
practice. Virtues are not practice-specific and help the professional to reach the state of being-well and doing-well, i.e., the general aim of a good life based on good character (MacIntyre 1985).

The virtuous life is however not only an individual matter. MacIntyre distinguishes in fact three levels of the good life. At an individual level, “a virtue is an acquired human quality the possession and exercise of which tends to enable us to achieve those goods which are internal to practices and the lack of which effectively prevents us from achieving any such goods” (MacIntyre 1985: 191). But this is insufficient because the good life cannot be reduced to excellence in a certain practice but involves the search for the good (MacIntyre 1985); there is some sort of good life that is naturally good for all human beings and is therefore identical for all human beings at all times (cf. Macaulay and Lawton 2006). This second level of the good life is still insufficient because it can be understood purely at the individual level, while humans are primarily members of a community which is embedded in a shared moral tradition, according to MacIntyre: “The self has to find its moral identity in and through its membership in communities” (MacIntyre 1985: 221). In the production of internal goods, the professional is primarily responsive to the community and this community is needed to develop, apply, evaluate and rank internal goods. In this respect, it is in community that virtues are developed. According to Moore (2005) the development of virtues requires collaboration among individuals and consequently requires individuals to see community building as an important task in relation to working in business organizations. The virtues are exercised in, and partly executed on behalf of, the community.

4.2 The Relation between Virtues and Competencies

Before we can answer the question whether a virtue ethics perspective can help us to understand the moral dimensions of normative and action competence for corporate sustainability, we must ask the preliminary question of whether virtues fit the competence perspective as developed earlier in this article.

A first connection between both concepts is that both the holistic approach to competence as well as virtue ethics stress that the personal capabilities and virtues of a professional are only developed and enhanced within the complexity and dynamics of practice. And when we have a closer look at five main characteristics of virtue ethics (Koehn 1995; Solomon 1992) and compare it with the concept of competence we developed in section two, it turns out that they fit the competence perspective quite well. First of all, both virtues and competence focus on the individual level. Second, both virtues and competencies are not ours
by birth, but are developed and learned by practicing (MacIntyre 1985); both
virtues and competencies are developed by witnessing professional behaviour
of others, by imitating this behaviour and by reflecting on one's own behaviour
(Cheetham and Chivers 1996). Third, just as competence development and per-
formance depends on the context (Billett 1994), also the employment of virtues
is situational (Murphy 1999). Fourth, both in the case of virtues and com-
petence, the basis of professional judgements and subsequent actions is found in
the character of the professional; in virtue ethics, the input of successful task
fulfilment is found in the good character of the decision-maker, while in case of
competence, it is found in the personal capabilities of a professional (Meara et
al. 1996; Billett 1997; Cramer and Loeber 2007). Finally, just as the key moti-
vator in virtue ethics is the search for the good life and therefore the aspiration
and striving for improvement (Murphy 1999), the same holds true for the de-
velopment of competencies; professionals are increasingly held responsible for
their own (competence) development and that motivates them to improve their
competencies (Defillippi and Arthur 1994). We can conclude therefore that there
are several overlaps between the concept of virtue and competence; virtues are
defined as those cultivated characteristics of an individual that enable a person
to attain his or her aspirations regarding the good life in practice (Moore 2005),
while competence is defined as the capability of a person that enables him or her
to fulfil certain tasks successfully in a (complex) situation (cf. §2).

Are these concepts of virtue and competence, besides having over-
lapping characteristics, also conceptually linked with each other? Although both
concepts have been developed in different academic disciplines—moral phi-
losophy, management development or education studies—research of Macaulay
and Lawton (2006) has shown that in practice they are very similar; virtues
and competencies concern both the character of a person and their application
in practice: "Most crucial of all . . . is that virtue must have a fundamentally
practical application: Without any public demonstration, virtues are effectively
meaningless. Thus, like competencies, they exist equally in the realm of action
as in the realm of human character" (Macaulay and Lawton 2006: 708). And
because both virtues and competencies concern human characteristics as they
are employed in practice, all virtues must have some competence in order to put
the good character into practice (see Figure 1).

This brings us to the question whether virtue ethics enables us to conceptu-
alyze normative and action competence as two associated virtuous competencies
that constitute the good character of competent decision-makers and enables
them to enhance and secure corporate sustainability.
4.3 The Advantage of Virtue Ethics for Moral Competencies in Dealing with Sustainability

What is the advantage of a virtue ethics perspective for sustainability? A virtue ethics perspective on sustainability acknowledges both the normative aspects of sustainable development and the complex context and situation in which corporate sustainability decisions are taken. How does sustainability relate to the good life of the individual? From an Aristotelian perspective, one could argue that the protection of the natural environment is an integral part of the ideal of the good life. In his *Politics*, Aristotle writes: “Since one should take thought for the health of the [city’s] inhabitants, this consists in the location being finely situated . . . and second, in using healthy sorts of water, and making this more than an incidental concern; for the things we use most of and most often for the body are what contribute most to health, and the capacity of waters and wind has such a nature” (*Politics* 7.11, cited in Cafaro 2010). Others, like Sandler (2007), argue that we have to extend our concept of the good life to all that is good in the world we live in, if we really want to make sense of an environmental virtue ethics. In this way “the good life” and “sustainability” are equated, and as a consequence “sustainability may well be the primary schema for describing and evaluating what it means to be a good person or good society in today’s world” (Vucetich and Nelson 2010: 542). The good life is the normative basis containing the (environmental) virtues needed for sustainable development: concern for human needs, ecosystem health, and social justice ((Vucetich and Nelson 2010), while practical wisdom enables the decision maker to apply these virtues in complex contexts and situations in order to act in a corporately responsible way. In this respect, virtue ethics takes the good character of the decision-maker as point of departure.

On the one hand, corporate sustainable behaviour originates from the good character of a corporate decision-maker who is searching for the good life, which purely consists in his or her actual living and acting virtuously, i.e., in his or her actual sustainable behaviour; this guaranties the disposition of corporate
decision makers to do the right thing in a given situation. This doesn't imply, on the other hand, that the good character of corporate decision makers automatically results in perfectly responsible behaviour. Virtue ethics enables us to explain why corporate sustainability sometimes fails, despite even the best intentions of the professionals involved. As our consultation of Aristotle already made clear, it is quite rare to realize a virtue perfectly. There are many ways of falling short of this ideal, for example doing ethically good and making profit) or, in terms of MacIntyre's concept of virtue ethics, the tension between practice and institution. Because virtue ethics stresses the good character of the decision-maker who is searching for the good life and acknowledges the possible fallibility or deficiency of his or her efforts to achieve this good life through corporate sustainability, the importance of practical wisdom as the ability to find the mean between the extremes of excess and deficiency—for instance the mean between economic and environmental aspects of corporate sustainability decisions—is stressed, in which the personal and situated aspects are taken into account (cf. Aristotle 1990: 1106a35–b10). In this respect, virtue ethics better fits the complexity, un-stability and situatedness of corporate decision making in wicked problems like sustainable development.

How does sustainability relate to internal goods of a MacIntyrian practice? The good character of the professional consists in his or her aspirations for the good life by producing internal goods, and sustainability can be seen as the contribution of these internal goods to concern for human needs, ecosystem health, and social justice. A virtue ethics perspective therefore enables us to understand the role of normative competence in the production of sustainable internal goods. In this respect, normative competence can be understood as a virtuous competence for sustainability and can be defined as the ability to identify, apply and reconcile virtues in the production of sustainable internal goods (corporate sustainable behaviour), which is embedded in the good character of the professional.

At the same time, the good character of the professional presupposes competence in order to put his or her virtuousness into practice, i.e., the competence to apply these virtues in a given situation. This opens a new perspective on action competencies as well. Action competence has been defined as the ability, based on critical thinking and incomplete knowledge, to actively involve oneself in responsible actions to improve the sustainability of social-ecological systems in general and products, processes and procedures in particular (Schnack 1996; de Haan 2006). Jensen and Schnack (2006) distinguish four components of action competence: knowledge and insight concerns knowledge about the problem of
sustainability and the ability to think critically about its possible solution; commitment relates to the motivation and drive to engage oneself in the solution of sustainability problems; visions concerns the ability to conceptualize the future state of the world or the good life one wants to pursue; action experiences finally stresses the importance of actual involvement in concrete sustainable actions. The advantage of action competence is that it stresses the personal involvement of the decision maker and the reality of incomplete and situated knowledge.\textsuperscript{7}

From a virtue ethics perspective, action competence can be conceptualized as the practical wisdom to apply the virtues needed for sustainable development in a particular situation in order to realize sustainability, followed by appropriate action. This virtuous conceptualization of action competence fosters a more open-ended approach to corporate sustainability in which the complexity, un-stability and situatedness of ethical judgments is taken into account (cf. Almers 2013).

On the one hand, action competence implies that anyone involved in corporate sustainability is critical about the one-to-one application of principles and norms. He or she does not embrace norms like ‘organic’ or ‘non-GMO’ \textit{a priori}, but, as Ellis and Weekes (2008) suggest, they should be actively engaged in sustainability problems through independent thinking and their practical wisdom; this holds true for professionals who like to challenge established ways of working in a company and are able to explore new and more sustainable ways of working (Mogensen and Schnack 2010). This ability of pioneering in order to find new ways to integrate sustainable business practices based on personal engagement with sustainable development is also confirmed in the literature (Osagie et al. 2014).

On the other hand, to overcome weakness of will (akrasia) action competence needs a certain kind of moral education/practice. This means that action competence primarily concerns the moral emancipation or transformation from a passive attitude with regard to corporate sustainability toward an active, engaged and virtuous attitude, in which the professional involved in sustainability feels responsible for corporate sustainability (Mogensen and Schnack 2010; Ellis and Weekes 2008). A virtue ethics perspective helps to understand this moral emancipation (action competence) as the transformation toward a virtuous professional by his or her personal engagement in the production of sustainable internal goods; by engaging oneself in corporate sustainable behaviour (action competence), the professional is personally involved in his or her perfection of the good life (cf. Jensen and Schnack, 2006). At the same time, this perfection of the good life presupposes competence, i.e., the competence to challenge established ways of working, change the status quo of corporate behaviour, explore
new and more sustainable ways of working, deal with resistance in his or her application of virtues according to practical wisdom etc. In this respect, action competence can be understood as a virtuous competence as well.

This doesn’t mean that action competence is a purely subjective conceptualization of sustainable action. On the one hand, because virtues are not available without context and have to be developed in practice, i.e., in a context and in interaction with a community of practitioners and other stakeholders, the determination of the good is not an individual effort but is always responsive to and takes place in collaboration with the community (Moore 2005). On the other hand, these virtues based on an account of our human nature in that they help us to live well as the kind of beings that we are., are in the end the normative basis for the sustainability of our practices. The good life can be seen as the normative basis for the normative competence, which includes the ability to identify, apply and reconcile virtues that solve sustainability problems, while action competency concerns the ability to put these virtues into practice by the personal engagement of the professional in the application of these virtues according to his or her practical wisdom, and together with multiple stakeholders.

As a consequence, the development of good character of the ethical decision-maker is stressed; he or she needs the courage to change the status quo of corporate business behaviour and to deal with resistance in his or her effort to align corporate behaviour with his or her personal ideals regarding sustainability. Anyone exercising action competence will judge sustainability issues independently and according to their practical wisdom, and act accordingly; they are always looking for opportunities to improve the social-ecological efficiency and/or effectivity of systems and they know how to seize these opportunities in the context of professional practice (cf. Osagie et al. 2014; Wesselinke et al. 2015).

And here we find an indication regarding the connection between both the normativity and action related aspects of virtuous competence. We defined the normative dimension of virtuous competence as the ability to identify, apply and reconcile virtues in the production of sustainable internal goods (corporate sustainable behaviour), which is embedded in the good character of the professional. But virtuous competence remains an ideal which is difficult to achieve, if not impossible, because of competing desires or, in terms of MacIntyre, because of the tensions between the production of internal and external goods, as we have seen. Because of these tensions, professionals cannot a priori presume to have the good character as the normative aspect of virtuous competence, but are in need of the action related aspect of virtuous competence in order to morally engage him or herself in the moral transformation to and internalization
of good character by the application of virtues according to practical wisdom, which enforces one to do the right thing. This moral force is not something given but is enforced by the internalization of the production of sustainable internal goods, i.e., by his or her perfection of the good life (which can never be achieved completely). In this respect, virtuous competence can be defined as the personal engagement of a professional in the transformation to good character by applying virtues in the production of sustainable internal goods (corporate sustainable behaviour) in collaboration with and in response to multiple stakeholders, and by perfecting his or her good character by the internalisation of the production of these internal goods (see Figure 2).

![Figure 2: Relation between virtuous competence, good character, and good practices.](image)

5. Conclusions

In this article, we raised the question how two moral competencies for corporate sustainability have to be understood and how they are related to each other. After discussing sustainability as a wicked problem, the role of corporate sustainability and the genesis of organizational competencies for dealing with corporate sustainability in section one, we mainly focussed on competencies at an individual level in the remainder of the article. In section two, it turned out that the holistic approach to competence best fits the wickedness of the problem of sustainability, in which the dimension of knowledge, skills and attitudes on the one hand and their application in relevant practical situations on the other are integrated; a professional in the field of corporate sustainability is expected to have specific personal competencies which are deployed within the complex and dynamic context of sustainability, and this enables him or her to enhance and secure corporate sustainability in an effective way.

In section three, we reflected on the normativity involved in the concept of sustainability in order to apply, negotiate and reconcile norms and principles based on the judgments of multiple stakeholders. We understood action competence as the moral transformation from a passive attitude with regard to corporate sustainability toward an active and engaged attitude by the application of these norms in complex situations, in which the professional involved in sustainability feels responsible for corporate sustainability.

In section four, we introduced a virtue ethics perspective on both normative competence and action competence. The advantage of virtue ethics is that
it acknowledges the complexity, un-stability and situatedness of corporate decision making processes in wicked problems like sustainability, and stresses the necessity to develop virtues in combination with practical wisdom in order to actually perform corporate responsible behaviour. We linked both concepts by stressing, first, that both virtue and competence concern the character of a person and their application in practice, and second, that the application of virtues in practice presupposes some competence; all virtues must have some competence in order to put good character into practice. It turned out that in wicked problems like sustainability, virtues play a central role in competent task-fulfilment.

The virtue ethics perspective enabled us to conceptualize normative competence and action competence as virtuous competences for corporate sustainability. The normative aspect of virtuous competence can be defined as the ability to identify, develop and generate virtues that solve sustainability problems together with multiple stakeholders and constitute the good character of the professional as a normative basis for decision making processes concerning corporate sustainability. The action related aspect of virtuous competence can be defined as the competence to engage oneself in corporate sustainable behaviour in which the transformation to good character is initiated, enhanced and secured, by applying virtues in the production of sustainable internal goods—corporate sustainable behaviour—in collaboration with multiple stakeholders, which is embedded in the good character of the professional.

Because virtuous competence remains an ideal which is difficult to achieve, the professional in corporate sustainability cannot a priori assume being a virtuous professional (normative aspect of virtuous competence), but is in need of the action related aspect of virtuous competence in order to morally engage him- or herself in the transformation to and internalization of good character (action related aspect of virtuous competence). The relation between the two aspects of virtuous competence consists in the fact that they are two mutually dependent aspects of one virtuous competence. These mutually dependent aspects of virtuous competence are represented in the following definition of virtuous competence for corporate sustainability: Virtuous competence is the personal engagement of a professional in the transformation to good character by applying virtues in the production of sustainable internal goods together with multiple stakeholders (corporate sustainable behaviour), and by perfecting his or her good character by the internalization of the production of these sustainable internal goods (see Figure 2).

The results have important consequences for education and practice. The idea of virtuous competence we have developed in this article can be operationalized in education programs for students in environmental sciences (education
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for sustainable development) and business administration (business ethics). The virtuous competence can also be used in the evaluation and assessment of (new) professionals involved in corporate sustainability.

In future research on virtuous competence, six issues should be taken into consideration: 1) the concept of virtuous competence and the relation between the normative and action related aspect should be empirically tested; 2) from a virtue ethics perspective, the question arises as to which specific virtues enable the development of the virtuous competence for sustainable development; 3) from an ethics perspective, it can be asked whether virtue ethics is sufficient for dealing with the wicked problem of sustainability, or has to be considered a complementary approach next to deontological and/or utilitarian approaches to deal with sustainability; 4) from a business perspective, the question comes up whether the virtuous competence is necessary in all possible business responses to sustainability challenges; 5) from a managerial perspective, one may examine whether and how virtuous competence can be developed in educational and professional practice; and 6) from a societal perspective, the question needs to be dealt with whether virtuous competence is sufficient to enhance corporate sustainability, or that it should be accompanied by some kind of governmental rules or regulations in order to secure corporate responsible behaviour.

Notes

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1. The description of sustainability as a wicked problem in this section appeared earlier in Blok 2014.

2. Although we conceptualize sustainability as a wicked ‘problem,’ this doesn’t imply that we see sustainability as one single problem. The wickedness of wicked problems means that they have to be conceptualized at a systems level and therefore involve a range of interdependent problems, like climate change, global waste- and nutrition streams, pollution of land and water etc.

3. In order to deal with multiple stakeholders as indicated here, professionals not only need the moral competencies we discuss in this article, but also the other competencies for sustainability development that are identified in the literature. For this reason, we do not analyse these practices any further but focus on the two moral competencies and their interrelations. For a more extensive description of practices in which the moral competencies as well as the other competencies for sustainable development are treated, see Wesselink et al. 2015.
4. In fact, also the Presocratics and Plato used the vocabulary of virtues, but Aristotle is normally seen as primary source for thoughts about virtue ethics, probably because of his systematic development of a virtue ethics doctrine.

5. For Aristotle, a virtuous life is insufficient because one needs external goods like power and friends as well (Aristotle 1990: 1153b15-20). A further elaboration of the different views on *eudaimonia* and the connection with virtues is beyond the scope of this article.

6. We think that the framework of a MacIntyrean approach to business ethics very well fits in the context of wicked problems like sustainable development.

7. On the one hand, one can argue that the four components of action competence make clear that it has a moral component but that this moral component is not fully constitutive of it; it involves critical thinking and reflexivity as well for instance. On the other hand, one can argue that this *self-involvement* in responsible action is constitutive of moral competence. According to philosophers like Levinas, it is primarily this self-involvement as *internalization* of ethical behaviour in the face of the possibility to fail in this and our struggle against it, which constitutes responsible behaviour. It “involves a calling into question of oneself, a critical attitude which is itself produced in face of the other and under his authority” (Levinas 1969, 81). The ethical relevance of personal involvement and internalization of ethical norms and values is also confirmed in the business ethics literature (cf. Cassell et al. 1997; Blok 2013). For this reason, in this article we consider action competence as a *moral* competence, although it also involves non-moral aspects such as critical thinking and reflexivity.

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