

Aesthetics and Business Ethics: Impact on Leadership, Branding, Firm's Morale

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Abstract

This paper is focused on discussing aesthetics and ethics within business and how they come together to influence the nature of moral judgements and creative processes. Leadership, branding, and firm's morale are also impacted by aesthetic and ethical decisions, so iterating on these points will allow us to better understand why businesses make the interesting aesthetic choices that they do. We also discuss how these business philosophies differ between different nations and cultural backgrounds.

Keywords: Aesthetics, Ethics, Leadership, Firm's Morale, Branding.

1. Introduction

The intertwining of aesthetics and ethics exists in every aspect of life. Necessity has made it vital for humans to be able to make sense of the world around them, defining interactions and creating suppositions to survive the day further. Through this process, societies began to philosophize and define rules that would guide the way they would think and interact with one another. Much of this philosophy on aesthetics and ethics would undergo trials through the societies where it was embraced, with both failure and success. Success in philosophy is passed down to the next generation, where it is tested once again, and the process repeats.

Aesthetics

To understand how aesthetic impacts leadership, branding, and firm morale, we must first define aesthetics and find out how it relates to business. There are many types of aesthetic approaches that can be used within a business application. Aesthetic, according to Dobson is "loosely defined as the appreciation of beauty". Relating to aesthetics in business, Dobson also states that "within business, (aesthetics) subsumes both ethics and economics within a holistic justificatory mechanism for business decisions". This equates to aesthetic judgment of which Dobson says that there are five qualities: disinterest, subjectivity, inclusivity, contemplativity, and internality. These aesthetic qualities, when relating to business aesthetics, are also applied differently by each business' work structure, values, cultural ties, and purpose. Hence, each of these judgment qualities can have varying influence on the decision sciences within one organization when compared to another. These elements are said by Dobson to be essential to quality of life, and when relating to business, these qualities affect every component from employee morale and productivity to customer satisfaction and subsequent loyalty.

The paper by Dobson, entitled "Aesthetics as a Foundation for Business Activity" discusses the introduction of aesthetics being a key motivator of business according to postmodern thinkers. The more modernist approach would say that purely economic reasons are the only basis for business, but as the world has globalized, the postmodern shift has complicated the true purpose of business into including decision making partly based on aesthetics.

The study of the aesthetic of business focuses heavily on the sublimity of a business entity, i.e., what a beholder thinks about a business, and what are their feelings towards it. In paper entitled "Aesthetic Style as a Post-structural Business Ethic," Dobson proposes that the idea of aesthetic is used to describe something that takes your breath away. The aesthetic instills emotions such as wonder and joy upon a gaze. Businesses use this idea of aesthetics when advertising. Successful businesses create grandiose marketing campaigns through social media and advertisements using technology to create larger than life content that can even be perceived as more beautiful than what you may see in the natural world. The sheer amount of editing, filtering, and production that goes into

these campaigns all instill that main aesthetic form of judgment: interest, which is described by Dobson as the “end in itself.” This means that interest or disinterest is exhaustive and self-contained.

This leads to the next way aesthetics can be utilized, namely through the environment. Environmental aesthetics is how appreciation extends beyond art to the natural environment, through an engagement with, and sensory immersion in, the natural world. In the paper “Can Environmental Aesthetics Promote Corporate Sustainability?”, the author makes the argument that the use of different forms of environmental aesthetics can be used to convince corporations that they must adhere to a triple bottom line approach, that being a focus on social, environmental, and economic issues. The social and environmental issues are what interact with environmental aesthetics.

Environmental aesthetics contains an idea called nondualism. This nondualism describes the two modes of interpreting environmental aesthetics, ecocentrism and anthropocentrism. The difference between the two, as stated by Waistell, is that ecocentrism focuses on the idea of the intrinsic value of the environment around us. The environment should be observed and sustained “independent of human benefit”, and for the basic reason that it exists, therefore it is beautiful. Anthropocentrism is a more utilitarian approach, with the value of environmental aesthetics directly correlating to its usefulness by humans. These modes, as stated by Waistell, are not mutually exclusive and they are used in tandem to determine environmental aesthetics. The aesthetically pleasing nature of our natural environment is something that, generally, is valued highly by humans. It is an innate feeling for us to desire the beauty of nature as this is representative of the condition of the world around us. Visualizing vitality and longevity within the natural environment improve our mood, and when humans are deprived of these elements of environmental aesthetic, life can become banal and depressing.

Ethics

The relations between aesthetics and ethics are elaborated in the book entitled “The Intertwining of Aesthetics and Ethics: Exceeding of Expectations, Ecstasy, Sublimity”. Skorin-Kapov writes:

“The development of reflection, following the initial provocation of the senses by the proper aesthetic experience, subsequently leads to ethical considerations as it tries to come to terms with the encounter with otherness. Aesthetics and ethics can be intertwined in various proportions, either inclined more toward admiration and judgments of taste, or toward ethical judgments and morality.” ([11], p. 186)

The idea that the field of business ethics can be influenced by aesthetics can be traced back to F. Niel Brady's 1986 paper entitled “Aesthetic Components of Management Ethics”. Business ethics is applied ethics that deal with the accountability of morality within business practices. When business ethics is applied to situations without any true meaning or aesthetic, the ethical approach will usually tend to devolve into deontological and utilitarian ethics. This is not a helpful ethical approach when solving business problems that are not purely profit based, and can be a detrimental way to address leadership, branding, and firm's morale if done with a purely utilitarian approach. As Skorin-Kapov writes, “Strict deontological theory amounts to formalism carried to an extreme; strict utilitarianism represents pragmatism carried to an extreme” (131). Hence, how do we thoughtfully establish virtuous ethics in business so that it does not trip over itself and devolve into utilitarian ethics? The first step as stated by Brady is to “know how to manage, focusing on the ethics of management and showing how management ethics is better understood as management aesthetics”. By using a blend of the individualistic interpretation of aesthetic and the holistic approach of ethics, we can favor a more virtuous approach to ethics.

Knowing “how to manage” in the sense that Brady has stated, is not typically how most managers practice their management. Practicing management requires substantial care in the way a manager communicates with his/her subordinates. The traditional ethical point of view contains two principles that are often easy to violate if one doesn't think critically about their management aesthetic. Those two principles are: “always tell the truth”, and “always avoid offending others”. A manager offending others can occur if a manager does not watch her/his tone or know the needed information, and even if the manager is right, offense can still be taken. The duality of vested interests

between management and the workers is the driving factor behind the failure of many management structures. Management can be too fixated on their own interests within control, authority, and standardization that they are unable to embrace autonomy, support, and diversity of practice, and traits necessary for the future success of the workers within the company. A quote that brings this idea together comes from "The Art of Japanese Management":

Observing a Matsushita control deal with certain delicate situations provides an opportunity to study an art form. Carefully choosing his words, constructing a well-balanced tension between the general and the specific, the opaque and the clear, he picks his way across difficult terrain. Whether dealing with division managers before the planning group or with superintendents on the shop floor, he is always balancing.

Matsushita uses his negotiation skills to interact with his subordinates and higher ups, all with an aesthetic that he creates to balance his needs. His virtuous ethical approach takes into consideration individuality and excellence over utilitarianism and it is stated by Dobson that "In virtue ethics it is through exercising these virtues that one flourishes as an individual; one attains a high quality of life." This quote can be applied to the belief of individualism existing through virtue ethics. The belief that an individual is in control of their own destiny leads to the aesthetic idea of originality, "for something cannot be put into a mold". Every person and their individuality are original and in an aesthetic sense, that makes them unique and therefore able to be judged subjectively. Opposite to being judged objectively, subjective judgment is not seen as ethically suitable for most business applications when meritocracy and prestige reign supreme among western cultures.

Respect, as a part of ethical behavior, is split into two types: respect for others and self-respect. Within business, respect is a symbiotic relationship that involves the cooperation between many different parties, and when this respect deteriorates, ethical behavior deteriorates with it. These parties include management, colleagues, subordinates, customers, and suppliers. This idea of respect coincides with Kant's sense of will and duty, as the ability to honor the authority or autonomy of others relies on the capacity to create "law" to establish societal and cultural guidelines of interaction. Kant explains that one's self-respect competes with the ability for one to respect others, and the reason that we allow ourselves to hold respect for others involves personal obligation towards a sense of duty. Self-respect, though, is reliant on the respect of others to have any sort of idea of what level your self-respect should be at. If you have no one to compare yourself to, what does it matter the way you respect yourself?

Using aesthetics when considering morality involves applying artistic taste to human interaction, and this allows us to adopt ethical principles most fully for the situation. Skorin-Kapov sees "art as direction and ethics as concretion of activities to maintain this direction, both give meaning to our lives", once again solidifying the relationship between ethics and aesthetic.

Leadership

The role of leadership is to apply judgment and provide guidance to a process and each of its parts and, as we established before, judgment is an essential element of aesthetics. Knowledge of proper leadership technique is a key factor in determining the success of a team, and the mode in which leadership is provided is determined by the ethical compass of the leader. The leader determines this by applying his two forms of knowing: "knowing that" and "knowing how", and as Brady states, "the object of ethical inquiry is knowledge" (pp.338), so proper knowledge is important to provide proper ethical inquiry. For a better understanding of what each of these entails, here are some examples provided by:

"Know that..."

... Interest rates influence business growth

... employees are more productive where goals are clear and realistic.

Know how...

...To inspire subordinates

... to make an exception to a rule

... to write concise reports."

A leader must be able to understand the differences between these two forms of knowing, and to communicate the “knowing how.” A leader simply cannot communicate “knowing how” examples through verbal expression, because there are nonverbal elements within “knowing how” that cannot be properly understood without mentorship. This implies that a sort of aesthetic perspective should be applied when practicing forms of “knowing how”. “Knowing that” is the analytical approach that Brady states has been the pervasive theory within business practice (pp.340), and can be said that its overreliance has eroded trust in leadership.

Leadership development within a “knowing how” thought process is also described within “Understanding Arts-Based Methods in Managerial Development”. The applications of aesthetically based methods of teaching leadership are intended to have well defined objectives associated with them for best integration. The methods are defined as follows:

Skill Transfer: development of artistic skills that can be applied in an organizational setting.

Projective technique: artistic action that reveals inner thoughts and feelings that may not be accessible through conventional developmental modes.

Illustration of essence: Art as a way of understanding “the essence” of a situation or concept in a way that reveals more depth than conventional methods.

Making: The creation of art as a way of expression provides more to learning than conventional analytical methodology.

In summary of these four techniques, they all share inspirations from the arts to improve the skill sets of managers. Theatre provides skills like attention to detail and improvisation, while orchestra and music teach synchronization and attention to detail in tone. These skills are so much more difficult to learn through an analytical perspective, hence, it is arguable that it is impossible to learn them without artistic expression. Artistic expression through the arts is also seen as an ethically sound way to improve one’s skill set. As far as a leader is concerned, it helps solidify a leader’s credibility to others when a leader can exhibit expressions of art through their managerial endeavors.

Particular Nature of Art	Making	Projective Technique
Universal Nature of Art	Skill Transfer	Illustration of Essence
	Art Process	Art Products

FIGURE 1 - A Typology of Arts-Based Processes (Taylor & Ladkin, 2009).

The “being” of a firm depends on its leadership, and those in charge work in tandem as the captain of their ship. Leadership chooses the direction to sail and what they must do once they arrive. If the captain loses his direction the ship will be adrift and will eventually sink. Leadership must be aesthetically connected to the mission of the organization that they are a part of, to keep its direction. This connection is both internal (firm morale) and external (branding). This leads us into branding.

Branding

The brand consists of all imagery used to identify a particular business enterprise. Good branding uses logical aesthetic choices to better instill specific feelings and emotions into the viewers, via imagery. These aesthetic choices are what “makes-up the very spirit, soul, content, and essence of what the product is all about. Its Form, Shape, Morphological and Physical attributes, characteristics and all other such properties that often times determines whether the product brand will be successful in the marketplace or not.”

To make proper aesthetic choices, we must understand the aesthetic components of a brand. Elements like color, font, and shape all come together to create a singular entity that is the brand, and when done with aesthetic rules and design, the imagery becomes recognizable and identifiable as the mission of the brand.

Obasuyi states that the rise of branding as a widespread practice began during the industrial revolution, as businesses competed to create products that were both high in quality and aesthetically pleasing [8]. Aesthetic products, which for most of history before the industrial revolution were only obtainable by the upper class, were now becoming accessible to the masses, so high demand and high competition would incorporate the philosophy of branding into business.

Relating back to aesthetics, branding must incorporate sublimity to be effective. In the book “The Aesthetics of Desire and Surprise: Phenomenology and Speculation” Skorin-Kapov argues that wonder provoked by art leads to sublimity, and further develops into various combinations of admiration and/or responsibility, leading to the intertwining of aesthetic and esthetic judgments. In a subsequent book “The Intertwining of Aesthetics and Ethics...”, Skorin-Kapov writes:

“The essence of art as such is sublime in its core: it points beyond my mere physical existence. Sublimity belongs to the being of the properly aesthetic experience with an artwork, as well as with a work of nature.”

This sublime feeling and purpose help propel the initial function of branding, which is to obtain customer interest and provide an easy way to identify what the product is, what it's for, and who should buy it. Aesthetics helps to visualize each of these components for the customer, and in today's consumer dominated market, good aesthetics are highly sought after when purchasing a product or service.

Aesthetic, in the sense of the “modern daily” usage of the term, often relates to specific design choices that are kept consistent along a space, like a room, or a website, and in our case; a brand (modern daily usage simply refers to less nuanced usage of the term in daily conversation or on social media in 2023). Consistent design of a brand is paramount because it is what allows for customers to subliminally connect each aspect of the branding. The qualities of a brand, like the logo, font, and tagline are all essentially separate pieces of art, and the next section will detail how these qualities use specific design inputs to provide a consistent aesthetic experience to the customer.

Obasuyi states that the creation of a brand involves the design conceptualization stage, which includes design sketching, modeling, and styling of each of the brand qualities. This artistic endeavor involves using traditional artistic techniques as well as an understanding of the philosophy behind the purpose of the brand or company. Sketches and models are created, all looking to instill the sublimities that the company has pre-defined within their mission. When a concept is sufficient to fulfill this requirement, it is then related to the other qualities of the brand, and if they are consistent, they are combined to create a brand. The connection of the brand's qualities, like the logo, font, and color scheme, all must provide consistency to the viewer to retain interest.

Businesses must also confront the issue of ethical branding, i.e.: how does a brand present an honest, genuine impression of its products or services onto its customers? Ethical branding also confronts environmental and social issues, but businesses must be competent in their sharing of their viewpoints, as poor execution on this front could be seen as green-washing, pandering, or virtue signaling. Relating to the latter point, it is not uncommon to see an advertisement, or read a statement put out by a company, and become exhausted by the monotone, corporate language used when they tell us that they “stand for social justice” or “stand for the environment”, when their execution lacks any real empathy, or their actions blatantly prove otherwise.

Though it is our viewpoint on this matter that businesses in general should not be required to act as the example to which society looks up to for ethical guidance, because there are better institutions to look up to for this guidance, like family, community, and religion, that does not take away from the fact that many people in the 21st century see business as just that, a purveyor of ethical belief. Big money can be made by companies who can convince their customers that they are the pioneers in the fight for social and environmental justice.

Firm's Morale

To add further nuance to this issue, the first part of this section will proceed differently than the previous content, in that we will discuss an experiment pertaining to worker motivation and firm morale. The independent variables within these experiments relate to aesthetic and ethical changes that were made that could improve motivation and morale within an industrial setting. These experiments are the highly influential Hawthorne experiments done between the years 1924 and 1933 and focus on improving worker output.

Though the true efficacy of the Hawthorne experiments is debated upon when relating to worker output, many sources cite the experiments as improving worker satisfaction instead. The

aesthetic and ethical factors used still can provide a correlation with the firm's morale, and we will explore that. Franke and Kaul write:

"It should be stated here that the initial concern of the Hawthorne experiments was with output. Concentration upon worker satisfaction in subsequent studies is sometimes justified by assuming it to be an intervening factor in job performance."

The first independent variable tested for was the use of lighting changes, and how that would relate to output. Lighting is an aesthetic change, and although the experiment did conclude that lighting did not have a recognizable effect on worker output, "human factors" like social interaction did have an effect, and that could possibly be due to higher communicative ability when improving lighting conditions.

The second and more conclusive factor that was experimented on focused on increasing the social interactions between workers, supervisors, and their colleagues. This ethical factor increased worker output by providing much needed trust and discussion between the workers and management of the Hawthorne plant (p. 626). Social interaction plays a key role in firm morale, and it can be influenced through both aesthetic and ethical changes.

Social interaction is also the key factor when measuring happiness and life expectancy. This hypothesis has come from the research done by the Harvard Study on Adult Development and has over 85 years of documentation relating to over 700 original participants and their lives and is still ongoing. Today, Robert Waldinger is the study's fourth head over its 85-year history, and he says that "Good relationships keep us happier and healthier". The stories of many of the research participants are told within the book, "The Good Life". Of the participants that lived into old age, many credit their longevity to the other people that they have interacted with, taught, and mentored. Good relationships can be simply put as "positive interactions with people you make contact with on a somewhat regular basis." They do not always have to be a significant other, a best friend, or a relative to be meaningful, they can be a coworker you see from time to time, a subordinate you work in tandem with, or your boss. In a business setting, these high-quality relationships set the culture of the business. Longevity and commitment to a place of work is determined in no small part by positive relationships with the people around you. As a leader, being the one to initiate these relationships with your subordinates can fulfill a crucial need for social interaction.

Cultural Differences within Business Aesthetics and Ethics

As business exists in every part of the world, business cultures can be vastly different from one another, while also being similar in ways we may not expect. Ethics is practiced in varying ways in every culture, some focusing on normative ethics as a code of conduct, and others preferring paternalism or intuition. Skorin-Kapov writes that:

"Different cultures have different levels of complexity permeating their internal relationships; hence there is a need for different arbitration, delivered via acceptable actions. Under the (implausible) assumption that there is no core shared by every culture, it would be inappropriate to search for underlying universal moral principles. Yet, all cultures do have at least one thing in common: they are all based on relationships among agents. Relationships can be expressed generally (giving only the basic form of a relationship or a maxim for action), or particularly (giving the composite matter of a relationship or a variety of specific circumstances that influence an action). Ethically speaking, to consider particular relations and to prescribe particular actions would lead nowhere: they would, by necessity, be constrained by relative cultural norms."

Societal and economic factors also play a major role in determining the strength of ethical value within a culture. The 2010 article, "Dimensions of Ethical Business Cultures: Comparing Data from 13 Countries of Europe, Asia, and the Americas" analyzed data collected from 23,000 managers and employees from 13 countries regarding their feelings on how their companies treat ethical dilemmas. Questions were asked using a Likert scale to measure statistical significance between countries. A Likert scale is simply an ordinal scale that, in this case, is numbered 1-5, with 3 being the median. The scale is used to measure how much the participant agrees (5), disagrees (1), or remains neutral (3) on a statement. Significant similarities were found in countries where you would expect to

find such, but also significant differences in culturally similar countries and significant similarities of ethical importance in geographically separated countries as well.

The data is separated by high, medium, and low ethical dimensions and the scoring is as follows:

High: US, UK, Canada, Australia, and India

Middle: Brazil, China Mexico, Germany, the Netherlands, and Saudi Arabia

Low: Japan and Italy

The Anglo-Saxon group of countries share similar ethical values due to their shared heritage and practices of common law and inalienable rights, and India can be included in this idea due to their previous control by the British Empire.

The middle grouping of countries falls within two groups, those of Western Europe (Germany and the Netherlands), and those who are “on the rise”. China, Mexico, and Brazil share the ethical dilemma of whether to “improve output and increase profitability, (or) the desire to behave ethically” (p.9). This is due to their rapidly industrializing nature, as well as societal factors. Mexico has problems with corruption, Chinese business culture is based on Confucianism which relies more on personal honor rather than a “code of conduct”, and Brazilian business culture allows flexibility in the rules. Germany and the Netherlands use a “legal precedent” approach when regarding ethical behavior, so written law and ethics can at times be at conflict with one another within their cultures, so that is presented as the probable cause to less perceived adherence to ethical behavior than their Anglo- Saxon counterparts. Saudi Arabia is the exception to these groups, as their use of Islam in promoting high levels of honesty. However, the practice of the legal system is often unjust, so participants noted that these two factors balance each other out on the scale of ethics.

The low grouping of countries that say their companies value ethical principles are Japan and Italy. Two countries that are thousands of miles apart scoring similarly on many of the questions are unexpected, but it can be concluded that different social factors are what caused this. Japanese practice of Confucianism differs from China's in that it “stresses the importance of harmony (wa) in contrast with stronger emphasis on benevolence (jin) in Chinese Confucianism” ([1], p.4). Japanese culture allows for a more situational ethical approach when determining how to act, rather than a set code of principals. Italy's perceived low ethical standing in business is accounted for by its economic downturn over the past 40 years. Rises in nepotism and control by “mafia style” business practices all lower ethical adherence (p.8).

It is important to recognize that these perceived observations of less ethical behavior are more in part to short term economics and societal issues of the countries rather than something that is innate within each culture. Economic growth is extremely important to developing countries, and aesthetics will be much less important to them now if it means knowing where their next meal will come from. Preservation of environmental aesthetics is a luxury that often conflicts with the act of survival, and this is an idea that developed nations often fail to recall.

The intertwining of aesthetics and ethics allows for businesses to excel creatively, competitively, and conscientiously. To proceed into the future with better business practices than the ones we use now, the importance of aesthetics must be taught to the business leaders of the world. The long-term benefits that come from these teachings will inevitably promote ethical behavior, while also proving cost effective.

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