

# Integrating Business-Society Dichotomy through Spiritual Lens

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*Responsibility of businesses towards society has been defined narrowly as 'the business of business is business' and in an all-inclusive way as 'all stakeholders have equal claim on wealth created by businesses'. Who are the stakeholders for whom business is responsible and how are the externalities caused by the business operations compensated? The authors argue that there is a need to redefine these issues through the perspective of spirituality for addressing the dichotomy between the interest of business and the expectation of society. They propose that by applying the principles of connectedness and harmony in all business decisions, the existence of the firm could incrementally transcend towards better alignment and integration with the purpose of society.*

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## Introduction

The guiding principle for taking a commercial decision in the interest of the firm is the maximization of economic benefit (Friedman, 1970). But not all the decisions that business take have indispensable and implied social benefit or positive environmental impact (Freeman, 2010). We still struggle to clearly align the interest of business with broader objective of the society (Frederick, 2008). The firm engages in delivery of goods and services for creation of wealth through profitably managed business operations. But the society also demands a share of responsibility towards the community and the people with which the firm engages for doing the business and also sustainable use of its natural ecosystem with proper care and concern (Fitzgerald & Cormack, 2006). Different concepts like corporate philanthropy, corporate social responsibility (henceforth CSR), business ethics, stakeholder management, corporate social responsiveness, corporate citizenship behavior, corporate social performance, social audit, code of conduct and many other con-

cepts (for details see Schwartz & Carroll, 2008) have emerged to make businesses more socially responsible. But their emergence has not resolved the fundamental dichotomy between the business interests and societal expectations (Carroll & Buchholtz, 2014). In this paper we examine this dichotomy through spiritual lens and suggest normative guidelines that could be applied while taking business decisions. First, we explore the link between business and society and understand how the corporate have defined their responsibility for the society and its evolution over time. Then we explore the basic contrast between societal expectations and business interests which present the dilemma for any commercial decision that the firm makes. Further we discuss how perspectives through economic, political and ethical lens are unable to completely resolve this conflict. Finally we present the spiritual perspective. Specifically we discuss two principles of leading business through spiritual lens which would integrate business and societal interests through continuous process of transcendence.

### **Business-Society Link - Exploring the Role of Business in Society**

Since profit orientation of business may not always be aligned with the broader societal interest, the business and society interface has been a domain of lengthy debate and social inquiry (Carroll & Buchholtz, 2014). For instance, on the one hand, scholars argue that society and business are two distinct entities and that business does not hold any responsibility for society. Scholars such as Coase

(2013) and Williamson (1979) have argued that firms exist only to reduce transaction costs because markets suffer from inefficiencies. Many others have taken the view that firms need to maximize their financial outcomes, specifically shareholder wealth (Friedman, 1970; Jensen & Meckling, 1976). Friedman went on to question the moral responsibility of business towards society arguing that the shareholders owned their profits if the profits were legally and morally earned, albeit he is silent on what constitutes morality of business. Thus, in this view, the responsibility of business is limited solely in terms of creating employment and paying the taxes.

On the other hand, some scholars have taken a diametrically opposite view notable among them being, Freeman (2010) who argued that a firm has multiple stakeholders and each of these stakeholders has a right to receive a return on their “investment”. Although the central idea of any business is about creating value for the society by increasing its profit (Friedman, 1970), the business dealing with the ‘value creation’ needs to be bothered about a social responsibility to offset the likely harm caused as a consequence of that value creation (Frederick, 2008). Commercial success of a firm is bound to have social consequences and hence clearly articulated policies and practices in the form of CSR reflect the business responsibility for the societal benefits.

Unfortunately, while CSR has evolved over time as CSR1, CSR2, CSR3 (Frederick, 2008), the exact di-

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chotomy between business interests and societal expectations remains largely unaddressed. We elaborate two core issues from extant literature which seems to be creating fundamental dichotomy between business and society.

### **Stakeholder Identification & Salience**

In the last decade or so the stakeholder approach (Freeman, 2010) has evolved into a powerful perspective for broadening management's vision by expanding roles and responsibilities of business beyond maximization of profit towards consideration for interests and claims of non-stockholding groups (Jamali, 2008). While stakeholder management has become the buzz word in organizations, the exact scope of non-stockholding groups is still debatable (Freeman, 2010). Individuals, groups, communities, firms, institutions, society and even ecosystem are potential contenders to be considered as relevant stakeholders. Stakeholder theory works around the question of inclusion or exclusion of relevant stakeholders (Mitchell, Agle & Wood, 1997). The society would like to consider broader version of stakeholders; that is all the entities that can affect the business or can be affected by the business actions (Freeman, 2010). But the narrow version of stakeholder identification defines rel-

evant stakeholders as someone who pose risk for the business (Clarkson, 1995) or those entities that are inevitable for the survival of business (Bowie, 1988). Obviously, firm interest lies in defining stakeholders based on their relevance for the firm's core economic activity. In contrast, society expects that the firms become socially responsible even for the entities not directly related to their core business operations (Matten & Crane, 2005). Issue lies not only with stakeholder identification but also with stakeholder salience. Scholars have tried to understand the linkage between society and business through the perspective of stakeholder salience defined as "the degree to which managers give priority to competing stakeholder claims" (Mitchell et al., 1997:854) among identified stakeholders. In any business decision, the managers constantly work towards balancing the claims of different stakeholders against their primary identified stakeholders (Parent & Deephouse, 2007). By and large, businesses would prioritize primary stakeholders such as investors and customers along with employees and may be suppliers. They would also take care of stakeholders like government or market who has power over them. But secondary stakeholders defined as "those who influence or affect, or are influenced or affected by the corporation, but they are not engaged in transactions with the corporation and are not essential for its survival" (Clarkson, 1995:106) would mostly be out of their immediate concern. Stakeholder salience theory proposes that (Mitchell et al., 1997) power, legitimacy, and urgency together determine the salience of stakeholders for a firm.

When conflicting demands arise from various identified stakeholders, whose demand should be prioritized? While societal perspective would like business to take responsibility for all the entities which can have legal, moral or presumed claim on firm, the business perspective would like to prioritize the stakeholders who have ability to influence firm's outputs, processes, and future directions. A specific decision might positively impact certain stakeholders but might have adverse effect on other stakeholders. To summarize:

*Proposition 1:* While the firms adopt a myopic approach for stakeholder identification to prioritize primary stakeholders, the society expects them to broaden the vision to include secondary stakeholders.

### **Externalities vis-à-vis Compliance & Contribution**

One of the assumptions by critics supporting the argument for the tunnel vision of businesses in identifying stakeholders or not giving importance to secondary stakeholders is about the role of government and administration. They expect the state to be able to predict and control externalities by formulating appropriate rules and regulations (Sundaram & Inkpen, 2004). Dominant role of business is to maximize wealth adhering to the necessary legal compliances (for a detailed discussion, see Coase, 2013). However, because of the variability and complexity of contemporary societal context, the state apparatus (legal and administrative arms)

is not a sufficient means for the integration of societal issues with core business operations (Parker & Braithwaite, 2003). There might be multiple cases of environment pollution which are deliberately overlooked, gross violation of human rights, and other complex ethical issues for which the state administration might not have formulated comprehensive laws. Business impact on the society is basically seen in three ways: through firm's own operation, through value chain interaction of firm with its business partners and through philanthropic contribution that the firm is making through CSR or any other domain (Fitzgerald & Cormack, 2006). Firms would likely argue for the impact they are making through wealth creation, employment generation, and delivery of goods and services achieved through business operations ignoring any hazard that the production process might be creating on society and environment. As against positive economic cost that firm might be producing through its operation, it might also be creating negative externalities with high negative social cost (Young, 2013). The firm might be engaging in creative or generous philanthropic work to show its contribution towards society. But this contribution cannot substitute the negative externalities of businesses by ignoring obli-

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gation towards responsible and sustainable way of doing business (Fitzgerald & Cormack, 2006). Contrary to the traditional CSR efforts which largely focused on corporate philanthropic activity (Frederick, 2008) that are not linked with core business operations the new CSR demands the focus on core substantial change that is required to address such externalities directly (Vogel, 2005). To summarize:

*Proposition 2:* While the firm gives primacy to its social contributions over the negative externalities, the societal expectation from the firm is reduction of negative externalities, irrespective of other social contributions.

### **Addressing the Dichotomy**

While issues themselves are fundamental, the trade-offs achieved over them are largely driven by the dominant lens through which one looks at the business - society linkage. Earlier, Klonoski (1991) pointed out 3 kinds of CSR theories— the first one based on economics (fundamentalism), second one based on moral personhood and third one based on politics. Further, Windsor (2006) elaborated it as ethical responsibility theory, economic responsibility theory and corporate citizenship as the three major approaches to understand business-society link. We revisit these three main lenses; that is, economic lens, political lens and ethical lens to understand how they address the earlier mentioned core issues of balancing the business interest vis-à-vis societal expectations.

### **Economic Lens**

The firm holding the exclusive economic perspective would reject the idea of business being responsible towards society (Margolis & Walsh, 2003). This perspective argues for maximization of the long- term value of the firm as the best strategy to advance social welfare which is referred to as “enlightened value maximization” (Jensen, 2002: 235). It is worthy only if responsibility taken towards society by business which gives it long term return and maximizes its wealth (McWilliams & Siegel, 2001). Consequently economic lens morphs into wealth creation through strategic corporate social responsibility (Burke & Logsdon, 1996). Quantity and quality of CSR (what and how much) is determined by cost-benefit analysis and by calculating the right level under the function of maximizing shareholder’s value (Husted & Salazar, 2006).

**Quantity and quality of CSR (what and how much) is determined by cost-benefit analysis**

Powerful economic lens would look at two fundamental issues between business and society with the guiding objective of firm’s wealth maximization. Through dominant economic lens, the business would adopt the cost-benefit analysis approach for identification of its stakeholders. Within identified stakeholders, the salience given to any stakeholder would be the function of power, urgency and legitimacy - definitive stakeholders having all three would get priority over



the dormant and weak stakeholders having only one attribute (Mitchell et al., 1997). The powerful economic lens denies any consideration for implicit social norms till it follows the requisite legal compliances. Economic lens argues that externalities as a consequence of business activities are ubiquitous and it would get balanced by the laws and regulations that the government would bring in or through bargaining between business and the parties that would bear the cost of externalities (Coase, 2013). The purpose of business contribution towards society other than its core value creation is solely as a form of public relations to allow business to continue as usual (Robert, 2003). Through economic lens, the dichotomy between business interest and societal expectations is maximum with boundaries between the two clearly separated with narrow-focused well-defined function of business limiting itself to creation of wealth.

*Proposition 3:* The firm, as the economic actor would use the cost benefit analysis approach to prioritize stakeholders and compensate for negative externalities through equivalent value pay offs.

### Political Lens

Under political theory, the guiding principle is to establish a “political order where economic rationality is circumscribed by democratic institutions and procedures” (Scherer & Palazzo, 2007:1097). Consequently, the business as apolitical entity is the provider of social rights, enabler of civic rights and channel for political rights (Matten &

Crane, 2005). Therefore, it is the responsibility of firms to partner with critical non-government organizations for developing their code of conduct, to have their social performance audited by third party, and also pro-actively channelize corporate social responsibility towards challenges faced by society but ignored due to immediate (primary) stakeholder pressure (Scherer & Palazzo, 2007). It is assumed that firms are enhancing social benefit through value creation and they are linked with society through implicit social contract (Husted & Salazar, 2006). The firms are the citizens of the society who uphold their responsibilities along with the rights that are approved by society.

**It is assumed that firms are enhancing social benefit through value creation and they are linked with society through implicit social contract.**

Political lens would look at two fundamental issues between business and society differently as compared to the economic lens. The stakeholder identification by business under political lens would be much broader. As a socially responsible entity, the business would be considerate towards all the relevant stakeholders identified. Decision making would be through mutual collaboration. Instead of post hoc damage control measures, political co-responsibility would help the firms to have improved sensitivity and a nuanced understanding of its social environment (Scherer & Palazzo, 2007). The political lens expects firms to

demonstrate citizenship through active social responsiveness and work beyond stakeholder pressure. Hence with respect to the second issue of negative externalities vis-à-vis contribution, political lens expects firms to take responsibility of externalities that might be established through deliberation with various stakeholders. But unfortunately, under the absence of concrete stakeholder pressures, the firms tend to focus on CSR initiatives that are more economically viable than having better societal benefits as political lens allows priority for profit maximization under implicit social contract (Husted and Salazar, 2006). Hence while the business-society gap is reduced through political lens as compared to economic lens, the dichotomy still exists to put business interests over societal interests.

*Proposition 4:* The firm, as the political actor would identify and prioritize stakeholders through active social responsiveness and compensate externalities through political deliberations.

### **Ethical Lens**

Using the ethical perspective, one can deduce that the primary goal of social responsibility of firm is to create value for stakeholders by fulfilling the business responsibilities without separating them from ethics (Freeman & Velamuri, 2006). Under ethical lens the business accepts the responsibilities for the society as an ethical obligation as compared to mere mandatory legal compliance (Wheeler et. al. 2003; Garriga and Mele, 2004). Ethical lens provides the

normative principles based on different ethical theories like common good theory (Argandoña, 1998), principle of fairness (Phillips, 1997) and feminist ethics (Burton & Dunn, 1996) through which firms not only focus on economic value creation, but also consider creation of social value for its stakeholders (Wheeler et. al., 2003).

Under ethical lens, rather than cost benefit analysis or social responsiveness, the stakeholder identification can better be resolved by taking responsibilities intrinsically as one of the moral actors in the society. As succinctly put by Windsor, (2006:98) “the basic shared principle of impartial moral reflection on tolerating expansive public policy and practicing broad self-restraint and altruism”. The salience of the stakeholders would be considered based on the implicit right claimed by various entities associated with business decision (Klonoski, 1991; Idowu, 2013). With respect to the fundamental issue of externalities vis-à-vis contribution, the firm would continuously work towards reducing externalities under continuous ethical monitoring of their operations and consciously avoiding destructions. This perspective would expect the firm to voluntarily adhere to a strict code of ethics irrespective of present rules and regulations and work towards profit maximization within this self-generated ethical framework. Ethical lens demands the business to proactively

**Ethical lens demands the business to proactively bridge the gap between business and society.**

bridge the gap between business and society. Firms have used the stakeholder theory only for distribution of final output and not in the process of production of wealth (Marcoux, 2003). It seems these ethical talks have taken new forms of corporate self-presentation and are a façade for good public relations (Roberts, 2003). Hence while the gap is reduced further through ethical lens as compared to economic lens and political lens, the dichotomy still exists to put business interests over responsibility towards society.

*Proposition 5:* The firm, as the ethical actor would identify and prioritize stakeholders through implicit moral duty and avoid externalities through rigorous code of conduct and ethical monitoring.

### **Shifting towards Spiritual Lens**

Economic, ethical and political lenses are static which have a specific outlook towards business-society link, consequently providing static solutions. Since the issue of interaction between society and business involves different identities and interests, static solutions accentuate the trade-offs between bipolar interests rather than harmony between them. From any of these lenses, the paradox between societal and business objectives would only be converted into a certain trade-off. They would not resolve the issues completely unless we adopt a more dynamic approach through which a firm can continuously evolve to synergize its core objectives with that of the society. Based on the available germane research we posit that spiritual perspective provides

the necessary dynamic view. Spiritual lens anchored in concepts like development of authentic identity and exploring the core purpose of organization (Pruzan, 2008) makes it more dynamic and suitable to resolve the dichotomy between the business interest and the societal expectations. Primary advantage of the spiritual perspective is that it is anchored in the idea of discovering and evolving of self, which makes it active (Ashforth & Pratt, 2003) as against the static perspectives from other lenses where any improvement in status-quo becomes difficult. Spirituality looks at the firm's existence as a continuous journey of discovery and exploration. The identity process of defining the existence determines how a firm relates to its stakeholders and other entities in the society (Brickson, 2007). From a spiritual perspective, the organizational identity is always evolving to reach the consciousness of 'we' which in a way defines the causal condition for business to feel responsible (Pruzan, 2008). Spirituality can be understood as the process of coherence among self, society and environment with fundamental belief in transcendence (Pandey & Gupta, 2008) of self with continuous expansion and experience of who you are (Mirvis, 1997). Transcendence of self is a firmly embedded component of spirituality in management literature (Ashforth & Pratt, 2003), and hence could give better insights on the issue of dichotomy between society and business whereas other lenses struggle to relate or connect the narrower entity of business with its parental and higher entity, the society. We discuss further two fundamental principles of spiritual perspec-



tive (as given by Ashforth & Pratt, 2003) and their application to resolve the core issue.

### **Principle of Connectedness**

Through spiritual lens, the businesses achieve distinction between responsibilities for self and others through replacement of their distinction by deeply felt connectivity (Costello, 2006; Pruzan, 2008). This perspective talks about ultimate connectedness when all energy and matters become one and the same at sub atomic level (Capra, 1999). Research has shown that many firms anchored in spiritual perspective follow the principle of connectedness in the form of both social and environmental connectedness (Pavlovich & Corner, 2009) consequently transcending awareness beyond organizational members. It is about acknowledging and accepting the confluence of self with larger entities in this universe (Mitroff, 2003). Firms need to become fully and consciously aware of the connectedness beyond their own boundaries. Connectedness is defined as “explicit awareness of the associations that an organization has with its surroundings as well as organizational members” (Pavlovich & Corner, 2009:211). This will involve not just identifying the association but also being consciously thoughtful and aware about their implications for

**Many firms anchored in spiritual perspective follow the principle of connectedness in the form of both social and environmental connectedness.**

the wider environment. Thus, organizations working with the principle of connectedness with their wider awareness will not harm the ecosystem; rather work towards continuously improving their connectedness. Hence when ‘the issue of stakeholder identification and salience’ is examined through the spiritual lens, the answer lies in the intent of organization to expand their conceptualization of relevant stakeholders. The firm would continuously expand itself to give salience to both primary and secondary stakeholders. Thus, the principle of connectedness resolves the stakeholder identification and salience issue by approaching it incrementally and dynamically.

*Proposition 6:* The firm, as the spiritual actor would work continuously to connect with all stakeholders by enlarging its identity incrementally.

### **Principle of Harmony**

Spirituality exists on the fundamental principle of fitting ourselves with the larger cosmic scheme (Fuller, 2001). It is a search for harmonious existence with the larger cosmos. The principle of harmony is the central aspect of spirituality with core consideration given to achieving the highest state where human beings are living in harmony with nature (Allinson, 1998). Business- societal issues examined through the spiritual perspective would always work for achieving coherence akin to the Taoist economic system – harmonizing self-interest and public interest (Zsolnai, 2002). Spiritual perspective towards dichotomy promotes enlightened attitude that is motivated by

compassion transcending disharmony and opposition (Bouckaert & Zsolnai, 2011). Spirituality replaces individualistic ideology of social contract-based transactions with increased concern for others and efforts to have cohesive social relations for collaborative existence (Mele, 2011).

**Under the lens of spirituality there is no compromise of sustainability and the growth of corporate would go hand in hand with the growth of society.**

Under the principle of harmony, the firms would work towards reducing the dichotomy between negative externalities vis-à-vis compliance and contribution as otherwise it would create a sense of dissonance for them. Through this principle, the firms become a member of the world society and through their collective consciousness they can find a basis on which all of them can live like a family. Each firm acknowledges that its achievements are complemented by that of the society at large and hence reducing dissonance becomes their priority. Under the lens of spirituality there is no compromise of sustainability and the growth of corporate would go hand in hand with the growth of society. In “post growth society” where, limited resources and ever-increasing demands are building substantial pressure on ecosystem, “building sustainable community is the goal of enterprise than merely being a by-product of GDP” (Speth, 2009: 18-9). Understanding the associations of a firm with society through the principle of harmony can help in the

coexistence of firms with other entities in the society by proactively working towards reducing their negative externalities.

*Proposition 7:* The firm, as the spiritual actor would work incrementally to achieve greater harmony with all the stakeholders by consciously reducing its negative externalities.

## Discussion

Freeman and Liedtka (1991) argued that responsibility of firms towards society is not a useful idea and we need to abandon it. It seems that the existing practices of CSR are not able to build the bridge between business interest and societal expectations for harmonious coexistence. More than practices, the fundamental issue lies with the way two core issues between business and society are addressed. While the firms would like to keep the identification of stakeholders limited and their salience mainly focused around shareholders, the society would expect them to expand it as wide as possible. And while the firm would be happy to compensate negative externalities through other positive contributions and fair compliance, the society expects them to harmonize contribution by reducing negative externalities through core business operations. Rather than changing the CSR practices, we need to reflect over the dominant lens through which we look at the corporate-business linkage. Table 1 gives a comparative summary of the reconciliation of the business society di-

chotomy through the various lenses discussed earlier. We posit that the spiritual lens would lead to the integration

of the business and society as opposed to other lenses which accentuate the dichotomy.

**Table 1 Summary - Business Society Dichotomy**

Lens/Issues	Economic Lens	Political Lens	Ethical Lens	Spiritual Lens
<b>Stakeholder Identification and Saliency</b>	Cost-benefit analysis as the economic actor	Social responsiveness as the corporate citizen	Fulfilling implicit rights as the moral actor	Maximizing connections as the spiritual entity
<b>Externalities vis-à-vis contribution</b>	Through value trade-offs and negotiations	Through democratic deliberation	Through code of conduct and ethical monitoring	Maximizing harmony with other entities
<b>Impact on Business – Society Dichotomy</b>	Business interests and societal expectations are not aligned	Along with primary fulfillment of business interests, the firm is also responsible for fulfilling societal expectations	Business interests are fulfilled under umbrella of ethical and moral responsibilities towards society.	Business interests are continuously evolved to align with broader societal expectations.

Business society dichotomy is maximum through the economic perspective. This perspective suggests stakeholder identification and saliency solely around principle of value maximization through cost-benefit analysis. It asks for value bargain and trade-off by the affected parties rather than intrinsic efforts by the firm for reducing negative externalities. The dichotomy is reduced to some extent when the issues are looked through the political lens. Through this lens, the firm is acting as the corporate citizen and identifies stakeholders through active social dialogue. The firm takes efforts towards addressing negative externalities through democratic deliberations with the affected stakeholders. The dichotomy is further narrowed down when the issue is addressed through the ethical lens. The firms engage with various stakeholders as the moral actors having ethical re-

sponsibilities towards the society and the negative externalities are reduced through the implementation of strict ethical code of conduct and ethical auditing. Each of these perspectives have their own limitations – while the economic lens gives primacy to the value maximization, the political lens is silent on the process of framing rules for the constructive dialogue and conditions of a likely impasse and further the ethical lens while seems amenable, largely falls in a grey area. We posit that spiritual lens has the potential to transform the firm identity fundamentally and resolve the dichotomy between society and business. Through the principle of connectedness, the spiritual lens works towards broadening the stakeholder base and broadening their responsibility towards the society. The principle of harmony mitigates the negative externalities and improves positive impact by

the firm over the society through establishing positive coherence with various other entities.

### Managerial Implications

We would like to demonstrate how these principles could be applied by providing real corporate instances. Amul India is a good example of how to look at stakeholder identification issue through principle of connectedness. Amul was created with the desire to protect the interests of both consumers and milk producers (Patel & Schaefer, 2009). We can clearly see how Amul has evolved through spiritual perspective by broadening its existing responsibilities. Amul is now not only connected with 2.9 million villagers as a milk cooperative, but also taking initiative to save the environment by planting more than 100 lakhs trees<sup>1</sup> and thereby reducing the effects of global warming. This example demonstrates how the firm incrementally improved its stakeholder connections and began equally caring for its eco-system as it would care for its customers. The application of principle of harmony in Indian context could be seen in the case of ITC. Being a cigarette and tobacco company, one can claim that ITC is using its CSR activities to hide the harm it is creating from tobacco business. But over the years ITC through self-initiatives, has adhered to the norms of platinum rating for the buildings, zero discharge, eliminated waste, engaged in rain water harvesting, harnessing solar energy and social forestry (Lakshman, 2009). ITC is

not only complying with the law of the land but they are also ensuring more harmony in their core business operation and the societal norms. ITC has also claimed that they have taken steps to gradually move away from Cigarettes and focus on other businesses. The example demonstrates how the firm creating certain negative externalities now can still be honest with its purpose and keep improving its business processes for better harmony with the society.

**Spiritual perspective not only focuses on immediate profit concerns but it also critically reflects on the existence and core purpose of the organizations.**

The critical question managers need to ask is: why they should care for the spiritual perspective. We would like to clarify that reflecting through spiritual perspective does not necessarily mean sacrificing economic rationale. Karakas (2009) has discussed in detail how spiritual perspective would improve the organizational productivity and performance through enhanced employee well-being, deeper sense of meaning and purpose and broader sense of community and interconnectedness. Spiritual perspective not only focuses on immediate profit concerns but it also critically reflects on the existence and core purpose of the organizations. Organizations are shifting from profit-oriented decisions to a balance of profits, social responsibility, spirituality and quality of life concerns (Walsh et al., 2003). Spiritual leadership is emerging as an alternative to dominant

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<sup>1</sup><http://www.amul.com/photogal/pg150808.html> (28/4/2011)

business leadership which suggests that leaders leading through spiritual perspective could simultaneously maximize the triple bottom line of people, planet and profit (Fry & Slocum, 2008). Strong business movement has evolved under the label of conscious capitalism (Mackey & Sisodia, 2014) resulting in direct application of principle of harmony and principle of connectedness. Conscious capitalism focuses on the process of business identifying higher purpose which would enable them to choose business strategies which can create shared value for both business and society through harmonious business function (Mackey, 2011). Rather than being satisfied with the implementation of a few socially responsible practices, it demands that businesses be more reflective and have constant introspection about various stakeholders that are still harmed by the businesses (Warwick & Burden, 2013). Interestingly, organizations following principles of conscious capitalism have been found to outperform markets on various financial indicators (Simpson, Fischer & Rohde, 2013). Secondly, there is also movement around critical workplace spirituality or practical compassion which suggests alternative sets of values and assumptions to the dominant neoliberal doctrine and asks businesses to respond by committing to higher purpose by selecting virtues over images, inclusion over exclusion, leaving legacy over fulfilling minimum compliance, and true liberty over controlled freedom (Lips-Wiersma & Nilakant, 2008). Both the practices suggest incremental shift from self-interest oriented, profit driven firm decisions towards decisions committed and aligned with

higher purpose of the business by enhancing the connections and establishing the harmony with other stakeholders and not only shareholders. As against CSR becoming the tool for strategic advantage or hiding the business externalities, the firms can reflect and consciously develop their identity and broaden their foci to include the intrinsic act of self-growth by asserting the spiritual perspective and deeply connecting business interest with societal purpose.

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