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Theme:

Business Ethics and Corporate Governance

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Guest Editor's Note

It is generally accepted that in India that broadly there are three 'thought currents' on ethics originating from various influences of Indian Ethos and contemporary discourse on ethics, values and good governance. S. K. Chakraborty advocates the *soul based view,* Sorab Sadri advocates the *mind based view,* and Subhash Sharma has charted a *mid-path* which is illuminative, intuitive and reflective. All three of us have written and published extensively on this subject over the past two decades. Hence when I was asked by my illustrious colleague to Guest edit this special volume of the *3 D... IBA Journal of Management and Leadership,* whose theme is **ethics, values and corporate governance,** I could justly claim both the *locus classicus* as well as the *locus standi* for taking on the task.

The first paper of Sorab Sadri and Jayashree Sadri is based on, and is an extension of, the argument propounded by these authors over the years in that there is a symbiotic relationship between managerial ethics and corporate governance that culminates into organisational excellence. This is turn is actualised through business sustainability. In this paper they take this basic premise further to show how 'collective consciousness' plays a major role in mainstreaming the marginalised populace. The second paper of Farida Virani argues that the success of corporate governance is determined by the ethics and the values of the stakeholders. Furthermore, that the days of corporate governance being a set of regulations to be monitored by a set of regulators is passé. Corporate governance is no longer merely a matter of compliance but a potent instrument of sustainable development of the corporate. In the third paper, Khasgiwala, Solanki and Pandya take a patently social work approach, to state that corporate spirituality has been increasingly and often lackadaisically used in the business lexicon in India. Although, they say, as Indians, we are quite familiar with the concept of 'spirituality', most of us consider it something very personal. Hence they proceed to explain the difference between spirituality and religion, how the former is powerful and the latter is mundane and how the former impacts corporate behaviour. In the fourth contribution Priya Thareja, drawing upon the idea of mother as first incubator presents the idea of Holean leadership wherein Holistic and Lean approaches are combined for greater efficiency and effectiveness. Further, he highlights role of mother as a 'quality manager' and presents a new TQM model in rooted in Alignment, Utilization and Metamorphosis ('AUM') as three steps process for quality management in organizations.

In the fifth paper, Urvashi Makkar, argues against the backdrop of changing face of Indian Market in terms of increasing disposable incomes, younger population and ever-increasing impact of advertising, and attempts to find the variables/factors that affect customer impulse buying behaviour in FMCG sector considering retail market in India. So doing, she sheds effective light on the ethics of advertisement. In the sixth paper, Vasant Chavan and Manisha Paliwal use an erudite

research endeavour to identify the various ethical/ unethical practices of Services Industry in Kolhapur District covers the evaluation of the ethical/unethical practices followed by the Service Industry (Medical Services, Higher Education, Life Insurance sector and Banking Sector). In the process they actualised ethics for the services sector.

In the seventh paper, Loveleen Gaur bring the ethics debate to present times when data mining has been used by government officials, intelligence agencies, and law enforcement. The process of generating rules through a data mining operation becomes an ethical issue, when the results are used in decision-making processes that affect people or when data mining customer data compromises the privacy of those customers. Her work highlights both the positive and negative aspects of data mining specifically its ethical implications. The eighth contribution by Prasant Padhy and Ganesh Das takes the study of ethics along a comparative route within the steel industries sector. As a result of the changing political economy, they argue, Indian organizations are experiencing both transformational and transactional changes. The paper sheds light on certain observed differences between the managerial ethics and values of the public and private sector industries in India, which seem to be mainly due to the corresponding difference in their vision, mission and ownership.

The penultimate paper of Priya Mittal argues that the indiscriminate and irresponsible exploitation of the environmental wealth in the name of capitalist development is leading to its uncontrolled degradation, posing a threat to the survival of mankind today. This raises the issue of ethical use of resources available to the present society, so as to not deprive the future generations of their right to a healthy environment and sustainable growth. She asks whether we have the right to squander the legacy we hold in trust for posterity.

The final paper is the icing on the cake where Subhash Sharma argues that both theories of Karl Marx and Adam Smith are passé and like Anthony Giddens earlier, this paper charts a mid-path or a Third Way. The difference is that whereas Giddens looked at political sociology Sharma looked at ethics. For this new vision of society we need a new book that can be titled as Karma-Kapital that takes us beyond the two influential thinkers. Idea of Karma-Kapital a la Sharma is in consonance with ancient ideas of Shubh-labh, wherein Karma is indicative of Shubh and labh is indicative of Kapital.
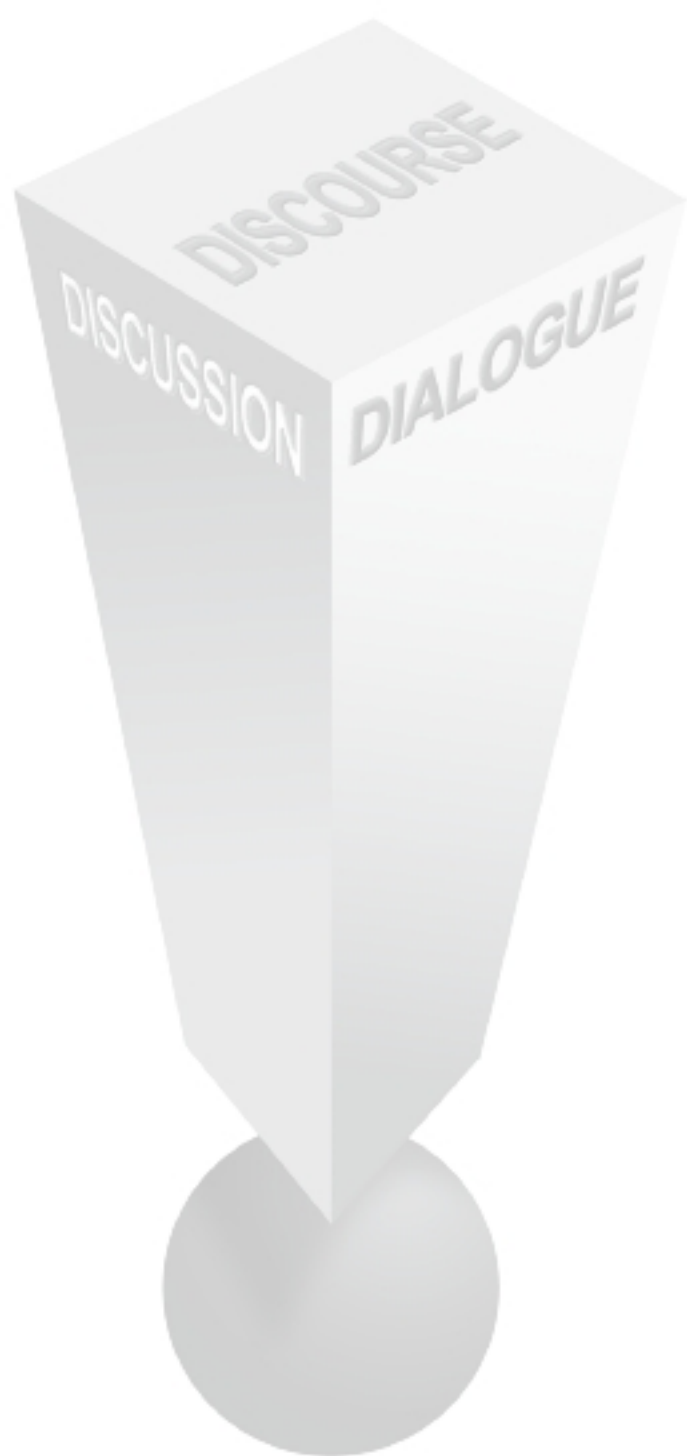
Sorab Sadri
Guest Editor

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DISCOURSE

DISCUSSION

DIALOGUE

Mainstreaming the Marginalised through Collective Consciousness, Organisational Excellence and Business Sustainability

Sorab Sadri* and Jayashree Sadri**

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A political economist turned management scientist and a classics scholar turned behavioural scientist have combined to posit an argument which is born out of their joint research. The paper argues that India has registered development-less-growth except in isolated regions. This is resulted in exacerbation of the twin problems of unequal distribution of wealth, income and opportunities on the one hand and uneven development of peoples, regions and sectors on the other. This has marginalised a large chunk of the labour force only 12% of which is organised. This makes exploitation all the more easy unless there is a rise of collective consciousness and this is supplemented by organisational sustainability. As the battle for markets intensifies managers are forced to thrive on the cutting edge of technology and competition. Euphemistically organisations have to keep running even to stay on the same spot. They need something extra to succeed. The progression of thought can thus be represented on a civil societal scale.

Managerial Ethics	→	Corporate Governance	→	Organisational Excellence	→	Business Sustainability

But all this will come to nought unless the civil society benefits and where do all the fortunes go is a moot question. This paper posits an IPAT Sustainability equation and then launches a debate on the need to adopt a schedule for action based on the results of not only a company-wide discussion but a market-wide debate. The results of these discussions, the paper takes an economistic socio-philosophical look at the issues of consciousness and marginalisation. It argues, that the onus lies on the employer to create conditions where excellence can thrive and lead to sustainability. Strategies must be put into positive action and periodically revisited. We have to move fast, for time is running short.

Character of the Capitalist Semi-Periphery: Following Immanuel Wallerstein's seminal work of 1980 and Sorab Sadri's extension thereof in 1985 one more category was added to the capitalist world economy that was earlier divided into core, periphery and neo-colonial regions. This was the Semi-Periphery, something that was neither core nor periphery but in between. Our contention is that India qualifies for such a description. These economies are sufficiently industrialised to be termed as core economies but are sufficiently dependent on external economies to be a core economy in their own right. Israel India and South Africa are good examples of this category. Since conventional indicators are poor determinants of a category Sadri 1985 and Sadri and Williamson 1988 even developed a descriptive model. The present paper takes the case of India post 2005 since it is then that we entered the WTO regime and thereafter became a member of G-20. The Gross Domestic Product (GDP) in India expanded at an annual rate of 8.90 percent in the third quarter of 2010. From 2004 until 2010, India's average quarterly GDP Growth was 8.37 percent reaching an historical high of 10.10 percent in September of 2006 and a record low of 5.50 percent in December of 2004. India's diverse economy encompasses traditional village farming, modern agriculture, handicrafts, a wide range of modern industries, and a multitude of services. Services are the major source of economic growth, accounting for more than half of India's output with less than one third of its labour force. The economy has posted an average growth rate of more than 7% in the decade since 1997, reducing poverty by about 10 percentage points.

A Brief Discussion on GDP : Arising out of the Nehru-Mahalanobis model India followed a semi controlled planned economic model of growth. It promoted a loosely defined notion of a *socialistic pattern of society* that led to a mixed (up) economy. What progress was made was slow and often touted as the **Hindu rate of growth** which to our mind is a controversial derogatory and almost racist expression used to refer to the low annual growth rate of the economy of India before 1991, which stagnated around 3.5% from 1950s to 1980s, while per capita income averaged 1.3%. (The term was coined by Indian economist Raj Krishna)

The slow Indian growth rate during the era when India flirted with socialism albeit of a retarded variety is better attributable to the Government of India's protectionist and interventionist policies (License Raj) rather than to a specific religion or to the attitude of the adherents of a particular religion. The term contrasts with South Korea's Miracle on the Han River and the Taiwan Miracle. While these Asian Tigers had similar income level as India in the 1950s, exponential economic growth since then has transformed them into developed countries today. The economy of India has been growing at rate of around 6-8% since economic liberalization began in the 1990s.

It suggested that the low growth rate of India, a country with a high Hindu population was in a sharp contrast to high growth rates in other non-Hindu Asian countries, especially the East Asian Tigers, which were also newly independent. This meaning of the term,

popularised by Robert McNamara, was used disparagingly and has connotations that refer to the supposed Hindu outlook of fatalism and contentedness.

As noted journalist Arun Shourie had pointed out the so called Socialist rate of growth was a result of socialist policies implemented by staunch secular governments and had nothing to do with Hinduism. *Because of those very socialist policies that their kind had swallowed and imposed on the country, our growth was held down to 3-4 per cent, it was dubbed - with much glee - as 'the Socialist rate of growth'.*

Economic growth is the increase in value of the goods and services produced by an economy. It is conventionally measured as the percent rate of increase in real gross domestic product, or GDP. Growth is usually calculated in real terms, i.e. inflation-adjusted terms, in order to net out the effect of inflation on the price of the goods and services produced. In economics, "economic growth" or "economic growth theory" typically refers to growth of potential output, i.e., production at "full employment," which is caused by growth in aggregate demand or observed output. As economic growth is measured as the annual percent change of National Income it has all the advantages and drawbacks of that level variable. But people tend to attach a particular value to the annual percentage change, perhaps since it tells them what happens to their pay check.

The real GDP per capita of an economy is often used as an indicator of the average standard

Country	Interest Rate	Growth Rate	Inflation Rate	Jobless Rate	Current Account	Exchange Rate
India	5.25%	8.90%	9.70%	8.00%	-14	45.8550

INDIA GDP GROWTH RATE
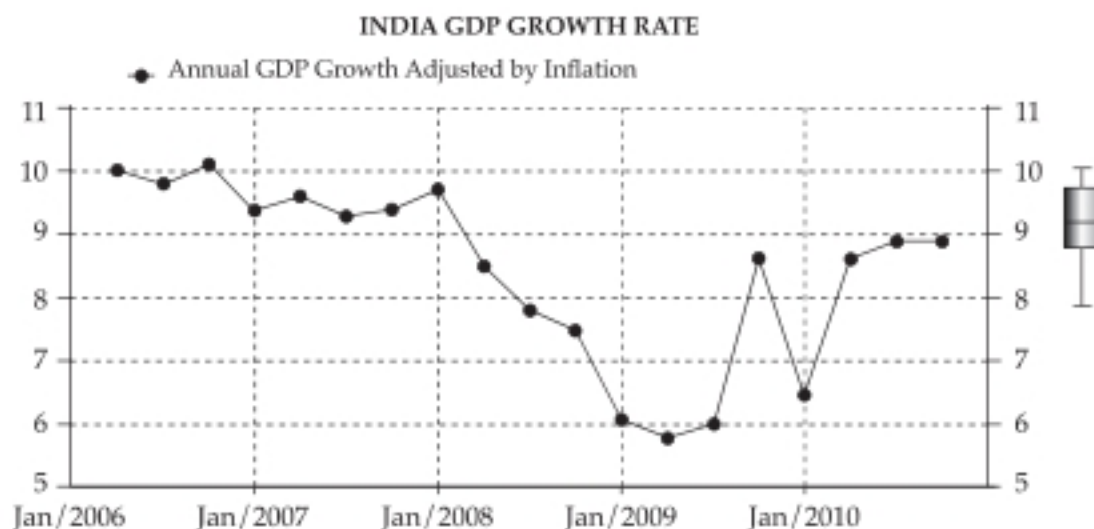
Source: Trading Economics.com; India Central Statistical Orga.

Year	Mar	Jun	Sep	Dec
2010	8.60	8.90	8.90	
2009	5.80	6.00	8.60	6.50
2008	8.50	7.80	7.50	6.10

of living of individuals in that country, and economic growth is therefore often seen as indicating an increase in the average standard of living .However, there are some problems in using growth in GDP per capita to measure general well being. GDP per capita does

not provide any information relevant to the distribution of income in a country. GDP per capita does not take into account negative externalities from pollution consequent to economic growth. Thus, the amount of growth may be overstated once we take pollution into account. GDP per capita does not take into account positive externalities that may result from services such as education and health. GDP per capita excludes the value of all the activities that take place outside of the market place (such as cost-free leisure activities like hiking).

Economists are well aware of these deficiencies in GDP, thus, it should always be viewed merely as an indicator and not an absolute scale. Economists have developed mathematical tools to measure inequality, such as the Gini Coefficient. There are also alternate ways of measurement that consider the negative externalities that may result from pollution and resource depletion (see Green Gross Domestic Product.)The flaws of GDP may be important when studying public policy; however, for the purposes of economic growth in the long run it tends to be a very good indicator. There is no other indicator in economics which is as universal or as widely accepted as the GDP. Economic growth is exponential, where the exponent is determined by the PPP annual GDP growth rate. Thus, the differences in the annual growth from country A to country B will multiply up over the years. For example, a growth rate of 5% seems similar to 3%, but over two decades, the first economy would have grown by 165%, the second only by 80%.

Consciousness : Hindu metaphysics speaks of *gyan* (knowledge) *buddhi* (intelligence) and *vivek* (consciousness to discern) as the attributes one must pursue in life In the middle of the 19th century the term consciousness heralded its entry into the sociological lexicon with the work of Durkheim whose antithesis in a way was provided by Jung..We argue that the rise of collective consciousness will set into motion the wheels of industry to move towards excellence and sustainability.

Collective consciousness was a term coined by the French sociologist Émile Durkheim (1858–1917) to refer to the shared beliefs and moral attitudes which operate as a unifying force within society. One might recommend collective conscience as a superior translation of Durkheim's concept, in part due to the busy association of the word "consciousness" with both Marxist and Freudian thought, but also as "a conscience for Durkheim is pre-eminently the organ of sentiments and representations; it is not the rational organ that the term consciousness would imply." Durkheim used the term in his books *The Division of Labour in Society* (1893), *Rules of the Sociological Method* (1895), *Suicide* (1897), and *The Elementary Forms of Religious Life* (1912). In *The Division of Labour,* Durkheim argued that in traditional / primitive societies (those based around clan, family or tribal relationships) totemic religion played an important role in uniting members through the creation of a common consciousness (conscience collective in the original French). In societies of this type, the contents of an individual's consciousness are largely shared in common with all other members of their society, creating a mechanical solidarity through mutual likeness.

Various forms of what might be termed "collective consciousness" in modern societies have been identified by other sociologists, such as Mary Kelsey, going from solidarity attitudes and memes to extreme behaviors like groupthink or herd behavior. Mary Kelsey, sociology lecturer in the University of California, Berkeley, used the term in the early 2000s to describe people within a social group, such as mothers, becoming aware of their shared traits and circumstances and as a result acting as a community and achieving solidarity. Rather than existing as separate individuals, people come together as dynamic groups to share resources and knowledge.

In contradistinction thereof, **Collective unconscious** is a term of analytical psychology, coined by Carl Jung. It is proposed to be a part of the unconscious mind, expressed in

humanity and all life forms with nervous systems, and describes how the structure of the psyche autonomously organizes experience. Jung distinguished the collective unconscious from the personal unconscious, in that the personal unconscious is a personal reservoir of experience unique to each individual, while the collective unconscious collects and organizes those personal experiences in a similar way with each member of a particular species.

For Jung, "My thesis then, is as follows: in addition to our immediate consciousness, which is of a thoroughly personal nature and which we believe to be the only empirical psyche (even if we tack on the personal unconscious as an appendix), there exists a second psychic system of a collective, universal, and impersonal nature which is identical in all individuals. This collective unconscious does not develop individually but is inherited. It consists of pre-existent forms, the archetypes, which can only become conscious secondarily and which give definite form to certain psychic contents." Jung also made reference to contents of this category of the unconscious psyche as being similar to Levy-Bruhl's use of collective representations or "representations collectives," Mythological "motifs," Hubert and Mauss's "categories of the imagination," and Adolf Bastian's "primordial thoughts."

It has also developed as a way of describing how an entire community comes together to share similar values. This can also be termed "hive mind". Maharishi Mahesh Yogi, the founder of the Transcendental Meditation program, used the term to describe how the combined coherence in consciousness of a group of people could have an influence on the rest of society.

Both the Durkheimian *collective consciousness* and the Jungian *collective unconsciousness* have a direct impact on labour management relations where the labour force is marginalised by virtue of the fact that trade unions are withering away and a large chunk of the labour force is unorganised and open to the vagaries of market competition and accompanying exploitation.

Labour Management Relations : Sadri (2011) argues that production, prdiuctivity and progress depend on fair and equitable people management. However, Industrial Relations do not exist in vacuum. A number of factors impinge upon the parties involved: employers, employees and government. These factors, in turn condition, behaviour and attitude both at work and outside the factory gates. A quick examination of these factors follows:

Industrial : In the case of mines, collieries and plantations the factors that govern inter-group and intra-group behaviour are different from those in manufacturing establishments located in the urban belt. When, for instance, a major catastrophe strikes the blame game begins, the inept-corrupt-mediocre babus take over and victims have to wait interminably for compensation, as was seen in the case with of the Union Carbide tragedy in Bhopal. This has an adverse impact on other industrial establishments in the vicinity and good industrial relations in these places invariably takes a beating.

Economic : How the labour market functions is very important, as people do not work for bread alone. When there is galloping inflation for instance or a run on the banks employment levels fall and so do compensation rates. The attitude towards workers of both employers and government in the 1930s was "take what you can get and shut up". The recent slump in the US market affected the outsourcing industry and high tech migrant Asian labours were summarily repatriated. In the UK, the situation in 2009 is similar but some Asian migrants suffering from a sense of false consciousness and a low self-esteem still manage to stay on, remain unemployed and moan about it. These labours are ready-made cannon fodder for extremist elements of various hues who convert this frustration

and disgruntlement into actions that promote their own nefarious agendas. Local labour suffers and race relations deteriorate.

Technological : Technology is the scientific process that converts inputs into outputs under optimal conditions with optimal results. In sum, however, it is but a unique commodity in that you buy it without seeing it; because if you see it, you need not buy it. Progress brings along with it mechanization, automation and de-humanizing relationships. E-business has exacerbated this tendencies and personal contact is minimal. Consequently, the relationship is no longer subjective and emotional but objective, work related and virtual. Under such conditions, the employee collectivity is no longer possible to build and bargaining is reduced to an individual level. Industrial relations become people management.

Socio-Cultural : Socio-cultural and tradition bound relationships in and out of the workplace to a large extend define how the employer-employee behaviour is conditioned at work. This is because the organisation is a microcosm of the larger civil society, is influenced by it and influences it in turn. Issues pertaining to race, religion and cultural attitudes to work generally are included herein. For instance, in the BIMARU states, caste equations are paramount, that is perhaps one major reason why the level of social consciousness is so low, and the levels of exploitation (and accompanying crime) are so high.

Political: In his works on the dealing with trade unions and the state Sadri has given the reader a glimpse of how politicians can and do influence labour relations. In the UK, the Labour Party was formed by the Trade Union Congress to represent worker interests in Parliament. In India, the political parties set up unions that were affiliated to its ideology and reversed the relationship. The Trade Union Act 1926 based on the British colonial policy of divide and rule provided for the compulsory registration of trade unions but left the question of compulsory recognition of the representative trade union an open question. Thus, the neo-colonial legacy perpetuated the divide and rule policy even after independence. What could be a better example of political interference than the ill advised and Maoist supported agitation against Tata Motors mounted by Mamata Bannerjee and her Maoist collaborators at Singur in West Bengal? The workers in Maharashtra's Textile Industry suffered the same fate under the leadership of Datta Samant. Factory units closed down and employees became unemployed overnight without even a shelter over their heads!

Governmental: It may be interesting if not alarming to know that in India there are more than 100 pieces of legislation dealing with labour (combining the state and the central ordinances). These laws and policies that regulate I R practices often contradict each other. For instance, the *worker* under the Workman's Compensation Act is differently defined from a *workman* under the Industrial Disputes Act. In addition the Central Government can declare a state of emergency and abrogate all laws as was infamously done by Indira Gandhi in the mid 1970s. Railway workers were driven out at bayonet point from their homes at night just because they dared to go on strike! The promised new Industrial Relations Bill is still hanging fire in Parliament. The Industrial Disputes Act is almost silent about voluntary arbitration and lays stress on conciliation, labour courts, industrial and national tribunals thereby giving the Government a say in all labour matters. Thanks to governmental interference, mediation of disputes has given way to adjudication of disputes.

Coming to the English speaking Anglo-American world even today the adherents of systems theory in industrial relations are in a position of academic influence. Consequently, views on I R both on either side of the Atlantic either stem from or are in opposition to the

views of John Dunlop. Dunlop spoke in terms of certain actors, certain contexts and certain outcomes. Consequently, the I R activity was always a tripartite activity. He saw three principal power centres that interacted with each other on the I R front. These were: (a) the workers, who put in their labour, combine to form unions to protect their rights, improve their conditions of life and resisted exploitation. (b) The management wanted to increase the returns on investments made by the shareholders and/or owners by regulating the process of production and controlling the workforce. (c) The government as the administrative arm of the state translated the official ideology into action and often played the role of the nation's custodian.

In the process of creating value in a manner that arise out of relationships between the three actors: workers, management, and the government the emergence of *rule making* becomes important. Hence, thinkers like Allan Flanders and Alan Fox distinguished between *substantive* rules and *procedural* rules.

(a) *Substantive* rules were *policy* oriented and addressed the question of *why* the rule was needed and *what* it aimed to achieve.

(b) *Procedural* rules were *practice* oriented and addressed the question of *how* the rule was to be followed and who would be in charge of its maintenance.

On the other hand there were those like Richard Hyman and Victor Allen who saw IR as essentially a bipartite activity since there was no ideological difference between the class that owned the means of production (management) and the class the controlled the administration of the state (government). Nevertheless, the fact remains that IR is an integral part of the HR function and yet there are some clear linkages as well as differences between the policies and practices of the HR expert and the IR expert

Industrial peace through consensus lies at the heart of Industrial Relations. The absence of conflict enables value and sales to be generated through smooth production, operations thereby bringing in profits from which the employee can be compensated, and the returns on owners' investment can be realized. However, for achieving this consensus four conditions are needed:

(i) Mutual trust and respect between management and unions.
(ii) Mutual trust and respect between union leadership and the rank and file.
(iii) A high level of class consciousness on the part of all parties.
(iv) A corporate work culture that promotes trust, transparency, and teamwork.

These four conditions are as valid for smooth people management processes and the production and productivity and profits that go with them

Our Ambit of Concern: To begin with let us demarcate the boundaries within which we shall posit our argument. These boundaries are confirmed by the presence of the phenomenon of world recession. A global recession is a period of global economic slowdown. The International Monetary Fund (IMF) takes many factors into account when defining a global recession, but it states that global economic growth of 3 percent or less is "equivalent to a global recession". By this measure, four periods since 1987 qualify: 1990-1993, 1998 and 2001-2002.

Informally, a national recession is a period of declining productivity. In a 1974 New York Times article, Julius Shiskin had suggested several rules of thumb to identify a recession, which included two successive quarterly declines in gross domestic product (GDP), a measure of the nation's output. This two-quarter metric is now a commonly held definition of a recession. In the United States, the *National Bureau of Economic Research* (NBER) is regarded as the authority which identifies a recession and which takes into account several measures in addition to GDP growth before making an assessment. In many developed

nations other than USA, the two-quarter rule is also used for identifying a recession.

Whereas a national recession is identified by two quarters of decline, defining a global recession is more difficult, because developing nations are expected to have a higher GDP growth than developed nations. According to IMF, the real GDP growth of the emerging and developing countries is on an uptrend and that of advanced economies is on a downtrend since late 1980s. The world growth is projected to slow from 5% in 2007 to 3.75% in 2008 and to just over 2% in 2009. Downward revisions in GDP growth vary across regions. Among the most affected are commodity exporters, and countries with acute external financing and liquidity problems. Countries in East Asia (including China) have suffered smaller declines because their financial situations are more robust. They have benefited from falling commodity prices and they have initiated a shift toward macroeconomic policy easing. The IMF estimates that global recessions seem to occur over a cycle lasting between 8 and 10 years. During what the IMF terms the past three global recessions of the last three decades, global per capita output growth was zero or negative. And it is in this overall environment the corporate leader has to thrive on the cutting edge of market competition and its associated technology.

There is a well known saying that goes thus: *if someone in Wall Street sneezes the third world catches a cold.* The global effect of a crash was writ large in 1987. The works of Cremer and Zepp as well as those of Sadri and Krugman (severally) bear this fact out adequately. So, to understand the recent recession it is opportune for us to understand the ongoing US crisis.

The financial crisis of 2007–present is a global financial crisis triggered by a liquidity shortfall in the United States banking system. It has resulted in the collapse of large financial institutions, the "bail out" of banks by national governments and downturns in stock markets

around the world. It is considered by many economists to be the the worst financial crisis since the Great Depression of the 1930s. It contributed to the failure of key businesses, declines in consumer wealth estimated in the trillions of U.S. dollars, substantial financial commitments incurred by governments, and a significant decline in economic activity. Many causes have been proposed, with varying weight assigned by experts. Both market-based and regulatory solutions have been implemented or are under consideration, while significant risks remain for the world economy over the 2010–2011 periods. Although this economic period has at times been referred to as "the Great Recession," this same phrase has been used to refer to every recession of the several preceding decades. The collapse of a global housing bubble, which peaked in the U.S. in 2006, caused the values of securities tied to real estate pricing to plummet thereafter, damaging financial institutions globally. Questions regarding bank solvency, declines in credit availability, and damaged investor confidence had an impact on global stock markets, where securities suffered large losses during late 2008 and early 2009. Economies worldwide slowed during this period as credit tightened and international trade declined. Critics argued that credit rating agencies and investors failed to accurately price the risk involved with mortgage-related financial products, and that governments did not adjust their regulatory practices to address 21st century financial markets. Governments and central banks responded with unprecedented fiscal stimulus, monetary policy expansion, and institutional bailouts.

Our Reason: The *raison d-etre* for this paper's argument can be briefly explained thus. Our world during the last decade of the twentieth century and the first decade of the twenty first century has witnessed a corporate Olympiad. This was marked by a concurrent collapse of structures and functions on the one hand and cataclysmic change on the other. This collapse was brought about by the new disembodiment of the erstwhile organization through the three

pronged interventions of (a) business process re-engineering; (b) business & knowledge process outsourcing and (c) the emergence of a borderless universe. Capital was increasingly concentrated and centralized as the battle for market competition intensified under late capitalism. Organizations, in a manner of speaking, were forced to keep running just to stay on the same spot – so intense was the competition. The corporate strategist had to pull out as many rabbits from his magician's hat as he possibly could. Simultaneously we witnessed the emergence of both complex organizations a la Amitai Etzioni and matrix organizations a la. Let us understand what these two types of organizational structures mean.

A man was walking home one dark and foggy night. As he groped his way through the murk he nearly tripped over someone crawling around by a lamp post. "What are you doing?" asked the traveler. "I'm looking for my keys." To this the other replied: "Are you sure you lost them here?" asked the first man. "I'm not sure at all," was the reply, "but if I haven't lost them near this lamp I don't stand a chance of finding them." Most people know this story but we chose to see it as metaphor of science. 'Normal science' in Kuhn's terms, consists of looking as assiduously as possible in the lit area, perhaps exploring those edges where the gloom is not quite impenetrable. From time to time someone manages to switch on a new light—a paradigm shift, in Kuhn's terms—and a new area of exploration is opened up.

Science is about the art of the possible; it does not deny that the keys may lie in the darkness; it simply does not consider that its job consists of feeling around blindly. Until recently, the light by which science was working was only able to illuminate simple, linear, systems. The advent of the computer changed things. It is now possible to look at complex systems in two ways: computers can solve previously-impossible nonlinear equations and they can simulate of complex systems by means of models known variously

as cellular automata, genetic algorithms, and neural nets and so on. So what is a complex system? The field is still very new and there is no agreement about terms and terminology but the following may give a flavour: We are speaking of a system that is complex, in the sense that a great many independent agents are interacting with each other in a great many ways. And, to understand the behaviour of a complex system we must understand not only the behaviour of the parts but how they act together to form the whole.

Matrix Management is a type of organizational management in which people with similar skills are pooled for work assignments. For example, all engineers may be in one engineering department and report to an engineering manager, but these same engineers may be assigned to different projects and report to a project manager while working on that project. Therefore, each engineer may have to work under several managers to get their job done. Proponents of matrix management suggest that there are two advantages to matrix management. First, it allows team members to share information more readily across task boundaries. Second, it allows for specialization that can increase depth of knowledge and allow professional development and career progression to be managed. Transparency and teamwork are great buzz words that are seldom fully actualized.

The disadvantage of matrix management is that employees can become confused due to conflicting loyalties. The belief is that a properly managed cooperative environment can neutralize these disadvantages. Opponents to matrix management believe that it is an outdated method to organize a company...One major disadvantage of matrix management is that it doubles the number of managers when compared to line management, and as the time to reach a decision increases with the number of managers the result may be an increase in management related overhead expenses. And in times of cutthroat competition this

may not be welcome. This is what the Matrix Controversy is all about.

However organizations are fast getting leaner and meaner and their structures seem to have come a full circle and become flat. The flat structure is common in entrepreneurial start-ups, university spin offs or small companies in general. As the company grows, however, it becomes more complex and hierarchical, which leads to an expanded structure, with more levels and departments.

Often, it would result in bureaucracy, the most prevalent structure in the past. It is still, however, relevant in former Soviet Republics and China, as well as in most governmental organizations all over the world. Shell Group used to represent the typical bureaucracy: top-heavy and hierarchical. It featured multiple levels of command and duplicate service companies existing in different regions. All this made Shell apprehensive to market changes leading to its incapacity to grow and develop further. The failure of this structure became the main reason for the company restructuring into a matrix.

Starbucks is one of the numerous large organizations that successfully developed the matrix structure supporting their focused strategy. Its design combines functional and product based divisions, with employees reporting to two heads. Creating a team spirit, the company empowers employees to make their own decisions and train them to develop both hard and soft skills. That makes Starbucks one of the best at customer service. Some experts also mention the multinational design, common in global companies, such as Procter & Gamble, Toyota and Unilever. This structure can be seen as a complex form of the matrix, as it maintains coordination among products, functions and geographic areas. In general, over the last decade, our research indicates that through the forces of globalization, competition and more demanding customers, the structure of many companies has become flatter, less hierarchical, more fluid and even virtual.

In view of the above, change is a way of life in the corporate world. This change was non-linear and non-Newtonian. This paper looks at one facet in which the corporate manager The manager of the future has perforce got to be ethical a la Jayashree. Being ethical involves being self governed and the corporate governance supplements and compliments business ethics, a la Sadri. Both converge to approximate organizational excellence a la Sadri and Jayashree who have argued that this is where the organization must head towards. However mere excellence is not enough and business sustainability is a strategic compulsion that excellence must lead to a la Sadri, Guha &. Jayashree

Our Rationale: Almost a decade has gone into the study of organisational excellence and business sustainability and this paper is a culmination of that series of studies. We posit the basis premise that the leadership of the future shall *per force* have to be ethical. This level of ethical conduct will have to be moderated and channelled through corporate governance. A good corporate citizen has, above all, a responsibility towards civil society which it fulfils. In fulfilling this responsibility the new leadership moves the organisation towards excellence. However, excellence alone is not enough in these extremely competitive times and so we must look forward to achieving sustainable developmental growth.

We shall begin this paper with trying to understand the concept of business sustainability. As the battle for competition intensifies, capital will become increasingly concentrated and centralised. With this the imperative for companies to thrive on the cutting edge of both technology and competition will surely come. It is no wonder therefore that management in the 21st century is being marked by the twin concerns for excellence and sustainability.

If sustainability principles will guide us to a secure future, then nowhere do these principles need more urgent application than

within the fields of science and technology. What do these principles mean in practice? What knowledge, skills, and actions are required to shift sustainability theory to practical application? What are the current initiatives and best practices locally and globally? This quest for excellence and sustainability is a long pilgrimage in search of a response to the question: What can we do? Indeed, sustainability is an incredible complex concept, subject to a multitude of interpretations. And maybe the answer can be found outside science and technology in the soft side of art, philosophy and sociology.

With more than 300 definitions of sustainability, it is little wonder there is some ambiguity over what exactly the term means. The best-known definition comes from *Our Common Future* (the so-called "Brundtland Report") prepared under the auspices of the World Council on Environment and Development in 1987, which defines sustainable development as that which …*meets the needs of the present without compromising the ability of future generations to meet their own needs*. While this hints at a number of important principles, it provides little concrete guidance about what to do differently. In 1993, APEGBC took the position that sustainability from an engineering and geo-science perspective can best be understood as a process of complying with seven principles, known as the Sustainability Guidelines. Sustainability Guidelines should, in our opinion, essentially embody the following fundamentals of sustainability:

Systems Thinking: We need to acknowledge the fact that seemingly discrete projects or activities are in fact a part of many interacting or interdependent social, ecological, and economic systems that together form one complex global system. Such thinking encourages us to critically assess the boundaries we assume our projects or activities lie within, and to expand or modify those boundaries where appropriate.

Temporal and Spatial Scales: We also need to assess the environmental, social, and economic impacts of our actions over varying scales of space and time. Are space and time mere illusions as Schopenhauer would have us believe or are they an aspect of objective social reality as Russell would say? Should be forget the past and stop worrying of the future as Osho had suggested or should we get caught up with the proponents of Game Theory and weigh the pros and cons of every action and its probable outcome? As Peter Senge puts it, cause and effect are separated by time and often they get mixed up.

Risk, Uncertainty, and the Precautionary Principle: For any business to prosper, three concerns are critical. (i) Identifying and actively managing both risk and uncertainty. (ii) Recognizing the value and limitations of both quantitative risk analyses and subjective risk perception in situations characterized by significant uncertainty, and (iii) Maintaining a level of precaution in the face of potentially major negative consequences that is cognizant of stakeholder concerns and values.

Values-Focused Thinking: Developing alternative solutions to problems based on human needs and values, and evaluating these options based on those values allows us to keep the end goal in sight. This implies that management simultaneously behaves in both a value based and a value driven manner at all times.

Engagement and Integration: Engaging stakeholders and forming integrated design and consultation teams at the onset of appropriate projects to take advantage of a pooled body of knowledge to help define and solve the issues at hand. Unless this is done with an open mind and on a continuing basis management could easily develop managerial myopia or a "frog in the well" syndrome.

Equity and Disparity: Ensuring that the equity and disparity of current and future generations has to be considered and that a fair and consensus-seeking process is in place to ensure that the benefits and costs are distributed fairly among various stakeholders.

This equity and disparity of managing corporate affairs in a fair and transparent manner is known to work wonders.

Efficiency: Management must not only be engaged in but also be seen to be engaged in seeking to maximize the contribution to wellbeing of humans and ecosystems while minimizing the stress on people and ecosystems, seeking win-win situations and clarifying irreducible trade-offs.

Process and Practicality: With emergent and growing concerns regarding the environment and its degradation, management should be seriously concerned with applying sustainability in engineering and geo-science in practical and rewarding ways. Perhaps paradoxically, sustainability is best seen as a dynamic process rather than a static end-point – within a small number of fundamental physical constraints at a planetary scale, the scope for living sustainably in the context of changing technology and human values is enormous.

What is driving our interest in sustainability? For technocrats worldwide, an abiding interest in sustainability is being driven by a number of factors, including:

1) Mounting evidence that certain forms of technological and economic development are either physically or socially unsustainable, and that the usual feedbacks that modify development patterns might not reveal themselves in time for us to make those changes in a controlled and timely manner. In some respects, sustainability is taking a feed-forward control philosophy to socioeconomic development in the hope of avoiding some of the negative impacts and inefficiencies associated with feedback control systems.

2) Social changes in the past forty years or so have lead to a more complex and demanding role for engineers and geoscientists in society. It is no longer acceptable (if ever it was) for engineers to focus exclusively on technical issues; almost every "technical" decision has social, economic and environmental implications that we must recognize and balance in ways that reflect a complex mixture of interests and values. Increasingly, technical professionals of all disciplines (including physicians, for example) are obliged to be more open, inclusive and accountable in the way their skills are exercised.

3) Many engineers and geoscientists believe that embracing sustainability will help shift the focus of professional engineering leadership to a well-defined, confident and less defensive footing, and may enhance the otherwise waning image of engineering in society – one of the primary concerns of engineers throughout the western world.

The all important question then posed is this: How is economic development currently unsustainable? At various stages of history, human societies have engaged in a variety of activities that were literally unsustainable. Modern western societies have avoided collapse to date because techno-economic developments have limited the duration of particular unsustainable activities; for example, in the early days of the Industrial Revolution, wood was used as a primary fuel and construction material at an unsustainable rate – until focus shifted to the use of coal and iron for a variety of technological and economic reasons.

Market forces have, in other words, proven quite adept at modifying human behaviour in time to avoid the negative impacts that would otherwise have resulted from continuing that behaviour too long. No doubt many of our current activities will be modified by the same mechanism without much conscious effort. However, several of the major information feedback loops upon which market forces now rely appear to contain within them sufficient uncertainties and lag times (and the activities are creating sufficient irreversibilities) that by the time reliable information is available

to drive a market solution, the damage may have been done. Also, many of the foreseeable impacts appear likely to occur outside the time horizon of current political and commercial frameworks. Just as a process engineer would look to employ some form of feed-forward controls to compensate for a delay in information feedback, so it makes sense for us to identify how we might modify current activities to avoid some of the negative unintended consequences of our actions.

There are many environmental, social, and economic "indicators" of sustainability that we can use to inform a feed forward control strategy. Some of these include:

Population: From 1961 to 2001, human population has doubled, to 6.2 billion. Forecasts show that the Earth's population will grow to 9 billion by 2050. The significance of population on material sustainability can be approximated by the so-called "IPAT" equation, which suggests that the environmental impact over a given area (I) can be estimated by finding the product of appropriate indicators of population (P), affluence (A) and technological sophistication (T). Put in a simple linear equation form, $I = P \times A \times T$. Much has been written on the relative value of this approach, which has seen widespread application since its development by population scientists in 1972. Some of the debate centres around the metric for "T", that some argue should be arch-shaped – increasing T increases I up to a point, but then begins to decrease I as advanced technologies become less energy and materially intensive.

Climate Change: Although climate change is a naturally occurring phenomenon, the Intergovernmental Panel on Climate Change now believes that there is "new and stronger evidence that most of the warming observed over the last 50 years is attributed to human activities." Climate change is not inherently negative, but human societies are not well prepared to deal with its likely impacts. On a global level, climate change may lead to widespread hardship, species loss and could introduce instability to a range of critical socioeconomic systems. We have already started seeing the trailer and the real show may begin anytime now unless we wake up and stop this wanton plundering of Mother Nature.

Ecological Diversity: In the second half of the 20th century, the Earth has lost 300,000 species, and scientists estimate that species are disappearing between 100 and 1000 times faster than before Homo Sapiens evolved. This rate of loss in diversity may be unappealing to us and may cause ecological instability, but also reduces our option value -- the option we have to take advantage of these species in the future, for medical, economic or other gain. For example, at least 25 percent of all modern drugs originally came from rainforests, and over 2,000 plants have been clinically shown to have anti-cancer properties. Can we afford to destroy the rain forests? Will succeeding generations forgive us if we do?

Energy Use: Global energy use will increase by about 2% per year to 2010. The vast majority of this will come from non-renewable resources such as gas, coal and oil, and more significantly, will create emissions that contribute to global climate change and local air quality problems. While these and related indicators report worrying trends, the Earth itself is, of course, a finite ecosystem. Like bacteria in a petri dish, there are limits to the extent to which we can use non-renewable resources and create waste before the reality of our planet's scale begins to affect our lives. One way or another, sooner or later, logic demands that this lack of equilibrium must eventually end. Are existing institutions up to the task of ensuring that this occurs on terms favourable to us?

ACHIEVING AND SUSTAINING GLOBAL COMPETITIVENESS

India started liberalizing its economy since 1990. Today it markets are fast integrating into the world markets. Trade barriers are going down. License Raj is almost over. Foreign

capital is being welcomed with open arms. On the global scene, technology has become the driving force of change. Businesses world over are globalizing.

As our business globalizes and interlinks itself with the world, the nature and range of business opportunities as well as challenges for us are extensive. Present day competitiveness in the global market place is determined by organizational and technological innovations, superior and consistent product quality, and customer satisfaction by delivering more than he expects at competitive prices.

The threat that the emerging trends in the world markets will render us un-competitive in the coming years looms larger. Already we are facing the pinch with Indian buyers looking overseas for products that are either of superior quality, of lower cost or both. In other words, they are looking for value for money. They are demanding customized solutions, excellent service at competitive prices. In this quest, they do not hesitate to look beyond the shores. With the rapid advancements in telecommunications, information flow is instantaneous.

In this scenario, we find ourselves at crossroads. Do we go on to the front foot or the back foot? In other words do we take the battle into their territory or merely try to defend our territory. Looking at the global trend where businesses are trying to outsource all items and services except for a critical few. At a situation where emphasis is on partnership in the production process where each player produces only what he is most competent at, an inward looking strategy is bound to fail. We either have to join the mainstream of corporate life in the global village or we will be at best left as a small player in a small niche.

In our endeavour, we have to move from the state of international pessimists to international achievers. We will have to shed the negative attitude towards competing in the global markets. We have to bury our fears for once and all. We need to develop

an increasingly positive attitude towards international business and being competitive in the global marketplace. We have to move to a state where the globe will be our marketplace, both for sourcing and selling. We have to develop the skills and knowledge to become world-beaters, i.e., reach the state of being international achievers.

How do we do it? What are the necessary steps that will ensure that we are able to build up on our competitiveness and become global players in our product markets? I have tried to identify some critical strategic initiatives, to progressively build organizational competence, capability and competitiveness. However, it will be crucial that organization wide consultations are held to determine the exact policies with participation across all managerial levels. These are:

Customer Driven Approach: In the global market place, the customer has a wide range of choices, and as such, he is more demanding and selective in his choice. He demands more value for money both in the tangible form such as a superior product and intangible form such as courteous and prompt service, proper guidance and training. Today service is becoming the biggest determinant of satisfaction. Right from the time when the Company first comes into contact with a potential customer, the service starts. Be it in the form of replying to queries, giving a demonstration of the product, training to use the product, sales, delivery and after sales follow-up and service. The emphasis is clearly on building a mutually beneficial relationship. The customer gets greater value for money and the company benefits from his patronage for the existing as well as new products. The customer is the greatest carrier of brand equity. By his word of mouth recommendations, which are more effective than many advertisements, he can build a brand overnight.

The most important characteristics of successful organizations such as Sony, 3M,

Microsoft have been their nearness to the customer. In our endeavour to become global players, we have to put the customer at the centre of our strategy. This customer-based focus will provide the foundations for developing the organization's vision, strategy and structure.

Value Centred Strategic Outlook: Strategy is a deliberate search for a plan of action that will develop a business's competitive advantage and compound it. This search is an iterative process that begins with recognition of where we are and what all we have. We will have to embark on this exercise of determining where we stand in the present market and what resources we have. This strategy must have a rock solid ethical base if it has to be accepted by the larger society as well as by the various stakeholders.

The fundamental basis of above-average performance in the long run is sustainable competitive advantage. There are two basic types of competitive advantage that we can possess: cost leadership or differentiation. The results of the above exercise and the vision that we determine for ourselves will decide whether we go for being the cost leaders or offer differentiated products that will ensure our competitiveness and leadership in the global arena. However, the sustainability of either requires that we possess some barriers that make imitation of the strategy difficult. Since, barriers to imitation are never insurmountable, it is imperative that we keep moving, updating our skills and erecting yet newer barriers. A moving target is the most difficult to hit by the competitors.

Corporate Governance: The Quality of Corporate Governance depends on the quality of the Board. The Board must be compact and balanced. It should be made of individuals from different disciplines having diverse viewpoints. It should be capable of appreciating the issues put forward by the management and discharge its duty towards the various stakeholders in the organization.

It should also keep the company abreast of the latest happenings in the corporate world and evolve strategies to maximize the welfare of the various stakeholders towards which it is responsible.

In the past, we have confused to role of the Chairman and the Managing Director. Taking a cue from the PSU's we had a single individual occupying both these posts. However, today it has become necessary to separate the offices of Chairman and the Managing Director. Division of powers at the top and the concept of "four eyes" has come to stay. Business Ethics must combine with Corporate Governance if Organisational Excellence has to be approximated.

The Chairman will be responsible for re-vitalizing the Board of Directors. He has to ensure that fresh talent is inducted into the board to keep it fresh. A proper succession program has to be developed. He will have to set up a committee for evaluating the performance of the CEO and fresh appointment of directors.

The Chairman should ideally be a multidisciplinary professional. He should be a leader of men. He should be capable of enthusing the employees with a sense of purpose to achieve the organizational goals. He should also be a visionary, as he is the one who would provide the direction to the company in the years to come.

The Chairman along with the Board should be responsible for defining the vision of the organization that derives realistically from the company's strengths and that builds on a distinctive competitive advantage.

A good system of corporate governance will ensure that we do not lose sight of our vision and purpose. It will also ensure that we are fair to all stakeholders in the company. In the long run this relationship with the stakeholders will determine the corporate image, which is essential for the growth and diversification of the company. For this including a competent

and empowered panel of independent directors is called for. The present system of the same names appearing ad infinitum and ad nauseum in every company annual report will definitely have to change. If not, they will not be taken seriously. This panel must also have the power to call for information and get it. Unless that happens their only roll will be attend meetings and approve perks that enhance their own status! Woe betide the company and it would be time to bid sayonara to both excellence and sustainability unless this malaise is addressed expeditiously and firmly.

Quality Process and Innovations: Until now our approach to quality has been the final test carried out by the Quality Assurance Department. This concept has to be thrown into the trash box. Quality will have to become an ingredient into our products and services if we are to be competitive. Every member of the organization will have to strive for achieving the highest standards in quality. We have to get the products right the first time. In the competitive market place there may be no second chance. Today everything is being finely scheduled to the last second. There are simply no lags. For any product, the whole of the supply chain has to perform its part, in time. Getting it right the first time is the only option available to a global player.

We have to remove the misconception, (promoted by book keeping clerks irrespective of their hierarchical status), that better quality increases costs. Rather, multitudes of companies have shown that having better quality in fact brings down the costs. This is true if we see the cost of rejections, reworking, production time lost, labour time lost and the time spent in fire fighting once a bad lot has been dispatched. The problem arises because of the fixation of accountants towards short run actual costs. What is required is to look seriously at *long run opportunity costs* that the accountant by training is ill equipped to handle.

In the past, we have also basically followed the approach of doing old things better and faster. Improving productivity through removal of inefficiencies and improvement in process efficiencies becomes a managerial priority. While this would still be required, in a world where change is the only certainty, these measures would be unable to sustain our organization for long. What we need today is bringing about an organization wide cultural change to commitment towards innovations, development of new products and services. A dedication to become pioneers in areas, which merely exist as remote possibilities today, becomes necessary if competitiveness has to be achieved and sustained. This means that the corporation has to be value based i.e. ethical and exhibit a total dedication for creating value for the customer i.e. be value driven.

For this, we have to learn to tolerate failures. If there are no failures, it implies we have not tried our hands at lots of things. For an organization to be a learning organization in the spirit, we have to develop a culture where a failure does not mean a setback in the career for a highly talented individual. Rather he should be evaluated on the criteria of the quality and quantum of effort that he has put in. From another angle using the Harvey Liebenstien model of X Inefficiency we can argue that there is an inbuilt inefficiency in all persons, processes and systems. Unless it were to be so technological progress would not be possible.

Learning Organization: It is beyond doubt that there exists immense opportunities in the world market. Yes, they are there for us too. However, starting from behind, our managers will need to perform much better than their counterparts in the developed world. If we are to move out of our slumber and move ahead towards the vision of not only catching up with the global players in our areas of operations but forging ahead of them and becoming the trendsetters we have to strive to develop a culture of continuous

improvement. Business it becoming increasingly knowledge driven as we make progress with technology. Innovations both organizational and technological are setting the pace for change. In the past decade, capital and labour accounted for only 25% of the total growth in developed countries. The remaining 75% come predominantly from technological innovations. That the technological and managerial innovations are going to shape up the coming competition more intensely is under no doubt.

In today's technologically driven business paradigm, it is knowledge that commands premium in the marketplace. Thus, acquiring and assimilation of knowledge becomes an essential ingredient in the strategy for global competitiveness. For this, we require to develop systems that foster the process of knowledge acquisition and dispersion within the organization. To see how well we are doing we will have to consistently benchmark ourselves against the best, not only in our line of business, but also in other businesses where similar processes might be used. We have to keep abreast of the happenings in the world and embrace new developments/ideas faster than our competitors. In short, the organization has to constantly update its knowledge and develop new skills. The process of learning in the organization has to be a continuous one.

Integration of IT in Every Day Work: Today the advances in Information Technology are fundamentally changing the way business is done. The concept of supply-chain management, electronic commerce etc has been made possible with the huge strides in computing and telecommunication technology. The fusion of increasing computer power available cheaply at the users desktops and rapidly growing telecommunication technology will provide the kind of energy yet unseen. This will propel organizations into changes at a very rapid pace almost on a daily basis. Those who lag behind will be obliterated. For us this calls for a fusion of computing and networking technologies into the corporate strategy and in the organizational structure. We have to move towards where we would be able to source and distribute information, products and services across the globe. The concepts that will make these happen are Internet, Intranet and electronic commerce. With Internet, customers can access information from any corner of the world. With electronic commerce, they would be able to place their orders and make payments online. With Intranet, we will be able to decimate information to our branches and plants across, include the suppliers, distributors and key customers. Thus, this would extend our reach to the remotest areas with great speed and very little investment.

With on-line discussions and brainstorming sessions, the ideas can be put through much faster across the organization. It will carry new concepts and get people started on new things. Decision-making and implementing time will be cut dramatically and the inputs for it will be superior and versatile. Confusions in communication will be avoided, leading to better functioning of the company. Thus our ability to become global leaders will depend to a large extent on how we are able to harness the powers and flexibility provided to us by the growth in IT. And how IT fits into the corporate environment becomes the task of Strategic HR.

Revisiting Human Resources Management: Our priority then lies in placing Strategic HR on the Corporate Map and Developing Appropriate HR Systems in this highly competitive marketplace. As a result of liberalization and globalization, human resource management (HRM) has acquired strategic importance. The quality of human resources available to the company and the relationship will determine whether we succeed in achieving our vision or be relegated to being an also-ran. Thus, attracting, developing and retaining superior knowledge in the form of human resources will be a priority for the organization.

However, before we do that there has to be a paradigm shift in the employee-manager relationship. With the mergence of both the *knowledge worker* and the *age of the intellect*, this is indubitable. It would also be imperative to have flat and non-hierarchical organization if such people are to flourish. It would call for breaking down the communication barriers, with information and knowledge to be shared across the organization. It also calls for empowerment in the decision making process. Thus, the people will have greater freedom and latitude for developing and delivering to their potential. Proper HR planning and HR development activities have a very important role in achieving this.

Logically one can visualize a corporate culture that values trust, honesty, ethics and transparency in all actions for the modern organisation. This will negate the need for controls at every step. Peer pressure and the culture of the organization will become the controlling and motivating factors.

All these calls for integrating HRD in the corporate strategy formulation and developing appropriate HR systems that will ensure the acquisition, development and retention of the vital human resources and provide them with the climate in which their talents would flourish and they would be able to achieve their potential. This brings us to the question of developing a work climate and imbibing a corporate culture that provides the environment for innovation and creativity to flourish. Of course, this is a highly value laden issue and we shall address it presently.

THE MANAGER OF THE FUTURE

Today the global trend is that of an intrapreneur (an entrepreneur within the organization) being the ideal individual for bringing about innovations. Many of the product and process innovations are brought about by teams rather than isolate individuals working under large corporate settings. Sony and 3M instantly come to mind when one visualizes such an organization. One expectation here would be that the new breed of intrapreneurial managers will be pioneers. They would be able to develop new markets, new products and innovate the entire industry, set the pace for the participants in that industry. At the more local level, it would require monopolization of market niches, having complete supremacy in them by making available superior products at competitive prices and providing high valued services, i.e., aiming for total customer satisfaction and surpassing it.

The work will increasingly be done by cross-functional teams, which will progressively become self-managing. Managers will now be more of facilitators rather than commanders. The managers will be exposed to virtually unlimited data requiring an ability to visualize common pattern between seemingly disparate phenomena.

For this, we want managers who will not only have sound management and technical skills, but more importantly should possess imaginative and creative thought process and are good team players. Our vision of a modern day professional manager is thus of a dynamic professional who combines risk taking with risk management, infuses academic rigour to practice vigour, merges cold analysis with creative synthesis, possesses hindsight with foresight and exhibits spontaneous verve with steely nerves. It is a tall order for one no doubt. However, if we are to succeed in the global arena we have to achieve this.

Survival and growth in the coming years will depend upon the speed at which we are able to respond to and predict the environmental conditions. The key resource for competitiveness would be knowledge and skills that are available to us and how fast we are able to upgrade it. Delivering value to the customers will form the base on which our vision and strategy will be based. A clear formulation of strategy would give focus to our efforts. And all this would be possible with quality people in each sphere of company's activity.

There is no gainsaying the fact that humankind is the beginning and the end of all analysis; that it is both the subject and the object of social inquiry. Excellence and sustainability are concepts that spring from humankind's thrust towards developmental growth on the one hand and the aggrandizement of the forces of nature to extract a greater surplus value to fuel the forces of developmental growth on the other.

It is our opinion that the significance of the behaviour, attitude and emergent actions of humankind on business sustainability can be approximated by the New equation, which suggests that the business sustainability impact over a given period "I*" can be estimated by finding the multiple of three appropriate indicators: persons, processes and products "P*", the combined effect of alienation, anomie and affluence amongst workers "A*" and the trust, transparency and teamwork involved in bringing about technological sophistication "T*".

The New IPAT Equation (now a Sustainability Equation) then can be read as $I^* = P^* \times A^* \times T^*$.

Our interest, based on the study of business cycles, centres around the metric for "T", that we argue should be arch-shaped like an "inverted U" in the sense that an increasing "T" in turn increases "I" up to a point, but then begins to decrease "I", just as advanced technologies become less energy and materially intensive. Uses of solar, water, and wind energy as replacement for thermal electricity are a case in point. To reduce this concern we need to modify the New IPAT Equation a bit further. We need to understand the concept of the "mathematical whole" which can be represented by the number 1. And, we need to realise that the universe is a whole and cannot be dissected into parts for its survival as was attempted at World Environment Summit in Copenhagen in late 2009. To borrow the terminology of Subhash Sharma, we posit further that □ and the Ω of sustained developmental growth cannot and

should not be divorced from ethical concerns and governance imperatives.

Then this positive influence of the New IPAT (Sustainability) Equation in understanding, how the twin concerns of excellence and sustainability can be thus approached, becomes important. These variables P^*, A^* and T^* are placed in the numerator of the modified equation and are then divided by "CC" or propensity to reach the desired level of collective consciousness, "BE" or the desired degree to which business ethics needs to be imbibed and practiced, and "CG" or the necessary seriousness and rigour with which corporate governance is implemented for growth and development. CC, BE, and CG do not exist in isolation but are part of the whole system. Hence, we need to say that 1-CC-BE-CG must be placed in the denominator of the equation.

To the denominator we need to further add l symbolising all forces that reduce the power of the multiplier. These forces mostly comprise of negative bureaucratic influence to progress, traditional impediments to growth and a government that has too much politics with its economics and too little economics with its politics. The road to hell is oft paved with good intentions and though they may mean no ill, these forces stymie both organisational excellence and business sustainability.

The Further Modified IPAT (Sustainability Equation) a la Sadri (2011) is stated as:

$$I^* = \frac{P^*.\ A^*.\ T^*.}{1 - CC - BE - CG + l}$$

This Sustainability Equation, in our opinion, is equally relevant in non-business organisations like the Government of India. The sustainability of a Government can be seen in terms of (a) the quality and effectiveness of the people and processes involved (b) alienation and anomie amongst the voting populace, and (c) trust and transparency in government decision-making. Let us explain:

(P*) People usually believe others when they walk their talk and say what they mean; so is true of governments. Similarly, nobody can take a government seriously if the question hour in parliament is taken as mere routine activity and the government is never placed on the carpet.

(A*) Voters are bound to be alienated when governments shoot from the hip rather than take well reasoned responses to issues as in the recent case of Telangana. So too when the easy expedient reality takes precedence over rational and principled choice, a section of the electorate can always hold the government to ransom, as was seen in the Shah Bano case. This opens the doors wide enough for others to follow suit to extract more than the proverbial pound of flesh.

(T*) Trust and transparency in decision making goes for a six when the government talks of being tough on terror and yet allows Afzal Guru to continue to avoid the hangman's noose while living at the cost of the national exchequer. As well, the voters cannot expect the government to deliver on its stated principles if it makes high profile and commissioned inquiries like the Liberhan Report an instrument for playing a nefarious blame game and opposition bashing.

(CC*) Collective consciousness cannot rise as long as the twin evils of macro-racism and micro-nationalism are permitted to thrive. So too as long as we have too much politics with our economics and too little economics with our politics we shall continue to have the mediocrity governing us. What, unfortunately, we have promoted is literacy when what we need is education. *Gyan* (knowledge) and *Buddhi* (intelligence) without *Vivek* (consciousness to discern) is puerile.

(BE*) Business ethics in this case is intricately related to the question of *moral hazard* that arose when the Government failed to adequately bail out UTI (Unit Trust of India) some years ago. One wonders what would happen if the LIC (Life Insurance Corporation of India), which is relatively non-transparent, were to go bust. Currency would be debauched, stakeholder trust would be irreversibly shaken, the government would fall, and future investments (even if a trickle) will continue to be made based solely on speculation rather than on fundamentals.

(CG*) Corporate governance cannot be adequately monitored by a group of regulators operating on a set of regulations. The era of company secretaries playing any meaningful role in corporate governance is over. The same group of Independent Directors who are seen on the Boards of a number of Companies may not really be independent after all, and the auditors may not always be honest as was seen in the case of Satyam. In such case anything said on the question of good governance remain mere un-actualised platitudes.

So we see that the *specific sustainability equation* now becomes a *general equation*. In the process of its transformation from the specific to the general, this equation gives both meaning and direction to strategies that will enable the organisation to move towards attaining both excellence and sustainability.

Our academic journey began from ethics moving to governance and thence to excellence culminating in sustainability. In this short argument we have tried to explain this linkage and determine the conditions under which excellence and sustainability can be understood. Given the post 1991 *march of our nation* excellence and sustainability are no longer mere desirables but business imperatives.

In the global context, at least, we are increasingly being seen as an economic force to be reckoned with, albeit some four and a half decades after the birth of this nation. The clout wielded by the BASIC countries (Brazil, South Africa, India, and China) at the Copenhagen summit in December 2009 is a case in point. Even at the dawn of the 21st century, global competition more intense than ever before. The future points irrevocably towards the

survival of the fittest. Today, we need to get together to give direction to our companies, determine their vision and objectives. The above equation suggests a direction to achieve the desired developmental growth. Let us therefore initiate a debate on the issues and adopt a schedule for action based on the results of the industry - wide and nation-wide discussion. We have to move fast, for time is running short.

The assumption we make is that civil society and its leadership has both the will and the ability to embrace higher levels of production, productivity and progress through developed collective consciousness that is both fair and equitable. For this it needs a four step development without which those who are marginalised shall for ever be marginalised, inequality shall reign supreme and development-less-growth will a permanent feature of our macro economy.

The logical flow of our argument that would lead to development thus far can be stated as under.

Managerial Ethics → Corporate Governance → Organisational Excellence → Business Sustainability

But all this will come to nought unless the civil society benefits and where do all the fortunes go is a moot question. For this we need a government that free from blemishes especially when the proletarian leaders scheme and the bourgeois leaders scam.

Conclusion: A class-less society is utopian as well as mythical. We shall assume that the gap between the haves and the have nots will be reduced like it has been in states such as Gujarat. Survival and growth in the coming decades then will depend upon the speed at which we are able to respond to and predict the environmental conditions. The key resource for competitiveness would be knowledge and skills that are available to us and how fast we are able to upgrade it. Delivering value to the customers will form the base on which

our vision and strategy will be based. A clear formulation of strategy would give focus to our efforts. And all this would be possible with (a) quality people in each sphere of company's activity, (b) quality attitudes and behaviour patterns of decision makers, and, (c) quality deliverables at every point along the supply chain. Technology will no doubt play a crucial role but will play a decisive role as well. However, it cannot perform this role alone especially since the border less world is fast becoming a reality. Consequently, competition must give way to cooperation as the ultimate panacea for developmental growth. What is therefore needed and what we therefore advocate the promotion of technologically driven organisation is proper direction along the five actualisable issues delineated below. Technology provides value addition making the organisation *value driven*. These five issues provide a basis for strategic action making the organisation *value based*. When an organisation is value driven and *value based* at the same time, it is said to be *value centred*. That is the organisation of the future we should, as strategic planners and decision makers, aim to promote.

The five points (issues), according to our research, in which strategic initiatives born out of the above debates, especially under conditions of recession have to be actualised, are: (i) Business Ethics. (ii) Corporate Governance. (iii) Corporate Social Responsibility. (iv) Organisational Excellence. (v) Business Sustainability

The first flows into and forms the basis of the second and so on. We can further argue also that there is a cycle and that by way of a feedback loop each of these five points is mutable and dynamic. It influences its immediate environment and is influenced by it in turn.

We have a highly educated populace between the age group of 25 and 40 years of age. This populace is technologically strong and intellectually superior. This is a distinct

competitive advantage we cannot afford to overlook. Today, we need to get managers with varied expertise together to give direction to our companies, determine their vision and objectives, and lead them unwaveringly towards these. We need to create a strategic team across sectors, regions and with its members having divergent competencies but convergent goals.

The State has to give up its recalcitrant babudom, debilitating red-tape, stop paying lip service to free market economics, quit playing the vote bank politics and begin to put the taxpayer's money where its mouth is. If not, the bourgeoisie shall continue to scam and the proletariat will settle down to scheme. The retarded nature of our capitalist periphery must be monitored and regulated to achieve sustainable and inclusive development. Therein alone lies the salvation of an economic powerful India.

Let us therefore use this august forum of Institute of Human Development to initiate a debate on the issues and adopt a schedule for action based on the results of not only a company-wide discussion but a market-wide debate. The results of these discussions must be put into positive action and periodically revisited. We have to leverage all the advantages we have, bring the marginalised labour into the mainstream and move fast, for time is running short.

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Ethical Foundations of Corporate Governance

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The purpose of this rather short contribution is to argue that the success of corporate governance is determined by the ethics and the values of the stakeholders. Furthermore, that the days of corporate governance being a set of regulations to be monitored by a set of regulators is passé. Corporate governance is no longer merely a matter of compliance but a potent instrument of sustainable development of the corporate.

Maria Ramos (CEO: Transnet) has almost prophetically said *Governance is the process whereby people in power make decisions that create, destroy or maintain social systems.* Apprehension about Corporate Governance has increased in response to major crises of confidence, trust, fraud, market failure, and the change in our opinion about the role that corporations play in the economy and society. Enron, the Houston, Texas based energy giant, shocked the business world with both the scale and age of their unethical and illegal operations.

The Enron scandal, revealed in October 2001, eventually led to the bankruptcy of the Enron Corporation, an American energy company based in Houston, Texas, and the dissolution of Arthur Andersen, which was one of the five largest audit and accountancy partnerships in the world. In addition to being the largest bankruptcy reorganization in American history at that time, Enron undoubtedly was the biggest audit failure. On paper, Enron had a model board of directors comprising predominantly outsiders with significant ownership stakes and a talented audit committee. Ironically, in 2000 in a corporate review conducted about the best corporate boards, Enron was listed among its top five boards.

Large and trusted companies from Parmalat in Italy to the multinational newspaper group Hollinger Inc., and WorldCom, the telecom giant, revealed significant and deep-rooted problems in their corporate governance. Even

the prestigious New York Stock Exchange had to remove its director, Dick Grasso, amidst public outcry over excessive compensation. Closer to home, as quoted in Live mint .com dated 7th Jan 2009, 'Nasscom expressed shock at the accounting fraud disclosure made by Satyam's Chairman Ramalinga Raju, terming the incident as a failure of Corporate Governance'. It is obvious that something is amiss in the area of Corporate Governance all over the world.

Businesses everywhere in the world have been subject to an increasing number of external and internal influences that have redefined its role. The mantra of corporate management of the past was maximizing `shareholder value'. It's a measure of the financial rewards delivered to shareholders through the combination of cash (dividends and share buy-backs) and the capital gains achieved on public or private equity markets. The rise of shareholder and consumer activism, the broadening of its investor base, the partnership between the private and public sectors, the retraction of statutory regulation and the democratization of the workplace have all influenced the shape of business and the redefinition of organizations as social organisms. It is in this context that an increasing focus on Business Ethics and Corporate Governance has emerged and will continue to accelerate, as host societies demand greater transparency from business and more jealously guard their right to confer or withdraw its 'social license to operate'.

This paper attempts to answer some basic questions from a lay person's perspective, the pertinent among them are; what is Corporate Governance? Why has Ethical Corporate Governance come to the forefront in today's times? Does it make business sense to invest in a meaningful, effective and efficient Corporate Governance structure? What can be done to enhance the ethical dimensions in the Corporate Boards?

1. Corporate Governance

Sir Adrian Cadbury author of "The Financial Aspects of Corporate Governance", London Stock Exchange: London, December 1992, defined CG; "Corporate governance is.... holding the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of these resources. The aim is to align as nearly as possible the interests of individuals, corporations, and society."

According to the Organization for Economic Co-operation and Development ("OECD"), "Corporate Governance deals with the rights and responsibilities of a company's management, its board, shareholders and various stakeholders." The "OECD Principles of Corporate Governance" focus on governance problems that result from the conflicts of interest due to separation of ownership and control.

The five principles are as follows:

I)   The rights of shareholders;
II)   The equitable treatment of shareholders;
III) The role of stakeholders;
IV) Disclosure and transparency and;
V)   The responsibilities of the board;

Arthur Levitt, former chairman of the US Securities & Exchange Commission stated, "If a country does not have a reputation for strong corporate governance practices, capital will flow elsewhere. If investors are not confident with the level of disclosure, capital will flow elsewhere. If a country opts for lax accounting and reporting standards, capital will flow elsewhere. All enterprises in that country suffer the consequences." Hence a strong and ethical Corporate Governance structure is the buzz word in the business circles today.

Let's understand its benefits from different stakeholder's perspective.

1.1. The Benefits to Companies

Compliance with the ethical Corporate Governance principles can benefit the owners and managers of companies and increase transparency and disclosure

By;

- Improving access to capital and financial markets;

- Helping survive in an increasingly competitive environment through mergers, acquisitions, partnerships, and risk reduction through asset diversification;

- Leading to a better system of internal control, thus leading to greater accountability and better profit margins.

- Paving the way for possible future growth, diversification, or a sale, including the ability to attract equity investors – nationally and from abroad – as well as reduce the cost of loans/credit for corporations.

- Seeking new funds. Organizations often find themselves obliged to undertake serious Corporate Governance reforms at a high cost, upon the demand of outsiders, often in a time of crisis. When the foundations are already in place investors and potential partners have more confidence in investing in or expanding the company's operations.

1.2. The Benefits to Shareholders

By;

- Providing the proper incentives for the Board and Management to pursue objectives that are in the interest of the company and shareholders, as well as facilitate effective monitoring.

- Providing shareholders with greater security on their investment.

- Ensuring that shareholders are sufficiently informed on decisions concerning fundamental issues like amendments of statutes or articles of incorporation, sale of assets, etc.

1.3. The Benefits to the National Economy

By;

- Playing a role in increasing the corporate value of company. Empirical evidence and research conducted in recent year's supports the proposition that, it pays to have Ethical Corporate Governance. It was found that most of the global institutional investors are willing to pay a premium for the shares of a well-governed company over one considered poorly governed but with a comparable financial record.

Forms of Corporate Governance are shaped nationally by their economic, political and legal backgrounds, by their sources of finance, and by the history and culture of the countries concerned. Scholarly debates on Corporate Governance have turned on the advocacy of different approaches and theories.

2. Corporate Governance the Indian Perspective

It was in the 1970's that Milton Friedman famously argued that 'the only responsibility of business was to make a profit'. Such clarity of moral purpose arguably took place against the backdrop of an assumed division of responsibility within the confines of the nation state, such that business should be free to pursue purely economic objectives, since the Government and other institutions could be trusted to have regard to wider ethical concerns, including the legal framework within which businesses operated. Perhaps, globalization has cracked this comfortable ethical division of labor. The retreat of the Government from its welfare role under the combined pressures of fiscal crisis and the threats, real or imagined of globalization, means that we can no longer count on this source of protection (Beck 2000). Part of the growth of interest in Ethics and Corporate Governance can perhaps be traced then to these institutional shifts, and

the concomitant recognition of the power and relative autonomy of the large trans-national corporation.

In the Indian perspective it would be worth a mention that, as in any other country, the legal system plays a crucial role in creating an effective Corporate Governance mechanism and protecting the rights of investors and creditors. This system encompasses two important aspects – the protection offered in the laws *(de jure protection)* and to what extent the laws are enforced in real life *(de facto protection)*. In India, enforcement of corporate laws remains the soft underbelly of the legal and Corporate Governance system. From the many examples of corporate failures and scandals it is evident that, the Board of Directors has been largely ineffective in monitoring the actions of Management. Often the company Boards are packed with friends and allies of the promoters and managers, in brazen violation of the spirit of corporate law. The Board of Directors has often functioned as rubber stamps of the Management.

It is time that, the Indian companies realize that, ethical Corporate Governance is characterized by a firm commitment and adoption of ethical practices by an organization across its entire value chain and in all of its dealings with a wide group of stakeholders encompassing employees, customers, vendors, regulators and shareholders (including the minority shareholders), in both good and bad times. As discussed earlier, studies in India and abroad show that markets and investors take notice of ethical and well managed companies respond positively to them and reward such companies with higher valuations. A common feature is that they have systems in place, which allow sufficient freedom to Board and Management to take decisions towards progress and to innovate, while remaining within the framework of effective accountability. In other words they have a good system of Corporate Governance.

Strong Corporate Governance is indispensable to resilient and vibrant capital markets and is an important instrument of investor protection. Corporate Governance of India has undergone a paradigm shift. Some of the milestones are stated below;

- In 1996, Confederation of Indian Industry (CII) took a special initiative on corporate Governance. The objective was to develop and promote a code for Corporate Governance to be adopted and followed by Indian companies, in the Private Sector, the Public Sector, Banks or Financial Institutions. This initiative by CII flowed from public concerns regarding the protection of investor interest, especially the small investor, the promotion of transparency within business and industry. A National Task Force was set up. The Task Force presented the draft guidelines and the code of Corporate Governance(Desirable Corporate Governance Code) in April 1997(at the National Conference and Annual Sessions of CII)

- SEBI established in 1988, The Government of India's securities watchdog, the Securities Board of India, announced strict Corporate Governance norms for publicly listed companies in India. Clause 49 was revised by the SEBI, to enhance the Corporate Governance (CG) requirements, primarily through increasing the responsibilities of the Board, consolidating the role of the Audit Committee and making management more accountable. Some of the concerns addressed were; whistle blower policy, disclosures, audit committees, code of conduct for board of directors etc.

- Narayana Murthy Committee recommendations include role of Audit Committee, Related party transactions, Risk management, compensation to Non- Executive Directors, Whistle Blower Policy, Affairs of Subsidiary Companies, Analyst Reports and other non-mandatory recommendations.

- Ministry of Corporate Affairs – Government of India released "Corporate Governance

Voluntary Guidelines, 2009" during India Corporate Week during December, 14-21, 2009 expecting India Inc. to adhere to such guidelines ethically to achieve highest standard of corporate governance.

• Cl.49 of the listing agreement has been amended six times since its inception, viz., 9th March 2000, 12th September 2000, 22nd January, 2001, 16th March 2001, 31st December 2001 and 29th October, 2004.

Sadly, in our country even though the Government and the other regulatory agencies try to tighten the leash on companies in terms of accountability, transparency and mandatory disclosures and though there is a lot of talk about Corporate Governance, nothing much happens in reality due to the mindsets of people who govern and manage the organizations. It is a world where the ends and not the means are important, decisions leading to business ethics boiling down to a personal and not an organizational call, are taken every day to succeed and more importantly survive. Indian companies need to be more proactive in creating an ethical culture and climate, rather than be reactive and operate in a compliance mode only. Therefore the need of the hour is strong ethical corporate culture and leadership.

3. Building a Corporate Culture for Ethical Corporate Governance

Ethics is primarily a communal, collective enterprise, not a solitary one. Business organizations do not operate in a vacuum but rather are plunged in a universe of relationships with multiple stakeholders. Ethics are understood as the means by which individuals come to construe, decipher, and act upon themselves in relation to the true and false, the permitted and forbidden, the desirable and the undesirable.' (Rose:1992: 144). As defined by Wallace et al. 1999, 'Ethics may be thought of as a form of moral philosophy – the systematic study of moral rules, principles, obligations, agreements, values and norms'.

In, 'Political Savvy - Systematic Approaches to Leadership behind the Scenes', the author enlists numerous reason why Ethics is Power;

Ethics is Power; because for people who operate ethically their word is their bond. Time consuming and costly written agreements aren't needed. People who operate ethically, there are no hidden agendas to worry about. It fosters the development of one of the most crucial success elements for organizations - trust. Those known to operate ethically are preferred team members revered as even equal to and sometimes greater than technical competence. It increases one's reputation in the firm, a key to the amount of informal influence and power they possess in the eyes of others.

Ethics is Power; because bosses who believe their subordinates are ethical worry less that they will be negatively surprised by something wrong in their unit. They know the person will tell them if something is going wrong that could embarrass the boss in the organization. Often the result is a boss who is willing to delegate more responsibility to an ethical person, other factors being equal. This can give the ethical person more responsibility and influence. Ethical people are less likely to spend precious energy in internal turf battles, both personally and departmentally. This can free up an enormous amount of energy for task accomplishment which versus internal friction. It thus empowers teams and organizations to better serve customers and operate more efficiently. The result can be greater power and influence in the market place.

Ethics is Power; because operating ethically can increase personal self esteem. Those with high self esteem often have high confidence which can make them more powerful and influential with others than those with low self esteem. Those higher in the organization are more likely to listen to someone they know to be ethical versus someone who they believe are trying to advance personal versus

organizational agendas. Ethical environments are more likely to bring out peoples' personal best instead of their personal worst - often the result of unethical environments. When ordinary people are functioning together at their personal best they are often capable of extraordinary performance.

Business ethics could be managed to gain a competitive advantage, which is corporate ethics. Business ethics has an external emphasis. Business ethics considers the gap between the corporation's ethical behavior and the market place's perception of the corporation's ethics in its business operations. Corporate ethics, on the other hand, has an internal emphasis and this could be well managed toward a unique competitive advantage as anything related to people (corporate ethics through people) is very difficult to imitate and this raises the chances of achieving a sustainable competitive advantage.

Operation of implementation of the Corporate Ethical Culture hinges on the evolving characters of the organization and individuals. The focus is on individuals, teams and organizations as whole. "Organizational culture is a set of values, symbols and rituals shared by the members of a specific organization, which describe the way things are done in order to solve managerial problems, both internal ones and those related to clients, suppliers and the business environment." Llopis, Gonzalez & Gasco. Ethical deficit occurs when the character of individuals in an organization and the corporate character are both diverging from the standard ethical values.

Building an ethical organization culture requires several aspects to be put into proper place.

The members of the organization should share a common set of: Beliefs, Values and Practices. The need is to create a Leadership and Governance framework by developing a core value set including;

➢ Reputational values – trustworthiness, credibility, reliability, responsibility.

➢ Hyper- norms – honesty, fairness, compassion, integrity, predictability.

➢ Ethical decision making criteria – stakeholder impact analysis and constructing a values desirability framework.

Creating effective guidance communications which should include;

➢ Mission statement - short, inspiring, focused on key values.

➢ Code of conduct and ethics - A blueprint for developing a culture of values in an organization which would;

– Incorporate core values and cover important issues needing guidance.

– Choose orientation – integrity or values-based vs. compliance based, or a combination approach.

– Use input from all levels using feedback sessions and gap analysis.

Development of commitment and understanding through training and ethics workshops.

➢ Reinforcement and compliances through ;

– Commitment of leaders, both top management and the corporate board members.

– Periodic review the code of ethics & criteria, tools, and processes. Recognition, job descriptions and reward systems.

– Whistle-blower anonymity and protection.

– Rapid & fair investigation and confidentiality of findings.

Creating an Ethical Culture in the organization would go a long way to practice Ethical Governance as it would be engraved in the DNA of the organization.

Conclusions

Corporate Governance is constantly changing and evolving and these changes are driven by both internal and external environmental dynamics. There is a growing realization that ethical Corporate Governance is a must not only to gain credibility and trust but also as a part of strategic management for survival, consolidation and growth. Successful Corporate Governance underscores the importance of adopting systems that ensure adherence to ethical business practices, spotting deviations and curbing them since unethical practices reduce productivity, drain resources, and cause significant behavioral issues. Therefore a strong recommendation to have Corporate Governance rating to be made mandatory for listed companies.

A clear understanding of the basic values which preside over Corporate Governance and their clear articulation in a proper code backed by well established structures and traditions like the ethics committee and audit committee may be the best indemnity for good Corporate Governance. It is not enough to exhort managers and directors to be ethical. First, a consensus needs to be reached concerning what it means to be ethical in business. Perhaps the most important challenge we face towards better Corporate Governance is the outlook of the people and the organizational culture. A Corporate culture of ethics and values could go a long way in creating a competitive sustainable edge for any organization. Building an ethical organization culture requires several aspects to be put into proper place. It requires clearly defining the core values of the organization, selecting appropriate personnel, reinforcing and rewarding ethical behavior and keeping checks on unethical behavior.

Another important aspect is to realize that ultimately the spirit of Corporate Governance is more important than the form. Substance is more important than style. Values are the essence of Corporate Governance and these will have to be clearly articulated and systems and procedures devised, so that these values are practiced. The government or the regulatory agencies at best can provide certain environment, which will be favorable for such an attitude, but the primary responsibility, is of the people especially the members of the Board of Directors and the top management.

Endorsing Jim Jones views, as he rightly says 'Corporate governance is not something that is put in place and then left. Ensuring its effectiveness depends on regular review, preferably regular independent review. And, in the end that comes down to the shareholders. Outside assessment and self-assessment need to be regular events. "- (Business Day)

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Corporate Spirituality in Light of Corporate Social Responsibility in Modern Times: A Contribution to Business Ethics

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At the very outset let us clarify that Spirituality does not mean religion. Let us never mix the two up. Religions are manmade concepts while spirituality means knowing the consciousness within and connecting with the divine force which is irreligious. Spirituality is a divine right given to all of us and all of us have a potential to achieve spiritual heights in day to day life. Spirituality does not mean abandoning your desires like food, luxury, sex but going beyond them and gradually transforming oneself into a watcher (drishta). The great Albert Einstein had once remarked. *When I read the Bhagavad-Gita and reflect about how God created this universe everything else seems so superfluous.* That scholar saint Swami Vivekananda had echoed a similar line of argument in his discourses. Yet the materialist modern corporate human being sadly and ignorantly shuns spirituality in the name of consumerism and rationalism.

Over the past decade corporate spirituality has been increasingly used in the business lexicon in India. Although, as Indians, we are quite familiar with the concept of 'spirituality', most of us consider it something very personal. We are not very comfortable talking about our private spirituality, especially in connection with our work. Times nevertheless are changing. Today, the world's most successful companies are focusing on the Spiritual Quotient (SQ), more than Intelligence Quotient (IQ) or Emotional

Quotient (EQ) of their employees. Writers like Shamira Malekar and R P Mohanty are known to take such a position in India.

Organizations that make spirituality a part of their culture transcend the journey from good to better to best and, instead, grow towards greatness. In his book 'Good to Great', Jim Collins for instance talks at length about great leaders whose hallmark is their humility. Abraham Lincoln, Thomas Jefferson, Benjamin Franklin, Rajendra Prasad, Sarvapalli Radhakrishnan, Lal Bahadur Shastri, the Dalai Lama, Archbishop Macarios, and several others on the political scene were the repository and embodiment of humility.

A spiritual leader leads with love as a basis for his leadership, works selflessly and displays humility. The values displayed by such leaders form the foundation for organizational culture, and their higher purpose of making a difference to society becomes the organization's driving force. The reputation and the goodwill that an organization builds over a period of time translate into manifold returns by way of customer goodwill and the attraction of greater talent. A review of more than 150 studies establishes a clear relationship between spiritual values and practices, and effective leadership.

In spiritual organizations, values are not something to be framed and hung on the wall. An employee with an evolved spiritual intelligence (SQ) is a believer and practitioner of universal values like concern for universal well-being, responsibility, love, truth, righteousness, non-violence, and inner peace that are at the core of spirituality. When he sees a connect between his spiritual values and the values of his organization, he readily embraces them. Hence, at a collective level, we have an organization where all the employees are living its values.

Spirituality Competencies and Work-Life Balance

Employees who have a developed spiritual side are better team players, are able to develop deeper relationships with their colleagues, are spontaneous as opposed to being manipulative, are more creative, and show more empathy to others. In fact, with an underlying thread of spirituality, learning happens at a much deeper level and, therefore, brings a lasting improvement in competencies

Spiritual organizations that take a holistic approach and understand the 'Fourth Dimension Paradigm' show sincere respect and caring towards their employees and try to satisfy needs of all their four dimensions: Body, mind, heart, and spirit. The mind based school of ethics seems to converge into the soul based school of ethics. According to a British CEO our actions are based on deeply held values. We are all interconnected, and as we help others, we cannot help but help ourselves. Creating a consonance of values with employees and customers builds loyalty and even more value. Other CEOs have testified in USA that, contrary to popular belief, spirituality has a multiplying effect on bottom line.Kris Kalra, the CEO of BioGenex, even used the Bhagavad Gita, to steer his business out of trouble.

We believe that the essential truisms of a divine and transcendental undertaking may not have sunk through to the bottom lines of several of the NRIs and CEOs but the belief is fast gaining ground in India. After all, they argue, how would they translate all this metaphysical gobbledygook into figures that would prop up the balance sheets of their companies and bring cheer into the hearts of their shareholders? Such fears are, if anything misguided. Spirituality - in the sense of doing what is good for the majority of a constituency - does happily coexist with profits. In fact, increasingly, stakeholders - a far larger constituency than the immediate owners of a company's equity - are demanding that companies display the human side of their business activities. In India during the 20th century we have had very successful corporate giants like J R D Tata, S P Godrej, Aditya Vikram Birla, Verghese Kurien, and H T Parekh who were not necessarily spiritual but

definitely very ethical. In today's competitive scenario, any new result-achieving initiative tried by an organization is replicated by competitors within a short period. This results in what is termed as 'homogenization', with almost the entire industry doing the same things to get results. Other CEOs emulating Narayana Murthy and Azim Premji are good examples of this tendency. Going the 'spiritual way' is the road less traveled, and is not easy to replicate. Those organizations that go about doing this in a systematic manner can differentiate themselves from the competition in ways that are difficult to replicate and bring them great business advantage. Coming from an academic background of Social Work the present authors opine that it is high time corporate India takes a serious look at workplace spirituality.

David Bubna Liitic in his edited book Corporate vSpirituality and Corporate Social responsibility: interpenetrating worlds (2009) laments that religion and spirituality have often been treated with a secular disdain by management theorists. Recently, it is argued, the tide has begun to turn and there is a growing openness to cite spirituality in academic analysis and debate, and when considering issues of practical concern to those engaged in the actual business of management. This provocative book brings together a range of leading thinkers to consider the relationship between spirituality and corporate social responsibility. The book's contributors examine spirituality as an inherent dimension of corporate life even if it is only known through its absence - and through the negative consequences of this absence on people and the planet. What the book speaks of and what the present authors have realized is that Spirituality and Corporate Social Responsibility relate to what is or what should be driving businesses and organizations to more responsible behaviour.

This notion of `corporate social responsibility' (CSR) aligns business operations with social values. CSR has been defined by the Prince of Wales Business Leaders Forum as *open and transparent business practices that are based upon ethical values and respect for employees, communities and the environment - (and) designed to deliver sustainable value to society at large, as well as to shareholders.*

CSR attempts to integrate the interests of stakeholders - all those affected by a company's conduct, that is, primarily investors, consumers, employees and the communities in which they operate - into the company's business policies and actions. It focuses on the social, environmental, and financial success of a company - the so-called `triple bottom line' or `sustainable' approach - so that a corporate entity can have positive impacts on society while achieving business success.

As Sadri and Jayashree (2011) have pointed out, until not very long ago, a company's worth and standing pivoted unfortunately and almost exclusively around its financial performance. In much of corporate India, this is still so, as companies seek to merely maximise profits and shore up their share prices. The short run actual considerations out-weigh the long run opportunity cost benefits. Hence CSR and Corporate Spirituality is seen as luxury rather than a business necessity.

However, in the rest of the world, particularly in the industrialised countries, a new and growing pressure from investors, consumers, and employees is forcing management to consider social and environmental criteria in the way a company carries out its business. Stakeholders now vociferously demand that the company they support uses business practices that have a range of positive impacts on society.

Today, financial success is no longer the sole measure by which corporations are judged by their stakeholders. Companies are now expected to perform well in non-financial areas such as human rights, business ethics, environmental policies, corporate contributions, community development, corporate governance, and workplace matters.

Increasingly today companies are being held accountable for their actions and their impact, whether it is on local economic development concerns or on international human rights policies. CSR is founded on two pillars - accountability and transparency. Companies are now expected to be more transparent in disclosing and communicating their policies and practices.

To be considered a good corporate citizen, a company must thus demonstrate a commitment to its stakeholders through socially responsible business practices and transparent operations. The saga of Enron for instance showed the enormous costs of disregarding ethical standards - standards beyond those that are legally mandatory - in corporate accounting and financial management.

Robert Monks has rightly said that "To restore integrity to the corporate firm we must reconcile its programmes, mechanical drives with its nature as a lifelike system in touch with human needs"

At a high level, corporate spirituality is concerned with the execution of altruistic acts and/or services that benefit the wider community as a whole. For example, a community bank may decide to allow its branches to serve as temporary donation/collection points for a local food bank. Another example is a retailer donating a certain percentage of all sales to a homeless shelter. This term could also apply to social responsible acts by a corporation, which is "socially conscious behavior modification" for normal business activities. For example, a company might decide to only buy recycled office supplies, integrate energy saving features into the business environment, or allocate a portion of its cash investments to socially conscious businesses (e.g. alternative energy producers or organic farms). Thirdly, corporate spirituality could also mean a workplace environment that allows employees more freedom of expression for their personal religious or spiritual beliefs in the workplace, such as providing time or facilities for prayer or meditation, or providing options for flexible/floating religious holidays, based on the spiritual practices of a given employee.

Today, there are many references to corporate spirituality. Sometimes it is referred to as corporate citizenship, in our workplaces, in the media, in the Government, in our communities. A growing awareness about the need for ecological sustainability and the New Economic framework, with an unprecedented stress on communication and image merchandising, have paved the way for a new generation of business leaders. They are concerned about the responses of the community and the sustainability of the environment. It is in this context that we need to understand the new trends in corporate spirituality… Three areas are: (1) Traditional *corporate philanthropy* denotes a concern for the welfare of the immediate members of the corporate body: the staff and employees, and their families & foundations for tax benefits. (2) Corporate social responsibility, with a *focus on sustainable development* and attending to stakeholder priorities It acknowledges the debt that the corporation owes to the community within which it operates, as a stakeholder in corporate activity..(3) *Ethical business* is the more fundamental, emerging trend on the international scene.

Scholars have often raised the question: *Can spirituality and ethics be integrated in business?*

There is strong evidence that the corporate world is struggling to understand the place of spirituality at work and its implications. Our inner potential can be best gauged only by broadening our understanding of our surroundings and nature of our inner being.. Thus corporate spirituality is sending signal to society a sense of new hope, enthusiasm and honest guidance for all. It offers two-way street to companies, on the one hand stimulating innovative business and technological initiatives which would open up new avenues for company operations and focus on the prospect of touching new market zones.

In a discussion forum of *Harvard Business Review (2010)* Pieter Dierckx of *American Express, Belgium* has stated; I know one company where Buddhist values have led to a success. It is described in the book 'the diamond cutter'. I read it when I worked in Antwerp in the neighbourhood of diamond traders. Basically it tells you how to lead a spiritual life in business. It also tells the story of how this Geshe (Buddhist term for 'master in philosophy') started out as a courier in the diamond industry and has now an international company worth a few millions.

In the age of globalization, corporations and business enterprises are no longer confined to the traditional boundaries of the nation-state. One of the key characteristics of globalisation is the spread of the market and the change in the mode of production. The centralised mode of production has given way to a highly decentralised mode of production spread across the world.

In the last 20 years, multinational corporations have played a key role in defining markets and influencing the behaviour of a large number of consumers. The rules of corporate governance have changed too. And there has been a range of reactions to this change. On the one hand globalisation and liberalisation have provided a great opportunity for corporations to be globally competitive by expanding their production-base and market share. On the other hand, the same situation poses a great challenge to the sustainability and viability of such mega-businesses, particularly in the context of the emerging discontent against multinational corporations in different parts of the world. Labourers, marginalised consumers, environmental activists and social activists have protested against the unprecedented predominance of multinational corporations.

The ongoing revolution in communication technology and the effectiveness of knowledge-based economies has created a new model of business and corporate governance. A growing awareness about the need for ecological sustainability and the New Economy framework, with an unprecedented stress on communication and image merchandising, have paved the way for a new generation of business leaders concerned about the responses of the community and the sustainability of the environment. It is in this context that we need to understand the new trends in corporate spirituality.

There are three emerging perspectives to corporate spirituality:

First is a **business perspective** that recognises the importance of **'reputation capital'** for capturing and sustaining markets, with ethical considerations.

The second is an **eco-social perspective.** It is a value because it stresses the fact that business and markets are essentially aimed at the well-being of society. It is a strategy because it helps to reduce social tensions and facilitate markets.

There is a third and can be termed a **rights-based perspective** which stresses that consumers, employees, affected communities and shareholders have a right to know about corporations and their business. Corporations are private initiatives, true, but increasingly they are becoming public institutions whose survival depends on the consumers who buy their products and shareholders who invest in their stocks. This perspective stresses **accountability, transparency and social and environmental investment** as the key aspects of corporate spirituality.

Traditionally, corporate philosophy is only one of the three broad areas in which corporate can, and should, discharge their social responsibility. These three areas are:

i. Traditional corporate philanthropy: Concern for the welfare of the immediate members of the corporate body, the staff and employees, and their families & foundations for tax benefits.

ii. Corporate social responsibility, with a focus on sustainable development and attending to stakeholder priorities

It acknowledges the debt that the corporation owes to the community within which it operates, as a stakeholder in corporate activity..

iii. Ethical business is the more fundamental, emerging trend on the international scene. It focuses on specifics:

- How a business is conceptualised...
- How a business is operated….
- The notion of fair profit...

CSR APPROACHES

CSR is very heterogeneous. An approach for CSR that is becoming more widely accepted is community-based development approach. In this approach, corporations work with local communities to better themselves.

A more common approach of CSR is philanthropy. This includes monetary donations and aid given to local organizations and impoverished communities in developing countries. Some organizations do not like this approach as it does not help build on the skills of the local people, whereas community-based development generally leads to more sustainable development.

Another approach to CSR is to incorporate the CSR strategy directly into the business strategy of an organization. For instance, procurement of *Fair Trade* tea and coffee has been adopted by various businesses houses.

Another approach is garnering increasing corporate responsibility interest. This is called *Creating Shared Value*, or CSV. The shared value model is based on the idea that corporate success and social welfare are interdependent. A business needs a healthy, educated workforce, sustainable resources, and adept government to compete effectively. For society to thrive, profitable and competitive businesses must be developed and supported to create income, wealth, tax revenues, and opportunities for philanthropy.

Many approaches to CSR pit businesses against society, emphasizing the costs and limitations of compliance with externally imposed social and environmental standards. CSV acknowledges trade-offs between short-term profitability and social or environmental goals, but focuses more on the opportunities for competitive advantage from building a social value proposition into corporate strategy.

Many companies use the strategy of benchmarking to compete within their respective industries in CSR policy, implementation, and effectiveness. Benchmarking involves reviewing competitor CSR initiatives, as well as measuring and evaluating the impact that those policies have on society and the environment, and how customers perceive competitor CSR strategy. After a comprehensive study of competitor strategy and an internal policy review performed, a comparison can be drawn and a strategy developed for competition with CSR initiatives.

CORPORATE SPIRITUALITY & POTENTIAL BUSINESS BENEFITS

The scale and nature of the benefits of CSR for an organization can vary depending on the nature of the enterprise, and are difficult to quantify, though there is a large body of literature exhorting business to adopt measures beyond financial ones. Today, there are efforts made to find out a correlation between social/environmental performance and financial performance. However, businesses may not be looking at short-run financial returns when developing their CSR strategy.

The definition of CSR used within an organization can vary from the strict "stakeholder impacts" definition used by many CSR advocates and will often include charitable efforts and volunteering. CSR may

SCHEMATIC VIEW OF CSR APPROACHES

Where should big corporations be spending their CSR resources?

	Value	Impact	Benefits
CSR as value creation ★★★★★	Innovative and promotes sustainable business model	Fundamental strategic and operational Impact	• Shared value (business – institutions and communities) • Promote competitiveness and innovation • Promotes a sustainable business model • Integrates business into the community • Develops Human Capital (key in developing countries) • Incorporated into the Business Strategy
CSR as risk management ★★★	Compliance	Medium to high strategic and operational impact	• Mitigates operational impact • Mitigates operational risks • Supports external relationships
CSR as corporate philanthropy ★★	Providing funding and skills	Little strategic and operational impact	• Corporate Philanthropy and sponsorships • Short-term benefits / not always sustainable • Limited funds available • Impact diluted because limited budget is allocated to many charities • Corporate competencies and other business assets not fully utilized • Misalignment between business and social responsibility strategies and functions • Result in minimal social and business impact of social programs

be based within the human resources, business development or public relations departments of an organisation, or may be given a separate unit reporting to the CEO or in some cases directly to the board. Some companies may implement CSR-type values without a clearly defined team or programme.

HUMAN RESOURCES

A CSR programme can be an aid to recruitment and retention, particularly within the competitive graduate student market. Potential recruits often ask about a firm's CSR policy during an interview, and having a comprehensive policy can give an advantage.

CSR can also help improve the perception of a company among its staff, particularly when staff can become involved through payroll giving, fundraising activities or community volunteering. We can also refer Corporate Social Entrepreneurship, whereby CSR can also be driven by employees' personal values, in addition to the more obvious economic and governmental drivers.

RISK MANAGEMENT

Managing risk is a central part of many corporate strategies. Reputations that take decades to build up can be ruined in hours through incidents such as corruption scandals

or environmental accidents. These can also draw unwanted attention from regulators, courts, Government and media. Building a genuine culture of 'doing the right thing' within a corporation can offset these risks.

BRAND DIFFERENTIATION

In crowded marketplaces, companies strive for a unique selling proposition that can separate them from the competition in the minds of consumers. CSR can play a role in building customer loyalty based on distinctive ethical values.[14] Several major brands, such as The Co-operative Group, The Body Shop and American Apparel[15] are built on ethical values. Business service organizations can benefit too from building a reputation for integrity and best practice.

LICENSE TO OPERATE

Corporations are keen to avoid interference in their business through taxation or regulations. By taking substantive voluntary steps, they can persuade Government and the wider public that they are taking issues such as health and safety, diversity, or the environment seriously as good corporate citizens with respect to labour standards and impacts on the environment.

CRITICISMS AND CONCERNS

Critics of CSR as well as proponents debate a number of concerns related to it. These include CSR's relationship to the fundamental purpose and nature of business and questionable motives for engaging in CSR, including concerns about insincerity and hypocrisy.

NATURE OF BUSINESS

Milton Friedman and others have argued that a corporation's purpose is to maximize returns to its shareholders, and that since only people can have social responsibilities, corporations are only responsible to their shareholders and not to society as a whole. Although they accept that corporations should obey the laws of the countries within which they work, they assert that corporations have no other obligation to society. Some people perceive CSR as incongruent with the very nature and purpose of business, and indeed a hindrance to free trade. Those who assert that CSR is contrasting with capitalism and are in favor of neoliberalism argue that improvements in health, longevity and/or infant mortality have been created by economic growth attributed to free enterprise.

Critics of this argument perceive neoliberalism as opposed to the well-being of society and a hindrance to human freedom. They claim that the type of capitalism practiced in many developing countries is a form of economic and cultural imperialism, noting that these countries usually have fewer labour protections, and thus their citizens are at a higher risk of exploitation by multinational corporations.

Many CSR proponents point out that CSR can significantly improve long-term corporate profitability because it reduces risks and inefficiencies while offering a host of potential benefits such as enhanced brand reputation and employee engagement.

MOTIVES

They argue that some corporations start CSR programs for the commercial benefit they enjoy through raising their reputation with the public or with government. They suggest that corporations which exist solely to maximize profits are unable to advance the interests of society as a whole.

Another concern is that sometimes companies claim to promote CSR and be committed to sustainable development but simultaneously engaging in harmful business practices

Critics concerned with corporate hypocrisy and insincerity generally suggest that better Governmental and international regulation and enforcement, rather than voluntary measures, are necessary to ensure that companies behave in a socially responsible manner. Others, such as Patricia Werhane,

argue that CSR should be considered more as a corporate moral responsibility, and limit the reach of CSR by focusing more on direct impacts of the organization as viewed through a systems perspective to identify

ETHICAL CONSUMERISM

The rise in popularity of ethical consumerism over the last two decades can be linked to the rise of Corporate Spirituality. As global population increases, so does the pressure on limited natural resources required to meet rising consumer demand (Grace and Cohen 2005, 147). Industrialization, in many developing countries, is booming as a result of both technology and globalization. Consumers are becoming more aware of the environmental and social implications of their day-to-day consumer decisions and are therefore beginning to make purchasing decisions related to their environmental and ethical concerns.

GLOBALIZATION AND MARKET FORCES

As corporations pursue growth through globalization, they have encountered new challenges that impose limits to their growth and potential profits. Government regulations, tariffs, environmental restrictions and varying standards of what constitutes "labor exploitation" are problems that can cost organizations millions of dollars. Some view ethical issues as simply a costly hindrance, while some companies use CSR methodologies as a strategic tactic to gain public support for their presence in global markets, helping them sustain a competitive advantage by using their social contributions to provide a subconscious level of advertising. (Fry, Keim, Meiners 1986, 105) Global competition places a particular pressure on multinational corporations to examine not only their own labor practices, but those of their entire supply chain, from a CSR perspective.

SOCIAL AWARENESS AND EDUCATION

The role among corporate stakeholders is to work collectively to pressure corporations that are changing. Shareholders and investors themselves, through socially responsible investing are exerting pressure on corporations to behave responsibly. Non-governmental organizations are also taking an increasing role, leveraging the power of the media and the Internet to increase their scrutiny and collective activism around corporate behavior. Through education and dialogue, the development of community in holding businesses responsible for their actions is growing.

ETHICS TRAINING

The rise of ethics training inside corporations, some of it required by government regulation, is another driver credited with changing the behavior and culture of corporations. The aim of such training is to help employees make ethical decisions when the answers are unclear. Tullberg believes that humans are built with the capacity to cheat and manipulate, a view taken from (Trivers 1971, 1985),

Hence the need for learning normative values and rules in human behavior is keenly felt. Increasingly, companies are becoming interested in processes that can add visibility to their CSR policies and activities. One method that is gaining increasing popularity is the use of well-grounded training programs, where CSR is a major issue, and business simulations can play a part in this.

Corporate social responsibility, what a company does to in trying to benefit society, versus corporate moral responsibility (CMR), what a company should morally do, are both important topics to consider when looking at ethics in CSR.

LAWS AND REGULATION

Another driver of CSR is the role of independent mediators, particularly the Government, in ensuring that corporations are prevented from harming the broader social good, including people and the environment. CSR critics such as Robert Reich argue that Government should set the agenda for social responsibility by the

way of laws and regulation that will allow a business to conduct themselves responsibly.

The second issue is the financial burden that regulation can place on a nation's economy..

STAKEHOLDER PRIORITIES

Corporations are motivated to become more socially responsible because their most important stakeholders expect them to understand and address the social and community issues that are relevant to them. Understanding what causes are important to employees is usually the first priority because of the many interrelated business benefits that can be derived from increased employee engagement (i.e. more loyalty, improved recruitment, increased retention, higher productivity, and so on). Key external stakeholders include customers, consumers, investors (particularly institutional investors), communities in the areas where the corporation operates its facilities, regulators, academics, and the media.

Branco and Rodrigues (2007) describe the stakeholder perspective of CSR as the inclusion of all groups or constituents (rather than just shareholders) in managerial decision making related to the organization's portfolio of socially responsible activities. This normative model implies that the CSR collaborations are positively accepted when they are in the interests of stakeholders and may have no effect or be detrimental to the organization if they are not directly related to stakeholder interests. The stakeholder perspective suffers from a wheel and spoke network metaphor that does not acknowledge the complexity of network interactions that can occur in cross sector partnerships. It also relegates communication to a maintenance function, similar to the exchange perspective.

EFFORTS TO IMPLEMENT CSR

A very large number of social and voluntary organizations are contributing to the field of Corporate Social Responsibility by making it an important agenda where they clearly harp for all the corporate bodies to adhere to the norms of CSR at all costs. In fact, these voluntary organizations always go on devising newer and more pragmatic/stringent norms of application of the requirements of corporate social responsibility. A few of them are In India, despite Government initiatives; corporate social responsibility (CSR) remains low on the agenda of corporate sector.

At the present juncture of two millenniums of the flow of time, of the conjugation of two opposite trends of materialist advancement and moral decline in the human society, when the crisis of faith has reached an alarmingly high level, one naturally feels apprehensive about the future…. However, even in these moments of despair and threats to the happy survival of humanity and its original culture…., the immortal lives and glorious deeds of great personalities do reaffirm our faith in the divinity existing in the human self and arouse our inner strength with instant enlightenment

We opine that this prepares grounds for the re-examining Corporate Social Responsibility in the light of Corporate Spiritual Responsibility

RELEVANCE

The future of any organization, society, nation or the world as a whole, thus depends upon the harmony between its culture and civilization. People, families, societies and civilisations flourish, transform or end with the flow of time but culture is not built or changed in one era. It is evolved in the infinite lap of time, age after age. It enfolds innumerable phases of rise, fall, obstructions, destructions, reconstructions, trends and tides of the social, national and global history, and geographical, economical, political scientific, artistic, psychological and intellectual developments. It expresses the present and guides or moulds the future.

WORTH

The worth of a culture depends upon the eternity, universality and time-tested

relevance of its foundational elements. On their basis, it can propagate in all directions at all times. The enduring utility of a culture also depends upon how progressive it is. Cultural diversity across the globe is natural. Still each culture has inherent elements because of which it maintains its identity. The expansion and impact of a culture depends upon its core values. A culture would exist and spread with immortal glory because of its universal relevance even though nations may be born on or wiped out from the map of the globe and societies and civilizations may rise and fall. From all points of views, the Indian Culture (more appropriately known as the **Rishi Culture** or **Dev Sanskriti**) stands as the foremost culture of the world. It is a culture of positivity, humility integrity, spirituality and all-encompassing and evolutionary beauty of Nature and its Creator.

UNDERSTANDING SPIRITUALITY

Spirituality in real sense is Inculcating and imbibing Virtues and Divine qualities. Refinement of personality based on higher and nobler dimensions of Self. Corporate world is struggling to understand the place of spirituality at work and its implications. Our inner potential can be best gauged only by broadening our understanding of our surroundings and nature of our inner being. Acknowledging and giving prominence to eternity of soul in each and every **karma** is Spirituality. Spiritual principals are universal and pertain to pure consciousness and harnessing of inner potential. In fact spirituality forms the core of all religions.

Spirituality deals with enlightening one's thoughts, emotions and intrinsic tendencies. In simple terms it is the most evolved and comprehensive science of psychological, sociological and moral development, and ultimate progress. It brightens the intellect together with inculcation of sensitivity towards fellow beings and towards the grace of Nature. There is no place for superstitions, fantasy or escapism in a truly spiritual life.

Spiritual progress in no way blocks scientific and materialistic progress. In fact, it gives altruistic touch and prudent directions to both so that progress will not be focused only towards increase in luxurious comforts and worldly profits; it will not enrich and empower only some privileged ones. Scientific and materialistic progress guided by spirituality would lead to a holistic growth whose benefits would reach out to the whole of humanity and which will not result in any counter-effects in future. Spirituality can and should be adopted on every front of life for elevating happiness and illuminating the future.

Ethics is the systematic study of voluntary actions which make up everyday conduct and behaviours of Human Beings. It can be descriptive or normative.

PROMOTION OF ETHICS IN BUSINESS

Ethics in business is considered as a oxymoron in corporate culture today. However like association of **Holy Ganges** with **Great Himalayas,** which perennially feeds Ganges and kept it flowing since time immemorial, ethics in business and spirituality in day to day life are the distinct sources of sustainable development. The aspiration to trade the path of righteousness and develop discriminatory wisdom creates an ever expanding vibration in the universal realm which attracts and assimilates waves of righteous thoughts, emotions and inspirations pervading the subtle atmosphere. The magnetic power of thoughts is well-known. Thoughts attract thoughts of similar kind. Powerful eternal thoughts start accumulating spontaneously as a divine boon and the accumulated capital of such thoughts goes on increasing.

Other people are also benefited by the virtues thus cultivated like service-mindedness, politeness, generosity, philanthropy, honesty, benevolence etc. and there is no apprehension of any harm being done to anybody by him. The result is that out of gratitude for his unconditional service people become his admirers, friends and defenders. On

account of this mutual goodwill, life becomes exceedingly blissful.

The noble company of such persons is described in the scriptures as of immense help in spiritual, intellectual and moral refinement and arousal of ideal tendencies. Be those the challenges of unprecedented adversities, contemporary problems of a **society, nation,** or of the **world** as a whole, or those associated with the routine matters of ups and downs in the lives of most people, the pure intellect and divine sentiments of great persons find amicable and efficient solutions of every problem.

Finding the noble company of the above kinds of people, who possess absolute integrity and eminence of character and self-less attitude and purity of heart, appears to be almost impossible in the present circumstances. Although, a large number of religious leaders, scholars and dedicated social workers exist in different parts of the globe, the proportion of those having perfect consonance of words and deeds is significantly low. Very few of them can create deeper impulses in the inner minds of their disciples or educe virtuous tendencies in the people who come in their contact.

Corporate Challenges: these include value based Issues: Values are inherently associated with Spirituality. Values like honesty, sense of responsibility, Sense of belonging, Respect for human emotions etc. are in fact such a kind of wealth which can be described as spiritual capital some possession that enhances quality of life and impart meaning to life. While the driving forces in materialism are Greed, Attachment & Egoism Spirituality leads to Inner peace, Self-satisfaction, Eternal bliss.

'Spiritual intelligence make us experience our inner-self, values and purposes attached with our being. The reflection of values transform our thinking process and in turn, the decisions that we make, the way we work.'

Ethical Issues : These include:

- Tax evasion : The welfare, development and empowerment of people is largely the sole responsibility of the Government, which can be completely executed by collection of revenue through taxes. Tax evasion to that extent arrest capacity of Government to look after the welfare of the people. Thus, Tax Evasion becomes immoral and unethical issue for the corporate

- Wrong Accounting: Wrong Accounting would give deceptive picture about the business and would lead to primarily non transparency, dishonesty and double standard which would affect the ethical fabrics of the business and there by society.

- Negligence of Eco-system: The wanton neglect of resources and pillage of Mother Nature without realising that we hold this legacy in triust for future generations.

How should we respond to the wave of scandals that have hit corporate world? Toughening existing criminal laws and adding new ones might seem the best way to make sure that future Enrons and WorldComs won't happen -to send a clear message that corporate world will not tolerate dishonesty in corporate boardrooms. New criminal laws are as likely to make things worse as to make them better. The reason is both simple and all too easily ignored: Criminal laws lead people to focus on what is legal instead of what is right.

- Human Resources Exploitation : (5 days a week X 24 hrs a day v/s 6 days a week X 9 hrs a day): This statement squarely reveals the extent of human resources' exploitation in Business. There is no doubt that the output demands imposed upon executive in most of the corporate world are unprecedented. On one hand the amount of stress, the number of hours required to simply keep up, and on the other hand the executive of toady has to deal with complications that have accumulated due to downsizing, restructuring, and reorganization. In order to maximize profit and minimize

overheads, often the management look out for ways to over-burden the employees, overlooking their physical endurance limit, psychological and emotional needs. Even if they are paying handsome salaries, but all this amounts to exploitation and violation of human rights, although wilful.

- **Stress Management:** These days, stress is even more rampant than it was. Stress is growing and so is the health care cost for treatment of stressed employees. But what exactly stress is? Classically it is defined as - 'a non-specific response of the body to any demand made upon it or to an external stimuli.' Generally speaking, "stress" refers to two simultaneous events: an external stimulus called a stressor, and the emotional and physical responses to that stimulus (fear, anxiety, surging heart rate and blood pressure, fast breathing, muscle tension, and so on). Stress is not always harmful. Good stressors (a ski run, a poetry contest) inspire you to achieve. In fact it is the spice of life. Only thing is that, one has to learn - how to cope with stress?

Commonly stress refers to our internal reaction to negative, threatening, or worrisome situations-a looming performance report, role ambiguity in organization, a dismissive superior, rush-hour traffic, and so on. Oxford Dictionary defines stress as 'a state of affair involving demand on physical or mental energy'. Accumulated over time, negative stress can depress you, burn you out, make you sick, or even kill you. This is because, as our research shows, negative stress is both an emotional and a physiological habit.

- **Psychosomatic Ailments :** This has been proven medically that symptoms of around **80%** diseases of our times are caused by mental processes rather than some physiological causes. 80% Popularly known as life-style disorders, these syndromes are classified as neurotic, stress-related and somatoform disorders by the **World Health Organization.**

Man is a social animal. The progress of humanity is the progress of human beings as a society, not of anyone or some individuals. With rapid industrialization and scientific advances we are becoming more and more self-centred and slaves to modern gadgets. Moreover the urban setup restricts everyday interaction with nature. On top of that TV with hundreds of channels, internet, Video games, mobile etc. discourage real human interaction and sharing of light moments with family and group. The stressed executive of today tends to neglect family in order to meet deadlines.

Unfortunately, despite the so-called progress and achievements of past few decades, human nature remained the same. Everyone of us still wants the attention of others, look for appreciation of our accomplishments and find inner satisfaction in helping others, uplifting others, long for honesty and integrity. So, life not in communion with basic human nature is the root cause of the stressed society of today and giving rise to more and more psychosomatic ailments.

INDIAN SCENARIO

Perhaps the greatest Hindu Monk of our times, Swami Vivekananda had said.

'As far as the organizational capabilities of west, we have to embrace it with open arms'

With globalization, influence of western culture is evident rather stark in corporate world today. We maintain that (a) Blind adoption of western culture is the root cause of stress, anxiety, lifestyle disorders and more importantly moral degeneration and maniac depression. (b) The recent surge in economy can be sustained and taken advantage of , at both – personal and corporate level, only when we cope with it in a systematic manner.

HOW CORPORATE SPIRITUALITY CAN BE PRACTICED AT WORKPLACE

I. **Roadmap for Corporate World :** In the Indian ancient literature has provided a roadmap for practicing corporate spirituality by pursuing following programmes:

- Holistic Health Management
- Vysan Mukti – De-addiction Programs
- Book Exhibitions in different corporate groups
- Child Education & Development Organising Blood Donation camps
- Adarsh Gram Yojna – Empowering villages
- Establishment of Disaster Management Think Tank & Task Force, etc.

II. Knowledge Temples

With Education and human resource taking centre stage terms like **K-Commerce** (Knowledge Commerce), which is the trading of knowledge in a variety of forms using electronic networks, Knowledge Management becoming common. Some Industries now even have **Chief Knowledge Officer (CKO).** Unlike capital and labour, knowledge strives to be a public good, beneficial to all . Once knowledge is discovered and made public, there is zero marginal cost to sharing it with more users. Secondly, the creator of knowledge finds it hard to prevent others from using it. Instruments such as trade secrets protection and patents, copyright, and trademarks provide the creator with some protection. Know-why and know-who matters more than know-what. There are different kinds of knowledge that can usefully be distinguished. Know-what, or knowledge about facts, is nowadays diminishing in relevance. Know-why is knowledge about the natural world, society, and the human mind. Know-who refers to the world of social relations and is knowledge of who knows what and who can do what. The demand and supply side of human resource development, particularly in education requires that students must want to learn and willing to make the sacrifices required. The parents need to see the value of being supportive. And on top of these issues, we need ideal teachers who can impart not only education but also 'real knowledge – *knowledge about the human potential, duties, purpose of life, how to tackle problems related with professional, social and spiritual life.'*

III. Knowledge Economy

Now we are entering the fourth phase of economic development , when the emphasis is going to shift from Services to Knowledge. The main driving force being the fact that - knowledge is more important than ever before as an input "sidelining both capital and labour".

Success of future corporate companies will hinge on whether, in the eyes of the employees and society-at-large, the organization is a trusted member of the community and a good global citizen.

The corporate would require to make ethical and socially responsible behavior as the best foundation for building and maintaining a high performance, globally successful business.

All World Gayatri Pariwar (AWGP has developed a harmonious blend of spiritual values & ancient wisdom in the corporate culture to bring organizational transformation…..

Society and spirituality

Corporate Spiritual responsibilities should take care of building confidence, positive lifestyle, addiction and vice free life of individual of society as far as possible in nearby areas which can give the permanent solution for their poverty and problems. By sowing the seeds of good deeds they can grow their fortune. The act of sin and wrong doing has stolen the peace of mind and prosperity of many people and correction in their action correct in their lifestyle.

- Try to cultivate best habits through organizational culture

- Devote employee time for some social services where they can utilize their time for uplifting poor and socially backward sections

- Help one to balance family and personal life.

- Fair play with all maintaining equanimity and justice.

Thus corporate spiritual responsibilities sending signal to society a sense of new hope, enthusiasm and honest guidance for all.

Workaholic, Recession & Spirituality

As many sincere and hardworking employees are workaholics by nature working till late nights. Some people were fond of working sacrificing their entertainment, social gathering and physical exercises. All of sudden shift in their work pressure making them uncomfortable to adjust with new lifestyle. They need some kind of cushion and support to settle down their mind it is the responsibility of corporate in settling their mind. Without job or with less job assignments they are facing difficulties in managing their interest, desire and mental energy. Their thinking pattern were so much occupied with the routine job, to manage themselves in idle condition seems to need tremendous mental strength and self control. So spiritual responsibilities on behalf of employer to retain those best employees by giving all short of emotional nurturing by calling various experts from outside or inside is essential. In addition to physical salvation psychological salvation by corporate enabling the employees to forget the past and their excessive attachment to old work profile to adjust with new condition without any mental hiccup is the major challenges lying on employer part.

Individual and organizational goal

People are getting puzzle with the ultimate goal of life and finding lack of connectivity with personal objective and the organizational objectives.

Employees are got tired of taking so much pressure and targets. Working day and night relentlessly they need some mental detachment, relaxation and recharge of power of mind. Keeping honest truthful keeping heart clean.

Spirituality and profitability

Corporate should take care of expenses and profit but above it enhancement of happiness, peace, purity among the employees are more important for continuity of profit. Like due to health HR policy TATA group and Infosys could able to generate good amount of wealth, balancing the employees and social welfare. Corporate have equal amount of spiritual responsibility for customers in infusing courage and hope in positive way there are enough money but out of uncertainty, fear and depression people are showing disinterest for possession, pleasure and in purchasing people feel to stop investing, Spreading the positive message.

How Corporates can Develop Ethical & Spiritual Practices

The corporate can choose their path according personality type of their employees.

- Conventional type-THE PATH OF DUTY
- Social type-THE PATH OF NURTURING
- Investigative type-THE PATH OF KNOWLEDGE
- Artistic type-THE PATH OF PERSONAL TRANSFORMATION
- Realistic type-THE PATH OF BROTHERHOOD
- Enterprising type-THE PATH OF SERVANT-LEADERSHIP

There is a need to develop a more coherent and ethically-driven discourse on corporate social responsibility. CSR is still sometimes seen as "green wash" to clean the sins of pollution, or "white wash" to provide a facelift to the company's public image. It is often seen as old wine in a new bottle -- just another trendy name for good old philanthropic initiatives by companies. There is need to move beyond such transitory illusions about corporate social responsibility.

Corporate social responsibility offers a two-way street to companies, on the one hand stimulating innovative business and

technological initiatives which would open up new avenues for company operations and focus on the prospect of touching new market zones.

On the other hand, it would give a cleaner societal reputation and socially responsible identity to companies, involving the companies and their employees in the long-term process of positive social transition.

A multiple discourse on the nature of corporate social responsibility and its diverse practices and possibilities is urgently needed in the country.

- We can no longer be blinkered about the earth's resources, or ignore the fact that the economy is constructed on the foundation of natural resources.

- Green-washing should go beyond tokenism to an imperative priority in industrial and technological futures.

- The human rights perspective should be integrated in the very core of corporate social responsibility. The emerging role of civil society in governance cannot be wished away. Corporations are meant to derive profits out of services they provide to consumer-citizens and they must see themselves as private institutions for public good.

We would like to conclude, just as we began, with an apt quote from Albert Einstein: on Advaita philosophy of Vedanta Centring on the Foundation of C S R with Blending of Corporate Spiritual Responsibility;

A human being is part of a whole, called by us the universe, a part limited in time and space. he experiences Himself, His thoughts and feelings, as something separated from the rest, a kind of optical delusion of His consciousness. This delusion is a kind of prison for us, restricting us to our personal desires and to affection for a few persons nearest to us .our task must be to free ourselves from this prison by widening our circles of compassion to embrace all living creatures and the whole of nature in its beauty."

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Holean Human Leadership – Developing from First Principles

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Leadership is omni-requirement, be it in a smaller organisation of a few people or a big one. A home is also one such organisation where the managing direction is essentially handled by a mother. Since the lady has undergone a metamorphosis during the graduation from a woman to motherhood, she develops the necessary (emotional) intelligence for leading her team (family) to success (Thareja,2010a).

This work cites the roles and competencies of a mother as to how her qualities are vital towards the development of her siblings as good future managers. Towards this objective she must be holistically effective and efficiently waste free / lean. When her attribution focuses upon various processes to improve through yogic / holy or spiritual contemplations, the development is termed as Holean (Thareja, 2010a). It includes the conscientiousness or thought process which makes a person akin

of the character one displays, which is called in organic hierarchy a 'Holon' (inseparable) (Thareja, 2010 a).

Though the mother has many functions and roles, yet the effectiveness and meticulousness through which she plans, controls and maintains Quality in each of them, to realise holistic family objectives, marks her importance in the house. Conceptual necessity of competency (vis-a-vis competitiveness) has been emphasised, and how she achieves the necessary orientation to derive productivity in product realisation is explained, basing discussion upon Thareja's AUM model.

The First Quality Stimulus

The best of Quality generally results in a child, when s/he is born. It is akin to the case of crystallisation or nucleation phenomenon in physical chemistry or natural sciences, which leads to perfect Qualities in any embryo.

At times the naturalism is made to suffer while hurrying up and/or addressing other priorities, and varies with case to case basis. In such cases, aberrations have inadvertently been allowed to creep in or sustain which need to be corrected, especially if these have not conformed to pre-designed interventions. 'Correct them at the earliest, the better it will be' is a general principle followed to reduce the number of defects/ non-conformances. The application to human resource development is synonymous.

In the Human Leadership Development (HLD) process too, if aberrations are allowed to creep in at an early stage, then they will get hardy. With the passing of time, it becomes more and more difficult to affect their removal. It impacts both male and female child, finally growing deep into the society, homes, and the men- which give way to the so called 'The Battered Woman Syndrome', associated with domestic violence (Walker, 2009). The preventive action envisages a motherly respect for women, as prescribed in Vedas. To allow a sound child to be born, and grown harmoniously without letting bad, unethical, anti-quality habits to be cultured, it needs a sound, pure and qualitatively controlled process. How to implement this is as vital as the paradigm of Quality is. Essentially it must be launched from the first place – in case of the child the place where s/he is born?

The question- where a child is born – is complex and it solicits varied answers: At home, or in womb? One common actor in both of these is mother (Thareja, 2011). It is the mother to whom the child is born- whether in a ward of a hospital, or within a traffic jam. She (mother) determines the child's Quality, in more than one ways. She is the first teacher of good, ethical, and Quality habits to be inculcated. She prepares the necessary foundation of holistic education, and nurses the distant perspective of Yogic and holy-ness bearing for an impending life ahead. She actually aligns the quality impetus of Quality in the child. She imparts a holy, holonic, fully

holistic, yet lean and pertinent education. The resulting paradigm 'Holean' is a synergy of development constituting lean Holons in a holy, holistic way (Thareja, 2010a). Holon is both a whole, and a part simultaneously (web Ref 1). Like, a body has an aspects, and aspects compose the body, metaphysically they constitute a system (Thareja, 2010a). There is an osmotic exchange between the two.

In terms of people's behavior, say, during the forming phase of organization, people team up. Teaming up is essentially 'Yog' (Yoga) process. During latter phase, teams split up into either hierarchically, growing the organization vertically; or into cells, undertaking higher responsibility, horizontally. In both cases there is a growth leading to order, harmony and perfection. Concurs Sharma (2009), by Yoga "an energy flow is created, and this energy can be used for.... healing purposes." That is why an aura like environment of Holy-ness is essential to assure a development free from aberrations. Aura can be increased by an Holy alignment and utilisation of energy created, say, by 'Osmotic Meditation' (Sharma, 2009).

Quality is very difficult to define, because of its dynamic attribution. It changes with time, place, affluence, resources, extent of awareness, and so on. Since it is subjective, so it must be rigidly inculcated, nucleated as a crystal and grown rightly, harmoniously and as a meticulously controlled process.

Aligning the Quality pyramid bottoms-up is vital if high quality impetus of Quality in the child is to be alighted. One option to achieve it is through Thareja's AUM model (Thareja, 2007). As suggests the Newton's first Law of motion (read progress): the state of constancy (rest) or of rate of development will continue to affect unabated until it is intervened by any external stimuli. It may be extrapolated to imply that if perfect Quality has been initiated at first go, then it is likely that the subsequent growth will continue with similar Quality, until there is an (a wrong) intervention. Let us consider this exemplar in case of the

development of a child in mother's womb.

When a child is initiated in the womb, it starts as a single cell. A single cell is autogenously ordered to a state of perfection. An individual is simplistic. Complexity occurs when the interaction develops between them. As the cells grow the disorders too tend to show up. That is why the mother/ parents resort to a regular check up, conforming to the paradigm of DIRFT (Do It Right First Time: (Crosby, 1989). They take all precautions, lest any mistake should creep up. However, when a second cell is added (as a result of cellular division, or an addition of a team member in case of an organisation), the Quality of perfection to be expected is subject to right alignment with the former. In the case of formation of individual entities (grains in metals and alloys, more than 15 degree change in orientation is necessary to be assigned so as to be regarded as a different (individual) grain (Gottstein, Shvindlerman, 2009). Read this as teams or departments, in case of a simulated use in organisations. Such aberrations are schematically illustrated through Fig. 1. As the popular adage goes- well begun is half done- if the nucleation has resulted without defects, and has been committed to a homogenous growth process, the initial process of Quality development of Human Resource has been well ordered- to a righteous process. Though development

of a structure or material without defects in metals is next to impossible, the prevalence of vacancies/ misses may be profound in case availability of resources is restricted. Similar situations are encountered in common practices when erroneous matches are made for specific jobs with wrong matching of competencies and job profiles (Subramaniyan, 2009).

Mother is the First Incubator

The point to be brought home is that a mother does complimentary work in raising an individual child, ab initio, as any other assignee in a comparable situation- say of organisational development. Her onus of responsibilities, culture and aptitude, and various other tenets of 'Quality' are similar to tenets of Human Resource Development (HRD) and/or applicable to the case of organisational development. It is a complex rigour because, optimistically, every child is individually expected to develop as an organisation (Chahal, Thareja, and Singh, 2011). Such was the expectation of Sikhs' tenth guru- Gobind Singh, and is duly displayed in the costume of any Nihang Sikh, who is fully equipped to commit to multitasking, at all times. Practically however, it is the Quality of individual's alignment, as planned by Guru-Gobind Singh, which marks the achievement
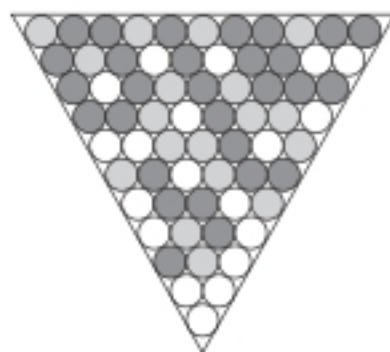
(a)Aberration in nucleation and growth to yield impure output
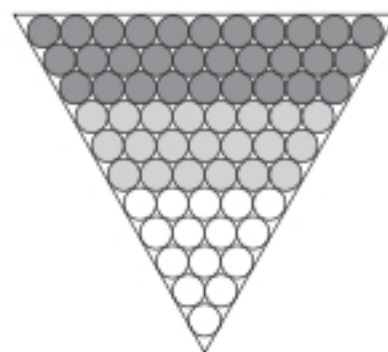
(b) Aberration in nucleation & growth to yield harmonious output

Figure 1 : (b) Good nucleation & growth results in synergy of people (b) built in harmoniously; (a) Nucleation and growth which imbibes heterogeneity & aberration (Thareja et al, 2011 a)

of multitasking qualities, what a Nihang Sikh displays. A mother too designs her system of multitasking through the process of education and holean development.

In fact each one of us is multitasking, with a difference that the disparate duties are performed by same person at different times. Describes Aza Badurdeen in his 'Lean for Life' work cell descript:

> "...the technique of work cell can be applied in our day to day lives very easily but for very high effect. ... We have to perform the duties of the worker when we are working, we have to perform the duty of the mother .. when we are home... perform the duty of the cook while we are cooking and the role of house keeper and the role of a driver and so on. So our life demands and commands us to be multi skilled. So how we become efficient and effective at what we do. How we can become happier while we perform our day to day duties. The golden rule of the work cell is being self sufficient." (web Ref 2)

Many would contest the self sufficiency of a mother, but they ultimately resign in her favour. However, the limiting potential as Burdeen proposes: Is mother all a cook, a house keeper.. ? or Is she a mere operator? Is she an intellectual at a higher conceptual level? Is she an architect, interior decorator or a home maker at an operational level of a higher order? Is she a Quality guru, or charismatic leader at higher hierarchical level, or a Goddess (Maa Durga) at a Holistic + Holy level? Or is she 'simply being a woman' (cited in Walker, 2009) ? On the better side, the conventional Ma! (mother) does effectively function as a multitasking individual, during her life cycle in many arena of household chores, she additionally raises a new lifecycle, capable of much higher and at times unprecedented performances.

It is the mother who aided by action learning, latent and contextual training prepares herself for this complex task of rearing a child as a result of her own motivation and alignment.

She has successfully experienced instance(s) where both pleasure and pain work in unison while she undergoes the miracle of metamorphosis from a lady/woman to a mother (Thareja 2011a). She acquires necessary competencies to raise her child as 'a future manager' facilitated by similar motivation and alignment, utilisation of her individual leadership skills. Given that a leader is more emotional than a manager (Fenton, 1990) as argued: "Men are governed by their emotions rather than their intelligence", it construes if women are more emotional than men, they make worthier use of their capatence (capacity + competence), as an effect of superior alignment. It is this disposition which facilitates the cultural transformation she had already undergone while preparing for that journey. The following discussion will make an attempt into exploring competencies and leadership roles the mother supports in an organisation (a home).

Leadership Roles Women Play

The mother is a home maker with three in one roles. She starts as a wife, where her role is that of a holistic companion at holean level (holistic, spiritual and lean). She graduates to a mother, and while fulfilling all her responsibilities during relative phases, she predominantly remains an individual soul as mandates Hindu philosophy. The lack of harmony in different roles leads to wastages of sorts – the area of mismatch as wastages as shown in Fig. 2.

She exhibits or practises respective models of leadership commensurate for each role. The basic roles a mother practises at home which are value adding are as follows:

i) A women as a professional – in her work life

ii) A women as a mother- while supporting a new lifecycle role

iii) A women as a Home maker - managing domestic infrastructure and functions

Figure 2 : The mismatch opportunity between the roles of leadership and the support system. Self sufficiency facilitates covering of most space, and reduce process wastages. More harmonious working leaves lesser space as blanks or wasted c/f Fig. 1.

iv) Same women as an individual – for her continual improvement and personal satisfaction in her lifecycle process. Fulfilling her personal objectives is vital.

The Quality philosophy pre-supposes that all the competencies/ leadership roles shall be fulfilled by her to the utmost satisfaction w.r.t performance and effectiveness / efficiency of process(es) deployed. "An essential aspect of successful operations areas in practice is .. people, but now in the form of a local leadership (Thareja, 2009)". For managing them effective planning and control are desired. Each function requires a systemic approach to allow planning and control phases to be effective. Further, for making her processes /products exemplary, it is necessitated that she improves each of her process(es) continually. This is a basic requirement visible from the Juran's trilogy as shown in Fig. 3, modified to illustrate the role of improvement.

Balancing one soul in flesh @ all the aforementioned roles self sufficiently, is complex. Each of these is a challenge worthy of full time occupation. Ask any home maker. Most of them argue, managing home effectively is a full time job; and when the mothers are not around the home suffers (of losses due to neglect). While working women contest they do the additional duty of managing

home (as if working overtime), yet many vital functions suffer because of their absence, and to make up for the lost time and work more responsibilities need be shared by their spouses. In case of the role of mother there are no arguments in favour or in opposition. This role is exceptional, and claimed by most to be strengthened with resources and energy. Most mothers are enthusiastically poised to serve
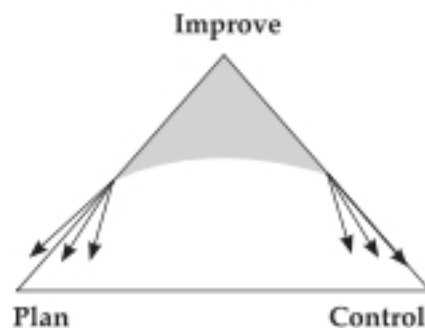
Figure 3 : Juran's Trilogy of Plan, Control and Improve

their children well to the latter's development and facilitation to exemplary performances. Hence, it is important that the leadership role in this phase is analysed and strengthened for enthusing better Quality in it (Thareja, 2010b).

Mother Improves Leadership Qualities Continually

The previous discussion revolved around competencies or basic roles a mother practises.

In terms of rearing Quality into her siblings, fit enough for grooming them as future managers, the new transformations in her holistic role are as under:

i)   Mother as a professional at home: She plans, leads, , assigns sharing of responsibilities (staffs), organises (manages home) and controls designated processes professionally as a good manager.

ii) Mother as a mentor: Mother is the first teacher. She should be able to teach Quality through constructivism / practices in each professional task. She should supporting the desired culture in her sibling's holean development.

iii) Mother as a Home maker: Managing 'Quality' of processes in home environment, and in her chores, domestic functions and infrastructure.

iv) Mother as an individual: For her continual Quality improvement in her personal lifecycle process.

The Quality processes which the mother as an individual supports for continual improvement are namely:

i)   The processes are perfectly planned and reared to affect Quality Objective.

ii) The processes are controlled and cultured to affect Quality.

iii) The processes are set for continual Quality improvement.

Evidently, these are in agreement with the plan, control and improve functions prescribed by the Quality trilogy as schematically illustrated in Fig. 3. It implies that though the lady as a home maker manages the chores well, her personal growth and allied satisfaction lies in her facilitation for continual improvement in life cycle/ or business process (Thareja, 2006). How this operates is schematically illustrated in figure 4
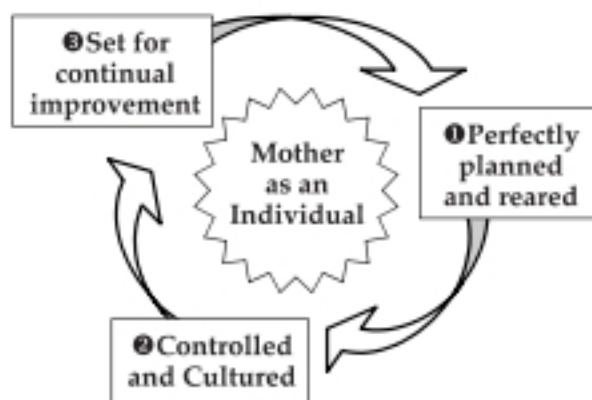
Figure 4 : Role of Mother as a Quality manager, while effectively synthesising various roles . The multi tasking is evident in her various functions, and the three numbered attributes.

Setting Up a Process for Improvement

The fundamental Quality improvement a leader instils in one's operation is aligned to the constructs of conventional leadership. Leaders do the right things in contrast to managers who do things right (Pascale, 1990). Mother must discern the right course, choosing the attempt at 'right things'. She sets the pace of house in line with the other tasks of professionalism and influences others to follow. Succeeding as a role model, the leader in mother engenders trust through integrity, models the behavior and outcomes she wishes to engender and inspire her siblings to excellence and success.

The life coach John C. Maxwell (1993) prescribes ten leadership principles that can be acquired and developed. These principles revolve around various functions and competencies, which the mother should implement in her several role playing. The adaptations in terms of the roles a mother plays are as follows:

(i)   Having The Right Positive Attitude and Alignment for Objective realisation.

(ii) Creating Positive Influence in operational tasks, social environment and spiritual growth.

iii) Setting The Right Priorities by balancing various tasks, social and spiritual growth patterns.

iv) Creating Positive Change: Installing and pulling growth and task orientation.

v) Modelling Integrity: Maintaining discipline, ethical practices, sanctity in purpose.

vi) Developing People: Roles and responsibilities, imparting or organizing education, managing learning.

vii) Problem Solving: Chasing success through above mentioned tasks.

viii) Charting The Vision: A general direction of utilisation and metamorphosis for family.

ix) Practicing Self-Discipline: Necessary for success as a role model for children.

x) Developing team members in the family: Maintaining positive assumptions about people, and facilitating success through counselling.

It may be indicated that Rao (1990) provides 'Maternalistic Model' of Management and Banerjee (1998) suggests 'Mother Leadership' as an important paradigm in the field of leadership. Above indicated roles also find a resonance with ideas suggested by Rao and Banerjee.

Mother's Model: Implementing for Success

Success is a function of processes. A process is a specific ordering of activities with clearly identified inputs and outputs that provide value. If the processes are planned, controlled or managed well, the outcome can be fruitful. Processes however are unique w.r.t kind of resources employed, functions and their attributes, critical components or traits and the objectives. A typical process captures different routines if there are exceptions to standard procedures, and hence require changes in modelling and seek alternative processes vis-a-vis routines used in normal operations. To be able to design such alternative routes, necessary process understanding and cultural orientation is necessitated.

Creating environment and necessary alignment

A mother is the most exclusive leader because of the unique experiences she has undergone in her life cycle processes. It is predominantly because of the Transformation she undergoes, graduating beyond a woman, which is termed as a miracle (Exhibit I). Apart, a flash of God's blessing is enough to transform a person from Lean to Holean (Thareja, Sharma, and Mahapatra, 2011a). To quote the conditions of prevalence of environment conducive to this flash of Holean wisdom showered on a person, a symbiotic relationship between two extremes is a must, which the woman experiences before transforming into a mother. The sharp flash of blessings during pain and pleasure causes an alignment in a woman of motherhood, which lays the foundation for a mother to emerge as a leader.

EXHIBIT I
The Miraculous escape- or Transformation?

"The act of giving birth is the only moment when both pain and pleasure converge in a moment of time. It is in the manner of the sharp point of a needle, astride upon that point are both pleasure and pain, simultaneously assailing the female that is undergoing the miracle of childbirth.

This is the only instance where both pleasure and pain work in unison. Also a miracle. This is the second miracle.

Before the childbirth, the lady was a woman. After the childbirth, the woman is transformed into a mother. This is a revolutionary act; an evolutionary happening; in the manner of the silkworm getting transformed into some winged angel; a miracle. This is the third miracle."

Source: 'Motherhood in Vedic Culture', Arya Veeraangana Sunanda Kumar, http://www.aryasamajnz.org/ articles/1_MotherhoodInVedicCulture_Sunanda.html

Most such requisites of leadership cited above viz. Having the Right Positive Attitude, Creating Positive Influence, Setting The Right Priorities, Creating Positive Change are part of the rigour of Alignment inducing a family to positive accumulation of values and successes. Evidently a right orientation is the first step towards realisation of objectives. Proverbially, every journey of thousand miles begins with a single step. Thus when a mother enthuses right success towards preparation of attitudes and orientation, it strongly puts the family on a growth path. Not demeaning the contribution of husband or any other team member, the role of lady of the house (mother) is never contested. The author elsewhere compares the influence of wife vis-a-vis mother simulating them with competitiveness versus competence, and argues out that the mother ultimately becomes winner (Thareja 2011). It is essentially because competitiveness is situation dependent, while competence is lifelong, oftentimes identified as a sacrosanct and uncontested accumulation of achievements.

The author sketches a case experience which demonstrates the fulfilment of necessary conditions for alignment (see Exhibit II).

Developing Team Members in the Family: AUM Model Implementation

The author paradigm of implementation of Quality is scheduled to be a three stepped process namely (a) Alignment (ii) Utilisation and (iii) Metamorphosis (Thareja 2007). The three rigours represented as A+U+M follow the Hindu descript of a sound which is a continuum of three vowels sounds practiced as 'aaa' ('a' as in a-mateur), 'ooo', and 'e'm' (as in the-m). The mythological construct symbolises A+U+M as '𑍐'. It is argued that the thought process affords 'AUM' a sanctity and universal acknowledgement. The facts have been brought out in the form of verse [web Ref 3], and is made usable as a prayer. Subhash Sharma (1996) suggests an interpretation of AUM in terms of 'All Unmanifest and

Manifest' and provides an energy system model of leadership on the basis of this interpretation. In contrast, Thareja's AUM model is for development of organisational Quality by alignment through metamorphosis (Thareja, Sharma and Mahapatra 2011b).

Enthusing Utilisation: How acronym 'U' in AUM as interpreted by Thareja, is implemented for achieving leadership in routine management functions in a house, is the mothers' important agenda. She can experiment the process requirements by using conventional essentials of management as guiding principles. How to bring effectiveness and efficiency in Developing People, Problem Solving, Charting Vision, Practicing Self-Discipline is a part of the leadership training, imparted to all professionals. This work limits itself to emphasise that when a mother acquires such competencies, and implements them effectively, the complete family gets the due environment for making full use of available opportunities. The road map to their rejuvenation is spelled as cognizance to following three requisites duly adapted to the motherhood :

1. **Leader need to focus on primary functions:** The objective is to view family as a stable organisation as a competitive weapon. Scope of improvement envisaged is 40 % in terms of executive's sponsorship [Mathew, 2009]. The latter should be made to flow through the organization for a collaborative environment.

2. **Extend Leadership experiences and best practices across the siblings:** Recommended through optimization of holean grooming. Scope of improvement envisaged 40 % in terms of extending best practices across the enterprise [Mathew, 2009].

3. **Looking beyond efficiency and effectiveness in routine operations:** This strategy is the cornerstone of best in class organizations, who have moved beyond efficiency to focus on synchronizing total

competencies and all-around collaboration for necessary objective realisation.

It may be seen that the road map essentially aligns with the Juran's trilogy in terms of its setting. Developing self, with holean success in desired competencies, spreading across the team horizontally for continual Quality improvement and then leading all of them beyond the local efficiencies to unprecedented success. The success in third phase of continual Quality improvement is promised when requisite foundation is ready for a transformation to happen. It is subject to the success in 3 Is namely Invention, Innovation and Invigoration (Thareja, 2007) as the final phase in AUM model.

Because of easy build up of errors in nucleating structures, the use of invention and innovation are mandatory in setting up a perfect ground for right nucleation of competencies, and consequential harmony in growth. Next invigoration to maintain requisite effectiveness and efficiency is welcome. " [The success is] influenced by the external and internal environment as well as the strategy adopted by the firm.. [duly].. reflected in terms of different outcomes relating to quality performance and innovation of the.. (organization /mother) (Prajogo and Sohal, 2001)."

Since the mother has already undergone at least one miracle, she has probably aligned for the next cycle of metamorphosis to happen. It is the turn of necessary initialisation (of a newer development phase of assuming requisite leadership), to the family success of all team members.

Concluding remarks

1. The mother practices a key leadership role in developing growth of team members in a family, akin to what a leader of prominence exerts in an organisation.

2. Since the mother functions from first principles in creating a future manager, her role as above assumes more importance and sanctity. In that process the mother has undergone certain experiences, which are unique only to mothers.

3. Because of the immense realisation of responsibilities, and zest to invigorate continual Quality improvement, the mother learns leadership through constructivism. Such experiences facilitate her in improving not only status of her family for a holistic and lean success, akin to the organisational development, but also steer rightly on a developmental path including the spiritual or Yogic alignment.

4. It is seen that the alignment and utilisation of prerequisites for organisational development are implicitly understood. But to excel beyond the common competitiveness a holean success is essential for which mother forms the need based motivation. The implementation however is subject to her mastery over the leadership acumen, which she must develop. It is because of the miracle of motherhood that she is better aligned for innovating implementation.

5. The various roles of a woman leader and a mother at home have been differentiated w.r.t. situations and alignments in this work.

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EXHIBIT II
Align Your Processes for a Right SHEQ-up

A young, recently married, software engineer, well set in a medium leadership role in a high profile multinational organisation, had developed good great products for both Indian and global markets. On the domestic front he had become a father of a newly born baby boy. Generally, for a promising guy like this the potentials are just right with a future all bright.

The high profile organisations usually nurse their officers of this calibre very well, as they well know that the professionals, through great work culture, actually are being enabled to nurse their organisations to see that the latter continues to do well. For a simile, the difference between a hospital scenario and the organisational set up is that the healthy man goes to hospital when one gets sick, vis-a-vis the organisation needs a nurse (hard working employee) to see that one does not land up in red.

Any way, the future of the lad was bright. Notwithstanding that there was a career promotion in sight. Thus the spirits were all bullish. After all, the win-win relationship between the two- the organisation and the various employees in some organisations remains so thick, that many multinational organisations may be put to shame. Well, it is not easy to maintain the state of an organisation that it is regarded as the # 1 organisation in the whole world. For employees too, nothing could be better.

But, better or best, in God's hands it rests. This software engineer (name withheld) had to host an important official delegation, and was assigned the larger role of an inspector of Quality. He tasted the food, and no sooner than he did, the clumsy thing intruded into his wind pipe. There was no injunction further possible. Alas! the lad had breathed his last as a result of sudden choking. The story thus ended on a sorrowful note, while nothing worse than this could have happened, except the prescription for future planning and restraint.

To consider how should we prepare before tasting a meal, let's go back to a hypothetical village scene, where diners sit on floor. Their food is placed on a board of short height (call it dining table). They pray to the God, or may be align themselves for the impending activity. A palmful water is spilled on earth all around the eating platter, lest an insect crawls up the ladder (legs of the board). There is engineered a perfect spell, lest the food should go once again to hell. For the food is conceptually equivalent to the Quality of thought. As you think

during eating (sow), so are the types of results bought (reap). So one should eat right while the whole thing is not fraught with ill thoughts. Perhaps the poor lad in our above story had pressure of sorts on him; so the food, went to the wind pipe to have his breathing done up to a stage of naught.

Preparing well and hard for any activity is a real protocol. It is rigour, well worth the cost (cost of poor Quality). The Japanese spend 80 % of the time in planning and preparing for all eventualities, lest any one may misfire. Had the poor soul also taken his time to align... .!

San the accident, suppose he had lived? The issue of safety is foremost. Suppose he could be saved? Hospitalised? Issue of health is blessed. Or he vomited, spreading dirt around, but felt better. The issue of Quality was next on the suffering-list. All the SHEQin is ascribed to poor planning. A little more care, and SHEQout is ousted bare!

 Aligning the people to Quality is indeed vital. Just move without adequate caution and one jerks the body to exhaustion. So says the Newton's first law of motion –A body in a state of rest or motion continues to be in the same state, until it is changed by the application of an external force. And 'if there is an action, it must be accompanied by equal and opposite reaction'- argues the third law. The reaction is what scares for SHEQ. So engineer the action with prior adequately planned forethought.

Who does fulfil such needs of every human? Alas his mother could have Set The Right Priorities, while she Created a Positive Influence! She had help lay the right growth stimuli in the initial five years of the child, to enable a conscientiously superior person rather than mere intellectual intelligence? He probably needed to understand himself at a higher conceptual level he did, and that probably saved his life? His mother now undergoes all the pain again, and no pleasure, akin to his wife.

Now let us see how was the bad news of that lad demise was brought home- to his wife?

Would they have given the shocking news of his demise abruptly? Or applied a slow simulation as that of the environment of grief before the news is broken out. They bring the cool to stabilise her condition, so that there is no sudden outflow of blood, lest it goes out of control. In other words, she is aligned to take on that stress (of news). Alignment is the extent to which and how well all inputs impact together to guide and ultimately facilitate systems withstand SHEQing threats.

It was designed to be flexible so as to dovetail with corporate stra¬tegic planning processes. It solicits a consistency of plans, processes, information, resource decisions, actions, results and analysis to support key organization-wide goals.

 So alignment helps everywhere. Right from making a small mistake to the blunders. When indifferent things are comprehended due to bad alignments, mishaps do happen. As if the subjects have been hypnotised.

Well! If the managers have been aligned rightly for pursuing planning, the job is well done!

Impulse Buying Behavior in FMCG Sector: An Ethical Issue in Advertising

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Evolution is an integration of matter and a concomitant dissipation of motion; during which the matter passes from an indefinite, incoherent homogeneity to a definite and coherent heterogeneity; and during which the retained motion undergoes the parallel transformation.

Herbert Spencer: First Principles

The retail management explosion in India is coherent yet heterogeneous, heralding a parallel transformation in the marketplace. In the backdrop of changing face of Indian Market in terms of increasing disposable incomes, younger population and ever-increasing impact of advertising, the present research paper is an attempt to find the variables/factors that affect customer impulse buying behavior in FMCG sector considering retail market in India. The impact of various impulse buying factors like advertising, sales promotions, placement of products, window merchandising, effective price strategy etc on customer impulse buying behavior have been analyzed.

A theoretical framework has been developed in this paper which has been considered for our research work on impulse buying behavior of the consumers. The study is based on the primary data collected from Vishal Megamart and Big Bazzar from the geographical areas of Delhi and NCR region with the help of structured questionnaire on Likert scale. Data analysis has been done using SPSS software. The statistical analysis method employed in this study is Factor Analysis.

After the factor analysis of the available data, it has been found that the impulse buying in FMCG Sector is on a great increment mainly

due to the impact of emotional appeal of advertisements, emotional bonding & usage of product in festivals, pricing strategies of retail players, rising income of the customers, product placement in the stores, brand-image of the product and sales-promotion offers during festivals throughout the year. A theoretical framework in terms of Impulse Buying Behavior Model has been developed based on the findings.

Advertising: Ethical Issues: Advertising have always been an important and most powerful means of communication for any organization with its stakeholders, specifically the customers. The ethical concerns are an inseparable element of every business activity and it is true for advertising also. But ethics being a highly subjective term, has different conations at different times in different lands to different people. The ethics in advertising should have been in the centre stage, however unfortunately, the advertising industry has rarely cared to look beyond immediate marketing objectives, pushing the ethics in the backburner. The argument in the industry is that it is the government's job to judge what is right and what is wrong. Shirking its own responsibility for regulation, the industry has belittled business values and ultimately sufferer is the customer.

There is no denying of the fact that the advertising offers immense benefits to the diaspora of its stakeholders. Whether it is the task of communicating, informing or persuading a large target audience or to make the existing markets more competitive by creating product differentiation or even helping in raising the standards of life in Indian society; advertising is playing its role effectively.

Impulse Buying Behavior - An Implication of Advertising: Despite many benefits achieved through advertisements, the ad-messages are becoming more and more exaggerated. For gaining competitive advantage, advertising magnifies product attributes, resorts to tricky product promises, and over claims certain unbelievable benefits. The customer may be trapped by highly persuasive and illusive advertisements, which are deceptive or misleading, leading to **Impulse Buying.** To worsen the situation, the current changing face of Indian Market has resulted in high aspirations amongst the huge middle class of India leading to the phenomenon of **Social Upward Mobility,** where people want to attain higher social status and aspire to be the part of higher socio-economic class than they currently belong to. All these factors combined together have resulted in Impulse Buying as a common trend, specifically in FMCG sector. **In case of aspirational/lifestyle product category or visible-to-world products, impulse buying is an implication of exaggerated advertising.** We can take example of apparel market, where impulse buying is most common phenomenon among the younger population.

Literature Review - Impulse Buying Behavior: Impulse Buying Behavior or Impulsive purchasing, generally defined as a consumer's unplanned purchase which is an important part of buyer behavior, accounts for as much as 62% of supermarket sales and 80% of all sales in certain product categories (Source http://www.indiainfoline.com/pefi/feat/cred.html). Though impulsive purchasing has attracted attention in consumer research, unfortunately, there is a scarcity of research on group-level determinants. This research suggested that the presence of other persons in a purchasing situation is likely to have a normative influence on the decision to make a purchase. The nature of this influence, however, depends on both perceptions of the normative expectations of the individuals who exert the influence and the motivation to comply with these expectations. Peers and family members, the two primary sources of social influence, often have different normative expectations.

Thus, it has been evaluated that two factors that are likely to affect the motivation to conform to social norms are:

a) The inherent susceptibility to social influence and

b) The structure of the group

There has been one more study conducted by "Sales & Customer Service Department" of "Texas Agricultural Extension Service Texas A&M University System College Station, Texas" (2007). According to this study the researchers find the tips to increase the impulsive sales of the flowers. The findings of the study were:

Creating variety in the department with frequent changes of display and movement of regularly sold merchandise also entices customers. Recognizing items that typically make a minimal contribution to sales and replacing them with items that create "sales appeal" increases the likelihood of impulse sales. Displays that tie in with a national slogan or storewide theme generate interest, as do displays that highlight special products and services.

Objectives: In the present research paper, the objective of the study was to determine the factors affecting impulse buying behavior of the consumers and to develop a theoretical framework of Impulse Buying Behavior Model

Research Methodology: The research methodology was divided into two stages which involved two sources for collecting the data in order to achieve the objective of project.

1. Collecting data regarding the potential customers from the existing outlets of Big Bazzar & Vishal Megamart

2. Collecting the primary data directly with the customer with the help of the highly structured closed ended questionnaire on Likert Scale. (Refer Annexure-1).

A Theoretical Framework of **Impulse Buying Behavior Model (Refer Fig 2)** has been developed.

Research Design: This study involves Exploratory Research involving gathering of preliminary information that helps in identification of the various factors affecting Impulse Buying Behavior.

Sample Design

- Sampling Unit: Vishal Megamart And Big Bazzar Customers

- Sampling Size: 100 potential/existing customers

- Sampling technique: Convenient sampling

- Sampling area: Delhi and NCR regions

- Time Duration : The data collection was done in the period January-February, 2010

Data Collection and Data Analysis: For this study, primary data was collected with a sample size of 100 from Delhi/NCR (National Capital Region) region including Ghaziabad, Noida and Gurgaon in North India. This has been collected by convenient sampling technique. The required information has been gathered using a highly structured questionnaire (refer the Annexure-I) on a five point likert scale. The sample unit constitute the customers visiting the retail outlets of Vishal Megamart & Big Bazzar in Delhi/NCR. Factor Analysis has been used for descriptive analysis. Data analysis was done using SPSS software v 15.0.

For this study, a pilot survey was conducted in Delhi/NCR region to explore all the factors which can have the impact on Impulse Buying or result into impulse buying amongst customers visiting retail stores in FMCG Segment.. Based on this pilot survey, a highly structured, non-disguised, closed ended questionnaire (Annexure-1) was formulated on a 5-likert scale. Care was taken to conduct interviews at different locations, on different days and at uniformly distributed time intervals in order to reduce location, date and time-related response bias.

Demographic Profile of Respondents: Descriptive profile of respondents (n=100)

Table-1: Demographic Profile of Respondents (N=100)

Age	< 18	6%
	18 – 25	57%
	26 – 35	33%
	36-45	3%
	> 45	1%
Gender	Male	88%
	Female	12%
Occupation	Service	23%
	Business	20%
	Student	51%
	Housewives	6%

Factor Analysis for Factors Affecting Impulse Buying Decision of Consumers: Factor analysis has been performed to identify the key determinants affecting purchase of FMCG products provided at the retail stores. The respondent ratings were subjected to principal axis factoring with Varimax rotation to reduce potential multicollinearity among the items and to improve reliability on the data (Refer Table 7: Rotated Factor Matrix). Varimax rotation (with Kaiser Normalization was converged in twenty six iterations. Twenty Six items were reduced to seven orthogonal factor dimensions which explained 72.357% of the overall variance (Refer Table 6) indicating that the variance of original values was well captured by these seven factors. The seven factors and their components is given in table 8. (Refer Table 8)

Reliability of Data: Analysis done with the help of statistical software SPSS

Table 2: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.605
Bartlett's Test of Sphericity	Approx. Chi-Square	1318.916
	Df	325
	Sig.	.000

Kaiser-Meyer-Olkin: [Index for comparing the magnitudes of the observed co-relation coefficient to the magnitude of the partial correlation coefficients] From the above Table 2, we can interpret that the value of KMO measure of sampling adequacy is 0.605. This indicates the data collected is highly reliable and factor analysis is appropriate.

Bartlett's Test of Sphericity: Bartlett's test of sphericity has been used to examine the hypothesis that the variables are uncorrelated in the population. The significance value 0.000 indicates that the hypothesis has been rejected and the variables are correlated in the population. Strength of relationship among variables is strong. It presents good idea to proceed to factor analysis for the data.

H_0 : There is significant indifference of all the factors affecting impulse buying decision

H_1 : There is significant difference of all the factors affecting impulse buying decision

The observed significance level is 0.0000 which is less than .05, which is small enough to reject the hypothesis. It means there is a significant difference between the factors affecting impulse buying decisions.

Communality- Common Factor Variance: Communality of each statement refers to the variance being shared or common by other statements. With reference to the first statement, the extraction is 0.639 which indicates that 63.9% of the variance is being shared or common to other statements. (Refer Table 3.)

"Eigen Value": Indicates the amount of variance in the original variables accounted or by each component. The total initial variance in the new components will be 26.

Table 3: Communalities

Common Factor variance

	Initial	Extraction
Attractive price of product affects my impulse buying behavior	1.000	.639
Discount offers regarding product attracts me	1.000	.803
Various schemes like (buy 1 get 1 free) affects my buying behavior positively.	1.000	.647
Availability of discounted products motivates me to buy.	1.000	.808
Advertisement of product in print and visual media attracts me to buy	1.000	.752
Various promotional activities regarding product motivates to buy the products	1.000	.616
Hording and pamphlets of product help me in impulse buying.	1.000	.823
Any event organized by organization affects my buying behavior.	1.000	.843
Display of product in store attracts my attention.	1.000	.647
Packaging of product attracts me to by the products.	1.000	.705
Placing of product in store gains my attention towards it.	1.000	.841
Compatibility of another product with the product you are buying	1.000	.596
Emotional attachment with product is a motivational factor to buy product	1.000	.748
Behavior of sales person affects my buying behavior.	1.000	.793
Popularity of product increases recall value and helps in impulse buying	1.000	.709
Changing trend in society is a major factor in impulse buying	1.000	.594
The person with whom you are going for shopping influences buying behavior.	1.000	.788
Comments of reference group influence my buying behavior.	1.000	.683
Kind of product which i am buying	1.000	.760
Your income status affects my impulse buying behavior.	1.000	.652
Standard of living has a role to play in buying products.	1.000	.724
Your perception about saving and investment	1.000	.763
Special occasion motivate me to buy.	1.000	.574
Requirement of product in festival season prompts me to buy.	1.000	.754
Traditions and customs triggers my purchase decision	1.000	.780
Various festival discounts on product induces purchase of product.	1.000	.770

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
v1	7.971	30.658	30.658	7.971	30.658	30.658	4.735	18.213	18.213
v2	3.324	12.786	43.445	3.324	12.786	43.445	3.308	12.724	30.937
v3	1.961	7.541	50.986	1.961	7.541	50.986	3.108	11.955	42.892
v4	1.710	6.575	57.561	1.710	6.575	57.561	2.620	10.079	52.971
v5	1.442	5.547	63.108	1.442	5.547	63.108	1.734	6.670	59.641
v6	1.276	4.908	68.016	1.276	4.908	68.016	1.654	6.363	66.004
v7	1.129	4.341	72.357	1.129	4.341	72.357	1.652	6.353	72.357
v8	.914	3.514	75.871						
v9	.853	3.282	79.154						
v10	.807	3.103	82.257						
v11	.743	2.857	85.115						
v12	.606	2.332	87.447						
v13	.519	1.998	89.445						
v14	.465	1.787	91.231						
v15	.384	1.476	92.707						
v16	.349	1.342	94.049						
v17	.286	1.101	95.149						
v18	.267	1.028	96.177						
v19	.222	.855	97.032						
v20	.191	.734	97.766						
v21	.172	.660	98.426						
v22	.139	.533	98.959						
v23	.105	.404	99.364						
v24	.077	.294	99.658						
v25	.061	.233	99.891						
v26	.028	.109	100.000						

Table 5: Distribution In Different Components

|		Cumulative Frequency
Factor 1 **Brand image of Product**	Explain a variance of 4.735, which is 18.213 % of the total variance of 26	18.213%
Factor 2 **Emotional appeal of advertisements**	Explain a variance of 3.308, which is 12.724 % of the total variance of 26	30.937%
Factor 3 **Product placement in the store**	Explain a variance of 3.108, which is 11.955% of the total variance of 26	42.892%
Factor 4 **Income of the Customer**	Explain a variance of 2.620, which is 10.079 % of the total variance of 26	52.971%
Factor 5 **Emotional bonding and Usage of product in festivals**	Explain a variance of 1.734, which is 6.670 % of the total variance of 26	59.641%
Factor 6 **Effective Pricing and discount**	Explain a variance of 1.654, which is 6.363 % of the total variance of 26	66.004%
Factor 7 **Various festival Seasonal discounts**	Explain a variance of 1.652, which is 6.353 % of the total variance of 26	72.357%
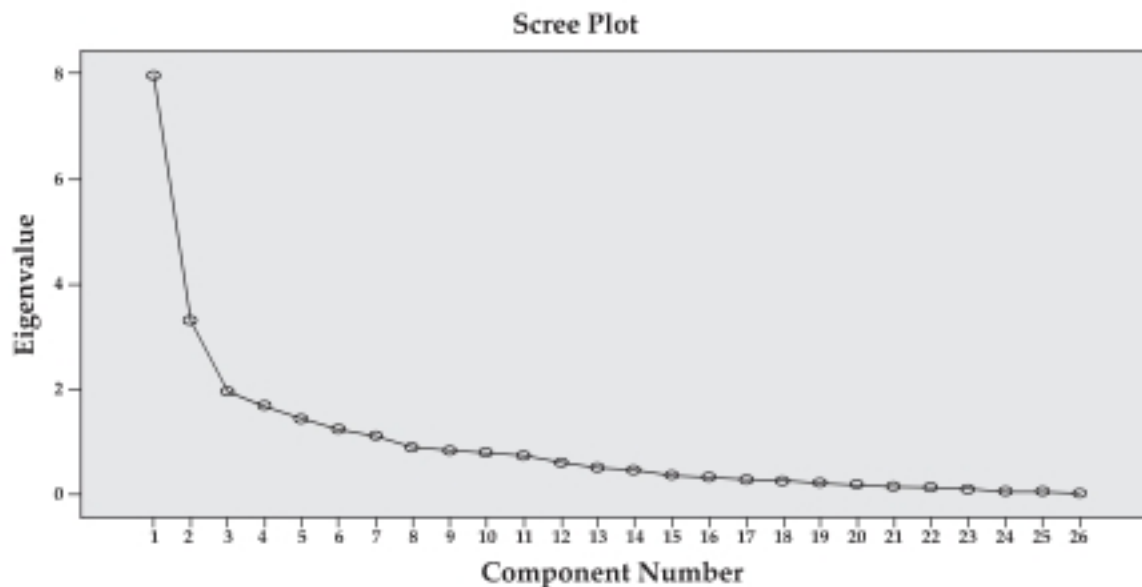
Figure 1 : Scree Plot for the Factor Analysis

With the help of Table 4 and 5, we can interpret that 26 statements are now reduced to 7 factors contributing 72.357% of the total variance. With the help of Fig 1, Scree plot, we can just visualize that 7 factors are reduced with Eigen value greater than 1.0000

Table 6. Component Matrix: Table 6 reports the factor loadings for each variable on the unrotated components or factors.

This correlation helps to formulate an interpretation of the factors or components. This is done by looking for a common thread among the variables that have large loadings for a particular factor or component. It is possible to see items with large loadings on several of the unrotated factors, which makes interpretation difficult. In these cases, it can be helpful to examine a rotated solution.

Table 6. Component Matrix (a)

	Component						
	1	2	3	4	5	6	7
v1	.689	.214	-.064	-.062	-.220	-.091	.231
v2	-.027	.046	.744	.373	.116	.061	.301
v3	-.045	.487	.167	.179	.422	-.010	-.412
v4	.119	.600	-.048	-.474	.174	.420	.026
v5	.788	-.096	.074	.164	-.195	.225	-.017
v6	.756	-.120	.091	-.048	.002	-.013	-.139
v7	.765	-.035	-.008	.264	.197	.357	-.023
v8	.676	-.196	-.113	-.476	.103	.113	-.292
v9	.654	-.099	.160	-.283	-.281	.129	-.091
v10	.807	-.106	.075	.084	-.143	-.072	-.067
v11	.816	.045	-.189	-.002	.271	-.008	-.253
v12	.629	-.212	-.038	-.141	.221	.165	.240
v13	.443	.314	-.237	.536	.222	-.126	-.210
v14	.647	.287	.168	.410	-.030	-.159	.265
v15	.739	.087	-.035	.291	-.041	.145	-.217
v16	.346	.259	.093	.093	-.606	.143	-.048
v17	.331	-.720	-.150	.326	-.041	.171	.021
v18	.328	-.744	.055	-.085	.071	.074	-.028
v19	.420	-.664	-.167	-.111	.104	-.115	.282
v20	.340	.400	-.547	-.094	-.036	.045	.256
v21	.496	.428	-.368	.041	.054	-.022	.393
v22	.606	.183	.307	-.252	.235	-.386	-.015
v23	-.067	.533	.169	-.050	-.278	.421	-.020
v24	.405	.152	.474	-.249	.429	.089	.298
v25	.492	.011	.540	-.229	-.297	-.291	-.143
v26	.538	.313	-.239	-.109	-.134	-.544	-.023

Extraction Method: Principal Component Analysis.

Each number represents the correlation between the item and the unrotated factor.

Table 7: Rotated Component Matrix

	Component						
	1	2	3	4	5	6	7
v1	.301	.152	.390	.527	.080	.047	.295
v2	.025	-.078	.055	-.217	.014	.862	.049
v3	.291	-.674	.041	-.128	.097	.071	-.273
v4	.011	-.380	.005	.251	.748	-.147	.136
v5	.653	.310	.231	.134	.071	.094	.381
v6	.557	.264	.454	.071	.111	-.033	.107
v7	.818	.216	.032	.153	.232	.149	.085
v8	.433	.323	.441	-.013	.408	-.437	.012
v9	.325	.295	.466	.013	.240	-.107	.411
v10	.579	.292	.454	.166	-.042	.033	.217
v11	.750	.101	.346	.240	.171	-.208	-.134
v12	.388	.473	.180	.226	.359	.075	-.063
v13	.680	-.286	.003	.330	-.259	.028	-.164
v14	.485	-.024	.293	.461	-.134	.470	.143
v15	.775	.038	.185	.158	-.015	.003	.217
v16	.198	-.088	.167	.153	-.090	.011	.698
v17	.428	.701	-.189	-.158	-.230	.003	.008
v18	.238	.712	.123	-.301	.029	-.055	-.098
v19	.145	.813	.151	.105	-.010	-.038	-.206
v20	.145	-.043	-.064	.730	.163	-.242	.087
v21	.255	-.019	.044	.794	.153	.034	.042
v22	.245	-.030	.760	.186	.195	.142	-.180
v23	-.028	-.436	-.128	.042	.296	.086	.520
v24	.144	.047	.374	.087	.585	.463	-.163
v25	.109	.054	.795	-.131	-.003	.142	.310
v26	.181	-.085	.573	.560	-.197	-.223	-.001

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

With the help of Table 7, we can categorize each statements depending upon the factor loadings and shown in Table 8.

Table 8: Factors

Factor 1: Brand image of Product
• v5 : Advertisement of product in print and visual media
• v6 : Various promotional activities regarding product
• v7 : Hording and pamphlets of product
• v10 : Packaging of product
• v11 : Placing of product in store
• v13 : Emotional attachment with product
• v14 : Behaviour of sales person
• v15 : Popularity of product
• v17 : The person with whom you are going for shopping
Factor 2: Emotional appeal of advertisements
• v3 : Various schemes like (buy 1 get 1 free)
• v12 : Compatibility of another product with the product you are buying
• v18 : Influenced by other people
• v19 : Kind of product which you are buying
Factor 3: Product placement in the store
• v8 : Any event organized by organization
• v9 : Display of product in store
• v22 : Your perception about saving and investment
• S25 : Traditions and customs
• v26 : Various festival discounts on product
Factor 4: Income of the Customer
• v1 : Price of product
• v20 : Your income status
• v21 : Standard of living
Factor 5: Emotional bonding and Usage of product in festivals
• v4 : Availability of product
• v24 : Requirement of product in festival season
Factor 6: Effective Pricing and discount
• v2 : Discount offers regarding product
Factor 7: Various festival Seasonal discounts
• v16 : Changing trends in society
• v23 : special occasions

Table 9: Component Score Coefficient Matrix

	Component								
	1	2	3	4	5	6	7	8	9
v1	.019	-.096	.179	-.106	-.051	.347	-.042	-.094	.209
v2	.062	.064	.164	-.069	-.018	-.386	-.001	.100	.174
v3	.051	-.113	.193	.009	-.025	-.058	.034	.119	-.033
v4	.026	-.010	.082	.079	-.386	-.084	.132	-.020	-.120
v5	.022	-.144	.202	-.001	-.010	.062	-.054	-.017	.226
v6	-.031	.226	-.105	.060	-.035	.102	-.080	.101	.149
v7	.010	.031	.009	-.035	.016	-.053	.008	.035	.627
v8	.011	.064	.400	-.185	-.120	-.091	-.054	.111	.065
v9	.119	-.112	.105	.005	.244	-.177	-.097	-.193	.122
v10	-.055	.261	.081	-.028	.029	-.074	-.163	-.101	.035
v11	.040	.282	.025	-.007	.003	-.087	.116	.059	-.023
v12	.030	-.011	-.075	.212	-.240	-.050	-.187	.164	.124
v13	.099	.022	.000	.047	.097	.282	-.100	-.043	-.010
v14	-.022	.010	-.099	.169	-.035	-.110	.175	.103	.078
v15	.007	.080	.084	-.017	-.037	.084	.068	.150	.041
v16	-.048	-.037	.092	.240	-.129	.031	.099	-.311	.084
v17	-.013	.149	.148	-.012	-.305	.020	.046	-.028	-.147
v18	.048	.087	.145	.057	.150	-.049	.019	-.200	-.191
v19	-.111	-.007	-.011	-.033	.164	-.004	.054	-.026	-.087
v20	-.080	.034	.081	.039	.056	-.001	-.563	.075	-.067
v21	-.040	.001	.028	.042	-.054	-.130	.289	.050	-.139
v22	.037	-.002	.006	.158	.071	-.077	-.219	.358	-.196
v23	.021	.001	.076	-.179	-.028	-.022	.021	.444	.171
v24	.073	.026	-.146	.470	-.076	.010	-.068	.035	-.079
v25	.329	-.023	-.029	-.008	.116	-.040	.076	.130	-.021
v26	-.027	.055	.148	.147	-.006	.085	-.248	.079	-.225

From the table 9 of component score coefficient matrix, we can obtain the quantifiable data of each factor. The coefficients between the statements and the factors are taken according to the statement affecting the factor (on the basis of Table 8)

Impulse Buying Behavior Model: Based on the findings, a Theoretical Framework of **Impulse Buying Behavior Model** has been formulated. As per the model, the following are the seven factors which affect Consumers' Impulse Buying Behavior in FMCG market:

- **Emotional appeal of advertisements**
- **Effective Pricing and discount**
- **Product placement in the store**
- **Emotional bonding and Usage of product in festivals**
- **Brand image of Product**
- **Income of the Customer**
- **Various festival Seasonal discounts**

Conclusions and Findings: The factor analysis results indicate that Emotional appeal of advertisements **has emerged as most important factor having impact on Impulse Buying, followed by** Effective Pricing and discount, Product placement in the store, Emotional bonding and Usage of product in festivals, Brand image of Product, Income of the Customer and Various festival Seasonal discounts.

The focus of this research study was mainly to gauge the impact of certain factors on Impulse Buying Behavior. The study also helped decide the impact of advertising & visual merchandising on the minds of customers that consciously or sometimes even unconsciously make them choose a product. The findings of this research can be generalized to the whole market scenario.

Needless to say that Impulse Buying is a new phenomenon, which is going to stay here in Indian Market, therefore it will be wise on the part of the marketers, specifically retailers to capitalize this phenomenon positively and avoid temptation of alluring the buyers using unethical, deceptive and exaggerated advertisements.

Whether over-promised advertising is an ethical concern for the marketers or not, is still a question, as for them achieving ends in terms of final purchase is more crucial than means.

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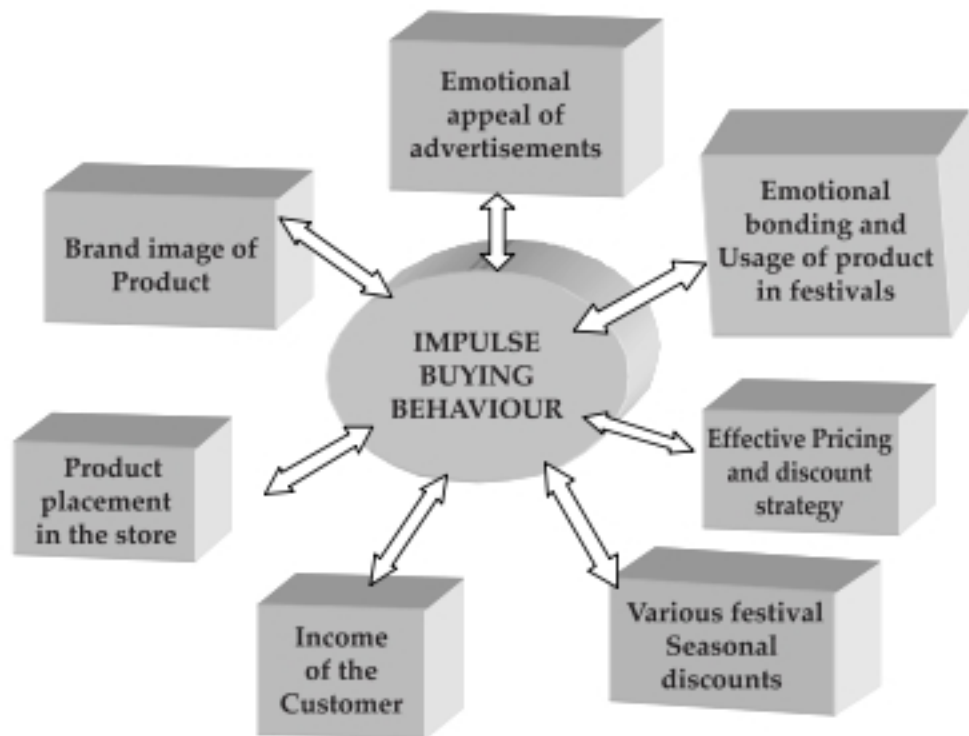
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ANNEXURE-1
Questionnaire

Part-I

Name ....

Age ....

Gender -   Male/Female   (Tick whichever applicable)

Occupation - Service/Business/Student/Housewife   (Tick whichever applicable)

Part-II

Sl. No.	Statement	Please tick your choices				
		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	Attractive price of product tempts me to buy					
2	Discount offers regarding product attracts me					
3	Various schemes like (buy 1 get 1 free) affects my buying behavior positively					
4	Availability of discounted products motivates me to buy.					
5	Advertisement of product in print and visual media attracts me to buy					
6	Various promotional activities regarding product motivates to buy the products					
7	Hording and pamphlets of product help me in impulse buying					
8	Any event organized by organization affects my buying behavior					
9	Display of product in store attracts my attention					
10	Packaging of product attracts me to by the products					
11	Placing of product in store gains my attention towards it					
12	Compatibility of another product with the product you are buying					
13	Emotional attachment with product is a motivational factor to buy product					
14	Behavior of sales person affects my buying behavior					
15	Popularity of product increases recall value and helps in impulse buying					
16	Changing trend in society is a major factor in impulse Buying					
17	The person with whom you are going for shopping influences my buying behavior					
18	Comments of reference group influence my buying behavior.					
19	Kind of product which i am buying					
20	Your income status affects my impulse buying behavior					
21	Standard of living has a role to play in buying products					
22	Your perception about saving and investment					
23	Special occasion motivate me to buy					
24	Requirement of product in festival season prompts me to buy					
25	Traditions and customs triggers my purchase decision					
26	Various festival discounts on product induce purchase of product					
27	Special occasion motivate me to buy					

Ethical Practices in the Service Industry

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Ethics is mass of moral principles or sets of values about what conduct ought to be. They give an idea what is right or wrong, true or false, fair or unfair, just or unjust, proper or improper. Ethics are the discipline that examines one's moral standards or moral standards of society. It also questions how these standards apply to our lives and whether these standards are reasonable or unreasonable. This paper deals with the research endeavor to identify the various ethical/ unethical practices of Services Industry in Kolhapur District covers the evaluation of the ethical/unethical practices followed by the Service Industry (Medical Services, Higher Education, Life Insurance sector and Banking Sector).

The concept of ethics and values in business is gaining popularity all over the world. This research is an effort to understand the various ethical dimensions and issues involved in service industry.. The study was undertaken in two phases. The first phase included review of relevant literature and experts' opinion to evaluate the role of ethics in Life service Sector, whereas the second phase involved primary data collection from the various stakeholders of various service sectors .One hundred and seventy six ethical/unethical dimensions were identified and the elicited opinion of the respondents were analyzed. The model tested with KS test for the relationship between Service Management and Ethical Practices and found to be dependent on each other. The present study explores that the highest score as far as ethical practices in services sector concerned has earned by higher education services, followed by the banking services, whereas the insurance sector and the medical services found to be least following ethical practices in their periphery. The researcher has made a modest attempt to develop a Business Model for implementing ethical infrastructure, maintaining ethical culture and improvising existing ethical practices in services organization and suggested measures which

would help resolving ethical dilemmas and which ultimately would help in minimizing the unethical practices in the Service Sector.

Introduction: Recently, there has been an increasing awareness and more importantly increasing interest in the field of Business Ethics. This is indeed a very welcome trend! In fact, perhaps, there has not been any time in the history of business development when the concepts and understanding of the nature of business ethics has been so urgently needed, so urgently felt, never before had the need of ethical practices in business so widely felt.

Previously, it was thought that business ethics is a contradiction of terms. The popular concept was that if it is business, then it cannot be ethical and if it is ethical at all, it does not represent business. Fortunately, there were people in the world, even at that time, significant people, who disagreed with this philosophy, the notable amongst them being our very own J.R.D. Tata and it is mainly due to the efforts of these significant people that Business Ethics has reached the proper place in business that is due to it. Ethics in Latin language is called =Ethicus'and in Greek, it is called =Ethicos'. In fact, this word has originated from =ethos'; meaning character or manners wrong conduct or action.

In the simplest terms, business ethics are moral principles that define right and wrong behavior in the world of business. The public interest groups and business organizations, as well as an individual's personal morals and values determine what constitutes right and wrong behavior in business. Ethics is thus said to be the source of morals; a treatise on this; moral principles; recognized rules of conduct. The character of a man is expressed in terms of his conduct. Ethics in business & management is gaining momentum day by day. In view of changing needs of customers, changing world, changing life style and technological innovations the market has become customer service oriented. Ethics are standards of moral conduct. To act in an ethical fashion is to conform to an accepted standard of moral behavior. Undoubtedly, virtually all people prefer to act ethically. It is easy to be ethical when no hardship is involved. The problem comes when it is the other way –Pressures build. These pressures arise in all occupations; marketing is no exception.

Marketing executives face the challenges of balancing their own interest in the form of recognition, pay and promotion with the best interest of consumers, their organization and society into a workable guide for the daily activities. The service sector has now surpassed the manufacturing sector in terms of contributor to GDP in developed, developing and under developed countries. Even though at present the portion of employment in manufacturing is higher than in service, the rate of growth is more rapid than in the former. Therefore in the future the expansion of business and opportunities of employment are more in service sector. Considering various consumer needs and changing structure of industry including India's entry into information age, the service sector is gaining significance. Service sector is very wide in its gamut, touches all human activities whether it is health, education, welfare, communication, travel, banking, professional services and insurances. The scope of service marketing is enormous.

4 I's of services- Intangibility, Inseparability, Inconsistency and Inventory characteristics differentiate services from the goods. Now the question comes – Do competitive pressures conflict with ethical consideration in services marketing? Ethical misconduct in service marketing-This can be attributed predominantly to service characteristic like intangibility, heterogeneity and inseparability. All these dimensions tend to increase consumer vulnerability and reliance on the service provider ethical conduct.

Significance of the Study - Till the past few decades, Business ethics was thought of as being a contradiction of terms. The popular concept was that if it is a business, then it cannot be ethical and if it is ethical, it does not represent the business at all. Thankfully, such thoughts are not prevalent any more. There are

examples galore where not only have ethical companies made profits, but more importantly, it is only ethical companies which discharged its social responsibilities have survived competition and turbulent changes through the years and have contributed to social welfare and have continued to flourish undiminished. Hence, today corporate houses and business leaders to the application of ethical practices in business dealings are giving more and more interest. Alignment with the global trends, Indian service sector has witnessed a major boom and is one of the major contributors to both employment and national income in recent times. The hard core of this research investigation is to address the various ethical issues/concerns in service sectors with a heavy focus on the buildup exercise pertaining to the concept of relationship through rigorous and vigorous empirical investigation.

The researcher has selected this topic due to changes taking place in the Service Industry and very less studies has been carried out in the field of ethics in service industry. Further, the study will pave its ways for showing the directions in resolving ethical dilemmas to the professionals, which ultimately will help in minimizing the unethical practices. The researcher has a firm belief and conviction that this build up exercise would create a new insight into the field of business ethics.

Problem Definition: Business ethics is now, more than ever, becoming an important requirement for doing business in the global market place. With the global business interest in India growing and Indian companies making aggressive moves in the global arena through growth, it is imperative that Indian companies must play by the rules of international business world. To remain competitive it is required by each service provider to have ethics in practice. Particularly, in a fast growing like services industry, applied research in ethical aspects of service sectors should focus on ethical practices, ethical climate and ethical codes of conduct, ethical policies, or relevant alienation factors. Therefore, a need is felt by the researcher to

study the ethical practices in service industry that would take it towards higher productivity and excellence in the quality of services along with profitability. Such research would indeed offer certain ways to devise a comprehensive ethical framework within various service sectors, to proactively function in the changing environment. Hence, the present work is titled, "Ethical Practices in Service Industry- A Study of Selected Service Units in Kolhapur District".

Objectives of the Study: In review of the introductory remarks and the discussions about the research topic, the study area and the study universe, the following have been set out as the objectives of the study. These objectives have helped to streamline the course of research process and emphasis on certain ideas related with issues of ethical practices.

In order to comply with present research endeavor entitled above, the following objectives have been considered-

1. To examine various ethical practices followed by selected services units.

2. To investigate the role of ethics in services.

3. To find out the functioning of service units with ethical practices.

4. To highlight unethical practices (if any) practiced by those selected service units.

5. To suggest ways and means to integrate ethics with service industry and ethical measures in order to minimize the unethical practices in the same field.

Hypotheses: Considering the nature of the study the researcher has laid down following statement of hypothesis to start with research inquiry:

1. Ethical Practices are not associated with the nature of the organization.

2. Medical Service Management and Ethical Practices are independent.

3. Higher Education Management and Ethical Practices are independent.

4. Banking Service Management and Ethical Practices are independent.

5. Insurance Service Management and Ethical Practices are independent.

Scope of the Study: The geographical scope of the present study covers the Kolhapur District. The topical scope covers the evaluation of the ethical/unethical practices followed by the Service Industry (Medical Services, Higher Education, Life Insurance sector and Banking Sector). The analytical scope covers the fulfillment of the objectives set out for the study. The functional scope is confined to offering certain meaningful recommendations for improving ethicalness of Services Industry in Kolhapur District.

The statistical methods adopted for the present are as follows- The data has been processed with MS-Excel and SPSS software Package 15.00. The Chi Square Test and Kolmogorov- Smirnov Test have been applied to test the hypotheses.

Limitations of the Study: There would be many constraints during the span of the study, which may affect the outcome and thus have to be taken into consideration. The present study has included urban and rural areas in its geographical scope. The spatio-temporal perceptions of individual service provider/ service consumer differ widely and may have accordingly influenced their responses to the interview questions. The findings returned on analyzing the empirical data in the study may, therefore have to be read against this backdrop, wherever necessary. 1. The study is restricted to Kolhapur district and hence findings are based on district data. 2. The study is carried out by opinion survey and hence some variation in reporting and of actual facts . 3. Use of limited techniques in data interpretation.

Methodology: The present study is unique in various aspects; so far, not much work has been carried out on Ethical practices in service industry with reference to Kolhapur District. The concept of ethics and values in business is gaining popularity all over the world. This research is an effort to understand the various ethical dimensions and issues involved in service industry. The typology or research according to the intent here is an exploratory research. For accomplishing the above stated objectives, collection of both primary and secondary data was called for.

Sources of Data Collection:

Primary Data: Primary data was collected through survey method by administering questionnaire. The four service sectors such as medical, education, banking and insurance sector were selected for the present research work. First hand primary information was collected through pretested questionnaire from the various significant stakeholders for each service area. There were total 16 questionnaires, out of which 4 questionnaires were framed for each service area and were administered. Each of the questionnaires consisted of eleven, Likert-type items. Each of the 11 items consisted of a declarative statement and a seven- category "strongly agree to "strongly disagree" rating scale; only the end points of the rating scale were labeled. Scale categories were labeled numerically from 1 to 7. Broadly four stakeholders of each service sector have been considered such as for medical service–doctors, patients, nursing staff and chemists. A cross-examining method was followed. For example to assess & identify the ethical/ unethical practices carried out by doctor's opinion of patients, nursing staff and chemists was elicited. The researcher had investigated 992 respondents and as each respondent has filled up three questionnaires, therefore in total the researcher had administered 2976 questionnaires. The detailed structure is displayed in the table 1.1.

Secondary Data: The researcher reviewed existing literature on service industry and business ethics. The review of literature is handled by referring to relevant published sources in academic libraries, seeking information on internet and by corresponding with people.

Table 1.1 Showing the Details about Structure of Research

Service Area	Stakeholders	No. of Respondents	No. of Questionnaire filled
Medical Services	a) Doctors	20	20*3=60
	b) Nursing Staff	60	60*3=180
	c) Chemists	100	100*3=300
	d) Patients	100	100*3=300
Higher Education Services	a) Governing Body Members	20	20*3=60
	b) Faculty Members	60	60*3=180
	c) Administrative Staff	100	100*3=300
	d) Students	100	100*3=300
Banking Services	a) Branch Manager	20	20*3=60
	b) Functional Level Managers	20	20*3=60
	c) Administrative Staff	100	100*3=300
	d) Customers	100	100*3=300
Insurance Services	a) Branch Manger	16	16*3=48
	b) Functional Manager	16	16*3=48
	c) Insurance Agents	80	80*3=240
	d) Customers	80	80*3=240
Total		**992**	**992*=2976**

Sample Design: The Stratified Quota Convenience sampling method was used for the present research study.

- **Stratified:** As mentioned above, the present study is divided into four service areas – banking, insurance, medical, and higher education services. Each service sector was further divided into various strata's according to its characteristics.

- **Quota:** The quota for various service sectors have been derived in consultation with the research guide and available field resources.

- **Convenience:** The questionnaires had been administered by the researcher's convenience and respondent's willingness to participate in the research. Further the 992 sample respondent rendering the primary data under this investigation were identified and out of each stratum convenient sample was drawn for each service area.

The following section explains the sampling design for each selected service area:

1. **Medical Services:** The stratified quota convenience sampling technique was used to select the doctors appropriate for the study. A quota of highly specialist 20 doctors from various fields such as Gynecologist, Orthopedic, Pediatric, ENT specialists, Physician, Dermatologists, Dentists and Ophthalmologist were selected from all the areas of Kolhapur city. Broadly 50% nursing staffs, 75% chemists and 50% patients of the each selected specialist doctor have been interviewed.

2. **Education Services:** learning education institutions in Kolhapur district have been divided into five strata (Professional Colleges (MBA/MCA), Law Colleges, Engineering Colleges, Medical Colleges and P.G. Degree

(M.Com, MA etc.). A representative sample of 20 various colleges were drawn out from the stratified universe. As described the details of the stake holders in the above table, here in Education sector about 40% faculty staff, 75% of administration staff and 15% students were approached to investigate the Ethical /Unethical practices in Higher Education

3. **Banking Sector:** A wide variety of banking units are in existence in Kolhapur district. Here, the researcher identified four stratums such as – Nationalized public banks, Nationalized private bank Colleges, Medical Colleges and P.G. Degree (M.Com, MA etc.). A representative sample of 20 various colleges were drawn out from the stratified universe. As described the details of the stake holders in the above table, here in Education sector about 40% faculty staff, 75% of administration staff and 15% students were approached to investigate the Ethical /Unethical practices, Urban Co-operative bank and Rural Co-operative bank. Five banks from each strata was meticulously selected and from each bank 40% Functional level manager, 25% sales dept. staff and 50% of the available customer were labeled for survey .

4. **Life Insurance Sector:** There are in all 16 Life Insurance Companies exist in Kolhapur district. Therefore, for this service area the researcher has studied 100% population. To make the research represent able and justifiable various stake holders of insurance sector such as 50% of the functional level, 25% of advisors/ agents and 50% of the available clients from each Life Insurance Company were interviewed.

Review of Literature: Taking a fundamentally critical approach to the subject of business ethics, Jones's book deals with the traditional material of ethics in business as well as introducing and surveying some of the most interesting developments in critical ethical theory which have not yet been introduced to the mainstream. **Larue** viewed Ethics of Management as-the determination of what is =right' and =proper' in the decisions and actions that affect other people. The researcher has given some alternative means of arriving at a decision when faced an ethical conflict like-Economic Analysis, Legal analysis, Ethical analysis etc. **Rituparna Raj** throws light on ethics and profitability by proving that business can be and have been ethical and still make profits. Boatright's comprehensive and balanced book gives a thorough treatment of the most prominent issues of business ethics and the major positions and arguments on these issues.

Mr. David J. Sharp has written cases in Business Ethics provides the opportunity for students not only to discuss the application of ethical theories in managerial situations, but also to apply judgment and make decisions in a real-world context. This collection of cases focuses on business decision- making and includes both short and long, more complex cases that highlight the practicalities of business practice and ethical theory. Kevin Coupe thinks a required ethics course at the college level is an absolute must only because it reinforces the importance of ethical behavior and creates historical and cultural context. In order to be ethical people, they need to have both a conscience and a backbone.

Tina S Sheldon, W Michael Hoffman explore the role of ethics in higher education by a number of government investigations abroad those have meted out multimillion dollar fines and penalties to higher education institutions and in some cases, suspension of federal research dollars. A paper by Samuel V Bruton describes a way of teaching the Golden Rule through a series of business-oriented examples intended to bring out is strengths and weaknesses. The method described also introduces students to some basic moral reasoning skills and acquaints them with a wide range of moral issues that arise in business.

Chris Amrhein's assumption that ethics is about doing the right thing and not being a

sleaze makes what passes for a discussion or class on "ethics" less than useless. Valid ethics training is not about telling you what to do in every situation. In the insurance business, much unexpected situations can arise.

According to Bella ethics means a set of principles of right conduct. In sales job, such as financial advisors (insurance agents) and property agents, there are a set of code of conduct and ethics to follow and adhere to. Wright Brianna has explained that insurance fraud refers to any act, which is committed with intent to deceptively receive payment from an insurer. As it is, Insurance frauds have existed since the start of insurance as a commercial endeavor. Deceitful claims account for a substantial portion of all the claims received by the insurers and cost a huge amount annually.

Coughlin and Kenneth M ask: What place do ethics occupy in a profit-making enterprise? Aren't ethics and the pursuit of profits always going to be at cross-purposes? In surveys asking Americans which professionals they trust, insurance agents and company officials regularly wind up near the bottom of the list, sandwiched between lawyers and politicians. Ronald F Duska states that Ethics is alive and well in the financial services industry.

Ravindran G D said that Medicine is one of the few professions that sets a code of behaviour for its practitioners. In the past the relationship between the doctor and patient was paternalistic. Today this has changed. Advancement of medical science and technology has made a tremendous impact on medical practice. Rising costs of medical care and scarce resources pose dilemmas to the practitioner of medicine.

Pandya Sunil K in his study, made it very clear that Moral principles are not unlike the sky marks used in celestial navigation: a position is determined and a course marked by reference to fixed points, suns, stars and planets. At the same time, the navigator must look, not only to the sky marks, but to visible landmarks and to the wind and waves... Principles alone do not lead to ethical decisions; decisions without principles are ethically empty." Chinoy R. F. has discussed about the ethics of relationships between doctors.Over the four- and- a- half-year span of medical training, students are extensively grilled on how to diagnose diseases and treat patients. The author further explored that the rules of conduct, which should guide his behaviour when interacting with his own professional colleagues, is hardly ever touched upon in the medical curriculum.

A research study by Menon N R Madhava found that It was towards the end of the last century that medical ethics assumed the character of a distinct discipline in India, attracting the attention of professionals from both law and medicine. What came out during the last two decades largely under the supervision of the Indian Council of Medical Research is a complex set of norms, standards and procedures, largely self-imposed and self-executed, which may conveniently be called the bioethics jurisprudence of India. Matthews has carried out a survey related to two of the most widely discussed models for dealing with issues of distributive justice in health care: market based approaches or social justice.

According to Bernald Night, People in need, in today's world, are the people we punish. Think about it for a minute, Doctors, when they finish their training, swear the Hippocratic oath, to protect human life above all else. Yet, when it comes to getting a job, employers use Doctors to determine the health, of a person, applying for the job, no job, no money to improve your health, no job, no life. What is the point of investing millions, billions of dollars, on machines, medications, research and health, if in the end, people can't afford it, money is the route of all evil, the care of human health, should not, rely on money. Murthy K K has focused the area of legal decisions related to medical negligence .An attempt to invoke religious in ethical dilemmas of our secular society has been made by Heifg

Milton d.and four factors are identified which must be considered in the evaluation of every ethical situation – non maleficence, freedom, common good and beneficence.

A case by Joseph K Wells presents an ethical conflict frequently faced by home health care providers, where they strive to best serve their clients' needs while navigating through complex financial coverage issues. Reiner has focused upon the impact of drug marketing on doctors' prescriptions has long been noted, but the effect on nurse practitioners has never been studied, until now. New research suggests that nursing practitioners may be influenced by pharmaceutical marketing without being aware of the effect it has on their treatment of patients and the prescriptions they write.

Kelly Moser asked do doctors only care about money. Unfortunately money is the primary reason many doctors are drawn to the profession. When money becomes the motivating factor in any career choice, the type of people drawn to that profession changes from individuals passion, about a career to business men, interested in creating wealth. . This is most disturbing in the health care profession, where the welfare of other people should be the professional's primary concern.

C Kendric Fergeson explore that Banking is one of America's most ethical professions. Late last year the Gallup organization asked the public what they think, in the survey company's annual survey of peoples' perceptions of the ethics of 23 different professions. One third of those surveyed (35%) rated bankers' ethical standards a combined "very high" or "high." It's important that every bank makes sure its code of ethics is clearly written and prominently displayed. Green says that companies do have ethical responsibility and are not protected by limited liability from the consequences of their actions. A company's record and the perception of its ethics affect its reputation and ensure long term success or failure. The financial community has a history of placing moral considerations above legal or opportunistic expedients. Bankers' role is one of stewardship based on trust. A research conducted by Ayfer Hortacsu, E Nur Ozkan Gunay highlights fiduciary dimension of the banking business creates a high potential for ethical violations and financial fraud leading to systemic crisis, regardless of national boundaries. In emerging markets, the lack of adequate legal and regulatory systems in the financial sector facilitates the exploitation of a free moral space. The moral integrity of bank managers, as guardians of others' money, is crucial to the sustainability of the system. This study aims to assess the ethicality of some banking practices as perceived by top bank managers in Turkey, an emerging market.

Karina Robinson says that Ethics for financial institutions are an amalgam of corporate governance, environmental policies, labour relations and a host of related topics. William W Streeter explains that the banks to have to rely on regulators to tell them the right thing to do make no sense. Not only is it demeaning to the many bankers who know very well how to keep their noses clean and their banks' reputations intact, but it just sets up the regulators with one more thing to review and grade.

Results and Discussions: The researcher has elicited opinions of respondents by offering various statements in the questionnaire consisted of Likert-type items. Each of the items consisted of a declarative statement and a seven- category "strongly agree to "strongly disagree" rating scale; only the end points of the rating scale were labeled. Scale categories were labeled numerically from 1 to 7. The 7 points rating scale reduces ambiguity and minimizes prejudices, gives a wider scope for expression of opinions. The data analysis has been divided into four sections.

Section (I) of Ethical Practices in Medical Services sought-ethical practices of doctors, ethical practices of nursing staff, ethical practices of chemists, and ethical practices of patients.

Section (II) of Ethical Practices in Higher Education Services comprised ethical practices of each of these stakeholders – governing body members, faculty members, administrative staff and students.

Section (III) of Ethical Practices of in Banking Services presented Ethical practices of Branch manager, Ethical practices of function level manager, Ethical practices of Administrative head and Ethical practices of customers.

Section (IV) of Ethical Practices in Insurance Sector explained the various ethical practices of each – Branch Managers, functional level manager, Insurance Agents and customers.

There were in all sixteen sets of respondents (four stakeholders from each service area) identified and for each set a separate questionnaire comprising 11 statements was framed. There were 16 questionnaires framed and one hundred and seventy six ethical/ unethical dimensions were identified based on various parameters relating to ethical/ unethical aspects of that particular services sector. These parameters were derived based on extensive review of literature on ethical aspects of service sectors, the codes of ethics declared by Medical Council of India, IRDA, IBA and UGC and were further shown to academic experts. The researcher also took the viewpoints of the customers on the selected dimensions through unstructured discussions.

Therefore, section (I) of Medical survey comprised a total of 44 statements highlighting Ethical Aspects, similarly Section (II), Section (III) and Section (IV) comprised a total of 44 statements touching on Ethical Aspects of Higher Education, Banking services and Insurance services respectively. The survey data about all the service sectors namely 1) Medical 2) Education 3) Banking and 4) Insurance have been tabulated separately for each set of respondents (in all 16 categories of respondents). In each table, a comprehensive presentation of mean score / percentile values rendered against each statement and interpretation offered. Graphs and charts have supported this analysis / interpretation, where appropriate the Chi Square Test and Kolmogorov- Smirnov Test have been applied to test the hypotheses.

Hypothesis Testing:

Null Hypothesis: H_{o1} : Ethical practices are not associated with the nature of the organization.

The Chi Square test has been applied on the above table at d.f.=18 and p=0.05.The tabulated value has been found $X^2_{0.05,18}$= 28.869, where as the calculated value marks at X^2_{cal}= 222.62.

Table 1.2 Opinion About Ethical Practices Followed

Opinion		Observed Number (Medical)	Observed Number (Education)	Observed Number (Bank)	Observed Number (Insurance)	Total
Highly Ethical	7	5	29	21	6	**71**
	6	11	46	35	14	**119**
	5	10	66	57	33	**165**
	4	34	64	35	46	**193**
	3	70	34	37	30	**181**
	2	85	21	29	31	**151**
Highly Unethical	1	65	20	26	32	**112**
Total		**280**	**280**	**240**	**192**	**992**

Now the calculated $X^2 = 222.62 > X^2\ 0.05,18$ therefore null hypothesis is rejected and we say that there is association between ethical practices and nature of the organization.

Hypothesis testing using KS test:

Section I H_{o2}: Medical Services Management and ethical practices are independent of each other.

As the calculated D exceeds the critical value of 0.0453, the null hypothesis that Medical Services Management and ethical practices are independent of each other is rejected and hence we establish an alternative hypothesis such Medical Services Management and ethical practices are dependent of each other.

Table 1.3 Medical Services Management and Ethical Practices

Opinion		Observed Number	Observed Proportion	Observed Cumulative Proportion	Null Proportion	Null Cumulative Proportion	Absolute Difference Observed and Null
Highly Ethical	7	5	0.017857	0.017857	0.143	0.143	0.395143
	6	11	0.039286	0.057143	0.143	0.286	0.228857
	5	10	0.035714	0.092857	0.143	0.429	0.336143
	4	34	0.121429	0.214286	0.143	0.572	0.357714
	3	70	0.25	0.464286	0.143	0.715	0.250714
	2	85	0.303571	0.767857	0.143	0.858	0.090143
Highly Unethical	1	65	0.232143	1	0.143	1.001	0.001

From the table it is found that the largest absolute different is 0.395 which is the value of Kolmogorov- Smirnov^2 D value. Here the critical value for a sample of 280 at an alpha of 0.05 is $1.36/\sqrt{n}$ that is, $D = 1.36/\sqrt{280} = 0.0813$.

Section II H_{o3}: Higher Education Management and ethical practices are independent of each other.

Table 1.4 Higher Education Services Management and Ethical Practices

Opinion		Observed Number	Observed Proportion	Observed Cumulative Proportion	Null Proportion	Null Cumulative Proportion	Absolute Difference Observed and Null
Highly Ethical	7	29	0.103571	0.103571	0.143	0.143	0.309429
	6	46	0.164286	0.267857	0.143	0.286	0.018143
	5	66	0.235714	0.503571	0.143	0.429	0.07457
	4	64	0.228571	0.732143	0.143	0.572	0.16014
	3	34	0.121429	0.853571	0.143	0.715	0.13857
	2	21	0.075	0.928571	0.143	0.858	0.07057
Highly Unethical	1	20	0.071429	1	0.143	1.001	0.001

From the table it is found that the largest absolute different is 0.309 which is the value of Kolmogorov- Smirnov2 D value. Here the critical value for a sample of 280 at an alpha of 0.05 is $1.36/\sqrt{n}$ that is, D= $1.36/\sqrt{280}$ =0.08127. As the calculated D exceeds the critical value of 0.309, the null hypothesis that Higher Education Management and ethical practices are independent of each other is rejected and hence we establish an alternative hypothesis such Higher Education Management and ethical practices are dependent of each other.

Section III H$_{o4}$: Banking Services Management and ethical practices are independent of each other.

From the table it is found that the largest absolute different is 0.3255 which is the value of Kolmogorov- Smirnov^2 D value. Here the critical value for a sample of 240at an alpha of 0.05 is $1.36/\sqrt{n}$ that is, D= $1.36/\sqrt{240}$ =0.0877. As the calculated D exceeds the critical value of 0.0877, the null hypothesis that Banking Services Management and ethical practices are independent of each other is rejected and hence we establish an alternative hypothesis such Banking Services Management and ethical practices are dependent of each other.

Section IV H$_{o5}$: Insurance Services Management and ethical practices are independent of each other

Table 1.5 Banking Services Management and Ethical Practices

Opinion		Observed Number	Observed Proportion	Observed Cumulative Proportion	Null Proportion	Null Cumulative Proportion	Absolute Difference Observed and Null
Highly Ethical	7	21	0.0875	0.1375	0.143	0.143	0.3255
	6	35	0.145833	0.35	0.143	0.286	0.05267
	5	57	0.2375	0.591667	0.143	0.429	0.041833
	4	35	0.145833	0.7875	0.143	0.572	0.044667
	3	37	0.154167	0.916667	0.143	0.715	0.055833
	2	29	0.120833	0.975	0.143	0.858	0.033667
Highly Unethical	1	26	0.108333	1	0.143	1.001	0.001

Table 1.6 Insurance Services Management and Ethical Practices

Opinion		Observed Number	Observed Proportion	Observed Cumulative Proportion	Null Proportion	Null Cumulative Proportion	Absolute Difference Observed and Null
Highly Ethical	7	6	0.03125	0.03125	0.143	0.143	0.38175
	6	14	0.072917	0.104167	0.143	0.286	0.18183
	5	33	0.171875	0.276042	0.143	0.429	0.15296
	4	46	0.239583	0.515625	0.143	0.572	0.05638
	3	30	0.15625	0.671875	0.143	0.715	0.04313
	2	31	0.161458	0.833333	0.143	0.858	0.02467
Highly Unethical	1	32	0.166667	1	0.143	1.001	0.001

From the table it is found that the largest absolute different is 0.38175 which is the value of Kolmogorov- Smirnov[2] D value. Here the critical value for a sample of 576 at an alpha of 0.05 is $1.36/\sqrt{n}$ that is, $D= 1.36/\sqrt{192} =0.0981$. As the calculated D exceeds the critical value of 0.0981, the null hypothesis that Insurance Services Management and ethical practices are independent of each other is rejected and hence we establish an alternative hypothesis such Insurance Services Management and ethical practices are dependent of each other.

Summary of the Findings: The above data analysis and interpretation can be summarized in the following table:

Table 1.7 Summary of the Findings

Type of Service Sector	Total Number of Respondents	Mean Score of Level of Agreement Regarding Ethics of Service Sectors	Rank Score(1=Highest Ethical and 4=Least Ethical)
Medical Services	280	2.610	4
Higher Education Services	280	5.05	1
Banking Services	240	4.078	2
Insurance Services	192	3.432	3

The researchers explored that the highest score as far as ethical practices in services sector concerned has earned by higher education services, followed by the banking services, whereas the insurance sector and the medical services found to be least following ethical practices in their periphery.

Recommendations: In this regards within the light of present study's findings the researcher is recommending the following suggestions:

I. Medical Services

• The attitude of the doctors towards the community should be changed. They should keep the main objective of the medical profession to render services to humanity with full respect for dignity of human being.

• Doctors should be encouraged to practice rational prescribing. The Medical Council of

India should introduce some award system like Best Ethical Doctor to motivate the doctors to be more ethical.

• In the practice of medicine, the doctor's charges should commensurate with the services rendered and the patient's ability to pay. The Medical Council of India should set some standards as guidelines for charging the fees to avoid discriminatory pricing.

• Doctors should observe all laws, uphold the dignity, honor of the profession and blow the whistle about illegal / unethical conduct of the fellow members of the profession.

A word of caution is that the practitioner who blows the whistle should follow the proverb, "Practice what you preach."

• Regulatory authorities at the state level should be properly empowered to ensure the standards of medicines and services offered at diagnostic laboratories.

• With the due help of government of India (local, state and national) and social servers, medical profession should safeguard the public against those practitioners deficient in moral character or professional competency.

• Government should organize society awareness camps in which the public should be educated regarding the symptoms of the various common diseases and provide the laboratory tests for the particular diseases.

- The working of the Government hospitals should be monitored by the external agencies (e.g. Rotary club, Lions club etc.) periodically to ensure smooth and efficient working.

- The Medical Council of India should not work as a merely registering body but should use all of its power to regulate, monitor, control and guide against moral or ethical misconduct.

- The physician, engaged in the practice of medicine should give priority to the interests of patients. The personal financial interests of a physician should not conflict with the medical interests of patients. A physician should announce his fees before rendering service and not after the operation or when treatment is under way.

- The physician should neither exaggerate nor minimize the gravity of a patient's condition. He should ensure himself that the patient, his relatives or his responsible friends have knowledge of the patient's condition and should serve the best interests of the patient and the family.

- Physicians being good citizens, possessed with special training should disseminate advice on public health issues. They should play their part in enforcing the laws of the community and in sustaining the institutions that advance the interests of humanity. They should particularly co-operate with the authorities in the administration of sanitary/public health laws and regulations.

- On no account, sex determination test shall be undertaken with the intent to terminate the life of a female fetus developing in her mother's womb, unless there are other absolute indications for termination of pregnancy as specified in the Medical Termination of Pregnancy Act, 1971.

- Encourage Medical Universities to establish chairs and departments of Medical Ethics to develop the subject in the country.

- Start Master's degrees in medical ethics. Encourage more clinicians to become ethics teachers. This would, hopefully improve the standard of ethics practice and there will be better role models for students to follow.

- Provide additional incentives for faculty who are involved in teaching ethics either in monetary terms or in terms of career advancement.

- There is a dearth of articles on medical ethics from the point of view of Indian philosophy. Research has to be undertaken to identify and interpret Indian philosophy as it relates to medical ethics.

- "Self help is the best help," keeping this in mind, society should educate itself against exploitation and stand up for their rights.

II. Education Services

- Education system should be based more for welfare and improvement of the society than profit making.

- The educational institutions should be more transparent and follow the rules and regulations of higher authorities.

- The prime requirement of an education sector is the quality aspects. However, due to today's cut-throat competitive environment, if quality is not adhered to; survival would be at stake. To create and maintain the quality of the service, the service providers should be very qualitative; hence recruitment of the teaching & non-teaching staff should be purely as per norms.

- The administration of Universities needs to be modernized and the procedures rationalized to ensure that delay in admissions, conduct of examinations and declaration of results etc., are eliminated.

- "Performance Audit" within the institution must be instituted forthwith, to appraise the institution of its own shortcomings and possibilities of its improvement.

- Great efforts are required to ensure clarity of role and functions of University Authorities and reduction in their over-lapping functions.

- The higher education institutes should try to keep themselves aloof from the politics as it affects varied areas of the recruitment procedures, admission criteria and manipulated results or otherwise.

- The role of the University as a centre of creation and dissemination of knowledge must be preserved and protected. Similarly, the collegiate system should be more effective to meet the demands for Higher education, better management of research and extension and for grievances re-dressal machinery.

- Some quite crucial parameters which help the institutes to maintain the ethical environment such as ethical promotional activities, to accommodate optimum number of students and fair payment to the teaching and non-teaching staff should be adopted.

- Teachers should seek to make professional growth continuous through study and research, perform their duties in the form of teaching, tutorial, practical and seminar work with full dedication and also maintain active membership of professional organizations and strive to improve education and profession through them.

- Teachers are the role model for the student's fraternity therefore; they should deal with the higher learning students as mentors, facilitators and councilor. There should not be any partiality in their treatment along with adhering to the conditions of the job contract.

- Teacher should take the teaching as their prime responsibility before engaging in other activities.

- The faculty members of any institution must co-operate with the authorities and work with synergy.

- Administrative Staff should cooperate with teaching staff and students and should not delay the work.

- To improve faculty adherence to ethical principles, faculty and administrations need to (1) better articulate and codify the norms of professional behavior; (2) more explicitly socialize graduate students about the profession and its ethical obligations; (3) increasingly provide incentives for teaching [and research] behavior that is consistent with the standards of the profession; and (4) when necessary, impose sanctions for violations of those standards. Undergraduate and graduate students need to be made more aware of the expectations for their behavior as well as the consequences of the failure to meet those expectations.

- To encourage the participation of traditionally underrepresented groups, higher education needs to change its mindset about who it services. Moreover, higher education must realize that achieving a significant increase of students from traditionally underrepresented groups necessitates a cultural shift in messaging about higher education. The smooth running of the education institute depends upon the committed and dedicated faculty as well as the non-teaching staff. The administrative staff should maintain and update all the records, complete the tasks without involving into any sort of conflicts and never take bribe for the completion of work.

- The future of our nation depends upon the youth of today, therefore it is very much essential that the students should take their higher education very seriously and try to utilize their time effectively and efficiently.

- There must be codes of conduct and ethics for the post graduate students, which should be formulated by the university centrally and further by the individual institutes as per their requirements.

- The research has concluded that students have the tendency to use some unethical

means to get through the examinations. To correct this scenario there must be some improvement and restructuring in the pattern of the examinations such as instead of evaluating the students only based on final theory exams. There must be continuous assessment for all the subjects throughout the year along with both oral exams and practical examinations.

- The political parties should work out for themselves and adhere to a code of conduct, ensuring that the student community is left completely free to engage itself in study, research and other co curricular and related activities and is not drawn into action politics.

- There must be Parent –Teacher Association through which parents can find out the real situation of their wards in terms of their performance, class attendance and results.

- In today's busy schedules, parents are not able to give proper time to their children and totally depend upon the institutes and the faculty. Nevertheless, parents should not forget that their role is equally important for the development of their children along with the education institutes.

- The higher learning education institutes should provide the facility for communication with the parents such as email, fax etc.

- Strategies should be devised to improve the motivation of the entire community of teachers, who form the backbone of the University System.

- A System of the assessment of teachers' performance must be evolved and implemented by Universities, ensuring modalities for recognition of creative and innovative work.

- Appropriate machinery for quick re-dressal of grievance [Teachers, Students and Non-Teaching Staff] must be created / improved in all Universities and Colleges.

- The maintenance of discipline amongst the students and to keep the undesirable elements under control is the responsibility of the Vice-Chancellor and the University administration, and no interference should be allowed in this field.

- The political parties should work out for themselves and adhere to a code of conduct, ensuring that the student community is left completely free to engage itself in study, research and other co curricular and related activities and is not drawn into action politics.

- To encourage the participation of traditionally under-represented groups, higher education needs to change its mindset about who it services. Moreover, higher education must realize that achieving significant increases of students from traditionally underrepresented groups necessitates a cultural shift in messaging about higher education.

- Higher education needs a marketing campaign unlike any ever seen. This campaign will utilize popular culture, music, television, video games, radio and fashion as a means of reaching potential students and communicating how to get into college. The plan must employ unconventional marketing strategies for higher education. Instead of brochures and the college fair approach, this new social marketing strategy must create knowledge that gets people talking and changing their behavior. If successfully employed, these approaches will help higher education.

III. Banking Services

- The first essential is for the bank itself to be clear about the key ethical values to which it subscribes. It then needs to ensure that the organization and the employees act in accordance with these values. This can be done through the adoption of codes of conduct.

- CRM (Customer Relation Management) plays a very important role in service

industry. All the banking institutions must maintain healthy relations with their customers.

- Trust is the main pillar for any bank; therefore, the bankers should generate, develop and maintain the trust among all the stakeholders.

- The higher authority should introduce internal regulations requiring that their employees look neat and clean in conformance with the reputation of the banking profession and with the awareness that they represent their banks.

- Create a unified regulator, distinct from the central bank of the country in a phased manner to overcome supervisory difficulties and reduce compliance costs.

- Improve corporate governance primarily by increasing board independence and accountability.

- Accelerate the creation of world class supporting infrastructure (e.g., payments, asset reconstruction companies (ARCs), credit bureaus and back-office utilities) to help the banking sector focus on core activities.

- Enable labour reforms focusing on enriching human capital, to help public sector and old private banks become competitive.

- The Code of Banking Ethics should be introduced, executed and enforced by the whole team of the banks.

- Banks should make the system of providing the loan in very smooth, transparent and faster manner than in practice.

- Banks should take all measures in order to prevent the use of insider information for the trading purposes.

- The terms/ conditions about the banking norms should be clearly mentioned and typed so that the customers can be well versed with those before entering into the banking transactions such as housing loan etc.

- There should not any gaps between the claims (while promoting the products) & actual offers of the products as well as the actual job profile and the written job profile of the employees.

- Bank employees should not involve in relations with the customers such as borrowing lending, being guarantor and opening joint accounts with the customers and should not demand any type of gift or bribe from the customers.

- Bankers should take wholehearted efforts to understand the specific needs of the customers & give individual attention to customer's benefit, convenience & profit.

- The violation of ethical principles in banking occurs when the lenders take too much risk, trying to find a loophole that allows them to approve more loans. Strict adherence to the law and regulations in the field of banking makes it possible to grant loans to all the qualified clients in a fair way. The bank should have a restrictive attitude towards loan applications that could be used to finance new risky investments and thus avoid possible inflation tendencies.

- Public sector banks need to fundamentally strengthen institutional skill levels especially in sales and marketing, service operations, risk management and the overall organizational performance ethics. The last i.e. strengthening human capital will be the single biggest challenge.

- Old private sector banks also need to have fundamentally strengthen skill levels. However, even more imperative is their need to examine their participation in the Indian banking sector and their ability to remain independent in the light of the discontinuities in the sector.

- New private banks could reach the next level of their growth in the Indian banking

sector by continuing to innovate and develop differentiated business models to profitably serve segments like the rural/low income and affluent/HNI segments; actively adopting acquisitions as a means to grow and reaching the next level of performance in their service platforms.

- Attracting, developing and retaining more leadership capacity would be a key in achieving this and would pose the biggest challenge.

- Banker should not accept any other responsibility or position in any private and public organization other than associations, foundations, cooperatives and similar organizations.

- The customers of any banks should also be honest and transparent with their banks regarding the disclosure of personal information, assets, income level and the investment portfolio.

- Now a Day the credit card facility is provided by various banks which is helpful for the customers but the customers should be very careful in using and repaying the same.

IV. Insurance Services

- It is observed that Insurance Management puts some unrealistic targets, which becomes the main reason of unethical selling of insurance products. Therefore, it is expected from the top management of Insurance sector to decide the realistic sales target and let the sales team perform the job as per their caliber.

- The role of HR department is very crucial in the Insurance sector. Therefore, all the insurance companies should frame and implement strong HR policies which would help the employees and the customers to work with loyalty and transparency.

- The Products Brochures are prepared to provide the required information as per

standard norms of the apex body and IRDA to the common public. Therefore, those brochures should be designed accurately and correctly.

- The concept of tele-selling is a part of the new marketing strategies in the 21st century to facilitate the customers to carry out the necessary transactions conveniently, but the employees must take care that the facility should not convert into any trouble or disturbance to the customers.

- The CRM should be at the top most priority of the Insurance management.

- Insurance Advisors/Agents should work as the intermediaries and should be very transparent about the insurance services and should not hide the extra charges (allocation charges, fund manager charges etc.)

- The customer's interest should be at the top most priority for the agents and they should be available to the customers not only till the time of policy issued but also after that in case, the customers have any problems related to the settlement of the claims.

- One should listen to the existing Life Insurance Policy Holders as well as the potential Life insurance policyholders and listen to what people who actually matters have to say. One common problem that the insured persons face is that the insurance companies do not inform its clients about the hike in the premium rates. These things should be kept in mind, a client should be informed about everything related to his policy and the Life insurance company should keep the transparency as much as possible.

- It is the prime responsibility of the advisor/agents to inform the customers about all the available policies and plans so that they can make better choice.

- To achieve ethical levels in Insurance sector, the service consumers also have to contribute from their end in terms of being

transparent about their risky occupations, consumptions habits, any sexually disorder, total investment portfolio etc.

- A Life Insurance Company should not charge different Life insurance client different charges for the same policy. This kind of policy gives the Life insurance policyholders the feeling that they are being treated unfairly and that the Life insurance companies are only looking for profits and not the betterment of customer welfare.

- The policyholders should be aware and alert enough for the settlement of the claim as well as the rules and regulations of the policy so that the agents cannot exploit them.

- When a Life insurance claim is filed, especially for a very big hefty amount, the Life insurance Company should help the policyholder in processing out the paperwork. One should not let bureaucracy enter and make it so difficult for the one making the claim so that he gives his claim. This has always been a common tactic on the insurance company's part to avoid paying claims claimed by the policyholder. This though makes a short term profit for the company but it hurts in the long run as the reputation of the company is hampered severely.

- People in this Life insurance industry should always try to keep in constant contact with the existing customers as well. The competition in the insurance market is so fierce today that no company wants to loose out on a customer to another company. Clients who are not contacted for a longer period normally fail to remain loyal to the insurance company and look for a different Life insurance company. The company can keep the records of the client's birthday and days like anniversary and sent him or her small tokens of love or loyalty at a regular basis. If the company can afford a little more it can send dinner coupons to the Life insurance policyholder. These things play a major role and can be considered as an effective Life Insurance Marketing strategy.

- The most crucial thing in insurance marketing is to always speak about unity and honesty while dealing with a business. A Life Insurance Holder can find so many frauds in various life insurance companies today by way of media, internet or self experience of life insurance customers. Feeling safe is about insurance and other things are most important as far as the insurance holder is concerned. Therefore, if a company remains loyal to its customers it will do Life Insurance Marketing for itself. So, only by remaining loyal to its customers the company can do a world of good to its reputation and this would in itself bring more potential Life Insurance Holders to the company, because the customers prefer safety more than anything else these days.

- Ethics in marketing mix should be executed in all the service area (Medical, Higher Education, Banks and the Insurance sectors), Customers and Change complement each other and service marketers have to be ever ready to respond to them in the appropriate manner.

Business Ethics Model: Indian businesses that want to endure, grow and make good profits in the global marketplace over the long haul have no option but to proactively implement benchmark ethical business practices, which in turn will enable them to achieve market trust and excellent reputation. The task of building an ethical corporate culture by bringing about organizational values and individual principles to life is a challenging process. Merely implementing legal- compliance- based programme that prevents, detects and punishes legal and regulatory violations do little to tackle the problems that trigger unethical conduct. It is necessary to have a well-thought-out strategy for legal compliance approach and combining it with a value based approach to implement a strong ethics programme in organizations.
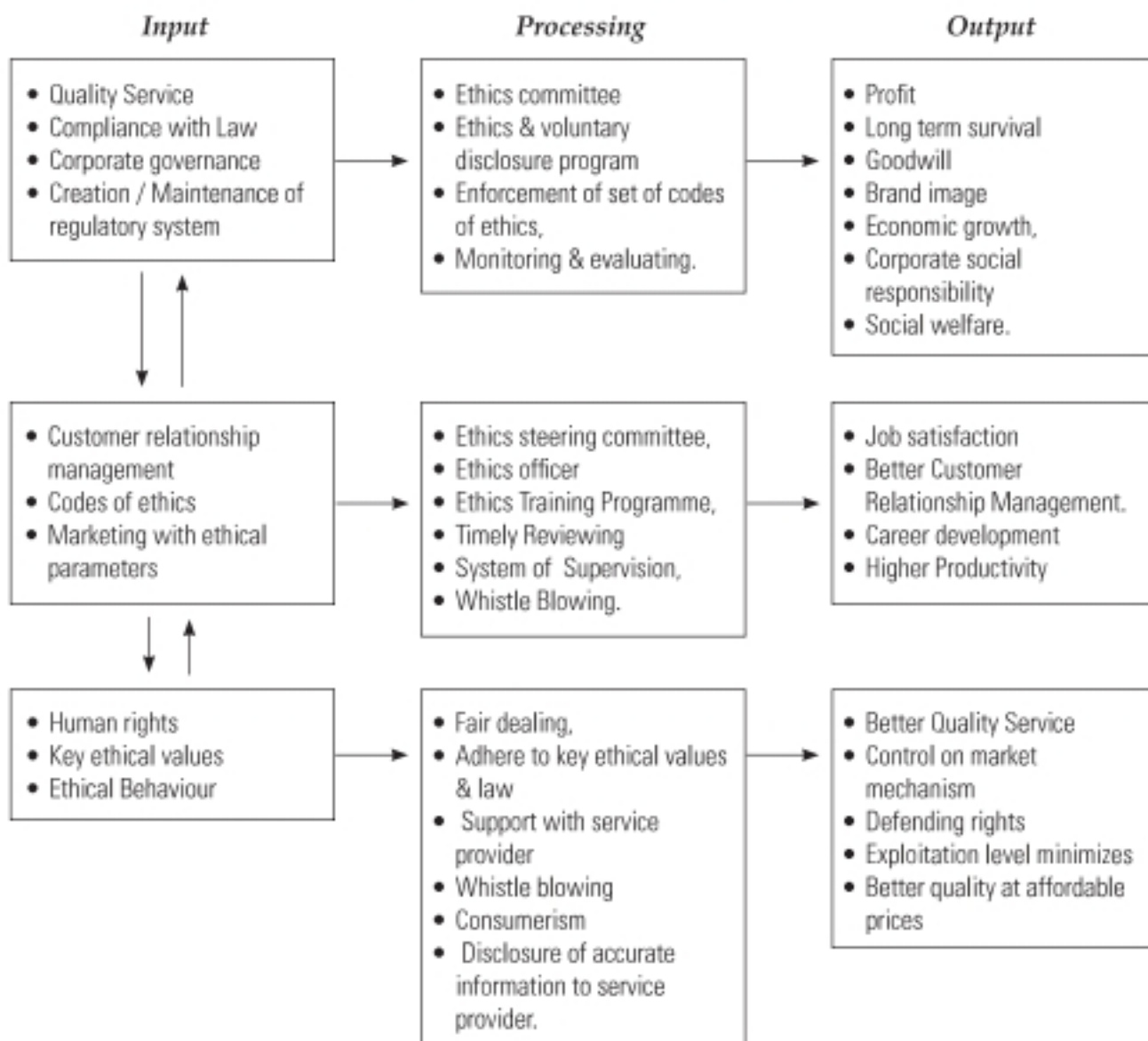
An ethics programme designed on a value-based approach inspires moral commitment and ethical behavior in accordance with a set of

guiding principles. Perhaps the most important thing to remember about ethics is that ethical behavior has to be practiced by the employees throughout the company. They need to make ethically sound decisions on a day-to-day basis. Ethical awareness and thinking must become part of the organization's work culture. The researcher has made a modest attempt to develop a Business Model for implementing ethical infrastructure, maintaining ethical culture and improvising existing ethical practices in services organization.

(Model developed by the researchers based on their research experience)

The above-mentioned model is self-explanatory. The model consists of (3*3-total 9 cells) in three columns like: Input, Processing and Output and three rows such as: upper level for top management of service organizations, middle level for service provider intermediaries and bottom level is designed for service consumers. The model is further explained for banking services in the following paragraph:

Business Ethics Model for Service Organization

Input   *Processing*   *Output*

Input	Processing	Output
• Quality Service • Compliance with Law • Corporate governance • Creation / Maintenance of regulatory system	• Ethics committee • Ethics & voluntary disclosure program • Enforcement of set of codes of ethics, • Monitoring & evaluating.	• Profit • Long term survival • Goodwill • Brand image • Economic growth, • Corporate social responsibility • Social welfare.
• Customer relationship management • Codes of ethics • Marketing with ethical parameters	• Ethics steering committee, • Ethics officer • Ethics Training Programme, • Timely Reviewing • System of Supervision, • Whistle Blowing.	• Job satisfaction • Better Customer Relationship Management. • Career development • Higher Productivity
• Human rights • Key ethical values • Ethical Behaviour	• Fair dealing, • Adhere to key ethical values & law • Support with service provider • Whistle blowing • Consumerism • Disclosure of accurate information to service provider.	• Better Quality Service • Control on market mechanism • Defending rights • Exploitation level minimizes • Better quality at affordable prices

Business Ethics Model for Banks

1. **Input:** The Owner /Board members / Branch Manager of the bank who intend to implement the business ethics model in their banks have to provide quality services in compliance with law. Corporate governance has to be incorporated and practiced in the bank. Along with this, regulatory environment has to be appropriately maintained. Proper formulation of codes of ethics has to be done by top management and execution of the same by the middle level management employees along with the CRM tools. Service providers as well as consumers are advised to follow some universal key ethical values, rules and regulation.

2. **Processing:** It is also necessary to have policies and procedures designed to ensure compliance with the standards specified in the code of conduct. The top-level management of the bank needs to appoint an ethics committee and ethics steering committee. The ethics committee should comprise of Board members, top management and representatives from the middle level management, whereas the ethics steering committee should be composed of middle level management along with one external ethics advisor/ advocate. The top management should voluntarily disclose ethics programme and also frame a mechanism with respect to the codes of ethics, for e.g. circulate the written codes of conduct frequently among the employees, set examples by practicing ethics in front of the employees, some reward-punishment system for the employees for following codes of ethics. Codes of conduct and the means to enforce them are important tools. Whistle blowing should be encouraged and proper support system should be established to support those whistle blowers. It is advised to all Indian organizations to have a post for ethics officer, whose main responsibility would be to implement and review ethics in organization; a word of caution is that the officer must follow ethics. As researcher has observed and found during her research that it is service consumers, who are also responsible for some unethical practices, which exist in service organizations. Therefore, customers also have to contribute to maintain level of ethics in organization: such as transparency in disclosure of information, adhering to ethical values and norms, customers must be aware of their rights and blow whistle whenever required.

3. **Output:** If all the stated input parameters are put in the processing cycle, the desired output would be a win-win situation for service providers as well as service consumers. The expected results would be: the bank would be profitable with brand image, long-term survival and also its esteem reputation in the society. The middle level management would have better job satisfaction, effective CRM and high job/ career prospects, which would lead to a higher productivity. The customers would get better quality services at fair price. The delighted customers would have stake and voice in the market mechanism and the level of exploitation would be minimized.

Banking ethics and profitability are not mutually exclusive, but being an ethical bank does sometimes mean that they maintain their moral rigor at the cost of profitability. This increases the need for organizations to adhere to a strong set of values to steer them through the minefield of ethical choices with which they are faced as they make business decisions. It is also necessary to ensure that the behavior of the organization is in practice aligned with these values and that employee's buy into them, so that the organization actually practices what it preaches. Consumers judge the ethical standards of institutions by the way in which they treat them and also their staff. Thus customer and employee relations are key elements in a bank's operations. One of the chief ways in which we can involve the

employees in the work of the bank is to get them involved in the ethos of the organization. It does not matters, whether they are on the counter or in line or staff management, all should be involved. In particular, they should talk about the ethics of their organization so that it is under relevance to the circumstances in which they work.

Conclusion: The study on ethical practices in service industry helps to know the various ethical issues and unethical practices those exist at various services sectors. High ethical standards in service organizations are neither a luxury nor an abstract idea. Rather they are a vital aspect of protecting and enhancing the brand image and ensuring long-term business survival.

It is noted in the present research that service provider as well as service consumers both were involved in some of the unethical practices. Therefore, to establish ethical infrastructure at service sectors, the joint responsibilities from both sides have to be discharged. Behaving ethically is not only the right thing for institutions to do; it also makes sound business sense.

As Michael Hackworth, chairperson of the Board of Cirrus Logic Inc., USA points out, "If trust and good ethics are important today, they will be even more crucial in the future. Because of phenomena such as the emergence of a global perspective in all of our institutions and because of the ubiquitous, instant and anonymous communication afforded by the internet, unethical excesses can be easily exposed and disseminated at little or no cost. No longer can leaders prosper at the expense of the common good while they hide behind the barriers of language, geography, or cover-up tactics. In this interconnected world, only ethical leaders and companies will survive." The world needs to initiate a fundamental review of its institutions. That is, we need to return to the ethical roots of society and the economy that is supposed to serve its interests.

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Ethics of Data Mining

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Data mining is used for a variety of purposes in both the private and public sectors. Industries such as banking, insurance, medicine, and retailing commonly use data mining to reduce costs, enhance research, and increase sales. Traditionally decision makers were dependent on gut feeling for decision, but today it is supported by data. Data Mining can support decision makers and provide deeper insight into data and is mainly used to extract hidden pattern from mountain of data. . Recently data mining has been used by government officials, intelligence agencies, and law enforcement. The process of generating rules through a mining operation becomes an ethical issue, when the results are used in decision-making processes that affect people or when mining customer data compromises the privacy of those customers. This chapter highlights both the positive and negative aspects of Data mining specifically, the ethical implications of Data Mining.

Introduction

With the dramatic growth of powerful computing and communication technologies lots of data produced can be stored, manipulated, and utilized more easily and effectively. Decision makers thirst for answers to questions:

• Which customers are most likely to respond positively to a marketing campaign, product price change or new product offering?

• How will the competitor react?

• Which loan applicants are most likely or least likely to default?

Decision makers no longer have the luxury of making decisions based on gut feeling or intuition. Decisions must be supported by data; otherwise decision makers can expect to be questioned by stockholders, business partners etc. Data mining is the process of discovering and interpreting meaningful,

previously hidden patterns in the data. The process of generating rules through a mining operation becomes an ethical issue, when the results are used in decision-making processes that affect people or when mining customer data unwittingly compromises the privacy of those customers.

Data mining, being a technological artifact, is worthy of study from an ethical perspective due to its increasing importance in decision making, both in the private and public sectors. Before discussing the ethical issue it will helpful to understand the concept of Data Mining and why data mining is so popular?

Objective

- The purpose of this chapter is to expose the reader to provide insight into how professionals and businesses may protect themselves from the negative ramifications associated with improper use of data.

- The more exposure to ethical, concerns with respect to Data Mining, the better prepared one will be to prevent from trouble down the road.

What is Data Mining?

Data mining has been defined in many ways by different authors because it sits at the interface between statistics, computer science, artificial intelligence, machine learning, database management and data visualization. The definition changes with the perspective of the user.

According to the *Gartner Group*, "Data mining is the process of discovering meaningful new correlations, patterns and trends by sifting through large amounts of data stored in repositories, using pattern recognition technologies as well as statistical and mathematical techniques."

According to *Hand et. Al.* "Data mining is the analysis of observational data sets to find unsuspected relationships and to summarize the data in novel ways that are both

understandable and useful to the data owner"

According to *Evangelos Simoudis in Cabena et al.* "Data mining is an interdisciplinary field bringing together techniques from machine learning, pattern recognition, statistics, databases, and visualization to address the issue of information extraction from large data bases".

According to *Benoît,* "Data mining (DM) is a multistage process of extracting previously unanticipated knowledge from large databases, and applying the results to decision making. Data mining tools detect patterns from the data and infer associations and rules from them. The extracted information may then be applied to prediction or classification models by identifying relations within the data records or between databases. Those patterns and rules can then guide decision making and forecast the effects of those decisions".

Here is a more complete definition of data mining:

"Data mining is the process of selection, exploration, and modelling of large quantities of data to discover regularities or relations that are at first unknown with the aim of obtaining clear and useful results for the owner of the database."

Data mining is not just about the use of a computer algorithm or a statistical technique; it is a process of business intelligence that can be used together with what is provided by information technology to support company decisions

Why Data Mining?

Data mining is used for a variety of purposes in both the private and public sectors Industries such as banking, insurance, medicine, and retailing commonly use data mining to reduce costs, enhance research, and increase sales.

- The insurance and banking industries use data mining applications to detect fraud and assist in risk assessment (e.g., credit scoring).

- Companies can develop models through the database collected by them over several years that predict whether a customer is a good credit risk, or whether an accident claim may be fraudulent and should be investigated more closely.

- The medical community sometimes uses data mining to help predict the effectiveness of a procedure or medicine.

- Pharmaceutical firms use data mining of chemical compounds and genetic material to help guide research on new treatments for diseases.

- Retailers can use information collected through affinity programs (e.g., shoppers' club cards, frequent flyer points, contests) to assess the effectiveness of product selection and placement decisions, coupon offers, and which products are often purchased together.

- Telecommunication service providers and music clubs can use data mining to create a "churn analysis," to assess which customers are likely to remain as subscribers and which ones are likely to switch to a competitor.

- In the public sector, data mining applications were initially used as a means to detect fraud and waste, but they have grown also to be used for purposes such as measuring and improving program performance.

- Federal government used data mining tools and recovered millions of dollars in fraudulent Medicare payments.

- The Justice Department has been able to use data mining to assess crime patterns and adjust resource allotments accordingly.

- The Department of Veterans Affairs has used data mining to help predict demographic changes in the constituency it serves so that it can better estimate its budgetary needs.

- Another example is the Federal Aviation Administration, which uses data mining to review plane crash data to recognize common defects and recommend precautionary measures.

- Homeland security cited data mining as an important tool for identifying terrorist activities, such as money transfers and communications, and to identify and track individual terrorists themselves, such as through travel and immigration records.

Limitations of Data Mining

The limitations of data mining are primarily data or personnel related, rather than technology-related.

- Data mining software are very powerful tools but they are not self sufficient applications. To be successful, data mining requires skilled technical and analytical specialists who can structure the analysis and interpret the output that is created.

- Data mining can help reveal patterns and relationships, it does not tell the user the value or significance of these patterns. These types of determinations must be made by the user.

- The validity of the patterns discovered is dependent on how they compare to "real world" circumstances. For example, to assess the validity of a data mining application designed to identify potential terrorist suspects in a large pool of individuals, the user may test the model using data that includes information about known terrorists. However, while possibly re-affirming a particular profile, it does not necessarily mean that the application will identify a suspect whose behavior significantly deviates from the original model.

- Data Mining can identify connections between behaviors and/or variables; it does not necessarily identify a causal relationship. For example, an application may identify that a pattern of behavior, such as the propensity to purchase airline tickets

just shortly before the flight is scheduled to depart, is related to characteristics such as income, level of education, and Internet use. However, that does not necessarily indicate that the ticket purchasing behavior is caused by one or more of these variables. In fact, the individual's behavior could be affected by some additional variable(s) such as occupation (the need to make trips on short notice), family status (a sick relative needing care), or a hobby (taking advantage of last minute discounts to visit new destinations).

Issues related to Data Mining

There are various issues related with data mining. Some of the issues are as follows:

Privacy Issue: this is one of the key issues which are not related to business or technological, but a social one. It is the issue of individual privacy. Data mining makes it possible to analyze routine business transactions and glean a significant amount of information about individuals buying habits and preferences.

Data Integrity Issue: A key implementation challenge is integrating conflicting or redundant data from different sources. For example, a bank may maintain credit cards accounts on several different databases. The addresses (or even the names) of a single cardholder may be different in each. Software must translate data from one system to another and select the address most recently entered.

Relational database structure or a multidimensional one: The technical issue is whether it is better to set up a Relational database structure or a multidimensional one. In a relational structure, data is stored in tables, permitting ad hoc queries. In a multidimensional structure, on the other hand, sets of cubes are arranged in arrays, with subsets created according to category. While multidimensional structures facilitate multidimensional data mining, relational structures thus far have performed better

in client/server environments. And, with the explosion of the Internet, the world is becoming one big client/server environment.

Cost: The more powerful the data mining queries, the greater the utility of the information being gleaned from the data, and the greater the pressure to increase the amount of data being collected and maintained, which increases the pressure for faster, more powerful data mining queries. This increases pressure for larger, faster systems, which are more expensive.

Data quality: It is a multifaceted issue that represents one of the biggest challenges for data mining. Data quality refers to the accuracy and completeness of the data. Data quality can also be affected by the structure and consistency of the data being analyzed. The presence of duplicate records, the lack of data standards, the timeliness of updates, and human error can significantly impact the effectiveness of the more complex data mining techniques.

Interoperability: It refers to the ability of a computer system and/or data to work with other systems or data using common standards or processes. For data mining, interoperability of databases and software is important to enable the search and analysis of multiple databases simultaneously, and to help ensure the compatibility of data mining activities of different agencies.

Ethical Issues

Ethics are standards of conduct that are agreed upon by cultures and organizations. According to Supreme Court Justice Potter Stewart *"Ethics is the difference between ethics and laws as knowing the difference between what you have a right to do and what is right to do."*

Today Internet is the indispensable part of daily lives, knowingly or unknowingly, consumers disseminate personal data for example Credit and debit card transactions, ATM visits, Web site browsing and purchases, use of mobile

phone etc. all generate data downloaded for analysis and customer profiling. Collectors may use this data to enhance customers' experience, but may also share information with marketers more focused on customer acquisition.

Organizations collect enormous amount of data from various touch points such as cash registers, bar code sweeps, surveys, inventory reports, Web hits, registration cards, and so on. Organizations collect the data and perform data mining to gain some useful information that gives businesses a competitive edge. It is the ethical obligation of any information systems professional, to act in a socially and ethically responsible manner because whatever means he or she finds out that the data that he or she has been asked to gather or mine is going to be used in an unethical way for example There are suites of ethical issues that arise in data mining. If it is learned or inferred from a database that Ms. Pinki prefers Blue Maxi, it might be the case that her privacy has been violated. But if it is learned or inferred that she has HIV, the stakes are altogether different. This pattern extraction from data base can violate the privacy of customers and users if not handled properly.

The common blunders that a data miner may cause, resulting in potential ethical dilemmas, are (Skalak, 2001):

- Selecting the wrong problem for data mining.

- Ignoring what the sponsor thinks data mining is and what it can and cannot do.

- Leaving insufficient time for data preparation.

- Looking only at aggregated results, never at individual records.

- Being nonchalant about keeping track of the mining procedure and results.

- Ignoring suspicious findings in a haste to move on.

- Running mining algorithms repeatedly without thinking hard enough about the next stages of the data analysis.

- Believing everything one is told about the data.

- Believing everything one is told about your own data mining analyses.

- Measuring results differently from the way the sponsor will measure them.

These blunders are hidden ethical dilemmas faced by those who perform data mining. Traditional issues in computer ethics include privacy and workplace monitoring, hacking, intellectual property, and authentic users. The ability to make ever-more-fine-grained inferences from very large databases increases the importance of ethics in data mining.

Which is more important: Privacy or Security (Ethical Dilemma)?

Businesses have long used data mining. However, recently, governmental agencies have shown growing interest in using "data mining in national security initiatives".

According to the research in United States by General Accounting Office in 2004, they identified 199 federal data-mining projects and found that out of these, 54 mined private sector data, with 36 involving personal information. There were 77 projects using data from other federal agencies, and, of these, 46 involve personal information from the private sector. The personal information, apparently used in these projects without explicit consent, is said to include "student loan application data, bank account numbers, credit card information, and taxpayer identification numbers." The projects served a number of purposes, the top six of which are given as "improving service or performance", "detecting fraud, waste and abuse", "analyzing scientific and research information", "managing human resources", "detecting criminal activities or patterns" and "analyzing intelligence and detecting terrorist activities".

To fight terrorism, The US federal government proposed to build a massive computer system which could collect huge amount of data

and link information from blogs, emails, government records and intelligent reports. They tried to extract the pattern of terrorist activity using Data Mining technology (Clayton, 2006).The DHS(Department of Homeland Security) tried to develop a research program under Threat and Vulnerability ,Testing and Assessment"(TVTA) portfolio named ADVISE(Analysis, Dissemination, Visualization, Insight and Semantic enhancement) . The aim with which ADVISE and DHS related Technologies was not merely to identify terrorists or sifts for keywords but to identify critical patterns in data which was supposed to illumine their motives and intentions. The ADVISE program was intended to collect data of corporate and public online information from financial records, emails, blogs, News stories from different channels like CNN and then cross reference it against US intelligence and Law enforcement records. After that these records were intended to be stored as "entities". The ADVISE and analytical tool could be used by all federal, state, local and private sector security entities for database sharing and also to provide full support for analysis and action (US Department of Homeland Security Report, 2007). Critics believe that this kind of technology could be a major challenge for individual's privacy.

Privacy is about people; confidentiality is about information. Privacy is broader term which includes interest in information protection and control. An important correlate of privacy is consent. One cannot control information without being asked for permission, or at least informed of information use. A business that is creating a customer database might collect data surreptitiously, arguably infringing on privacy (Kenneth W. Goodman, 2007).

According to Right to Privacy Act 1974, U.S.C Section 552, the constitutional right to privacy in the cyber context has been applied mostly to workplace privacy issues. Under U.S. law "Private sector employees are afforded virtually no expectation of privacy in the workplace and are not protected by the constitutional right to privacy". A few state laws, including state constitutional provisions which protect privacy in the workplace. Public sector employees however, may have some constitutional rights to privacy.

Civil Liberties are about protecting the rights of the individual whether it is privacy rights, human rights or civil rights. Recently, there has been much debate among the counter terrorism experts, civil liberties unions and human rights lawyers about the privacy of individuals, gathering and mining information about people, conducting surveillance activities and examining emails and phone conversations because all these activities are considered to be a threat to privacy and civil liberties. The Mind stretching questions are:

Do we wait until privacy violations occur and then prosecute? Or

Do we wait until national security disasters occur and then prosecute? Or

Do we wait until national security disasters occur and then gather information?

So what is important? Protecting the nation from terrorist attacks or protecting the privacy of individuals? It is very difficult to analyze where to draw a line. Privacy issue has gone beyond government intrusiveness. There can be times when employer could potentially use a person's DNA to determine if they should be hired based on their future health. People are still sorting out, how much privacy they need? How much privacy can be compromised and to what extent this surveillance technology is allowed to dig the patterns which can help them to identify the terrorist activity, if any, without doing any kind of personal damage to consumers.

It is wrong to look at ADVISE or related program related to security as good or evil. The emphasis should be "How it will be used?"

Now days researchers are focusing on the area of Privacy enhanced Data Mining.

Privacy Enhanced Data Mining

The main challenge that Data Mining is facing is "To provide solutions to enhance National Security but at the same time ensure privacy" (Thuraisingham, 2002) .There is now research at various laboratories on privacy enhanced sensitive data mining (Aggarwal, 2000), (Clifton 2002).

Privacy –preserving data mining is a new area of data mining research in response to privacy protection during data mining. It deals with mining the data without revealing the underlying data values. The two common approaches:

• Secure Multiparty Computation
• Data Obscuration

In Secure Multiparty computation, simulation and cryptographic techniques are used which don't allow any party to learn another data values, this technique is however less beneficial in large databases.

In Data obscuration, actual data is distorted by aggregation or by adding random noise. These values are collected using reconstruction algorithm. Mining can be performed using these approximated values. Many advances have been made, and this area will flourish in the near future (Han and Kamber, 2006).

Conclusion

This is for sure that Data mining is here to stay. The benefits of data mining are numerous, not only for businesses, not-for-profits, and governments, but also for individuals and society as a whole. Unfortunately, the ethical concerns and the associated fears often raise questions about its use. If a middle ground can be reached that protects customers' privacy and ensures security without limiting the power of data mining, both consumers and organization can enjoy substantial benefits. With the framework of bright side as well as dark side in mind we expect that researchers, consultants, lawyers, marketers computer scientists, counterterrorism experts will work together to find the optimal solution to ensure data privacy protection and security.

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A Study on Ethics and Professional Values in Public and Private Sector Steel Industries

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The process of globalization, privatization and liberalization has involved the movement of physical capital, financial capital, technology and people across borders. As a result Indian organizations are experiencing both transformational and transactional changes. There are certain observed differences between the managerial ethics and values of the public and private sector industries in India, which seem to be mainly due to the corresponding difference in their vision, mission and ownership. Besides maintaining ethically standards, organizations do focus on developing professional values. There is an impending need, therefore, to bring in an alignment between core values and common practices of an industry that aims at better financial results. Unless values are prioritized, one has nothing but situational ethics where anything goes. Accordingly, ethical behavior and professional values of different age groups, income groups along with their experience on the job might also differ in both these sectors. The sectarian defenses adopted by these organizations might be reflected in different facets of ethics as well as in professional values. Further, the relationships of these demographic and organizational variables in the dimension of ethics and professional values could influence organizational development and effectiveness. The present study has made an attempt to generate certain opportunities for widening the scope and direction for future studies in this field. It is a comparative study mainly based on the

ethics and professional values of employees of public and private sector steel industry in India. Future research could be directed towards redefining business ethics in the corporate sector. It was also hypothesized that there will be a positive correlation between ethics and values in both private and public sector organization. The findings of the study lend support to all these hypotheses. Sectoral differences are observed in both ethics and professional values and most of the demographic variables also contributed to these differences.

1. Introduction

Ethics or more precisely lack of ethics, on the part of business and government leaders has recently received considerable attention in the mass media and has been a topic of discussion. Ethics and values play a pivotal role in this highly competitive and volatile global business environment. Business organizations of today can prosper and flourish in the long run, if they are supported with a healthy ethical infrastructure within the organization. Many organizations devote insufficient resources and attention to ethical issues. Many industries that face serious business practice issues today centre around ethical standards adhered by them. Business serves its constituencies less affectively because business ethics is not receiving the attention it deserves. If the ethical compass is not functioning well, then shareholders may get short shrift also, since the reputation damage from a serous ethics lapse could cause the stock to be battered as investors sell in the wake of public concern about integrity. Business ethics entails bringing of a sense of fairness to deal with others. Organizations sometimes perceive that fairness and financial performance are manually inconsistent. That makes little sense. It makes much more sense when an organization that treats it major constituencies in a predictably fair and ethical manner will have loyal customers, reliable suppliers, and dedicated employees.

Developing professional values involves identifying core values, communicating core values, and aligning values and practices. Many organizations claim they have a set of core values, but what they mean is a list of business beliefs that every one would agree with, such as having integrity, making a profit, and responding to customers. Such values have meaning when they are further defined in terms of how people actually behave and are rank-ordered to reveal priority. Professional values do focus on the beliefs, attitudes and feelings that top management have about employees, customers, quality, ethics, integrity, social responsibility, growth, stability, innovation and flexibility. Organizations of today must know what they stand for and on what principles they operate. Value based behavior is a requisite for survival. Once we have a clear picture of our mission and values, we have a basis for evaluating our management practices and bringing them into alignment.

2. Indian Steel Industry: An Overview

Since its independence, India has experienced steady growth in the steel industry, thanks in part to the successive governments that have supported the industry and pushed for its robust development. A number of steel plants have been established in India with technological assistance and investments by foreign countries. The main producers are Tata Steel and SAIL, besides other major producers like RINL, ESSAR, ISPAT and JVSL. Steel Industry in India is on an upswing because of the strong global and domestic demand. India's rapid economic growth and soaring demand by sectors like infrastructure, real estate and automobiles, at home and abroad, has finally put the Indian steel industry on the global map.

India continually posts phenomenal growth records in steel production. Furthermore,

the steel production capacity of the country has increased rapidly since 1991 – in 2008, India produced nearly 46.575 million tones of finished steels and 4.393 million tones of pig iron. In 2008, the total amount of domestic steel consumption was 43.925 million tones. With the increased demand in the national market, a huge part of the international market is also served by this industry. Today, India is in seventh position among all the crude steel producing countries.

3. Relevance of the Study

Songer (1991) proposed that greater diversity in the workplace required a re-examination of assumptions regarding human values, priorities, and motivations. Sanders (1990) stated that individuals serious about valuing diversity must eliminate stereotypes by exploring assumptions about group differences. Davis (1995) suggested that in addition to understanding different cultural values, there must also be a respect for them if diversity is to become an organizational strength.

A number of studies have also examined linkages between age and ethics values. Deshpande (1997) found that older managers were bothered more by certain kinds of unethical behaviour than were younger managers. In another study showing a positive correlation between age and ethics, Allmon, Page, and Roberts (2000) found that older students appeared to have more ethical attitudes regarding classroom behaviour than did younger students. With similar results from business professionals, Peterson, Rhoads and Vaught (2001) also found that business people became "more ethical" with age.

In an overview of ethics codes of professional organisations, Tucker, Stathkopolous, and Patti (1999) revealed that besides socio-economic and political factors, many professional organisations believe that codes of conduct help members behave more ethically. In another study relating to professional groups, Cooper and Frank (1997) found

that in addition to codes, company specific policies that encourage employees not to put organisational goals ahead of ethics, were also effective in increasing ethical standards.

As a result of globalization, privatization and liberalization, Indian organizations are experiencing both transformational and transactional changes. There are certain observed differences between the managers of publics sector and private sectors in India. Managers of private sectors have a goal of optimizing market value, priority of individual ownership interest and consumer sovereignty, reductionist value system, meets economic demands of the buying public, operational priority of efficiency, and business as major institution. In contrast, managers of public sectors have a goal of optimizing public value, priority of collective public interest and citizen sovereignty, non-reductionist diverse value system, meets political demands of the enfranchised public, operational priority of fairness, and government as major institution. Besides these, public-sector managers are expected to champion the public interest by uniquely emphasizing four standards that sustain public trust:

- avoidance of conflicts of interest,
- maintenance of impartiality,
- avoidance of the appearance of impropriety, and
- submission to extensive public disclosure to ensure fitness for public office.

The relevance of the present study lies in the fact that these realities need to be addressed intensively.

The relevance of the study, therefore, lies in the need for improved ethical decision making by managers in organizations, both public and private sectors. For five reasons, managers need to improve ethical behavior and decision making:

- the costs of unethical work place conduct;
- the lack of awareness of ethically questionable, managerial, role-related acts;

- the widespread erosion of integrity and exposure to ethical risk;
- the global corruption pressures that threaten managerial and organizational reputation; and
- the benefits of increased profitability and intrinsically desirable organizational order.

Ethical behavior and professional values of different age groups, income groups along with their experience on the job might differ in both the sectors. The sectarian differences might be reflected in different facets of ethics as well as in professional values. The relationships of these demographic and organizational variables with that of ethics and professional values could bear upon organizational development and organizational effectiveness.

4. Objectives of the Study

The major objectives of the present study are:

- To find out the nature and pattern of ethics in the corporate sector.
- To analyze the difference between the perception of ethics and professional values among employees of public sector and private sector organization.
- To find out the interrelations between ethics and professional values in the corporate sector ;
- To find out the sectarian differences across age groups, income groups, experience and levels of managers in respect of ethical behavior and professional values.
- To suggest possible strategic interventions to improve thinking about ethics and professional values in Indian organizations.

5. Formulation of Hypotheses

Following hypotheses were formulated based on the review of research literature in the area of ethics and professional values, which were subsequently tested through the present study.

- Differences will be there between public and private sector managers with regard to facets of managerial ethics and professional values;

- Experienced mangers will have a differential perception of management ethics and professional values;
- Frontline managers will focus more on professional values compared to middle level managers;
- Age as a factor will contribute towards perception of management ethics.

6. Methodology

This study was aimed at exploring various facets of managerial ethics and values in the corporate sector. Both primary and secondary sources were used as a part of data collection. It followed a diagnostic design of research, with a personal data sheet, and five different questionnaires, which were administered to collect data from two giant steel industries of India in the public and private sectors respectively.

The study consisted of 300 samples, which comprised of 50 respondents in each category belonging to three levels of executives: frontline, middle level and top-level management were contacted personally at their respective work places. Stratified random sampling technique was used. The respondents were from different age groups, educational backgrounds (both technical and non-technical with graduation as minimum educational qualifications), and experience. Mostly to facilitate data analysis; tools like percentiles, correlations, "t" tests, analysis of variances and multiple regression analysis were used.

6.1. Industries Under Study: Rourkela Steel Plant (RSP) and Tata Steel

The origin of the modern Indian steel industry can be traced back to 1953 when a contract for the construction of an integrated steelworks in Rourkela, in the Orissa state was signed between the Indian government and the German companies Fried Krupp und Demag AG. The capacity of Rourkela Steel Plant (RSP), which belongs to the SAIL (Steel Authority of India Ltd.) group, is presently about 2

million tonnes. The Rourkela Steel Plant (RSP) achieved the best performance in April 2009 in hot metal and crude steel production and dispatch of saleable steel since its inception. The plant produced 179,401 tonnes of hot metal and 169,305 tonnes of crude steel, thereby registering the best performance and a capacity utilization of 109.1 and 108.4 per cent, respectively.

Tata Steel was established in 1907. Tata Steel's furnaces have never been disrupted on account of a labour strike and this is an enviable record. Tata Steel annually produces 9 million tonnes of steel in India and 21.4 million tonnes overseas, making it the fifth largest steel producer in the world. It produced a record-breaking 5.0 million tonnes of salable steel in its Jamshedpur works in 2006-07 with gross revenue of Rs. 20196.24 crores. It introduced an 8-hour work day as early as in 1912 when only a 12-hour work day was the legal requirement in Britain. It also introduced leave-with-pay in 1920, a practice that became legally binding upon employers in India only in 1945. Similarly, Tata Steel started a Provident Fund for its employees as early as in 1920, which became a law for all employers under the Provident Fund Act only in 1952.

7. Analysis and Interpretation of Data

The five age groups (A) 25-30 years (B) 30-35 years (C) 35-40 years, (D) 40-45 years, and (E) above 45 years yielded mean scores of 22.37, 24.33, 32.83, 38.44 and 41.27 respectively, out of a maximum score of 50 assigned towards their perceptions of an ideal organization. It supports the hypothesis that ethical standards of employees are more with the increase in age of respondents in both the organizations (Tata Steel and RSP).

With regard to professional values, different age groups do show a relationship. Out of a total score of 70 (14 x 5), the mean scores of A, B, C, D & E respectively were 33.73, 37.23, 44.38, 52.23 and 60.22. With regard to relationship with superiors, colleagues and subordinates Age Group-C and D show

greater score in Tata Steel compared to RSP; in relations to role of organization in shaping ethics and values, age group- E scores highest in both the organizations; and, in relations to individual belief dimension, younger age groups A and B in Tata Steel score the highest.

Table 1: Showing Correlations (Product-moment) between Professional Values and Ethical Standards across Age Groups for 300 Respondents.

Age Groups	'r' Value
A	0.32
B	0.36
C	0.37
D	0.43
E	0.52

The relationship seems to be positive and significant and it gets reinforced with age.

In terms of experience of employees, five different groups were formed: (A) Below 5 years, (B) 5-10 years, (C) 10-15 years, (D) 15-20 years, (E) Above 20 years. Front-line employees (A, B and C) respond differently than middle-level (D and E) employees. The correlations between ethics and professional values for all the experience-groups range from 0.37 to 0.56. This implicates that there are a number of other personal and organizational factors which influence the relationship between these two important facets- ethics and professional values. Using analysis of variance (2 x 2), the 'F' values were obtained both for ethics and professional values, in which A, B & C were treated as Group-II, under less experienced and more experienced categories.

Two-way Analysis of Variance were conducted taking income (A) and professional values (B), level of management (A)and professional values and age groups (A) and professional values. The findings indicate that the interaction effects in all the four dimensions were significant. It suggests that in Tata Steel

and RSP, both sectorial and demographic variables jointly contribute to the difference in developing professional values. Those who are higher in the income group and management level in Tata Steel have more positive professional values compared to their counter parts in RSP. It leads support to the work culture patterns in private sector compared to the pubic sector. The 'F' values respectively for income level of management, and age groups wee 12.24, 21.15 and 17.33. For determining the relative contribution of these variables age, income, management level and experience in Tata Steel and RSP, multiple regression analyses were conducted, results of which are indicated in the table below.

Table : 2 Analysis of Variance Conducted on Ethics for Group-I and Group-II in Tata Steel and RSP (A- Sector, B-Level of Experience)

Sources	SS	df	MS	F	P
A	75.08	1	75.08	13.01	<0.05
B	72.32	1	72.32	11.33	<0.05
A X B	58.65	1	58.65	10.17	<0.05
Error	23.24	296	5.77		

Table : 3 Analysis of Variance Conducted on Professional Ethics for Group-I and Group-II in Tata Steel and RSP (A Sector, B-Level of Experience).

Sources	SS	df	MS	F	P
A	45.75	1	45.75	6.02	<0.05
B	155.40	1	155.40	20.44	<0.05
A X B	0.25	1	0.25	0.03	0.86
Error	2407.94	296	7.60		

Table 4 : Showing Standardized Partial Regression Coefficients for the Regression of Ethics Standard on Age, Income, Experience and Management Level Variables (Tata Steel : N = 150)

Variables	Partial Beta Coefficient	Standard Error of Regression Coefficient	Computed 't' Value
Age	1.034	0.281	3.871
Income	1.022	0.279	3.723
Experience	1.012	0.268	3.234
Management Level	0.541	0.168	2.732

Analysis of Variance for the Regression

Source	of	Sum of Squares	Mean Squares	F
Attributable to Regression	4	763.558	127.260	7.033
Deviation from Regression	146	2659.801	18.094	
Total	150	3423.357		

Multiple Correlation :   0.472 $p < 0.05$
Standard Error or Estimate :   4.254 $p < 0.01$

Both 't' values and 'F' values are significant. All these variables together contribute 22% of the variance in ethics in Tata Steel.

Table 5: Showing Standardized Partial Regression Coefficients for the Regression the Regression of Ethics Standards on the Four Variables for RSP (N =150)

Variables	Partial Beta Coefficient	Standard Error of Regression Coefficient	Computed 't' Value
Age	0.060	.049	1.218
Income	0.090	0.089	1.014
Experience	0.749	0.126	5.931
Management Level	0.417	0.181	2.248

Analysis of Variance for the Regression

Sources	df	SS	MS	F
Attributable to Regression	4	404.978	67.496	8.824
Deviation from Regression	146	1124.450	7.649	
Total	150	1529.429		

Multiple Correlation :   0.516   p <0.05
Standard Error of Estimate :   2.766   p<0.01

The four variables together account for26% of the variance in maintaining standards of ethics.

With regards to professional values the result suggests that, in Tata Steel, these four variables together account for 28% of the variance, and in RSP they account for 23% of the variance. The result of the regression analyses suggest that both ethical standards and professional values of employees in both Tata Steel and RSP are differentially affected by age, income, management level and experience factors. Age contributes in both the organizations. Values get patterned and matured as age increases. In higher levels of management and with higher income groups, professional values are perceived more positively in Tata Steel compared to RSP. Experience contributes to both ethics and values in a greater degree in RSP compared to Tata Steel. Traditional organizational culture and work values in public sectors influence the forms of their ethical standards and professional values whereas change is better accepted in private sectors within less time by younger employees.

The inter-correlations amount the variables in RSP with regard to ethics range from 0.22 to 0.46. The range is from 0.27 to 0.48 with regard to professional values in Tata Steel, and, between 0.21 to 0.53 in RSP. These findings indicate that besides these four variables, there are other personal, managerial, contextual, situational and extra-organizational variables which influence the development of ethics and values in organizations, both in public and private sectors.

When educational levels of the respondents were taken into account (such as employees having graduation, post graduation, technical

Table 6 : Showing Inter Correlations among the Variables in Tata Steel for Ethical Standards.

Age	1.00			
Income	0.28	1.00		
Experience	0.43	0.38	1.00	
Management Level	0.41	0.39	0.42	1.00

and professional degrees in engineering, business administration etc.) and mean differences were calculated, 't' values were not significant in both Tata Steel and RSP with regard to both ethics and professional values. Employees having professional degrees do perceive ethics and values as important facets for organizational growth and effectiveness as good as other employees. Though they have a higher mean, still, the differences are not statistically significant ('t' = 1.02; 1.04; 0.87 and 0.91 respectively for Tata Steel and RSP).

When we look into the span of control (Number of persons supervised by he executive/ officer) of the employees in both Tata Steel and RSP and relate it to both ethics and professional values, again, we do not get significant differences. Those who supervise less than 50 persons and those who supervise more than 100 persons show almost the same level of ethical standards and professional values in both Tata Steel and RSP. It implicates that sector as such does not influence the supervisory styles of officers. The inter correlations of educational level and span of control with the other four demographic variables, namely, age, experience, income and management level range from 0.18 to 0.43 in both Tata Steel and RSP. These observations lend support to the ideas that values are individual attributes. The composite set of values may be referred to as the organizational values system. This system could be more integrated and facilitated by taking appropriate organizational development (OD) interventions. These, in turn, bring both organizational effectiveness and corporate excellence.

8. Testing of Hypothesis

It was hypothesized that there will be differences in the perception of an ideal organization by employees in public and private sector across age groups, income, experience, management level and span of control. It was also hypothesized that sectorial differences will be there in ethical standards and professional values of employees. It was also hypothesized that there will be a positive correlation between ethics and values in both private and public sector organization. The findings of the study lend support to all these hypotheses. Sectoral differences are observed in both ethics and professional values and most of the demographic variables also contributed to these differences.

9. Conclusion

The present study generates certain opportunities for widening the scope and direction for future studies in this field. As a result of changes in the business environment and management practices and priorities, and, as a result of globalization and liberalization of the market economy, there is also a need for restructuring the world of management ethics and strengthen professionalism as well as professional values. Future research could be directed towards redefining business ethics and management ethics in the corporate sector. Since more and more younger people are joining the corporate sector, future research could focus on the dynamic of their thinking, attitudes and behavior. One major direction which expands the scope for research in this field relates to corporate accountability. There is still much to be learned about similarities and differences in values, including ethical and professional values among individuals with different cultural backgrounds, which needs further research in the area.

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Sustainable Development - An Ethical Position

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The sustainability development debate is based on the assumption that societies need to manage three types of resources/capital, viz. economic, social and natural, which may be non- substitutable and whose consumption might be irreversible. An "unsustainable situation" occurs when natural capital (the sum total of nature's resources) is used up faster than it can be replenished. Sustainability requires that human activity only uses resources at a rate at which they can be replenished naturally. Thus , the concept of sustainable development gets inherently interwined with the concept of the carrying capacity of the environment. The indiscriminate and irresponsible exploitation of the environmental wealth is leading to its uncontrolled degradation , posing a threat to the survival of mankind today. This raises the issue of ethical use of resources available to the present society, so as to not deprive the future generations of their right to a healthy environment and sustainable growth.

Introduction

Human development is the ultimate objective of economic development. The objective of development is not to produce more 'stuff ', more goods and services, but, rather, to increase the capabilities of people to lead full, productive, satisfying lives (Griffin and Mc Kinley,1994).The enduring economic problem concerns how to organize human action such that 'making a living' today is not destructive of the prospects that future persons will also be able to ' make a living'. (Bromley, 1999). This approach reflects the idea of 'sustainable development'. Today, in the quest for rapid economic development societies have not adequately accounted for the the ecological impacts of these developmental activities.The world is moving towards a virtual ecological

crisis , in the name of development. The survival of mankind will come under threat, if protection of the environment does not become an integral part of the development planning and development discourse.

In the Rigvedic period, 'nature' or the forces of environment, was considered as the controller of all human activities, and as such much revered. In Greek writings too there is a reference to 'Ge' as the Goddess of the earth. In those times, however, population was limited and there was mutual adjustment between man and environment.Modern environmentalism and the concept of sustainable development date from the late 1960's and early 1970's, and bring together two separate discourses. On the one hand, development studies largely ignored the role of natural resources in development. On the other hand, as the determining basis for economic and technical change, the environment became primarily the concern of the natural scientists. They concentrated on the physical processes and failed to address the political and economic causes of environmental change (Blaikie and Brookfield, 1987).

The ongoing process of globalization has raised the expectations and hope of both the nations and the citizens for a better life with greater development in all spheres. The reasons for this hope may be many and varied, but the basic fact related to it is that with increasing expansion and profitability of the businesses, the people expect the profits to be utilized in some measure for social welfare, and the beneficiaries of globalization to share their fortune with common man in some way. In this context, business gets connected to the aspect of ethics and social responsibility. Since there exists an intimate connection between economic activity and the health of the environment, there is an increasing concern and debate on the manner in which business has to be conducted.

Economy and ecology though interrelated, do not complement the mutual interests of each other. Rise in economy invariably puts a burden and exerts pressure on the ecology, sometimes becoming a cause of its decline and degradation. Yet, one cannot ever stop economic development. Hence, there is an urgent need to combine economy and ecology and balanced development aiming at economic prosperity with ecological security. The old concept of " development with restriction" has now been replaced by " development without destruction " and in future, it is likely to be combined with " development with regeneration". The new concept of development is survival and sustainability oriented.

Meaning of Development

Development is generally accepted to be a process that attempts to improve the living conditions of people, which relates to both non- material wants as well as to physical requirements. Development goals that call for the increase of human welfare or the improvement of the quality of life reflect this agreement (Bartelmus, 1986). Development is a guided growth to improve the quality of human life, bringing peace and prosperity. As civilizations grew the earth had abundant natural resources and with technological revolution there was rapid industrialization and economic development. Economic development was considered to be the parameter of human happiness. In the western world, development has been synonymous with 'modernisation', which meant in turn 'westernisation'. Such development has been plagued by a dominance of urbanization, industrialization, centralization, etc. The consequences of such development in many countries have not been positive and have led to increase in inequality, exploitation and injustice. Thus resulting in the post – sixties debate on the issue of " alternate paths of development".

Studies have shown us that many of the development projects which brought prosperity to mankind have caused colossal destruction of nature and environment, which

has sustained life for millions of years, and are threatening to upset and disturb the ecological balance of the biosphere. The unhindered race for development across the societies around the world has today brought us to the brink of ecological , demographic and economic disaster. Therefore, sustainable environmental protection measures need to be taken to control and contain the continuous degradation of environment. The contemporary eco – crises is a consequence not of a technological advancement but of an institutional frame, which is no longer capable of coping with it. However, the crises solution is not a stoppage of the technological advancement but a new modified adjustable system which can regulate man's relation with nature as well as man's relation with man (Mohan, 1995).

The development process has disturbed the ecological equilibrium, jeopardized the ecosystem stability and impoverished the environment. These developments have led to the integration of an ecological dimension to the development process. The development and environment influence each other mutually and dynamically. Development has also aggravated mass poverty, inequality, social disintegration, environmental decline, loss of moral values, depletion of resources at a faster rate (Ghosh,1995) .

Concept of Social Responsibility of Business

Business is basically an economic activity, but demands participation of society, directly or indirectly. Business depends on the society for supply of raw materials, capital, labour, and other requirements.It has to operate within socially desirable limits. Bowen,H.R. observes that "Social responsibility of business refers to the obligation of business to pursue those policies, to make those decisions, or to follow those lines of actions, which are desirable in terms of objectives and values of our society." The social responsibility aspect has multiple dimensions.Business practices may sometimes lead to over exploitation of natural resources, and cause depletion of the environmental

wealth. This will affect the interest of the society, and may result in a revolt against the business firm. Thus, it becomes a duty of business not to make indiscriminate use of natural resources and to prevent environmental degradation, pollution and ecological imbalance. This brings up the issue of corporate governance, which is defined as the set of rules, regulations, procedures and practices to be adopted by a firm's management to manage its affairs in the best interest of its stakeholders (viz. shareholders, investors, employees, customers, suppliers and others). The main objective of corporate governance is the "enhancement of shareholder value, keeping in view the interests of other stakeholders." In 1990s, there was a serious concern throughout the world, about the poor management practices adopted by business organizations. By the end of 1990s, several companies collapsed, which raised concern for the issue of good corporate governance practices. This need brought about the concept of business ethics. Ethics is a social science that deals with what is good and right, and with moral duties and obligations. Business ethics is considered as an art or science of maintaining harmonious relationship with society, its various groups and institutions, as well as reorganizing the moral responsibility for the rightness or wrongness of business conduct (Wheeler).Business needs to follow ethical practices for its own good and survival. Organisations doing business ethically gain societal support and ensure greater prosperity for their businesses.

Eco – Development as means for Sustainability

The general meaning of eco- development is ' development without destruction' and it is also known as 'sustainable development' .However, sustainable development is an aspect of eco- development. Eco – development means a desirable, soft change for a human social and ecological equilibrium (Geoffrey, and Andrew,1976).The concept of eco – development was originally advocated by UNEP (1975) for environmental planning

and was defined as " development at regional and local levels, consistent with the potentials of the area involved, with attention given to the adequate and rational use of the natural resources, and to application of technological styles." Eco – development describes a process of ecologically sound development, of positive management for human benefit. Thus, eco – development indicates a 'best fit' to optimize the balance between population numbers, locally available resources, and culturally desired life – styles" (Riddle, 1981).

Dasmann (1985) represented eco – development as a triangle, one side of which is 'basic needs', the second 'self – reliance' , and the base 'ecological sustainability' .It is important to consider each of these variables, since development of any kind will not be sustainable unless the poor people are involved in meeting their aspirations. In fact," the environment and development are means not ends in themselves. The environment and development are for the people, not people for environment and development". (Chamber, 1986). Therefore, there is a need for 'environmental thinking' with 'development thinking' and 'sustainable livelihood'.

Eco- development involves the following elements

1. Integrated development: This approach to development involves integration of economic- social- ecological systems. Thus, global economy and global ecology are interlinked.

2. Balanced Development: It means a development that benefits all the sections of society and community. The problem of environmental deterioration is the inequal distribution of the benefits of development in the world. The developed countries consume an excessive amount of products and services, while the people of the less developed countries are deprived of even the basic needs to survive. According to Tolba M. K., environmental problems, such as deforestation, desertification, soil depletion, diseases etc., caused by the less developed world are much more complex than those generated by industrialization and excessive consumerism.

3. Sustainable Development: The term 'sustainable development' was used at the time of the Cocoyoc (Mexico) Declaration on environment and development in 1974. Since then, it has become the trademark of international organizations, dedicated to achieving environmentally beneficial development. According to the World Commission on Environment and Development (WCED), "sustainable development is a strategy that meets the needs of the present without compromising the ability of future generations to achieve their own requirements". Some UN Publications refer to it as "improving the quality of human life while living within the carrying capacity of the supporting ecosystem."

Environment and society are interrelated as well as interdependent. During the various stages of the development of human civilization several social groups and structures such as agricultural, industrial , political, cultural, religious etc. have evolved. The natural environment helped in the development of these different structures of the society. The existence and quality of environment, in turn , depend on the responses of these social structures. Due to their mutual interactions, several environmental problems like environmental degradation and pollution, ecological imbalance, depletion of resources etc. have cropped up in the last couple of decades. These problems need urgent attention, suitable measures and necessary action can help solve and control these problems. The society as a whole is responsible for its acts and needs to take up programmes and initiatives that can curb the environmental problems.

Fortunately, there is growing awareness and increasing concern for these issues related to environmental degradation resulting due

to the impact of human activities, sometimes in the name of development. This concern needs to be translated into ideas to resolve the problems through effective implementation and execution of the programmes.

Concept of Environmental Management

Environment is the essence of quality life and healthy living and supports economic development. Sustaining ecological balance is of paramount importance in today's deteriorating environment. Environmental management is a concept which aims at the conservation of environment for mankind's sake. It entails appropriate approaches and strategies adopted by individuals, communities, nation's and international bodies to protect and preserve the environment. It is management of the interaction of human societies, so as to minimize their adverse impact on the natural resources and environment.

Nature has been increasing damaged, restorative capabilities have progressively weakened, and human environment is affected to the point that not just the quality of life but even the existence of mankind is getting endangered .Thus, the ecological approach to development has gained significance to ensure sustainability of life and nature on this planet.Since environment belongs to all , thus there is a demand for promoting globally ethical practices which espouse attitudes and behavior for individuals and societies, which is in consonant/ conformity with humanity's place within the biosphere.

Natural resources are vital for the survival of all life on this planet . All aspects of human society, in particular, depend on natural resources. The human societies which have access to rich natural resources and the capacity to exploit them, have emerged economically rich and politically powerful. Human societies have from time immemorial utilized these resources to fulfill their various needs and promote their development. The process of globalization and the culture of increasing consumerism today is leading to diverse economic activities and industrialization. These have led to over exploitation of resources, which has disturbed the ecological balance.

Also the increasing population has adversely affected the environment because of the increasing demands for meeting the basic human needs of the population. Consequently, the balance of ecosystem has been disturbed. Population has exceeded resources. The imbalance of the ecosystem is threatening the existence of the biosphere and human life on the earth .The materialistic culture has deepened this environmental crisis. Increased industrialization, urbanization, material prosperity has contributed to increasing the pollution levels in the environment beyond repair. Bio-diversity is diminishing continuously. Therefore, all the countries of the world have now awakened for the conservation of natural environment to secure the future and ensure sustainable development.

Environmentalists warn the economic man against the devastating impact of unplanned, unscientific and irresponsible, reckless exploitation of nature. Thus raising the issues of sustainability in different spheres and the concept of sustainable development gathering momentum. This highlights the crucial and inevitable relationship between man and natural environment. Environmentalism or Determinism, one of the major approaches to the study of man- environment relationship, is the point of view that the environment controls the course of human action (Lewthwaite, 1966).In other words , it is the belief that variation in human behaviour around the world can be explained by differences in natural environment. The determinists consider man as a product of environment or as a passive agent whose attitudes, decisions and lifestyle are determined by environmental factors.

Development and Environmental Degradation

In the present times, environmental degradation has emerged as a major global concern. With

his technological and scientific skills, man has made rapid developments in agriculture, irrigation, mining, industry, transportation, forestry, land management and other areas. In doing so,there has been mush disruption of the functioning of natural environment. The World Commission on Environment and Development opines that " the future is to face ever increasing environmental decay, poverty, hardship and even more polluted world."Population growth, abuse of resources and natural systems, and pollution exert the most disruptive pressures on the biosphere, altering environmental conditions, leading to the degradation of environment. Mega technology has created the problems of waste disposal, which has become a great hazard to the environment as well as to humanity.

Today environmental degradation has emerged as one of the most challenging problems not only of the developing countries but also of the developed world. Scientific and technological development has contributed to economic prosperity and material well being of the people , but at the same time it is also responsible for the environmental degradation. Environmental degradation, which refers to the lowering of environmental qualities brought in by human activities, can cause ecological imbalance, which leads to a marked reduction in bio-diversity. Man and his activities being the main cause of environmental degradation demands that a change is needed to be brought about in the manner in which the human activities are conducted. Thus, raising the question of ethical use of resources available to the present generation and the need for promoting sustainable development .

Population Dynamics and Ecological Crisis

Human population although a resource, exerts a huge pressure on the environment for sustaining itself and meeting its various needs. The growing population pressure and over exploitation of environment is increasing the risk of a pending ecological crisis. The environment is continuously undergoing changes due to human activities, resulting in sometimes change in the natural processes in the ecosystem. All these aspects of the population and its impact over the environment needs to be examined and analysed ,so that proper planning for the future of society and mankind may be done to in a sustainable manner.

The process of globalization is promoting urbanization. Urbanisation is an indicator of increasing population density in urban areas The concentration of people means that wastes and pollution are also concentrated. When the population exceeds the carrying capacity of environment, the environment is eventually degraded. The carrying capacity of environment means the maximum number that the local environment can afford, or the biological capacity to provide food for them. Factors like hunger , starvation, disease, competition for resources, lack of space come into play. Drinking water, arable land, food etc. become scarce, resulting in increasing urban poverty, economic deprivation in the process.

Globalization is often seen as a predominantly economic phenomenon. The reality of globalization is more complex. Globalization is about individual autonomy, responsibility and participation. It embodies a growing global consciousness and emerging sphere of shared values and ideas. Citizens around the world, their values, and identities, communities and forms of political participation, help to shape and in turn, are shaped by globalization. The government needs to raise awareness about the benefits of a proactive business approach to Corporate Social Responsibility can bring to society and business, and to help build the skills and capacity to achieve goals of sustainable development.

Sustainability

The question of sustainable development has emerged due to over - exploitation of resources as well as due to mismanagement of technology. Climatic change, shrinking bio-diversity, disposal of hazardous and toxic waste,

disposal of pollution generating industries, and food and ecological security are some of the important aspects which require monitoring for sustainability. The deterioration in the ecological base in various countries due to irrational management of the resource and environmental systems reflects the unsustainable policy framework and planning strategies.

Sustainability relates to the continuity of economic, social, institutional and environmental aspects of human society, as well as the non-human environment. One of the most often-cited definitions of sustainability is the one created by the Brundtland Commission. The Commission defined sustainable development as development that "meets the needs of the present without compromising the ability of future generations to meet their own needs."[1] Sustainability can be defined both qualitatively in words, and quantitatively as a pair of compound exponentials—the rising one being the life of a system, the declining one leading to death if the final tipping point for is irreversibly past. Many people have pointed to various practices and philosophies in the world today as being useful to sustainability. In order to distinguish which activities are destructive and which are benign or beneficial, various models of resource use have been developed.

In 1996 the International Institute for Sustainable Development developed a Sample Policy Framework which proposed that a sustainability index "would give decision-makers tools to rate policies and programs against each other" (1996, p.9). Ravi Jain (2005) [2] argued that, "The ability to analyze different alternatives or to assess progress towards sustainability will then depend on establishing measurable entities or metrics used for sustainability."

Global Reporting Initiative

In 1997 the Global Reporting Initiative (GRI) was started as a multi-stakeholder process and independent institution whose mission has been "to develop and disseminate globally applicable Sustainability Reporting Guidelines". The GRI uses ecological footprint analysis and became independent in 2002. It is an official collaborating centre of the United Nations Environment Programme (UNEP).

Environmental Sustainability Index

In 2004, a joint initiative of the Yale Centre for Environmental Law and Policy (YCELP) and the Centre for International Earth Science Information Network (CIESIN) of Columbia University, in collaboration with the World Economic Forum and the Directorate-General Joint Research Centre (European Commission) also attempted to construct an Environmental Sustainability Index (ESI)[5]. This was formally released in Davos, Switzerland, at the annual meeting of the World Economic Forum (WEF) on 28 January 2005. The report on this index made a comparison of the WEF ESI to other sustainability indicators such as the Ecological footprint Index. Writers like Leone (2005) and Yi et al. have also recently suggested that the Emergy sustainability index has significant utility. In particular, Leone notes that while the GRI measures behaviour, it fails to calculate supply constraints which the Emergy methodology aims to calculate.

At its least, sustainability implies paying attention to comprehensive outcomes of events and actions insofar as they can be anticipated at present. This is known as full cost accounting, or Environmental accounting. This kind of accounting assumes that all aspects of a system can be measured and audited (Environmental audits).

At most, sustainability is intended as a means of configuring civilization and human activity so that society, its members and its economies are able to meet their needs and express their greatest potential in the present, while preserving biodiversity and natural ecosystems, and planning and acting for the ability to maintain these ideals in a very long term. Typically at least seven generations—the maximum span that any individual human is likely to experience directly. Sustainability can be investigated at every level of organization,

from the local neighbourhood to the entire planet.

None of these extended definitions, however, ever deny or downplay the importance of the ecological interpretation of sustainability as defined by the science of ecology itself. All advocates of sustainability accept that ecological, not social, factors, are the most measurable and universal indicators of sustainability. Values vary greatly in detail within and between cultures, as well as between academic disciplines (e.g., between economists and ecologists). [6] At the heart of the concept of sustainability is a fundamental, immutable value set that is best stated as 'parallel care and respect for the ecosystem and for the people within'. From this value set emerges the goal of sustainability: to achieve human and ecosystem well-being together. It follows that the 'result' against which the success of any project or design should be judged is the achievement of, or the contribution to, human and ecosystem well-being together. Seen in this way, the concept of sustainability is much more than environmental protection in another guise. It is a positive concept that has as much to do with achieving well-being for people and ecosystems as it has to do with reducing stress or impacts.

Critics of American society state that the philosophy of infinite economic growth and infinite growth in consumption are completely unsustainable and will cause great harm to human civilization in the future. In recognition that the Earth is finite, there has been a growing awareness that there must be limits to certain kinds of human activity if the current diversity of life on the planet is to survive.

Some people now consider the term "sustainable development" as too closely linked with continued material development, and prefer to use terms like "sustainability", "sustainable prosperity" and "sustainable genuine progress" as the umbrella terms.

Despite differences, a number of common principles are embedded in most charters or action programmes to achieve sustainable development, sustainability or sustainable prosperity (Hargroves & Smith 2005). Some of these common principles are as follows:

- Ensuring appropriate valuation, appreciation and restoration of nature.
- Integration of environmental, social, human and economic goals in policies and activities.
- Equal opportunity and community participation/Sustainable community.
- Conservation of biodiversity and ecological integrity.
- Recognizing the global integration of localities.
- A commitment to best practice.
- The need for good governance.

However, a distinction between different 'degrees' of sustainability should be made. The debate currently focuses on the sustainability between economy and the environment which can in other words be considered as between 'natural capital' and 'manufactured/man-made capital'. This is also captured in the 'weak' versus 'strong' sustainability discussions. Weak Sustainability is advocated by the Hartwick's Rule which states that so long as TOTAL capital stays constant, sustainable development can be achieved—as long as the diminishing natural capital stocks are being substituted by gains in the man-made stock, total capital will stay constant and the current level of consumption can continue. The proponents believe that economic growth is beneficial as increased levels of income lead to increased levels of environmental protectionism. This is also known as the 'substitutability paradigm'. Conversely, Strong Sustainability, as supported by Daly, believe that natural capital and man-made capital are only complementary at best. In order for Sustainable Development to be achieved, natural capital has to be kept constant independently from man-made capital. This is known as the 'non-substitutability paradigm'.

Some Critical Issues Concerning Sustainability

Population growth and Consumption

One of the critical issues in sustainability is that of human overpopulation combined with current lifestyle patterns. A number of studies have suggested that the current population of the Earth, already over six billion, is too many people to support sustainably at current material consumption levels. This challenge for sustainability is distributed unevenly.Obviously, exponential growth is unsustainable in the long term, regardless of technology or lifestyle. For example, with the 2006 population of 6.5 billion, at the current world growth rate of 1.4%/year, the population will reach 1.49×10^{14} in 722 years, which is equal to the number of square meters of land area on the earth. This is clearly an unfeasible situation.

In his book 'Collapse', author Jared Diamond makes the case that population growth mixed with unsustainable consumption levels have throughout human history bred sometimes very rigid cultural or religious systems. These systems required discipline and hierarchical alignment of the individual but with continued growth, further perpetrated an unsustainable culture. Eventually, a culture of unsustainable growth and consumption leads to unrest and imbalance. One consequence is a sudden collapse in population numbers.

Sustainability and Business

The World Business Council for Sustainable Development, founded in 1995, has formulated the business case for sustainable development and argues that "sustainable development is good for business and business is good for sustainable development". This view is also maintained by proponents of the concept of Industrial ecology. The theory of Industrial Ecology declares that industry should be viewed as a series of interlocking man-made eco-systems interfacing with the natural global eco-system.

This merger is being motivated by the some facts (Hargroves & Smith 2005).There has been a significant shift in understanding over the last three decades of what creates lasting competitiveness of a firm. There is now a critical mass of enabling technologies in eco-innovations that make integrated approaches to sustainable development economically viable .Since many of the costs of what economists call 'environmental externalities' are passed on to governments, in the long-term sustainable development strategies can provide multiple benefits to the tax payer. There is a growing understanding of the multiple benefits of valuing social and natural capital, for both moral and economic reasons, and including them in measures of national well-being .There is mounting evidence to show that a transition to a sustainable economy, if done wisely, may not harm economic growth significantly, in fact it could even lead to higher economic growth than business as usual, while at the same time reducing pressures on the environment and enhancing employment.

Sustainability and Role of Corporate Social Responsibility

Corporate social and environmental responsibility (CSR) is rapidly moving from the margins to the mainstream of corporate activity, with greater recognition of a direct and inescapable relationship between corporate governance, corporate responsibility, business performance and sustainable business development. Corporate social responsibility is receiving considerably increased attention world-wide and is associated with significant economic, environmental and social benefits. The burgeoning importance of this newly revived movement for corporate responsibility and sustainability is demonstrated by the current frequency and scale of activity at every level (Calder and Culverwell, 2005). Early in 2005 the UN convened a group of 20 of the world's largest institutional investors from 12 countries to negotiate a set of *Principles of Responsible Investment*, published in early

2006 as a guide to the investment community on how to incorporate environmental, social and governance issues into their investment decision-making and ownership processes.

Development Sustainability

Sustainability is relevant to development projects. A definition of development sustainability is "the continuation of benefits after major assistance from the donor has been completed" (Australian Agency for International Development 2000). Ensuring that development projects are sustainable can reduce the likelihood of them collapsing after they have just finished; it also reduces the financial cost of development projects and the subsequent social problems, such as dependence of the stakeholders on external donors and their resources. All development assistance, apart from temporary emergency and humanitarian relief efforts, should be designed and implemented with the aim of achieving sustainable benefits. There are some key factors that influence development sustainability.

1. Participation and ownership. Get the stakeholders to participate in design and implementation. Build on their initiatives and demands. Get them to monitor the project and periodically evaluate it for results.

2. Capacity building and training. Training stakeholders to take over a project and transfer skills to people.

3. Government policies. Development projects should be aligned with local government policies.

4. Financial. Training in local fundraising is a possibility, as is identifying links with the private sector.

5. Management and organisation. Activities that integrate with or add to local structures may have better prospects for sustainability than those which establish new or parallel structures.

6. Social, gender and culture. The introduction of new ideas, technologies and skills requires an understanding of local decision-making systems, gender divisions and cultural preferences.

7. Technology. All outside equipment must be selected with careful consideration given to the local finance available for maintenance and replacement. Cultural acceptability and the local capacity to maintain equipment and buy spare parts are vital.

8. Environment. Poor rural communities that depend on natural resources should be involved in identifying and managing environmental risks. Urban communities should identify and manage waste disposal and pollution risks.

The definition of sustainability as "the continuation of benefits after major assistance from the donor has been completed" (Australian Agency for International Development 2000) is echoed by other definitions (World Bank, USAID). Sustainability in development refers to processes and relative increases in local capacity and performance while foreign assistance decreases or shifts.

Challenges to Sustainability Goal

The above concepts focus primarily on the proper practices required to live sustainably. However, there is also the need to consider why there is such strong resistance to adopting sustainable practices. Unruh (2000, 2002) has argued that numerous barriers to sustainability arise because today's technological systems and governing institutions were designed and built for permanence and reliability, not change. In the case of fossil fuel-based systems this is termed "carbon lock-in" and inhibits many change efforts. The real issue is why is it so difficult to persuade social agents (such as people, corporations, and nations) to adopt the proper practices needed to live sustainably? Thus the heart of the matter is the change resistance or social side of the problem.

Acknowledging the barriers to sustainability, numerous publications from the Tellus Institute examine the factors necessary to achieve an environmentally sustainable future, something Tellus terms a 'Great Transition' (Raskin et al, 2002; Rajan, 2006; Kreigman, 2006). Using scenario analysis, Tellus shows that a new sustainability paradigm is possible if progressive elements of civil society, government, business, and an engaged citizenry work together to create an alternative vision of globalization centred on the quality of life, human solidarity, environmental resilience, and shared information.

Government and individual failure to act on the available information is widely attributed to personal greed (deemed to be inherent in human nature) especially on the part of international capitalists. But even Karl Marx did not suggest this, instead highlighting sociological processes which have been in operation for thousands of years. If fault is to be found with Marx's work it can be argued that it lies elsewhere. Because he believed that the collapse of capitalism was imminent, he never discussed how to run society in an innovative way in the long term public interest. The social-science-based insights may be used to evolve forms of Public management that will act on information in an innovative way in the long term public interest to ensure a healthy sustainable future.

New Framework for Business: A Model for Sustainability

In the last century Milton Friedman observed, "there is one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits…"In the era of globalization today, with increasing global population, changing climate and mounting stress on natural resources, business leaders who continue to define social responsibility so narrowly risk leading their businesses and our planet down an increasingly unsustainable path. Thus, we need a new business model that puts business

in a broader context. A successful business must, beyond making profit, serving a market and obeying the laws, at a minimum do three things:

1. First, a business should help support the sustainability of the communities it serves. Since if communities are not made sustainable then business is also not going to be sustainable.

2. Second, business must collaborate in new ways with governments and civil society. The challenges facing the societies are too complex and urgent in nature for government, business or NGOs to tackle and resolve alone. The interconnected triad of business, government and civil society is key to accelerating sustainable development. Strong partnerships need to be built around key social and environmental issues.

3. Third, a successful business must be in both perception and reality, a functioning part of every community it operates in.

Thus the future of a 21st century company is tied to the health, clean environment and education (awareness), of our communities. Some corporate leaders consider sustainability work to be in a company's self-interest.

The process of globalization has raised the expectations and hope of both the nations and the citizens for a better life with greater development in all spheres. The reasons for this hope may be many and varied, but the basic fact related to it is that with increasing expansion and profitability of the businesses, the people expect the profits to be utilized in some measure for social welfare, and the beneficiaries of globalization to share their fortune with common man in some way. In this context, business gets connected to the aspect of ethics and social responsibility.

Globalization is often seen as a predominantly economic phenomenon. The reality of globalization is more complex. Globalization is

about individual autonomy, responsibility and participation. It embodies a growing global consciousness and emerging sphere of shared values and ideas. Citizens around the world, their values, and identities, communities and forms of political participation, help to shape and in turn, are shaped by globalization. The government needs to raise awareness about the benefits of a proactive business approach to Corporate Social Responsibility can bring to society and business, and to help build the skills and capacity to achieve goals of sustainable development.

Globalization has accentuated the ongoing debates on equitable sharing of the benefits of international trade and development. The developments in the globalizing world have triggered a debate on the concept of corporate social responsibility (CSR), and on the policies of the big and financially powerful companies, with regard to their social role, relevance and significance to the world at large. The transnational corporations which are the key drivers of the globalization process in the international markets account for a huge share of the global trade transactions. It is their role that is viewed as of some consequence in promoting the goal of sustainable development.

There is no unanimity in the definition of what constitutes CSR. Most of the definitions of corporate social responsibility describe it as a concept whereby companies integrate social and environmental concerns in their business operations and practices.CSR is also understood in terms of continuing commitment by business firms to behave ethically and contribute to economic development of the local community and sustainable development of global societies.

In his work titled "The Market for Virtue" David Vogel makes an attempt to present a coherent and informative overview and analysis of the potential and limits of CSR. Growing awareness and increasing interest in CSR, both as a concept and as a movement has been an outcome of the process of globalization. Although the literature on CSR is growing rapidly, there is dearth of research on CSR's actual impact on the social and environmental problems. David Vogel (Market for Virtue,2005) observes that while much has been written about the business benefits of CSR, there have been relatively few analyses of its costs, or of the relationship between the two.

Most definitions of Corporate Social Responsibility describe it as a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. Thus, being socially responsible means not only fulfilling legal expectations, but also going beyond compliance and investing more into human capital, the environment and the relations with stakeholders. The World Business Council on Sustainable Development defines CSR as," the commitment of business to contribute to sustainable economic development, working with employees, their families, local community and society at large to improve their quality of life."In the context of the current paper focusing on the theme of 'Areas of intervention in CSR', this definition seems most relevant..CSR is also understood in terms of continuing commitment by business firms to behave ethically and contribute to economic development of the local community and sustainable development of global societies.

Conclusion

It is time now that adequate strategies for sustainable development are planned and put into action as it is most essential for the survival of mankind. In fact 'sustainable revolution' at different levels- political, social, economic, environmental, technical et al., is the need of the present times. The aim of the ecologically sustainable development is to maximize human well being or the quality of life without jeopardizing the environment. The measures for sustainable development may be different in developed and developing countries according to

their levels of technological and economic development. To ensure global sustainable growth, the prime need is the conservation of the natural resources, by efficient and effective management. Optimal management of the natural resources and emphasis on the production of "environmental friendly products" (EFP) can be another means of ensuring sustainability. A code of ethics should come into play to address the practical aspects of the adverse impact of human actions on environment.

The Stockholm Declaration is an important document as far as the international and national environmental movement is concerned. It further resolved on emphasis on protection of wildlife, pollution of sea, economic and social development for quality of life; integrated and co-ordinated approach by states towards planning, education and implementation in environmental matters. The General Assembly of the UN also passed a resolution on December 15,1972, emphasising co-operation between the States in the field of conservation of human environment. The UN has designated June 5th as the World Environment day and it has urged the member States to undertake on that day, every year, world-wide activities reaffirming their concern and commitment towards the preservation and enhancement of the environment.

Owing to international obligations as a signatory, India decided to effectuate these obligations through an amendment to the Constitution, in the Chapter of Directive Principles of state Policy, in the form of a new provision in Article 48-A and 51-A.. On the basis of these two articles, The Water (Prevention and Control of Pollution) Act 1974 and The Air (Prevention and Control of Pollution) Act 1981 were passed.

Scientific and technological developments have made it increasingly possible to exploit depleteble resources and has led to an increasing accumulation of non-decomposable wastes. Nature is no longer able to absorb all the substances, many of which are toxic, not only for nature but also for human beings. Efforts to hide emissions and wastes- in dumping sites, in intermediate or permanent storage places, to spread them- by building high smokestacks or to dump them into the oceans have proven temporarily successful because emissions and wastes in general are 'mobile poisons'. This results in reduced natural diversity, decline of robustness of the ecosystems and breakdown of ecological equilibrium.

The business practices need to be made environmentally safe, sound and sustainable. The strategies, technologies, techniques and general practices can be made environment friendly, to make it beneficial to both business and environment. Green Business is a noble concept to bring out the close, healthy connection between business and environment. To become " green Business " ,certain laid- down business standards are to be complied with.Certain norms are to be strictly followed. There is enough room for flexibility in achieving these standards. Paul Hawken in his publication, " The Ecology of Commerce" has dealt with the issue of 'what should be business norms?'.He describes the gap between hoe the earth lives and how we now conduct our commercial lives in the era of globalization. In the chapter,'A Teasing irony', Hawken has analysed conflicts between environmental improvement and the desire of business to maximize profits, as usual. He finally observes that , business is the problem and it must be part of the solution. Roger Levett in his work, " Greening Economic Development", finds that efforts made at the local government level to 'green the local economies in some countries brought real benefits to both business and environment.

The World Commission on Environment and Development in its report, " Our Common Future", usually known as Brundtland Report acknowledged the concept of limits but believed that they were imposed by technology and social organizations rather than by nature.

Since poverty is believed to reduce people's capacity to use resources in a sustainable manner, the mechanism proposed was redistribution of resources and building the capacities of the poor to meet their own needs.

Redcliff (1984) argues that " the concept of sustainable development remains fraught with contradictions which arise from the failure to recognize that the limits of sustainability have structural as well as natural origins". He maintains that unsustainable practices are rooted in the capitalist development of the international economic system which commodifies the environment and which systematically marginalizes the poor.Chambers (1978), advocates ' sustainable livelihood thinking' as a solution to the problems of environment and development. For pragmatic radicals like Chambers, the Brundtland Report is a move in the right direction because it emphasizes that the over- riding priority should be given to meeting the needs of the world's poor. He points out that this would involve major institutional changes.Environmentalists fear that free trade will damage natural resources while free trade enthusiasts worry that stricter environmental policies bring them the potential for sizeable disruptions to trade. Environmentalists use trade restrictive tools to meet important environmental goals particularly given the global nature of the economy and the environment.

It is important to note that lack of development also leads to undue burden on the environment and may cause environmental problems. People living in abject poverty , have no proper access to food ,shelter, clothing ,education and health. The destruction of forests, loss of arable land, loss of productivity and the increasing pressure on the fragile ecosystem, which so often result from poverty, are as significant as the increasing pollution created by industry, technology and over- consumption by the globalizing societies. The Brandt Report (1980) argued that conservation is as dependent on development as development is on conservation. The increasing awareness and demand for social audits of businesses is encouraging organizations to fulfill their social obligations and ensure practices adopted are socially acceptable and desirable. Thus, the need for adopting practices which are ethical becomes inevitable for businesses to ensure their sustainability. The various corporate social initiatives to promote social welfare, being undertaken by business organizations all across the globe today is an evidence that sustainable future demands adopting ethical position.

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Karma Kapital:
Towards New Age ADAM Model for Prosperity, Justice and Peace (PJP)*

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Karl Marx in his revolutionary and famous book, Das Kapital provided a vision of society that created revolutions across the world. Now the world has post-revolution experiences and in the fall of Soviet Union, Das Kapital lost its revolutionary fervor. Many changes in societies have taken place since the days of Das Kapital. For some time it appeared that Capitalism in general and Wall Street Capitalism in particular will provide a new vision and this vision was promoted through the idea of Globalization. However, Globalization is leading to spread of inequalities within the nations and across the nations as well as threat to environment. It is amounting to globalization of Greed. Excessive concerns with growth rates is leading to a new blinding among policy makers. The suffering and the struggling classes of the society are getting further marginalized due to adverse impact of single minded growth rate driven approach to development. In fact growth rate is an indicator of the speed at which wealth and resources are transferred from the middle and lower classes to the 'greed class' of the society. Hence, there is a need for a rethinking and we need a new concept of Globalization viz. Holistic Globalization- Harmonic Globalization that will lead us to a new vision of 'Sacro-civic society' based on Prosperity, Justice and Peace (PJP).

For this new vision of society we need a new book that can be titled as Karma-Kapital that takes us beyond two influential thinkers

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and their books, viz. Adam Smith's and Karl Marx. Gandhi's well known observation: 'There is enough for everybody's need not for greed' provides an inspiration for the same. Idea of Karma-Kapital is in consonance with ancient ideas of Shubh-labh, wherein Karma is indicative of Shubh and labh is indicative of Kapital. It is also in consonance with the idea of loksangraha as Karma implies good actions for benefit of Self, Others and World (SOW). In essence it represents a SOWing process for benefit of everyone. It may be indicated that the phrase 'Karma Capitalism' has also gained some currency in US among some Management Gurus, however, its foundational framework has not been fully worked out. It merely refers to application of Gita to the field of Management to bring ethical dimension to Management and Leadership. However, in Karma-Kapital we go beyond it and provide an integrative vision of Holistic Development and Management (HDM) based on three key ideas from Indian tradition viz. shubh-labh, loksangraha and yoga reflecting the Economic, Social and Spiritual aspects of Human Development in general and Udyoga (Industry) in particular. It may be indicated that in the word, Udyoga, the idea of Yoga is inherent. In fact, need for new horizons in human development has been felt by many (Giri, 2008). While Sen (1999) argues for 'Development as Freedom', Sharma (2009) argues for 'Liberation as Development' . In fact, Indian thought can provide a foundational premise for some new horizons for human development and management thought.

Three Types of Social Discourse

We observe following three types of social discourse in contemporary societies:

1. Survival of the Fittest to eliminate the rest/ to leave behind the rest – Roots of this thinking is Darwinian

2. Duty of the Fittest and empowerment of the weakest – Roots of this thinking can be traced to Kautilya who advises King to protect the weakest (small fish) from the strong (big fish)

3. Arrival of the best to lead the rest - Roots are in Gita (yada yada hi dharmsya …) and is best exemplified through Gandhi type leadership

These three types of social discourse are built around three fundamental concepts viz. Competition, Compassion and Consciousness. Thus, we can look at SOW (Self, Other and World) from viewpoint of Competition, Compassion and Consciousness leading us towards a particular view of society and its institutions. An integrative model implies a balanced approach to these three types of discourse. Karma SOWing implies taking such a view of human actions.

Holistic Globalization – Harmonic Globalization

To further appreciate the concept of Karma-Kapital and associated idea of 'Holistic Globalization' – 'Harmonic Globalization', we can draw upon the ancient symbol of four lions to indicate the impact of following four forces at the global and national levels:

1. Force of Market
2. Force of State/ Government
3. Force of Community in the form of Capillary action
4. Force of Higher Self/ Spirituality/ Karma

Fig.. 1 presents these four forces in terms of four lions metaphor and corresponding swastika:

When four forces are in harmony, we arrive at the idea of 'Harmonic Globalization' in contrast to currently popular idea of Globalization that is rooted in dominance of Market over other forces. When viewed from the perspective of development, we arrive at three models of development viz. Market driven development, State driven development and Community driven development that can also be referred to as Capillary Action model of development. There is a need to achieve a new balance between these three models of development. Further, when these development models are coordinated properly and are driven by

Fig. 1: Four Lions Metaphor and Four Fundamental Forces for 'Harmonic Globalization'

Higher Self (Hidden lion) manifesting as Karma in general and 'Karma yoga' in terms of leadership, we arrive at Karma-Kapital Sastra for a new vision of society to create conditions for Holistic Development and Management (HDM) leading to Sacro-civic society wherein 'Sacro' dimension is represented by higher consciousness in living together in a democratic set up (civic society).

Foundations of Karma Kapital

Foundations of above stated four fundamental macro forces are rooted following three key ideas related to Human Beings. Discussion on these ideas is available in this author's book, Management in New Age: Western Windows Eastern Doors (WWED), 1996:

I.   Basket of Needs (Ch. 14, WWED, 1996)
II. Modes of Thinking (Ch. 2, WWED, 1996)
III. Hierarchy of Deeds (Ch. 24, WWED, 1996)

It may be indicated that these three ideas have been developed from ancient Indian Thought, particularly the Purushartha theory of Dharma, Artha, Kama and Moksha, and Colors of Mind theory/ Mental Casting and the Triguna theory viz. Tamas, Rajas and Sattava qualities of nature.

Basket of Needs

Concept of 'Basket of Needs' based on six dimensional view of human beings (Ch 14, WWED) in terms of Biological, Economic, Political, Social, Psychological and Spiritual dimensions. These six dimensions can also be represented in terms of following three models:

I.   Human being as Bio-Spiritual entity
II. Human being as Socio-Political entity
III. Human being as Psycho-Economic entity

As Bio-Spiritual entities, human beings not only seek to fulfill their biological needs but also seek to explore their inner dimension/ inner self and its relationship with the world outside. As spiritual entities they tend to seek 'self realization'. As social beings they tend to seek fulfillment in social relationships and as political beings they tend to display power need. As psychological entities, they tend to seek self-actualization and as economic entities they tend to maximize 'utility'. The idea of 'Basket of Needs', wherein the basket combines above presented three models, leads us to at a holistic model of human beings. It may be indicated that the idea of 'Basket of Needs' not only takes us beyond Maslow's Hierarchy of Needs but also provides us an analytical framework for 'social-analytics' as we can use it to analyze the social dynamics in terms of dynamic interactions of the six dimensions of human personality and their manifestations in human societies. In the model of the 'Basket of Needs', self is defined in terms of needs. Expressions of the self can be observed in terms of satisfaction of the six needs. Fig. 2 presents the 'Basket of Needs' model of human beings.

Fig 2: Six Dimensions of Human Beings and Corresponding 'Basket of Needs' (Source: Management in New Age: Western Windows eastern Doors, Subhash Sharma, New Age International Publishers, New Delhi, 1996, p. 103, Fig. 14.4)

Modes of Thinking

'Five Dimensional Framework of Modes of Thinking' presents five modes of thinking in terms of the following modes: (a) Power acquisition (b) Calculative and acquisitive (c) Knowledge seeking (d) Concern For Others (CFO) and (e) Liberation from Oppression (LiFO)

Different human beings display different mix of these five modes of thinking. Cultures, societies and nations also differ in their emphasis and mix of these modes of thinking. In fact, different cultures and nations can be studied from the viewpoint of their 'modes of thinking'.

The Pentagon of five modes of thinking can also be represented as 'Spider diagram' to represent an individual's intensities of modes of thinking and his/her configuration in terms of five modes of thinking. In fact various societies and nations can also be configured on such a spider diagram. Collectivistic societies tend to display higher intensity of Concern for Others (CFO). Marginalized and oppressed societies, communities, nations and individuals tend to display higher intensity of Liberation mode of thinking. This is reflected in many dignity struggles, identity struggles, class struggles that find expression in social movements. During India's freedom struggle, the entire nation demonstrated a very high intensity of liberation mode of thinking. Fig 3 presents the Modes of Thinking framework in Spider diagram format.

Hierarchy of Deeds

Based on Guna theory, Hierarchy of Deeds concept classifies human deeds/ actions in terms of Tamasik (Actions that harm other),

Fig. 3: Spider Diagram representation of Five Forces of Mind

Rajasik (actions that help others), Sattavik (Virtuous actions that not only help other human beings but also other life forms). This hierarchy of deeds is presented in Fig. 4.

Fig. 4: Hierarchy of Deeds
(Ch. 24, WWED, Fig. 24.1)

Towards an Integrative Ψ Model of Human Beings

Above discussed three fundamental ideas about human beings viz, basket of need, modes of thinking and hierarchy of deeds provide us a holistic perspective on Human Behavior. Individuals differ because they have different, Basket of Needs, Modes of Thinking and operate from different levels of Hierarchy of Deeds. These aspects of human behavior are expressed differently in the context of Market and other contexts of human interactions. Fig 5 presents an integrative model of Human Beings.

Fig. 5: Ψ Model of Human Beings

This diagram provides us a basis for unification of various social sciences. Social sciences such as Political science, Economics, Sociology represent various manifestations of

above indicated three facets of human beings and study them in depth. It may be indicated that the Trident implicit in this diagram also represents the Body, Mind and Spirit aspects of human beings. Further, this diagram also has a linkage with impact of three facets of human beings represented by basket of needs, modes of thinking and hierarchy of deeds on Market, Organizations and Society. This linkage is presented in Fig. 6.

Demand-Supply Swastika

Foundations of the force of Market are rooted in Demand – Supply curves and the equilibrium dynamics between the two. This dynamics is influenced by HiLo (High and Low) movements of Demand and Supply. Thus, Demand and Supply curves can be represented by a Swastika and an analysis of the movements of this swastika provides us an understanding of the market movements. Demand –Supply Swastika can take the shape of upward spiral indicating boom, optimism and bullish trend in the market or a downward spiral shape indicating gloom, pessimism and bearish trend. Downward trend is indicative of the need for some intervention by the State to prevent the economic system from turning into a 'black hole'. Fig. 7 presents this perspective on HiLo (High-Low) in the Market leading to emergence of boom and doom spirals.

It may be indicated that Human Behavior reflected through Basket of Needs, Modes of Thinking and Hierarchy of Deeds is at the root of the Demand-Supply Swastika movements. As these aspects of human behavior get reflected in varying forms, Demand Supply swastika also takes various shapes making predictions unpredictable. In essence, Ψ is behind the demand supply swastika. Adam Smith referred to it as invisible hand. However, Ψ is now quite visible in Market. During recent years, consumer behavior has emerged as a distinctive branch of study.

In subsequent discussion we suggest that these three ideas viz. basket of needs, modes of thinking and hierarchy of deed are at the
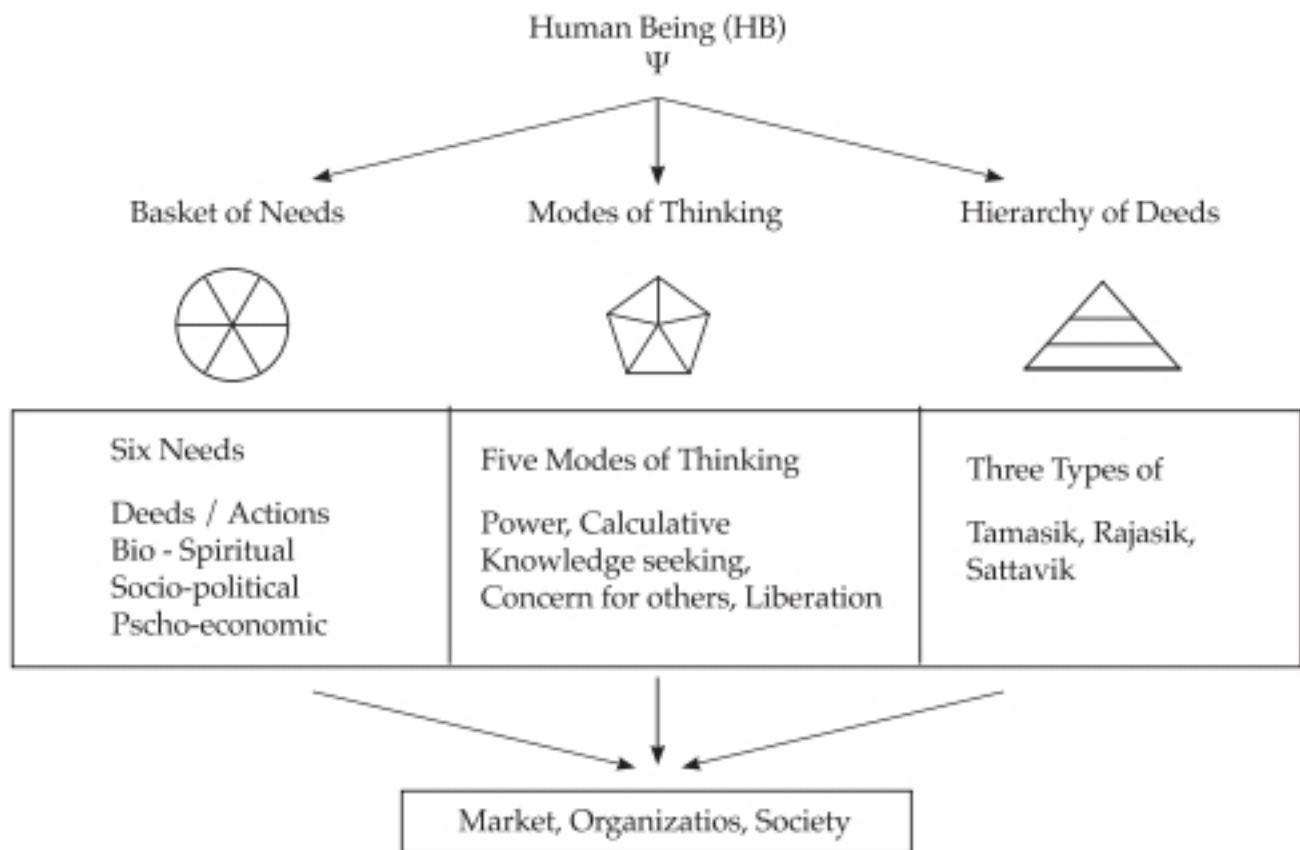
Human Being (HB)

Ψ

Basket of Needs   Modes of Thinking   Hierarchy of Deeds

Six Needs	Five Modes of Thinking	Three Types of
Deeds / Actions Bio - Spiritual Socio-political Pscho-economic	Power, Calculative Knowledge seeking, Concern for others, Liberation	Tamasik, Rajasik, Sattavik

Market, Organizatios, Society

Fig. 6: Ψ Model of Human Being and its Impact on Market, State and Society

Boom spiral

Upturn

Downturn

Gloom spiral

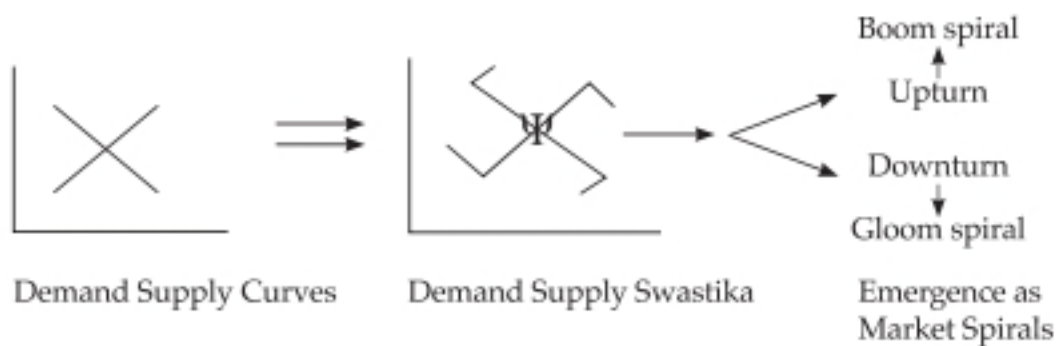Demand Supply Curves   Demand Supply Swastika   Emergence as
Market Spirals

Fig. 7: Swastika Model of Demand and Supply

foundation of the idea of Karma Kapital. It may also be observed that Demand Supply HiLo movements can also be represented in a 2x2 matrix format. This matrix with high low categories is essentially a two variables Swastika. This matrix is useful in analyzing the context in which a sector or an organization is operating at present time and the anticipated changes in the sector with respect to Demand - Supply Swastika movements. Further, the dynamics of the Holistic Globalization represented by the four forces is also influenced by the Demand-Supply Swastika. The interplay of the Ψ and Demand-Supply Swastika and its linkage with other forces can be seen in the context of the recent recession in US and in Europe. It indicates the need for managing the Market swastika in a better way. In fact, an understanding of this Ψ and the Swastika is also useful for Strategic Management.

It may indicated that movements in Demand Supply (DS) Swastika are also related to Space and Pace (SP) of changes in the market place as well as Opportunities and Threats (OT) offered by the market. Hence for a proper understanding of various configurations in the market place we need an understanding of the following three fundamental concepts:

1. Demand and Supply (DS)
2. Space and Pace (SP)
3. Opportunities and Threats (OT)

Thus, market place dynamics of DS (Demand and Supply) is intimately connected with Market SPOT (Space, Pace, Opportunities, Threats). It may be indicated that market analysis implies a study of DS - SP - OT dimensions of market. Such analysis is useful for Forward Engineering and Strategic Management.

ADAM Foundations of Karma-Kapital Sastra: From Adam Smith to New Age ADAM

By SASTRA we imply Science, Art, Spirituality and Transcendental Approaches to a field of study. Using this definition of SASTRA and drawing upon the Purushartha theory from ancient Indian literature, we can base Karma-Kapital Sastra on New Age ADAM model. In this model ADAM implies Trivarga (Triad) of Artha, Dharma and Moksha representing Economics, Ethics and Spirituality.

In the above discussion we indicated that Basket of needs, modes of thinking and hierarchy of deeds, are at the roots of macro forces expressed in the form of forces of market, State, Society and Self. It may be indicated that Adam Smith through his idea of Self-interest liberated the humanity from the idea of Sin and thus created a thought revolution. However, now there is need for another thought revolution to go beyond Adam Smith to New Age ADAM. This is needed because practice of Selfishness and excessive Self-interest has led to emergence of 'Greed Classes' in various societies immaterial of their ideologies. ADAM model implies moving beyond Selfishness and Self-interest to Enlightened self-interest and Enlightened collective interest.

ADAM model also has implications for the field of Psychology as it implies three levels of self evolution viz. Ego, Eco and Enlightenment. In this model, Eco represents the concern for others. If we incorporate Freudian concept of Id, Ego and Super ego, we arrive at a new model of Human Development viz. IEEE model represented by Id, Ego, Eco and Enlightenment. Individuals differ in terms of echo intensities of Id, Ego, Eco and Enlightenment. Some are driven by the echoes of the Id and Ego, while others are driven by echo of Eco and echo of Enlightenment. We can find these personality types in every society. This model is also in consonance with OSHA model (Sharma, 1996) rooted in Guna theory, wherein OSHA represents the Oneness, Spiritual, Human and Animalistic tendencies in one's personality. Enlightenment corresponds to Oneness level, Eco orientation corresponds to Spiritual, Ego corresponds to Human and Id corresponds to Animalistic tendencies.

Social implications of ADAM model can also be viewed in terms of a 3x3 matrix based on Individualism, Collectivism and Cosmotivism on one axis and Ego, Eco and Enlightenment orientation on another axis. The idea of Comotivism (Cosmic connectivity orientation) takes us beyond Triandis's (1995) classification of societies in terms of Individualism and Collectivism that was also used by Hofestede in study of National cultures. Societies differ in the manner they establish connectivity with Cosmos and this can lead to cultural differences and attitude towards others e.g. to People and Planet (to use the phrases from 3 Ps model of Profit, People and Planet). This matrix presented in Fig. 8 is a foundational matrix for Holistic Development and Management (HDM) because Holistic Development is based on a proper balancing between Individualism, Collectivism and Cosmotivism. Further, a nation's culture is represented not just by Individualism and Collectivism but by a combination of Individualism, Collectivism and Cosmotivism. This matrix can also be viewed in terms of social and psychological interfaces as its one axis represents the society's classification and other axis represents a new psychological model. The ideas of selfishness

Enlightenment			Moksha
Eco		Dharma	
Ego	Artha		
Id Selfishness	Individualism (Self-interest)	Collectivism (Enlightened self interest)	Cosmotivism (Enlightened collective interest)

Fig. 8: Artha-Dharma-Moksha (ADAM)
Matrix for Holistic Development and Management (HDM)

and id have also been indicated in the lower corner of the diagram outside the matrix.

This ADAM matrix can also be considered as a foundational matrix for Karma-Kapital Sastra because it incorporates the dimensions of Enlightenment and Cosmotivism as part of the Development thinking for a new vision of society.

It may be indicated that social discourse based on Artha (Economics aspect of human existence) is dominated by the language of competition, growth rates etc. view of society. In contemporary context it is metaphorically represented by MMS (Malls, Multiplexes and Stock market) and giving a push to them.

Social discourse based on Dharma is reflected in terms of compassion and gets articulated in terms of social justice, equity concerns etc.

Social discourse based on Moksha is reflected in terms of Consciousness and gets reflected in terms of concerns for environment, harmony and peace.

Thus social discourse includes market place, social space and spiritual base dimensions of human existence. This discourse emanates from basket of needs, modes of thinking and hierarchy of deeds. New Age ADAM model with routes in these aspects of social discourse is presented in Fig. 9.

Fig. 9: New Age ADAM Model as an Integrative Model providing a Holistic View of Economic, Social and Spiritual aspects of Human Existence

Towards Holistic GDP Equation

ADAM Model and the above presented 3x3 matrix, lead us to the idea of Holistic GDP (Growth Development and Progress) based on Artha, Dharma and Moksha. Artha represents the Economic GDP, Dharma represents the Social GDP and Moksha represents the Psycho-spiritual GDP. For Holistic Development of the world as well as a Nation, we need a proper balance between the three. This idea of Holistic GDP as a 'New GDP' concept is central to Karma-Kapital and can be represented by the following GDP equation:

$$\text{Holistic GD} \quad = \quad \underset{\text{(Prosperity)}}{\text{Economic GDP}} \quad + \quad \underset{\text{(Justice)}}{\text{Social GDP}} \quad + \quad \underset{\text{(Peace)}}{\text{Psycho-spiritual GDP}}$$

In case of a nation, Economic GDP is measured by 'Gross Domestic Product', Social GDP can be viewed in terms of Human Development Index and is represented through Human Development Report (HDR) based on the ideas of Amartya Sen and others. However, we also need to include the idea of Psycho-spiritual GDP that has been ignored in general. The concept of Gross National Happiness (GNH) introduced by Bhutan Government can be an indicator of Psycho-spiritual well being. Holistic GDP equation suggests that we need to design a new 'Holistic Performance Scorecard' (HPSc) for Nations that takes us beyond Per Capita Income and Growth rates oriented scorecards as well as beyond Human Development Index by incorporating the Psycho-spiritual well being dimension. Such a scorecard would be based on New Age ADAM model represented by Artha, Dharma, Moksha dimensions of existence and it has deeper roots in basket of needs, modes of thinking and hierarchy of deed.

Three key ideas from Indian tradition viz. Shubh-labh, Loksangraha and Yoga with roots in the Artha, Dharma and Moksha approaches to human existence, capture the essence of above equation. Shubh-labh represents Prosperity i.e. Economic GDP (Artha dimension), Loksangraha represents Social GDP (Justice/ Dharma dimension) and Yoga represents Psycho-spiritual GDP(Peace/ Moksha dimesnion). In corporate context, it implies building New Age Corporations and Institutions based on Shubh-labh (ethics based profit), Loksangraha (Corporate Social Responsibility) and Karma-yoga (Leadership leading to Good Governance). While Responsible Corporate Management (RCM) has focus on Good Governance, Holistic Corporate Management (HCM) implies building corporations on the foundations of three pillars viz. Profit, CSR and Good Governance. This model has a broad equivalence with Triple Bottom Line approach of 3 Ps viz. Profit, People and Planet. Fig. 10 presents this holistic model for corporate development. In this Figure, shubh-labh/ artha is represented by demand and supply curve, loksangraha/ dharma is represented by a balance and karma/ karma-yoga is represented by chakra (circle of actions).

It may be indicated that we can use the metaphor of colors to represent above discussed ideas. Green represents Shubh-labh (Green & Clean Profit), Red represents Loksangraha (Justice, CSR) and Saffron represents Yoga (Spirituality, Peace). These colors also represent the Artha, Dharma and Moksha dimensions of existence. These colors constitute a new flag of new corporate model based on Profit, CSR and Good Governance. In fact it is a flag of the idea of Karma-Kapital that has roots in model of basket of need, modes of thinking and hierarchy of deeds. In corporate context it is a flag of Responsible Corporate Management (RCM) as well as Holistic Corporate Management (HCM).

Fig. 10: A Holistic Model for Corporate Development and Holistic Corporate Management (HCM)

To conclude, the Tripod of Shubh-labh, Loksangraha and Karma yoga, from Indian tradition represents the essence of Karma-

Kapital and thereby Holistic Development and Management (HDM) for a new vision of Prosperity, Justice and Peace (PJP) leading to development of 'Sacro-civic society'. In the context of a nation, all political parties have to work towards PJP (Prosperity, Justice and Peace) immaterial of their ideologies (caste, religion, region, race, class etc.) because at individual and collective level all human beings long for PJP.

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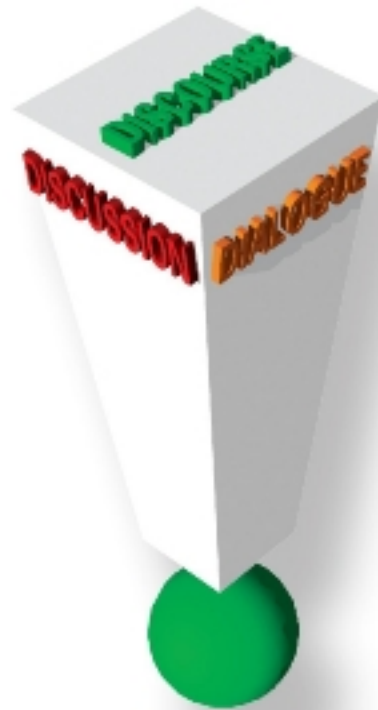
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