The way large companies are run is of importance to all of us. They are the dominant forms of wealth creation in society today. As well as providing jobs and export income, they are key influences on social cohesion. We ignore how companies are run at a peril to us all. However, today investors are increasingly concerned about the ethical behaviour of those who run companies. Regular disclosures that directors and executives have behaved unethically reflect badly on the corporate sector as a vehicle for investor funds. By comparison, Australian company directors are increasingly stating that there is already too much concentration on the mechanisms of corporate governance, indicating that they will happily tick the boxes, but do little more.

In the latter part of the twentieth century, companies discovered mission. The key elements of any mission must include the major corporate participants – investors, suppliers, customers, employees and society. The role of management is to develop a structure that can operationalise the mission. Such an approach puts ethics – how we treat other people - at the core of a company’s activities. Trust is a critical element in how the interests of these stakeholders are taken up in decision making and embedded in strategy, plans and action on the ground.

In the aftermath of significant corporate collapses in the 1980s and then again at the start to this century, companies also discovered corporate governance. According to the much referenced Cadbury Committee in the UK, corporate governance is the system by which companies are directed and controlled, that is, a the system of checks and balances for effective resolution of conflicts and control over the exercise of managerial power.

This paper suggests that an alternative “professional” approach to governance is likely to be more effective. Today, the role of management is to “add value” and contribute to the “good” of society. This good is the
collective set of stakeholder interests entrusted to the governing board to look after. A governance model which integrates the human good with the operations of ‘mind’ in terms of learning and leadership highlights eight distinctive ‘products’, the eighth being valued products and by-products delivered to each stakeholder. The model is structured around the person’s capacity to ask four categories of questions, including those that provide orientation and direction.