

## Taking Spirituality Seriously

In this concluding chapter the main messages of the book are summarized to stimulate the development of a new agenda for spirituality and management. One facet of the agenda concentrates on *practice*: how businesses (and other organizations such as universities, government entities, not-for-profit health organizations and so on) should be transformed into more *inclusive, holistic* and *peaceful* activity systems serving nature, society and future generations. The other facet of the agenda concerns *research*: how to integrate spiritual experiences into the *management profession*.

### 1. Spirituality

Peter Pruzan provides definitions of key terms such as “spirit” and “spirituality.” *Spirit* is distinct from the mind, which is a product of or dependent on the brain. The spirit (or the “atma” as it is referred to in some of the major traditions of the “East”) refers to the essence of our being; our very nature; our core; our true, permanent identity which is independent of our physical body and which *is* after death.

*Spirituality* is the basis of religious beliefs and traditions. While a religion is usually based on a set of tenets that are shared by its members, a bible or gospel, a set of well-established rules and rituals, a house of worship and, in general, a priesthood that interprets the holy texts and the rules, spirituality is simply the context for all religious belief. But it is more than that because a person can be spiritual – follow a spiritual path – without adhering to any particular religion. And a person who, as a matter of social convention, follows the rules and traditions of a religion can appear to be religious, without being spiritual.

S.K. Chakraborty adds that spirit and spirituality mean acceptance of the principle that all beings, especially human beings, are, in essence, something superior to, more unconditioned and permanent than the “*body-life-mind*” combination. The faltering, clumsy, purblind, unstable body-life-mind triad is an unjust and erroneous framework from the ontological viewpoint.

For a definition of spirituality we can turn to *Sri Aurobindo* (1872-1950) who writes, “It is Spirituality when you begin to become aware of another consciousness than the ego, and begin to live in it or under its influence more and more. It is that consciousness wide, infinite, self-existent, pure of ego etc. which is called Spirit.”

The key characteristics of the Spirit-Self can be summarized as follows:

- (i) The Spirit-Self is eternally Perfect
- (ii) The Spirit-Self is constantly Blissful
- (iii) The Spirit-Self is entirely Self-Sufficient
- (iv) The Spirit-Self is Truth and Light in itself
- (v) The Spirit-Self in an individual is identical with the Spirit-Self of All.

Chakraborty further argues that spirituality cannot be asked to prove its credentials before the tribunal of economic growth, enterprise bottom line, shareholder value and the like. Rather, it is technology, economics, business and their cohorts that must pass the test of Spirituality. Spirituality has to be the remedy for the growing malignancy in our material affairs.

From the European viewpoint Luk Bouckaert refers to *Henri Bergson* (1859-1941), who introduced in his metaphysics of time the notion of *mysticism*. In his book *The Two Sources of Morality and Religion* (1932), he presented mysticism as a suprarational emotion, which brings the human mind, through an immediate intuitive feeling, into contact with the *élan vital* (the creative force of life) or what he also called *la durée* (duration). This partial coincidence with the inner movement of time gives man an *inner* experience of the transcendental and evolutionary character of life and history.

Bergson originates mysticism in an appeal of other persons to our conscience. Mysticism is embedded in intersubjective communication and confrontation. It is not a vague naturalism resulting in a holistic mysticism of nature. The origin of the spiritual openness is the confrontation with the other as a person, although Bergson suggests that the movement of the *open soul* is without limit and may extend itself to animals, plants and to all nature.

More recently E. Levinas and P. Ricoeur have rearticulated personalism as a *philosophy of the Other*. In their view spirituality may be defined as an openness to alterity and difference. Levinas in particular stresses the importance of the moment of passivity in this openness. The openness is not introduced by my own intentions and good will but by the Other affecting me by his or her vulnerability and his or her ethical claim not to be killed. Through this interpersonal confrontation the spiritual attitude of self-transcendence is deeply linked with a social claim to justice and care. Passive openness leads to social activism.

Imre Lázár underscores the association of spirituality with techniques such as meditation, prayer, divination, listening to the inner voice, visionary-imaginary practices, psychotronics, dowsing -- all having in common the tuning of the Self to the Transcendental. According to the "etic" explanatory models, this transcendental sensitivity might be based on psychophysiological processes localized in the right hemisphere of the brain. One thing is clear: spirituality accepts the authority of a transcendental entity with absolute values.

Kerry Cochrane refers to *Gregory Bateson's* theory of learning concerning spirituality. Bateson formulated several categories of learning:

Zero Learning: all acts that are not subject to correction,  
 Learning One: revision of choice within a given set of alternatives,  
 Learning Two: revision of sets from which the choice is to be made,  
 Learning Three: revision of set of sets.

At Zero Level there is no change but simply a blind acceptance of life as it is. What is absent from this mindset is a propensity to frame and ask questions. At Zero Learning, "learning" responds automatically to impulses.

Learning One exists at the operational level of decision-making. It involves responding to an event in a particular way by selecting from a given set of alternatives. It represents a form of learning that enables us to act out our thought processes in operational terms.

Learning Two is analytical and more comprehensive. As Bateson writes, "If I stop at the level of Learning Two, I am the aggregate of those characteristics that I call my 'character'. I am my habit of acting in context and shaping and perceiving the contexts in which I act. Selfhood is a product or aggregate of Learning Two." While Learning One is about understanding the external world, Learning Two is about understanding oneself.

Learning Three is something that occurs from time to time in psychotherapy sessions, religious conversions, and in other sequences in which there is profound reorganization of character. Learning Three is change that comes about in the process of

Learning Two; i.e., a corrective change in the system of sets of alternatives from which choice is made. At Learning Three we see the world from a holistic viewpoint in which personal identity merges into all the processes of relationships in some vast ecology or aesthetics of cosmic interaction.

There are important clues in Bateson's categories that link learning and spirituality. The first clue concerns the movement from duality toward unity with the progression from Zero Learning to Learning Three. This passage represents a movement from a position of duality or distance from the objective world to a position where there is no separation between the objective and subjective worlds. There is oneness. The second clue concerns the need to explore the self and to test assumptions and belief systems (Learning Two) as needed for arriving at a stronger sense of Self-knowing (Learning Three). At this point we start to convert the self to the Self. This process involves challenging the belief system that has been part of one's upbringing.

## 2. Management and Leadership

Spirituality offers rich implications for management and leadership. As Josep Lozano and Raimon Ribera observe, the way we manage depends on the way we are. Spirituality is not something that we can just tack on to management: If spirituality is in our nature, we will bring it with us when we manage. The question, then, is what type of management results from placing spirituality at the core of the human condition.

Management is a *challenge* for *spirituality*. The connection is not automatic; it needs effort and vigilance to develop. Management practices generate feedback that impacts our own vision of life, humanity and spirituality. Management benefits from an approach that does not merely consider spirituality as a potential "addition" to management. The opportunity should be seized to develop a more precise, richer conception of management.

Pruzan notes that the term "*management*," as traditionally conceived, includes such activities as strategy, planning, administration and control. In recent years, particularly in the West, the term "management" has been supplemented with the term "*leadership*." This later term includes such notions as corporate vision, change-management, stakeholder-dialogue and social and ethical accountability in self-organizing and values-based organizations.

Bouckaert warns that while a "manager" thinks through instrumental rationality, a "leader" is driven by a more intrinsic and contagious commitment to values. There might be no contradiction between management and leadership. Perhaps one can refer to a "mutation" in the organizational evolution that is proving to be advantageous for individual and organizational survival: the hybrid *leader-manager* who masters both leading and managing.

## 3. Spiritually-based Leadership

Spirituality presents a humanistic, democratic and sustainable frame of reference for the behavior of leader-managers and their organizations. Peter Pruzan summarizes the concepts and values that are connected with spiritually-based leadership.

*Nishkamakarma*: a perspective on action and decision making that stresses performing one's deeds without attachment to the fruits thereof -- and where the action and the fruits are offered to the divine. A leader who behaves in accord with this perspective is grounded in wisdom and lives in a state of equanimity. This perspective is

in stark contrast to the current emphasis on unbridled materialism, growth and competition characterizing many corporations and their leaders. The performers of deeds who follow their conscience are sensitive to the needs and values of those affected by their behavior. Such an individual acts in accord with basic concepts of ethics in organizations, “walks the talk” through values-based leadership and promotes corporate social responsibility through respect and reverence for the organization’s stakeholders. However, the underlying reason for this behavior is not business “success” but spiritual progress.

*Selflessness* and *non-attachment*: prominent terms in the “Eastern” varieties of spiritual growth and closely related to the concept of nishkamakarma. The Catholic concept of “holy indifference” is similar. A useful synonym is “detached involvement.” The underlying idea is that rather than plying our egos and appraising our activities by the payoffs that result, and rather than being elated when our desires are fulfilled and disappointed when they are not, there is another way -- this is by acting without attachment to the fruits of our efforts. From this perspective, all work can become transformed into selfless service. We must follow our inner voice, our conscience, and do to the best of our ability what we find to be important. But such action is selfless in that it is performed with indifference to the outcomes, be they success or failure, praise or blame. Work performed in accord with one’s values and a sense of interconnectedness with others leads to the transcendence of the lower, ego-dominated self. Detached involvement frees one from the chains of personal desires and ambitions.

*Servant leadership*: a concept developed by *Robert Greenleaf*, is clearly inspired by an Eastern concept of duty and leadership. The leader who gains the trust and good will of his or her employees and other stakeholders is the antithesis of the power-seeking manager who gives orders and controls their effectuation. Servant leaders are sensitive to the needs of others and realize the interrelationship between themselves and those they serve by leading and lead by serving. Such leaders are able to coordinate and motivate employees who seek meaningful work that contributes to their personal and spiritual development. Servant leaders perform their work as worship and inspire others to follow their example to serve.

*Duty or right action* (dharma in Sanskrit): a basic concept in the Eastern approach to one’s relationship with others. It complements the notion of “servant leadership” with its focus on one’s duty to others and is in stark contrast to the current Western focus on rights. A concept of freedom based on the Eastern approach to human development might include searching for a clarification of one’s duty in relation to one’s position in life and behaving in accordance with that duty. In the modern Western organization, characterized by such terms as “flat,” “learning” and “self-organizing,” the commitment of creative and independent employees can be obtained in a workplace that lends meaning to their lives, promotes those values they adhere to, and contributes to their personal development. In such environments a leader who selflessly performs his or her duty is a trustworthy source of inspiration.

*Santhi*: the term that Hindus and Buddhists conclude their prayers with. It connotes possessing the equanimity and peace of mind to be discerning. Through devotion and spiritual discovery, persons with this quality have attained a state of perfect peace. They encounter joy and sorrow, success and failure with the same spirit of detachment because they act in perfect accord with their conscience and are one with their Higher Self. The leader who is able to perform his or her work in a state of equanimity gains the respect and confidence of the employees and all the organization’s stakeholders.

*Self-realization*: the direct experience of the Self or the atma; realizing the quintessence of one's being. According to the Eastern perspective the divine purpose of life is to develop the knowledge of one's true self; i.e., to attain self-realization. A paradox here is that although a goal in life is to seek this knowledge of the higher Self, the Self can only be realized by the person whose ego has been tamed/ignored and who is truly selfless and does not seek rewards for deeds. Selfless leaders are stable, strong, trustworthy, and -- because of having a sensitivity to the aspirations of various stakeholders -- clear in their visions of what is best for the organization as a whole.

*Unity*: a term referring to the oneness or identity with creation and the source of creation. It expresses the belief that we are all interrelated at a deep existential level, and that when we peel away the various physical and psychological factors that distinguish us from one another, we share an identical core. When we ask, "Who am I?" the answer is provided by neither our name nor physical form, but by our very essence -- what we refer as the atma; the higher consciousness and conscience; the true, divine Self. With a focus on the interrelatedness of all life the empathetic leader's sincere sense of compassion for his or her employees inspires and empowers them.

*Non-violence or ahimsa*: an ideal in Hinduism, Buddhism and Christianity. Non-violence refers to non-violence in thought, word and deed. Leaders guided by the value of non-violence perform their duties in peace, free from the demands of the lower self and its ego and in a deep awareness of their connectivity to all living creatures, to all existence. They realize that by hurting others they are hurting themselves. Four leaders in modern times have exemplified this concept: *Mahatma Gandhi* in India, *Martin Luther King* in the United States, *Nelson Mandela* in South Africa and *Vaclav Havel* in the former Czechoslovakia. They achieved almost universal respect by "fighting" their respective "wars" in a non-violent way.

Chakraborty characterizes Spirit-centered or Rajarshi or Wisdom leaders with the Sanskrit dictum: "*svarat samrat bhavati*." It means, one who can rule or govern oneself can also lead others well. That is, the ideal or model leader exercises leadership on himself or herself first. This entails bringing forth the hidden Spirit being of the leader into the forefront of his or her personality. Then, only, can he or she become empowered to lead others. Such capability is more basic than professional competence and skills.

The Indian civilization is founded on the groundwork laid by leaders called Rajarshis; i.e., king-sages. In this holistic model, the schism between the secular and the sacred vanishes. Principles of Spirit-centered or Rajarshi leadership are as follows:

- (i) The capability of being haunted by deep existential questions
- (ii) Detachment from daily routine
- (iii) Repairing to solitude and silence in nature
- (iv) The humility to learn from persons who do not run the affairs of the world
- (v) Ego-stripping by non-disclosure of kingly identity.
- (vi) Rigorous practice of holistic disciplines learned under direct supervision of the mentor.
- (vii) Resumption of secular responsibilities after gaining sacred wisdom.

#### 4. **Spirit-centered Organizations**

Lozano and Ribera argue that spirituality can be a source of quality for the individual and for society. But it can also be a source of quality for the organization. This becomes relevant in a context where society is undergoing permanent change and corporations are becoming "knowledge organizations" or "learning organizations." If knowledge is the key asset, then developing human quality must lie at the heart of the corporate structure.

Therefore, organizational criteria should ensure that human resources work smoothly and are constantly enhanced.

A *quality organization* can infuse the individuals who comprise it with purpose and enthusiasm rather than exploiting and manipulating them. Such an organization fosters the following:

- (i) the personal quality of the organization members;
- (ii) the professional responsibility of the organization members;
- (iii) the quality of the relations among the organization members;
- (iv) the quality of the organization's products;
- (v) the quality of organizational processes;
- (vi) the statement, development and embodiment of values;
- (vii) active partnerships with stakeholders.

Pruzan notes that recent changes in business and economic life -- more fluid forms of organization, the shift from production to service and the more inclusive depiction of an organization -- encourage development toward more spirit-centered organizational forms. These promising changes are showing up in new phenomena:

- (i) "*values-based leadership*," a perspective on leadership in which the values of the organization are based on the values shared by the organization and its stakeholders and constitute a framework for corporate identity and self-reference;
- (ii) "*social and ethical accounting*," which are alternative forms of reporting that document how well the corporation lives up to these shared values and thereby provide a multi-stakeholder, multi-value description of corporate success that supplements traditional financial reporting;
- (iii) "*corporate social responsibility*," which extends the notion of managerial and corporate responsibility from maximizing returns within legal constraints to "corporate citizenship"; that is, being accountable to all stakeholders;
- (iv) "*corporate reputation and corporate branding*," where corporations focus on their image and their identity. This enables them to be sensitive to the demands of "critical consumers" who focus not only on traditional notions of functionality and price but also on who made the product, how it was made, and where -- as well as on potential and existing employees who seek meaningful work in an enterprise;
- (v) "*ethical investing*," so that traditional investment criteria are supplemented by considerations of which types of products and production methods are to be rejected and which are to be supported. Usually consideration is given to such matters as human rights, pollution, health and welfare impacts, the use of non-renewable resources, gender issues and so on.

The "*stakeholder theory of the firm*" is the underlying vision of these phenomena, where the corporation is conceived of as an arena for interplay among its diverse constituencies. But Luk Bouckaert argues that we should distinguish between the weak and strong versions of the stakeholder theory of the firm.

The *weak version* of the stakeholder theory incorporates stakeholder management into a capitalist theory of the firm. This leads to a broadened concept of corporate governance where stakeholder interests are taken into account by the board of directors but without a democratic representation of the stakeholders. The *strong version* of the stakeholder theory empowers the stakeholders and makes them full partners of the firm. They get the rights and claims of partners, but redistribution of rights and claims must be fair and consistent with the mission of the organization. The juridical mold of the capitalist firm does not fit entirely into this new cooperative partnership. The first principle of democracy requires that the governors be controlled by the governed, which means that all stakeholders, and especially the most concerned ones, must share the right

to hire and fire the governors and must share the right to define the long-term strategy of the firm.

Alpár Losoncz underscores the notion that managing by values has a spiritual dimension. In this view, spirituality is a matter of building and creating the organization and its positioning in relation to competitors, customers, and agents of the surrounding environment. Spirituality implies that management does not represent a dualistic Cartesian mind but rather a perceiving, acting organism, whose perceptions and actions are always inextricably intermingled with the natural environment. Thus, we could give voice to the experience of “dwelling-in” related to the environment.

Ole Fogh Kirkeby adds that all organizations *house* a *community*, or many of them. The community that is most able to protect the organization as a living place and as a place in which to live could be called its “*communitas*.” If the organization is doing fine, it often follows that management and most of the employees have been able to grasp and be true to the spirit of the place, that is, to the special ethos of the *communitas*. It is the ethos that characterizes the *communitas*, and the *communitas* that makes the ethos possible. Thus the task of management is to *nurture* the *spirit* of the *place*.

Wojciech Gasparski warns that the prose of the technologically oriented world of organizations with its narrowly efficient management is not effective on a larger scale. The failing is attributed to the *lack of poetry* in human life. If employees, managers, or leaders are repeatedly called to base their conduct on integrity, they must not only make their words and actions consistent, they must be the same person inside the workplace as outside it.

Spirituality is being called on to bridge the gap between the inside and outside worlds in business and managerial activities. Although some “spiritual” techniques are dubious (new age, magical techniques, sects, and the like), there are grounded beliefs worthy of being taken seriously as components of the treatment of human beings as ends in themselves, in the spirit of *Immanuel Kant*: „Act so that you treat humanity, whether in your own person or in that of another, always as an end and never as a means only.” This treatment calls also for tolerance and acceptance of diversity. The integrity must not be restricted to the internal stakeholders of a company; external stakeholders also have their spiritual side.

Tibor Héjj offers the real-life experiences of hundreds of companies practicing the “*Economy of Sharing*” which is based on the Christian spirituality movement “*Focolare*.”

Entrepreneurs who adhere to the Economy of Sharing (EOS) -- the “culture of giving” -- show that there is an alternative to the prevailing methods of doing business. EOS businesses renew the customary types of business, whether they be joint stock companies, cooperatives or otherwise.

The EOS concept is based on an extended capital structure, which includes financial capital (material capital related to the tangible assets), human capital (traditional meaning of know-how) and “spiritual capital” (or “relational capital”: based on a person-to-person relationship; for Christians, keeping Jesus in their minds). If you believe in a three-dimensional capital structure, you expect returns in all three dimensions. The ultimate goal is to achieve the best portfolio. To do so, the sometimes-contradictory partial “interests” should be acknowledged and balanced. The ideal scenario is to match a minimum level for each dimension, separately.

Yazdi Jehangir Bankwala points out that wanting to align our *vision* and *values* requires us to make difficult choices. The greater the clarity of our values, the greater the likelihood we make clear decisions and attract the results we want for ourselves. This shift in our collective consciousness suggests that positive results are possible. Often

when our expressed values are not in alignment, others begin to see a gap. This gap will have its impact on corporate reputations, valuations of “goodwill,” brand essence and the quality of the employees we attract. The clarity with which our employees see their vision and values will determine our corporate futures. A corporate culture that nurtures the alignment of vision and values offers some practical solutions in building organizations that contribute to a sustainable future.

William Miller points out that a company that successfully integrates performance and community responsibility will thrive. This can occur when leadership is firmly grounded in spiritual principles, business skills are applied with excellence, and people strive to apply high values to a company’s products, its communications, and its internal management practices. Then the brands of that company take on an allure to anyone interested in high integrity. That reputation will return dividends for corporations and communities through greater investment, greater growth, and greater abundance of top quality talent. And beyond that it is deeply *soul satisfying* for the individual. And for humanity, we all gain greater confidence in the power of love and character to provide for our *material and spiritual well-being*.

Mike J. Thompson argues that spirituality is not predicated on rationality but on faith: a belief that there is a spiritual plain which is as real, if not more real than the physical and rational world which fills our immediate view. He thinks that spirituality can be regarded as a story which tells humankind that they are more than creatures of instinct and self-preservation, more than employees, managers or consumers but *spiritual beings* with the capacity for *nobility* and *altruism*. Glimpses of such spiritual resources may aid managers in their desire to go beyond the economic targets to creatively give of themselves from the deepest instinct of their beings.

## 5. Misuse of Spirituality

As spirituality is becoming popular there is a danger that it is misinterpreted and misused in business and management. Chakraborty warns about the tendency that treats spirituality as another means or *tool* to further the dominant goals of business. We can observe that spirituality is sometimes treated as either a new fad for professionals to rake in some money or a means to improve competitive strength for higher market share and bottom line figures.

Bouckaert explains the problem. He states that rational economic theory tells us that ethics is needed as a resource to temper opportunism and distrust because of uncertainty and asymmetric information. Therefore ethics might make economic sense by reducing transaction costs, promoting profitable cooperative behavior and creating a competitive advantage. This rational argument does not challenge the economic logic; it only introduces ethics into the web of instrumental rationality.

The rational argument for business ethics results in a paradox. The *ethical paradox of business* can be formulated as follows:

- (i) Ethics is needed in business characterized by uncertainty to reach the most cost-efficient alternative and to stimulate cooperation.
- (ii) But by introducing ethics management we use ethics in a rational and instrumental way and thus undermine intrinsic moral commitment.
- (iii) By undermining intrinsic moral commitment we increase uncertainty and thus decrease the profitability and the economic rationality of ethics in business.

It is legitimate to introduce ethics in business only by combining intrinsic motivation (genuine moral commitment) with operational implementation. Spirituality is

not a procedure; neither is it a rule or a norm. It is a basic attitude, a way of being. It cannot be touched or awakened by instrumental rationality. Spirituality as the openness to otherness and novelty is the opposite of control and manipulation. Thus it has largely been banished from management and rational economics.

Alpár Losoncz refers to the *crowding-out hypothesis*, developed by Swiss economist *Bruno Frey*, which proposes that a motivational system based exclusively on price might be harmful to activities practiced for their own sake. Intrinsic motivation can be directed to the activity's flow, to the internal sensibility of a given activity, or to the obligation to act according to value-based perceptions.

Spirituality can be explained in the domain of *intrinsic motivation*. We know that the intrinsic motivations have an advantageous affect on moral judgment and creative interaction within organizations. Interestingly, this validates the rationality of employing spiritual motivation in the practice of management. But management must learn to cope with the difficult trade-off between intrinsic and extrinsic motivation in the coordination processes.

Lozano and Ribera underscore that you *should not manipulate spirituality* ("you cannot fool around with it"). Spirituality is too critical; it goes to the heart of the matter, the essence of the human condition, and it is the keystone of a certain vision of reality. Hypocrisy is forbidden in this field. You should not use spirituality to develop your corporate reputation. Moreover, you should not use spirituality as a management tool; it is not the last resort solution for your management problems. Nor is spirituality a business opportunity. It is essentially a free, non-utilitarian option.

## 6. The Birth of Spiritual Economics

Robert Allinson speaks about the birth of spiritual economics. He argues that *man* is essentially a being who *pursues meaning and love*. Eros or love is the most encompassing description of human nature as we are only satisfied in acts of love whether in receiving love from oneself or others, or in giving love to oneself or others by producing beneficial goods and services.

Allinson believes that the model of man as the producer of goods and services that benefit all mankind is the only model that is conducive to world survival. While images of man as the Ultimate Consumer or the Maximizer of Profit are commonplace, the planet can only survive with the model of man as the *Guardian* or *Trustee* of the *Planet*. This model does not rule out the pursuit of profit for the individual, for the individual is part of the planet of which she or he is the trustee. Therefore, all behavior need not be altruistic. But all behavior need not be based on the market conditions of supply and demand, either.

*Economics* is about how to produce values without producing negative values which are proportionately of greater harm than the values that are produced. This involves specifying which goods and services are and are not to be produced. We cannot run our economic affairs properly without employing a truly *spiritual perspective*.