Knowledge Workers and Virtues in Peter Drucker’s Management Theory

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Abstract
The fallout of the 2008 global financial crisis and frequent disregard for labor, environmental, and social standards have instilled new vigor into the study of ethics and virtues. In the contemporary knowledge society, the issue of which virtues the modern day workforce needs to possess is of crucial significance. This study specifies the virtues laid out in the management theory of Peter Drucker (1909-2005), focusing upon the conceptual category of the knowledge worker as the primary unit of the contemporary information and innovation-based knowledge society. The idea and role of intellectual virtues are not yet fully developed in the literature, especially as those identified in this article are the source of critical and creative thinking. This intervention, therefore, identifies prudence, effectiveness, excellence, integrity, and truthfulness as the knowledge worker’s intellectual virtues, whereas practical wisdom, responsibility, cooperation, and courage are seen to constitute the knowledge worker’s moral character.

Keywords
intellectual virtues, moral character, ethics, Peter Drucker, knowledge workers, knowledge society

Introduction
This article addresses the role of knowledge workers’ virtues within the knowledge society according to the late Peter Drucker’s management theory as synthesized by Maciariello (2009). Given that Drucker’s ideas are deeply rooted in, and influenced by, an Aristotelian perspective, the notion of knowledge workers’ virtues can be explored from within this perspective. This view espouses both intellectual virtues (geared toward developing innovative and creative competencies) and moral character (geared toward acquiring moral competencies). Although much has been written on the latter, the idea and role of intellectual virtues (see Table 1) have not been fully developed in the literature, and they are particularly important as such virtues are the source of critical and creative thinking.

We single out the intellectual virtues and moral character that knowledge workers need to make lasting contributions to a functioning knowledge society. We identify prudence, effectiveness, excellence, integrity, and truthfulness as knowledge workers’ intellectual virtues, and practical wisdom, responsibility, cooperation, and courage as moral character.

According to Peter Drucker (1994), “[n]o century in recorded history has experienced so many social transformations and such radical ones as the twentieth century” (p. 53). Unfortunately, such social transformations have recently been accompanied by waves of corruption. With respect to such trends, Fukuyama (1999) has coined the term Great Disruption to describe deteriorating social conditions and changes in social values throughout most of the industrialized world as a result of the transition from an industrial to an information era. Equally, we should point out that certain shifts may reveal values that are latent. Meanwhile, Drucker (1994, 1999, 2005) points out that this period of outstanding social and technical transformation evolved during a particular moment in the history of humanity that he labels “Knowledge Society.” Nevertheless, Machlup (1962) documented empirically for the case of the United States that the knowledge society was created by a shift in the nature of work.

At the turn of the millennium, there were various expressions of a lack of morality exacerbating corruption at different societal levels. In fact, at present, societies assume high costs owing to ethical failures originating in an evident lack of leadership and oriented management processes that lead some authors to identify a “pathological mutation” in capitalism itself (Hart, 2001; Pfaff, 2002). For these authors, it is...
as if a new expression of capitalism exists that has transformed the traditional values of an owner’s capitalism into the new values of a manager’s capitalism which functions primarily to enrich corporate managers as a social grouping. All of these new circumstances stem from changes in the current economic system, demonstrating the weakening of links among management, ethics, and morality.

In addition to all these novelties in ethics and morality, technical change must also be taken into account. Nowadays, it is hard to ignore the ubiquitous nature and importance of information and communications technologies (ICT) and their centrality in all spheres of social, economic, and political life. The technical change brought about by ICT has become a reality in many socioeconomic transformations, driving remarkable trends, especially with respect to the worldwide workforce. According to Miller (2001), the “twentieth century has marked transitions in the developed world from an agricultural to an industrial to an information-based society” (p. 147). “As the primary workforce has evolved from farmers to labourers to knowledge workers, the bases of wealth, power, and social interaction have moved from land to mass production to e-commerce,” Miller (2001, p. 147) adds.

In summary, social transformations have entailed high levels of corruption, together with a migration of owner capitalism to manager capitalism in a knowledge society environment implying technological, social, and ethical changes that call for new management approaches: “It is easy to look good in a boom. But also, every boom . . . puts crooks in at the top” (Drucker & Zahra, 2003, p. 11). In other words, economic highs bring about financial predators as well as prosperity. In this regard, Kurzynski (2009, p. 358) concludes that contemporary management has improved profitability by raising productivity and streamlining, downsizing, outsourcing, and out-competing the competition. All these factors lead us to understand and accept that the origin of many current troubles in diverse areas such as finance, government, sports, labor, and pharmaceuticals can be found in a deficient function of morality, leadership, and management in organizations (Arjoon, Turriago-Hoyos, & Thoene, 2015).

Following on from these introductory paragraphs, the second section discusses the role of knowledge workers within the knowledge society. In the third section, we synthesize Drucker’s management theory following Maciariello (2009). The fourth section summarizes knowledge workers’ characteristics from a perspective that considers their intellectual virtues and practical wisdom as an obligation and an attribution of knowledge workers. We analyze knowledge workers’ intellectual virtues and moral character in the fifth section, which is followed by the concluding paragraphs.

### The Role of Knowledge Workers in the Knowledge Society

Drucker (1985) praises the relevance that management has wrought for the transition from the managerial toward the entrepreneurial economy, stating that

> management is the new technology (rather than any specific new science or invention) that is making the American economy into an entrepreneurial economy. It is also about to make America into an entrepreneurial society. Indeed, there may be greater scope in the United States . . . for social innovation in education, health care, government, and politics than there is in business and the economy. And again, entrepreneurship in society . . . requires above all application of the basic concept, the basic techné, of management to new problems and new opportunities. (pp. 15-16, emphasis in original)

Drucker’s (1985) analysis of capitalism leads him to hypothesize links between technological changes and the management response to new social trends. To demonstrate this relationship, he argues that capitalism has faced two crucial periods (managerial and entrepreneurial economy) throughout the evolution of management.

According to Drucker (1985), “[w]hat is happening in the United States is . . . a profound shift from a ‘managerial’ to an ‘entrepreneurial’ economy” (p. 1). The entrepreneurial economy relies upon knowledge generation as the source of wealth in society. Improving, exchanging, and protecting knowledge are the main challenges to management.

### Table 1. Intellectual Virtues.

| Understanding | Wisdom         | Science       | Art          | Prudence          |
|---------------|----------------|---------------|--------------|-------------------|
| Intellectual humility | Love of knowledge | Open-mindedness | Creativity   | Careful thinking  |
| Conscientiousness | Love of learning   | Objectivity   | Coachability | Attentiveness     |
| Parsimony      | Intellectual honesty| Imaginativeness| Imaginativeness| Thoroughness     |
| Studiousness   | Truthfulness     | Autonomy      | Effectiveness| Fairness          |
|                |                 |               | Excellence   | Circumspection    |
|                |                 |               |              | Discernment       |
|                |                 |               |              | Foresight         |
|                |                 |               |              | Perceptivity      |
|                |                 |               |              | Tenacity          |

Source: Turriago-Hoyos, Thoene, & Arjoon (2016).
nowadays. In addition, in the current historical epoch, Drucker (1985) states that management is a new knowledge area that forms the basis of traditional companies, especially those in high-tech industries. The application of high technology, especially through the deployment of ICT, is an expression of the knowledge society.

Drucker (1994) develops more sociological ideas about the knowledge society in *The Age of Social Transformation*, where he argues that “[t]he old communities—family, village, parish—have all but disappeared [and their] place has been taken by the new unit of social integration, the organization [simultaneously] is a means to a person’s ends, a tool” (p. 72). Human organization mediates between the individual and society. Besides, Drucker (1994) claims that, as the main source of wealth, knowledge implies a new worldwide socioeconomic order in which its allocation will be the compass needle of social and economic development based on knowledge. This enables competitiveness to be improved and measured. According to Drucker (1994), “[t]he knowledge society will inevitably become far more competitive than any society we have yet known [and especially] more competitive for individuals than were the societies of the beginning of this century, let alone earlier ones” (p. 68).

At the advent of the entrepreneurial economy and knowledge society, there has emerged a new social class that Drucker refers to as “knowledge workers” (Kelloway & Barling, 2000), whose principal function is the generation of knowledge. Crucially, “[k]nowledge work is not defined by quantity [but] by its results” (Drucker, 1967, p. 7). As a new social class of specialized workers, knowledge workers will demand new rules of management because they

will give the emerging knowledge society its character, its leadership, its social profile. They may not be the ruling class of the knowledge society, but they are already its leading class. And in their characteristics, social position, values and expectations, they differ fundamentally from any group in history that has ever occupied the leading position. (Drucker, 1994, p. 64)

Nevertheless, recent research suggests that knowledge workers are not immune to experiencing “unfilled aspirations and [a] sense of stagnation” (Costas & Kaerremman, 2016, p. 61).

It is important to address what would appear to be new social class conflicts within the knowledge society. For Drucker (1994),

A society in which knowledge workers dominate is under threat from a new class conflict: between the large minority of knowledge workers and the majority of people, who will make their living traditionally, either by manual work, whether skilled or unskilled, or by work in services, whether skilled or unskilled. (p. 64)

Furthermore, an additional socioeconomic variable producing change is innovation. The key question is where innovation originates. The answer becomes rapidly evident as innovation is inherent in knowledge workers’ own functions, expressed by entrepreneurship. Knowledge workers have to bring about innovation (Magnier-Watanabe & Senoo, 2010). Drucker (1997) saw himself as a knowledge worker—perhaps impressed by the *Kudos* knowledge workers as agents possess—having reflected on various key moments of his personal life and professional career, as well as on the lives of historical figures, and especially on the works of his personal friend and intellectual mentor Joseph A. Schumpeter (1883-1950).

In summary, the knowledge society, according to Drucker, is the new evolving environment that supports change through the influence of innovation. Innovation stems from intrinsic goods and affects on productivity and output. As an activity, it sits alongside the process of converting the mission into the achievement of results. Drucker (1985) suggests that innovation is a discipline and entrepreneurship must be learned, exploited, and integrated into the activities of an organization (Macariello, 2009). Knowledge workers are an organization’s main actors whose key function is to generate knowledge, which is the backbone of innovation. Knowledge in this context should be understood as technical knowledge that has the power to improve the “can-do” attribute.

In this way, it becomes the leading dimension of the productive process, the primary condition for its expansion, and the key driver of competitive advantages within and among societies. Besides, knowledge has strong sociological implications as it has the social significance of language, writing, and printing (Stehr, 2015). Knowledge implies the capacity for action in social life. This means that the realization and implementation of knowledge depends upon the social, economic, and intellectual context (Stehr, 1996). For these reasons, knowledge has to be available, interpreted, and linked to local circumstances.

**Peter Drucker’s Management Theory**

Drucker is considered the father of modern management and a leading analyst of social change. He began to deploy his intellectual interests in the mid-1930s when he emigrated to the United States. His new life in America drove him to formulate some critical considerations concerning the functioning of society, inspired by the harsh experience he endured during the build-up to the Second World War, when totalitarian political regimes were spreading throughout Europe. Drucker’s (1939) first writings in his adopted country were *The End of Economic Man—The Origins of Totalitarianism*, and *The Future of Industrial Man* (Drucker, 1942). In these works, he studies the functioning of capitalism and socialism, concluding that the hedonistic and materialistic goals of the idealized *homo economicus* would lead these socioeconomic systems to eventually fail. The *homo economicus* is, of course, an abstraction that both capitalism and socialism founded and promoted as an important ideal of effectiveness.
Indeed, his conclusion is short and concise: “Economic Man has not only made himself superfluous through his material successes; he has also failed politically, socially and metaphorically” (Drucker, 1942, p. 196).

In 1954, Drucker became a management consultant at General Motors, the world’s biggest corporation at the time, providing him with firsthand experience of the analysis of management processes. Prior to this, The Concept of the Corporation (Drucker, 1946) was his first systematic reflection on the functions and structures of large businesses. For example, he identified basic principles such as decentralization, promotion, and training that any firm should consider to be competitive. If it is true that Drucker structured a theoretical management model identifying some outstanding principles, he “seldom brought these together into an integrated system” (Maciariello, 2009, p. 35).

This lack of a holistic systemic vision challenged Maciariello (2009) to formulate a number of proposals concerning a “Drucker Management System” (DMS) which integrates and places marketing and innovation at the forefront. Maciariello develops a holistic model of Drucker’s management work—with the major purpose of evolving and validating an organization’s “theory of the business” (p. 36). Within this theoretical framework, we see the knowledge worker as equivalent to an executive. Maciariello’s proposal acknowledges the overall integration of an executive’s human actions that should pursue effectiveness in marketing and innovation.

Executive effectiveness is the main goal of these specialized agents, according to this model. The analytical model is deployed in four categories—skills, practices, tasks, and spirit of performance (i.e., the culture, the way that work gets done)—that should be put into practice considering social impacts and the common good of society (Drucker & Maciariello, 2006; Maciariello, 2009). Implicitly, this management theory recognizes that, in Drucker’s thought, effectiveness is the basic and necessary condition of an executive’s actions. To delimit the functions of agents, we will consider the addition and interaction of skills, practices, spirit of performance, social impacts, and the goals achieved by any human being or agent within this Druckerian model (Drucker, 1946, 1954). Each of these dimensions incarnates a virtue within an executive’s mind, whereas they are simultaneously the essence of motivation that grants the executive skills, tasks, and practices necessary to fulfill their functions.

At this stage of the article, it is possible to point to ethical issues and the morality in Drucker’s thought. This last point of view demands making value judgments about the morality of human actions. One of Drucker’s most important intellectual influences, the thought of Joseph A. Schumpeter, classified the economic factor of work into entrepreneurs, workers, and capitalists. Although Drucker acknowledges the individual roles of the entrepreneur, the manager, and the worker, contemporary knowledge society demands that all of these types take on the responsibilities and tasks of the knowledge worker.

Initially, we clarify that there are two types of workers in Drucker’s model. The first are manual workers identified with managerial capitalism who work on the basis of pre-established routines with the ultimate goal expressed as improving productivity. The second are knowledge workers identified with entrepreneurial capitalism. In principle, from Drucker’s (1985, 1999) perspective, manual workers have a low margin of initiative and creativity. His analysis, however, needs to be seen against the background of U.S. industrial productivity during and after the Second World War. The role of manual workers in Drucker’s models is overshadowed by the role played by knowledge workers. Yet we should also be aware that a fair number of service workers are engaged in the production and distribution of knowledge (MacIup, 1962).

The Characteristics of the Knowledge Worker

Human action is an outstanding variable in our analysis of knowledge workers’ characteristics, intellectual virtues, and moral character. Human action is an effective intervention in processes. A process is a series of events that are underway. According to Drucker (1967), “[t]o be effective is the job of the executive [and] the executive is, first of all, expected to get the right things done” (p. 1, emphasis in original). As homo sapiens faber, persons intervene in physical processes by means of technology. If they had not intervened in a variety of issues, many things would not exist. Therefore, human action takes on a creative and innovative sense (Polo, 1993).

As active beings who modify processes, people bring about future scenarios. Following classical thinking, we can divide human action into productive action and government action (Polo, 1993). Productive action refers to material and physical processes (Polo, 1993). Government action refers to poi-esis or bringing forth, coming into being, and it is political in the sense that it implies interrelationships among actors. The truly practical in political action is language (Polo, 1993).

Government action aims for improvement of societal actors by seeking to further their development via virtues, especially via dialogue (Polo, 1993). Prudence is the intellectual virtue, and practical wisdom is the human character trait underpinning government action. Applied to the practice of management and the business world, government action refers to the activities of effective executives and managers who give orders within the confines of a framework of norms, but who at the same time have to obey and reflect on their actions. Productive action and government action are interdependent phenomena. The former is impossible to achieve without the latter. Interdependency brings about effectiveness.

Human action is related to ethics. Ethics is composed of virtues, the common good, and norms (Polo, 1993). As opposed to vices, virtues demarcate an ultimate objective, which by definition is good. Human action requires goals,
motivation, and resources (Polo, 1993). As we have seen, norms are implicit in government action.

A knowledge worker is a knowledge generator. As wealth generators *par excellence*, their human action contributes to the most effective performance of the knowledge society. Nowadays, knowledge workers “own the tools of production” (Drucker, 1994, p. 71). More explicitly, Drucker (1994) states that, as individuals,

knowledge workers are dependent on the job. They receive a wage or salary. They have been hired and can be fired. Legally each is an employee. But collectively they are the capitalists; increasingly, through their pension funds and other savings, the employees own the means of production. (p. 71)

Drucker outlines a number of personal characteristics that shape knowledge workers’ productivity. More specifically, he argues that, as opposed to the manual worker, the “knowledge workers themselves define what the task is or should be” (Drucker, 1999, p. 145). Furthermore, Drucker (1999) stresses that the knowledge society imposes responsibility for their productivity on individual knowledge workers themselves. In other words, “managing oneself” and being autonomous are central features of work in the knowledge society insofar as a knowledge worker needs to become aware of personal strengths via feedback analysis, self-examination, and building self-awareness (Drucker, 2005, pp. 101-102).

Failing to follow these steps on a regular basis can easily lead to “intellectual arrogance” and “bad habits,” which deter “effectiveness and performance,” eventually having a negative effect on an individual’s manner (Drucker, 1999, p. 102). Perhaps more vital to managing oneself, however, is the issue of a knowledge worker’s values. Drucker refers to this issue as the “ultimate test,” and warns that “what one does well—even very well and successfully—may not fit with one’s value system” or the value system of the organization a knowledge worker operates in (Drucker, 2005, p. 105).

Moreover, a central element in the life of a knowledge worker is the contribution the individual makes to an enterprise and to society at large. Put differently, a knowledge worker’s preoccupations need to be...

What *should* my contribution be? . . . What does the situation require? Given my strengths, my way of performing, and my values, how can I make the greatest contribution to what needs to be done? And finally, what results have to be achieved to make a difference? (Drucker, 2005, p. 106, emphasis in original)

Moreover, managing oneself entails “taking responsibility for relationships” as, generally, “people work with others and are effective with other people” (Drucker, 2005, p. 107). Owing to the fact that the modern workplace is a complex site of human action with a diverse set of tasks and responsibilities, understanding and knowing one’s coworkers and “communicating sufficiently” are pivotal factors in taking responsibility (Drucker, 2005, p. 107). In short, according to Drucker (2005), nowadays enterprises “are no longer built on force but on trust”; people do not actually need to get along, but they must “understand one another.” (pp. 107-108)

Furthermore, Drucker (1985) follows a Schumpeterian approach, defining “[i]nnovation as the specific tool of entrepreneurs, the means by which they exploit change as an opportunity for a different business or a different service” (p. 17). Knowledge workers should “[continue] innovation as part of [their] work, [their] task and [their] responsibility” (Drucker, 1999, p. 142). Being innovative also implies the need for “continuous learning on the part of the knowledge worker,” “continuous teaching,” and prioritizing quality over quantity of output (Drucker, 1985, p. 17; 1999, p. 142), activities which we can link with love of knowledge, love of learning, and tenacity (see Table 1).

A knowledge worker should be seen “as an ‘asset’ rather than a ‘cost’” and they should prefer “to work for the organization in preference to all other opportunities” (Drucker, 1999, p. 142). Innovation is a process of basic and applied research-generated knowledge, so innovation produces results which should be judged by its aims. Finally, human action is the conscious, free, and effective intervention in a temporal process (Polo, 1993).

The Intellectual Virtues and Moral Character of the Knowledge Worker

Taking into consideration that Drucker’s work could be conceptualized as a management system, as Maciariello (2009) proposes, and acknowledging the ethical problems of our age, the knowledge worker’s actions and patterns of behavior need to be explored via a set of virtues. Virtues design good and stable human qualities, perfecting human intelligence and will by establishing capacities to know the truth and to excel in their actions to flourish within an environment that promotes freedom. Virtue is right conduct. The “virtuous person” is the person who practices virtues (Melé, 2009, p. 87). Virtues should be exercised daily to reach the ideal of human virtuousness. In a nutshell, intellectual virtues can be taught and learned, whereas moral character (moral virtues) may be acquired by action, doing, repetition, and by avoiding its opposite” (Melé, 2009, p. 87).

Drucker’s thought has deep Aristotelian roots (Kurzynski, 2009). Aristotle coined the term *eudaimonia*, which can be translated as “happiness” or human flourishing, a notion that includes both behaving well and faring well. In short, a life that is complete and satisfying as a whole to the last, which is at the same time one’s highest or supreme good (MacIntyre, 1984).

Several authors have identified a number of intellectual or epistemic virtues (de Bruin, 2013; Rawwas, Arjoon, & Sidani, 2012; Rego, Cunha, & Clegg, 2012; Roberts & Jay Wood, 2007), but they are not grounded in any philosophical
If a knowledge worker is self-managed and receives ongoing feedback, it is due almost entirely to the fact that they accept instruction and guidance, that is, coachability (see Table 1). Truthfulness (speaking the truth and not concealing it) is the intellectual virtue that ensures self-knowledge and discernment (see Table 1), but it is also supported by previous feedback activity carried out by superiors and partners to achieve an effective process (Drucker, 2005). Truthfulness also requires a certain dose of the moral characteristic of courage, “persevering or pursuing what is good in spite of obstacles” (Melé, 2009, p. 88), to achieve consistent and constant corrective processes.

For Drucker (2000), another aspect is Confucianism, marking an important difference between Eastern and Western paradigms, which Drucker refers to as the Ethics of Interdependence, and which we link with responsibility as an element of knowledge workers’ moral character. We can assimilate interdependence with respect to others in personal relationships by taking into account hierarchical position, for example, from subordinates to chiefs. In the Eastern Ethics of Interdependence, all agents have obligations which are socially oriented (Fernando & Moore, 2014). Confucian ethics considers the abuse of strength and power in any relationship to be unethical. Harmony is finally achieved if equity is present in individual duties.

Drucker (1954) explicitly identifies the morality required in the work of management, stating that

management . . . needs concrete, tangible, clear practices. These practices must stress building on strength rather than on weakness. They must motivate excellence. And they must express and make tangible that spirit is of the moral sphere, and that its foundation therefore is integrity. (p. 146)

In fact, “integrity . . . or the lack thereof . . . has enormous economic implications [and] integrity is a factor of production as important as labour, capital, and technology” (Erhard & Jensen, 2014, p. 2).

For Drucker (1957, 1986), managerial practices must be based on individual integrity and morality. “Integrity confers unity in making decisions coherent with [an individual’s] personal life project, and in integrating various relationships (family, business, and so on) into one’s personal life. The opposite of integrity is corruption” (Melé, 2009, p. 210). As Fernández (2009) points out, Drucker recognizes the spiritual connection between individuals and their contribution to society, so that by channeling knowledge into performance, people advance their spiritual selves and improve social justice.

Kurzynski (2009) summarizes the work of management, stating that

Drucker regarded the business corporation as a human organization, a social organization, a community and micro-society of the larger macro-society, in addition to being an economic entity. His management philosophy is based on a
Put differently, this perspective highlights the importance of the individual, and of the individual within the community. As a cornerstone of Drucker’s theoretical management foundations, it is possible to claim that, within the organizational life, there are two primary assumptions.

The first is that management should consider the person as a whole, in other words, someone with virtues, responsibilities, and purpose. Second, the organization must be responsible for developing the people employed by it but also bear responsibility to society, that is, sustain the achievement of the common good. We also argue that it is advisable to analyze the ethical scope of innovation in the knowledge society because it is human action par excellence, and for this reason, it is possible to frame ethics and value judgments.

In fact, if knowledge workers are responsible for their own actions, they then seek control over the consequences of innovation. They can carry out this reflection or “feedback analysis” (Drucker, 2005, p. 102), which considers processes and results, not only by having consciousness and control of their actions (limited form of self-knowledge) but also by mastering the processes that facilitate the advancement of innovation. Innovators may be responsible for these future events by maintaining a constant willingness to correct and rectify, and also complete tasks, which ties in with thoroughness, open-mindedness, and intellectual honesty (see Table 1).

Furthermore, innovators are responsible for their actions in the process itself, whether a complete or incomplete process, whether it is starting or ending, and whether the agent discovers that the process is likely to produce undesirable effects. Polo (1993) argues that it is radically unethical when there is no intervention in the process, in spite of knowing, for instance, the malignant effects of an action. It is also not ethical if nothing is done. Active and hands-on intervention is prudent because it seeks to achieve control today of future effects. The corrective involves formulating practical wisdom or prudence.

Another important ethical reflection pertains to moral character and, more specifically, to collaborative action or cooperation. This action should be expedient owing to collaborative human action always being performed in specialized teams. Innovation is a process and an activity that necessitates learning by interacting, and applying foresight and cultivating curiosity (see Table 1). This collaboration also means having effective access to sources of information. The notion of collaboration is linked to the principle of the common good. According to Melé (2009), “living in society, and more specifically, in relationships with other people does not always come about due to purely utilitarian interests. Collaborating and cooperating with others, and even helping people, can be regarded as an end in itself.” (p. 84)

In summary, as information is the pillar of knowledge, and knowledge, in turn, is pure organized information gained through research advanced by interdisciplinary teams, then research into the knowledge society is absolutely indispensable, as if this is lacking, the outcomes pertaining to effectiveness and competitiveness are likely to be disturbing.

In short, entrepreneurs, managers, executives, and workers in the knowledge society are all knowledge workers. The common function of all coincides with the generation of knowledge, which is at the same time essential to bring about innovation. Value judgments imply reasoning about the morality of any action, good or bad. If virtues are defined as something that implies doing good, we can point out that any action that does not fulfill the requirement of a virtue is not a moral action.

**Conclusion**

In the first place, some intellectual virtues and moral character traits of knowledge workers are considered on an individual level. These are prudence, effectiveness, excellence, integrity, truthfulness, practical wisdom, responsibility, cooperation, and courage. The same features, required by the contemporary human labor collective, are elevated to organizational and societal levels with respect to the fulfillment of the common good. The common good is simply a designation to live the intellectual virtue and moral character of effectiveness and responsibility, both inside organizations and in society, under the umbrella of the authority principle.

We also establish that Drucker identifies two different ethical systems. The first deployed in Western societies in which prudence is the guiding virtue, and the second, which Drucker denominates Ethics of Interdependence, in which authority relationships are subscribed to that flourish in Eastern societies.

Morality is constituted as outcomes of human actions and is deployed with respect to excellence, integrity, exemplarity, and right behavior. It is worth noting that processes exist to improve ethics and morality; practices must stress building upon strengths rather than upon weaknesses. At an organizational level, the existence of organizations responsible for developing the competencies and virtues of the people they employ should be mandatory. Organizations and their boards of directors should consider the potentiality of persons as a whole to improve their capabilities.

Drucker’s theoretical framework of knowledge workers is appropriate to describe the new person’s functions within the knowledge society because it indicates the main functions needed to achieve innovation. Knowledge supports innovation, and knowledge workers principally generate knowledge.

Currently, knowledge is the main source of human-generated wealth in the knowledge society. We can also state that innovation is pure human action and it has a profoundly moral character and significance as it is based on the social
nature of human beings. Consequently, it also provides the criteria for the discernment, orientation, and ultimate organizational foundations of social interaction.

For Drucker, the functions of knowledge workers are grounded in a strong and well-defined ethical and anthropological framework. These functions arise from the need to achieve effectiveness and competitiveness in organizations and in society as a whole. These functions are specialized, covering both the individual and social outlooks.

The complete fulfillment of knowledge workers’ functions of applying critical and creative thinking promotes the accomplishment of the principle of the common good guiding the primary goal of human affairs with respect to production, trade arrangements, political institutions, and social welfare.

To develop lines of future research, we may consider how management can foster practical ways to develop knowledge workers’ intellectual virtues and moral character in the workplace. Furthermore, implications for management education should be reflected upon to “harness the power of each individual’s unique reasons to act in a virtuous manner” in contemporary knowledge society (Manz, Marx, Manz, & Neal, 2008, p. 117). As a case in point, Drucker (1967) insists that “effectiveness can be learned” over time via a process of repetition that is similar to other pedagogical processes (p. 21). Yet we should also be aware that cultivating knowledge workers’ virtues and moral character is fraught with difficulty because each virtue has a corresponding vice by defect on one hand, and a vice by excess on the other. This then represents a real challenge both for the development of virtuous behavior in the workplace and for management education.

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