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**New Models Of Leadership**

**Spiritual-based Leadership: A Matter of Faith and Confidence**

**William C. Miller and Peter Pruzan**

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William C. Miller[1] and Peter Pruzan[2]

Imagine… If leaders and managers of human resources in India had a consciously-held spiritual view of life and led from that spiritual basis… Leaders who would say things like…

> *Spirituality is inspired responsibility towards people, other living beings, and the world… seeing and relating with Divinity in every aspect.*
> *(Chairman / Agriculture & Bio-Chemistry)*

> *The primary purpose of my life is enlightenment and liberation. The second is to participate in the upliftment of humanity and the universe.*
> *(Vice-Chairman / Public Relations)*

Imagine even further, that these leaders would also say things like:

> *If you have a sound policy based on caring for people, not harming anyone or anything, and a good business strategy, then the financial success will come automatically.*
> *(Senior Vice President / Manufacturing)*

> *My knowledge of spiritual texts tells me that the best way to look at success is to ask: Have I followed my inner conscience? Have I given my best effort? Have I done what was right? Have I learned from my effort? This is what is most important.*
> *(Chairman-President / Manufacturing)*

> *Our responsibility is to insure that the company will survive and thrive for the next 120 years. When you begin to think this way, you are really entering into the spirit of family, into the spirit of a multi-cultural environment, and into the spirit of humanity as a whole.*
> *(President / Electronic Equipment & Services)*

In this paper, we present our initial observations from an international research programme on a topic that will be of great importance to the business world of the 21st century - and to all of humanity:

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[1] Author, President, Global Dharma Center
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Spiritual-based Leadership: A Matter of Faith and Confidence

When we refer to "new models of leadership" in the title of this paper, we are really referring to new *role models* of executive leadership. This paper, which presents preliminary observations based on our research[3], indicates that leaders can be very successful in the world of business while drawing upon the faith that is available to them from their spiritual basis -- if they have confidence in themselves to do so. And they can do so while shifting the fundamental premise of business from a rational-economic basis to a spiritual basis.

After briefly describing the purpose and scope of the research programme and the conditions today that reflect a spiritual awakening of business, we will devote the majority of this paper to giving you a chance to read directly the wisdom expressed by the leaders we spoke with. Our brief commentary will be interspersed among quotes from our interviews with these leaders – it is the "voice" of these leaders, not ours, that provides the real content of the paper.

Purpose, vision, intentions and rationale for the research programme

The purpose of the research programme is to contribute to the emerging field of spiritual-based leadership worldwide by making high quality and reliable knowledge about spiritual-based leadership easily accessible.

Our vision for this research programme includes:

1. To provide the *leaders* who participate, the *researchers*, and *those who access the findings* with an opportunity for spiritual development

2. To research spiritual-based leaders with respect to:
   - Their *perspectives, attributes* and *experiences*
   - Their *success* in business organisations
   - The *learnable practices and processes* they employ

3. To develop a knowledge base, a website and a book incorporating interviews, profiles and data

We are grateful for the emergence, over the past decade, of an international dialogue on spirituality in work organisations.[4] While consciousness about spiritual-based leadership is relatively new to the work world and as a field of study, we feel it has gained a strength and momentum such that it deserves a focus of research at this time.

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[3] Over and above the authors, our wives, Debra Miller, co-founder of Global Dharma Center, and journalist Kirsten Pruzan Mikkelsen have participated in conducting and documenting this research.

[4] Work organisations include private and public enterprises, institutions, non-profits, NGO's, and foundations.

The following are the intentions and rationale that underlie our engagement in this endeavour:

- Many people are sceptical about the mix of business and spirituality. Some people are positive about business and sceptical about spirituality: "You can't really be competitive in business if you're spiritual." Some people are positive about spirituality and sceptical about business: "Business greed is too corrupting for spirituality to make a difference." Our intention is to address views such as these by investigating if and how business leaders can be effective while operating from a consciously held spiritual basis.

- Traditional business goals typically focus on financial/productivity gains. Texts from spiritual traditions worldwide propose that there is a much more profound role for human endeavour – that of selfless service to society and the spiritual upliftment of everyone. Our intention is to investigate how business goals can be defined and prioritised from a spiritual basis, and whether businesses can thrive and evolve from that basis.

- The students and faculty at universities as well as consultants and organisational leaders require examples of, and knowledge about, spiritual-based leaders in work organisations. Our intention is to provide an easily accessible knowledge base, a website and publications which will include cases, stories, examples and data for class work, teaching, further research and publications.

- There may be significant, demonstrable differences among spiritual-based leaders in their perspectives, qualities, and attributes. The practices and processes of spiritual-based leaders might also vary depending on the type of organisation (family owned, publicly traded, etc.) and the cultural traditions of the society the organisation operates in. Our long-term intention is to develop a typology for these diverse types of spiritual-based leaders and leadership and to identify a framework within which people can consciously develop themselves as spiritual-based leaders.

Our personal perspective

We were inspired to undertake this research by our own spirituality and by the desire to serve students, teachers and leaders worldwide. As researchers, we are not, and cannot be, disconnected from the world we are researching. We are motivated to provide objective, reliable, trustworthy findings that will enable organisations to create a better life for all their stakeholders.

We ourselves hold a spiritual view of life that forms the foundation from which we are committed to this research. The spiritual basis we draw from includes the beliefs that:

- We are all spiritual beings, first and foremost; we exist beyond our bodies
- Divinity is the very core of our humanity, so to be fully human is to be spiritual
- Work and business are means for spiritual growth
- Leadership is a spiritual activity to be conducted for the benefit of society

The inauguration of this research programme was blessed by our spiritual teacher, Sri Sathya Sai Baba, in September-October 2001.

Current conditions reflecting the spiritual awakening in business

We examined recent trends regarding the relationship between spirituality and the business world. Here are some of the things we found…

We are at the dawn of a deeper appreciation of how spirituality is the basis of business. Dee Hock, the founder of VISA has said:

> *We are at the very point of time where a four hundred old age is dying and another is struggling to be born, a shifting of cultures, science and institutions greater than the world has ever experienced.*

In late 1999, the Gallup organisation conducted a poll on religion in the United States[5] and found that 95% of Americans believe in God or a universal spirit and 78% have felt the need in their life to experience spiritual growth. This is by the way up 20% since 1994. Of the people polled, 51% said that modern life leaves them too busy to enjoy God or to pray, as they would like.

So this major poll indicates that people in the US believe in a universal spirit or God, they feel the need for spiritual growth like they have never felt before, but they are too busy to actively engage themselves in seeking that growth. Nevertheless, 48% of the people who were polled said that they had discussed their religious faith at work in the past 24 hours.

There is also a spiritual awakening in business itself. In a study by Jacobson on transformational leadership[6], a panel of distinguished leaders, including the President of Notre Dame University and a NATO ambassador, were brought together to identify people they considered to be transformational leaders - people who not only got the job done but in a way that created trust, creativity, commitment and ethical behaviour. The people selected by that panel to be interviewed included a former Governor, a US senator, a college president and a CEO in health care.

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[5] As reported in the *U.S News and World Report*, November 1, 1999
[6] As reported in *The New Bottom Line,* edited by John Renesch. 1997, New Leaders Press, San Francisco

The study found that 72% of the transformational leaders interviewed spoke in strong and clear terms of the importance to them of their spiritual traditions. 77% expressed that there was a strong and vital relationship between spirituality and their leadership practices and 59% agreed that spirituality in the workplace was essential for organisational health and productivity.

This spiritual awakening in business is also reflected in the number of books being published on spirituality in business. Publishers indicate that the category called 'Books and Spirituality at Work' is the fastest growing segment in the business book industry today. There are titles recently such as 'Reawakening the Spirit at Work', 'The Soul at Work', 'The Soul of a Business', 'Managing with the Wisdom of Love', 'Spirit at Work', 'Stirring the Soul at Work', 'The Corporate Mystic', 'Leading Consciously', 'Rediscovering the Soul of Business', 'The New Bottom Line', 'Spirituality, Ethics and Management'. Reference can also be made here to the website, www.spiritatwork.com, which informs on the many activities being carried out by the US-based organisation, Spirit at Work.

There are also strong indications from the world of academia of the growing awareness as to the relationship between spirituality and business. The Academy of Management, a major professional organisation for professors who teach management and organisational behaviour, has recently approved a special interest group called 'Management, Spirituality and Religion'. As of 2001, there were approximately fifty universities in the US that had courses related to spirituality in business.

In India, there are programmes based on spirituality at the Indian Institute of Management campuses in Calcutta, Lucknow and Bangalore. And there are entire business schools with a consciously-held spiritual basis. For example: The Sri Sathya Sai Institute of Higher Learning in Puttaparthi; and the Sri Sringeri Sharada Institute of Management (SriSIM) in Delhi. There is also a growing interest in how the spiritual ethos/culture of India can be the basis for an "Indian style of management" that could contribute to the global practice of business management.

It should also be mentioned that the Center for Creative Leadership, the most renowned private non-university centre on corporate leadership development in the US, now conducts a yearly conference on spirituality in leadership attended by executives from Fortune 1000 corporations. Finally, there are now a number of student organisations in the US that deal with matters of spirit at work and spiritual-based leadership; for further information on these organisations, see the fore-mentioned website www.spiritatwork.com.

Our own experience and studies have led us to characterise the context for today's business world by four global themes:

1. *Global competition* – where companies follow the centuries old notion of the survival of the fittest, with a small twist today and that is, since we have alliances we have survival of the most fit alliances.

2. *Global self-interest* – where the operating assumption of business is that the purpose of business is simply to create wealth, to make money.

3. *Global consumerism* – where we are on the path of trying to fill an unlimited set of desires with limited resources.

4. *Global stress* – where the tag line is: "Don't spare anything in your pursuit of happiness," or at work it is: "Don't spare anything in your pursuit of getting the job done."

In this context, there is a sense of becoming out of balance; life seems fast paced and not necessarily satisfying, and yet we are caught in this powerful global context wondering how we can change the way things are.

We propose that the challenges facing all of us, and in particular the leaders of business, is not how to survive and thrive within the context, rather the challenge is, "How can we shift the context of business itself?" In other words, how can we contribute to the development of a new, spiritual-based paradigm for the world of business? Consider the need for such a shift as poetically expressed by Paula Horan a psychologist and author when she addressed the Habitat Center in 1999:

> *We have taller buildings but shorter tempers, wider freeways but narrower viewpoints*
> *We have more degrees but less common sense, more knowledge but less judgment, more experts but more problems, more medicines but less wellness*
> *We have conquered outer-space but not the inner-space*
> *We have done larger things but not better things*
> *We have cleaned up the air but polluted the soul*
> *We have split the atom but not our prejudice*

In less poetic terms, her view is supported by data from the United Nations[7] that in 1997, Europeans and Americans together spent more on cosmetics, perfumes and pet foods than it would have taken to provide reproductive health, basic health and nutrition for all people on the planet. The spending on narcotics was ten times that, and military spending around the world was twenty times what that expenditure would be. The resources are not lacking in this world, but the will, the understanding and the compassion are. And we are lacking the deep awareness of our interconnectiveness, of

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[7] From the *World Development Report 1998* and *Human Development Report 1998*. United Nations Development Programme. New York: Oxford University Press

our oneness, that only a spiritual perspective can give.

This growing need for a positive symbiosis between spirituality and business in the modern world can be underscored if we look at what the ancient Indian culture teaches us about how to have a life in balance. Such a life is based on achieving what are said to be four major goals of life. In their terms, these goals are: *Dharma*, which means living in harmony with creation; *Artha*, which means producing wealth; *Kama*, which means achieving one's desires, for example having a family, having a home, having a particular job and career; and *Moksha*, which means experiencing spiritual fulfilment. We are in an age today in which we are focusing on producing wealth and achieving desires, but at the expense of living in harmony and at the expense of spiritual fulfilment.

On the other hand, and in a more optimistic vein, if we look closely, we will see signs of a growing momentum that is shifting the business world from a focus almost exclusively on self-interest, whereby the only purpose of business is to make money for owners, towards a sense of responsibility to all those affected by its behaviour. Briefly stated, there are two sources of this developing momentum.

The first source is traditional economic rationality. Top management is recognising, from study after study, that corporate social responsibility actually produces financial results in their business that are as good or better than they otherwise would obtain. For example, in 1999 a study of three hundred large corporations[8] showed that companies that made a public commitment to their ethics codes out-performed companies that didn't make such a public commitment by two to three times as measured by market value added.

And a study performed by Harvard University[9] found that companies that were stakeholder oriented – meaning that they paid explicit attention to their responsibilities to their stakeholders, such as their customers, society, the environment and their communities as well as their shareholders – showed four times the growth rate and eight times the employment growth than those companies that only focused on increasing the wealth for their shareholders.

The second source of momentum bringing about this shift from self-interest to a balanced sense of social responsibility is the organisation's external stakeholders, those people who are affected by the organisation. These could include customers, investors, suppliers, local communities and regulating bodies and the media. The following are only two of many examples of how such stakeholders are reacting to the behaviour and reputation of business enterprises. The first example deals with the emergence of "conscious consumers."

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[8] As reported by the Social Investment Forum, 1999
[9] As reported by the Social Investment Forum, 1999

A 1997 study by Walker Research[10] found that when price and quality were equal, three-fourths of consumers would switch brands or retailers if the producer or seller were associated with a good cause. The second example deals with the emergence of "socially responsible investors," where people are also focusing on the social and ethical profiles of the companies they are investing in. In the late 1990s in the US, the growth rate of professionally managed assets that were invested in socially responsible funds grew by 80% where the rest of the market grew by 40%.[11]

Willis Harman, the author of 'Global Mind Change' and co-founder of the World Business Academy, once summarised the call for – and the possibilities of – a deeper basis of business leadership when he wrote[12]:

> *Leaders in world business are the first true planetary citizens. They have worldwide capability and responsibility. Their domains transcend national boundaries, their decisions affect not just economies but societies and the related world problems of poverty, environment and security. World business will be a key actor in the ultimate resolution of the macro problem. It crosses national boundaries with much more ease than do political institutions and the business corporation is far more flexible and adaptive than the bureaucratic structures of the government.*

That brings us to consider the possibility that spiritual-based leadership can provide the long-term wisdom and inspirational guidance to bring about the shift in context and to bring us to a new era – an era where wealth creation, corporate responsibility and business ethics are all deeply rooted in a spiritual view of life. The questions that must be addressed include: "What are such spiritual-based leaders like? How do they handle the challenges they face in running their businesses? How successful are they in creating wealth and contributing to the well-being of all those affected by their actions?"

The Spiritual-Based Leadership Research Programme is designed to investigate questions such as these.

The participants in the research programme

Our research is primarily focused on executives whose character is grounded in a consciously held spiritual view of life and who lead from that spiritual basis. Depending on their personality traits and leadership style, their spirituality and how they lead from that basis may be a private matter or it may be expressed openly. They may also have varying degrees of being able to articulate their spiritual view of life.

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[10] As reported by the Social Investment Forum, 1999
[11] As reported by the Social Investment Forum, 1999
[12] Global Mind Change by Willis Harman. 1988, Knowledge Systems Press, Indianapolis, USA

All the executives interviewed so far come from levels such as Board of Director, Chairman, Vice-Chairman, CEO, President, Executive Director, Managing Director, Senior Partner, Senior Vice President, and Vice President. Their personal success in a business sense is shown by the positions that they hold.

Spiritual-based leaders may express their manner of leading from their spiritual view of life in any of the following ways:

a) They are taking their first steps to bring their spiritual view of life into their leadership
b) They are in the process of integrating their spiritual view of life with their leadership
c) They consciously lead from their spiritual view of life

Almost all the executives interviewed can best be described as consciously leading from their spiritual view of life. This should not be surprising as they were chosen to be interviewed – and accepted the invitation to be interviewed – based on their reputations as executives having a very broad and inclusive perspective on corporate leadership, identity, success and responsibility. Many of them are recognised as "spiritual-based leaders" by their peers, who have suggested their names to us, and most feel quite comfortable with having their leadership referred to as "spiritual-based."

Thus far in our research efforts, we have had the privilege of interviewing 28 executives, with each interview lasting up to 2 hours. 10 of those we have interviewed so far are from India, 5 are from Europe, 11 are from North America, 1 is from South America, and 1 is from Africa.

The industries they represent are almost all in the service sector. The industries include: finance, retail trade, international marketing, accounting, IT consultancy, technology development, media, healthcare, higher education, and manufacturing.

We have promised these leaders anonymity until they have approved the transcripts of their interviews. Many of these leaders have not yet given their final approval and therefore throughout this paper we have chosen to not specify who the particular person is and the name of the company where he or she is an executive. However, the following is a sample of the leaders we've interviewed and who have already given their approval:

- Ashoke Maitra, Vice President of Human Resources, the Times of India Group
- S. K. Welling, President, HMT International Ltd. (India)
- Lars Kolind, Chairman, Grundfos; former CEO, Oticon (Denmark)

Definitions

For the purposes of this research programme, we have defined the following key terms:

- Spirituality is defined by people throughout the world in varied ways, and may or may not be based on participation in an organised religion. As such, we have chosen to honour all definitions of spirituality, rather than to create our own specific definition. Some of those definitions include:
  a) Tapping into a deeper meaning in life that transcends our physical existence
  b) Having a relationship with the Source of creation (i.e. God, Higher Power, Allah, Jehovah, Brahman, etc.)
  c) Experiencing Divine Love
  d) Living in harmony with the essential nature and inter-connectedness of all creation
  e) Inquiring into the nature of one's true Self
  f) Living all aspects of life according to a set of religious principles

- A Leader is one who serves and guides others, inspires visions, defines goals and objectives, creates ideas, and makes decisions… as shaped by his/her individual competencies and character.

- A Spiritual-based Leader is a leader whose character is grounded in a consciously held spiritual view of life and who leads from that spiritual basis.

- Leadership incorporates: (1) the leader's competencies and character; and (2) the learnable processes, methods, and practices that the leader uses to serve, guide and inspire people to achieve shared goals that serve the needs of all stakeholders.

- Spiritual-based Leadership incorporates: (1) the character and competencies of a spiritual-based leader; and (2) the learnable processes, methods, and practices that honour the essential nature of life and contribute to the spiritual development of the organisation's stakeholders.

The research methodology

We conducted our research with these leaders in two ways:

1. Prior to our interview, we sent them a quantitative survey.
2. Then we interviewed them for about 1½ to 2 hours on the average.

There were four parts to the interview (our qualitative research). The first part asked them to give us a brief history of their careers, but we will not cover that aspect in this paper. The remaining 3 subjects were:

- "You and your spirituality."
- "Stories of your spiritual-based leadership."
- "Spiritual-based leadership in general."

At this early stage of our research, we are not going to give any conclusions or discuss any trends. We will only share some initial observations.

SBLs' definitions of spirituality

<u>Spirituality</u> is defined by people throughout the world in a variety of ways. As mentioned above, we have chosen to honour all definitions rather than to create our own specific definition. Here are examples of how some of these top leaders have described their spiritual view of life, and the key "theme" of their spirituality in a few words:

For me, spirituality is the acceptance of the existence of a God, whatever that is, and to adhere to my religion. (Theme: "Love God and love your neighbour") (Chairman / Manufacturing & CEO / Healthcare)

Spirituality is man's quest into his innate Divinity. It's more like a road, than a state of affairs; a quest more than an arrival. (Theme: "Opening up to love") (Executive Vice President / Paper and Wood Products)

Spirituality is the manifestation of the perfection that is already there within you. (Theme: Align oneself with a Super-power; have faith and caring for others") (Senior Vice President / Manufacturing)

Spirituality is our deep connection with a force greater than ourselves; it is a very individual, lived experience. (Theme: "Oneness") (Chairman / Technology Development)

I think of spirituality as having two parts: It's getting in touch with your deepest inner self and becoming who you are behind the mask of the false ego. And of course, this is only possible as you come into union with the transcendent. (Theme: "Wonder") (Former Dean / Higher Education)

Spirituality is inspired responsibility towards people, other living beings, and the world… seeing and relating with Divinity in every aspect. (Theme: "Noble actions, noble feelings, noble thoughts, noble responsibility")
(Chairman / Agriculture and Bio-Chemistry)

With the quantitative survey, we asked questions like, "Do you agree that life is first and foremost spiritual in nature?" 21% agreed and 58% strongly agreed. More than half of the respondents also listed the following two definitions among their top 3 choices out of 10 possible definitions presented in the questionnaire:

"Spirituality means realising one's inner essence" (58%)
"Spirituality means having a relationship with the Source of Creation" (53%)

SBLs' relationship between spirituality and religion

We then went on to ask these leaders, "How do you consider spirituality in relationship to the concept of religion? Are they the same or are they different?" We received a broad spectrum of answers:

To my mind religion is a reflection of spirituality. It is a comment on spirituality.
(Vice President of Human Resources / Media)

I think spirituality is taking the principles that are taught in most religions and living them as a natural way of life.
(Senior Vice President / Technology Commercialisation)

Spirituality for me is a universal context; it is limitless. Religion for me is limit; it is content, it is dogma.
(Executive Vice President / Paper and Wood Products)

Religion for me has been dogma, boundaries and boxes. It offers many beautiful things, but to me it is not spirituality. Spirituality has no borders or restraints, it doesn't separate, it connects.
(Co-Founder, Vice President / Retail Marketing)

Religion educates us in this additional concept of the human that is spiritual. But today the big mistake is to equate man's spirituality with religion.
(President / Electronic Equipment. & Services)

I think spiritually is how you live your entire life. I see religion as something that is handed down to you. It is something external to you, whereas spirituality is something that is within you.
(Strategy Director / Telecommunications)

By and large, the leaders we interviewed made a distinction between religion and spirituality. Almost 80% put the following definition of spirituality among the *bottom* 3 out of 10 choices provided in the questionnaire:

"Spirituality means living according to a set of religious principles"

SBLs' spiritual purpose

We then asked these leaders what they felt their own spiritual purpose was. Among the responses we heard are:

I am trying the best I can to live a Christian /Lutheran life… which, to me, means to help the under-privileged, to try to do to other people what I hope that they would do to me.
(Chairman / Manufacturing & CEO / Healthcare)

The primary purpose of my life is enlightenment and liberation. The second is to participate in the upliftment of humanity and the universe.
(Vice-Chairman / Public Relations)

When I was very young, I always wondered, "Why am I here?" When I questioned myself about this, I got the answer: "To learn responsibility and to show love."
(Senior Vice President / Financial)

I feel that my spiritual purpose is to immerse myself in the work that I have been entrusted to do and perform it with devotion, without expecting anything in return.
(Partner / Accounting)

I think success and achievement are two different things. I can be very successful in life and make a lot of money, but to me the question is, "What have I achieved?" For example, have I been able to help someone develop a device that will give better efficiency in order to serve mother earth?
(Director / International Marketing)

Fulfilling life's purpose

In the quantitative survey, we also asked, "For me to fulfil my life's purpose, which of the following are most and least important?" We asked the leaders to choose their top three and their bottom three choices from among 13 possible statements of life purpose. The differences in what people ranked among their most important and least important definitions of "my life's purpose" was striking to us:

Most Important (among top 3 of 13 choices)
"Developing my moral character and personal integrity." (57%)

"Realising oneness with divinity." (53%)
"Enjoying physical, emotional, and mental health." (53%)

Least Important (among bottom 2 of 13 choices):
"Building a life of material comfort and convenience." (63%)
"Having a productive career." (42%)

SBLs' stories dealing with spiritual purpose: "Career Moves"

An example of a leader who lives her life in accord with her spiritual purpose is an executive whose spiritual theme is "God in everyone." She describes what was behind her climb to the level of Senior Vice President of a multinational company that has over 100,000 employees:

I started in my company on the production line 30 years ago, working the 3rd shift during the night. People ask me all the time how I became a Sr. Vice President of a major corporation like this. Truthfully, I don't know. It wasn't something I had planned. I came here because I needed a paycheck in order to eat. I moved out of my parents home when I was 16 years old and I wanted to go to school. So I worked the night shift in order to go to school during the day.

How I progressed, which is the same pattern over and over in my career, is that there was always a problem that needed to be solved and I had the courage to tackle it

If you look at my entire career you'll see that I've been in marketing, I've run engineering, I've run manufacturing, I've run service businesses around the world, I've run software, and I've run equipment businesses. I've run businesses from $2 million to $3.5 billion. I've had from zero people to 8 people to 8,000 people working for me. I have always been a visionary and have always found the problems that nobody else wanted to solve but needed to be solved.

I have had several companies come to me and offer me a CEO position in the last few years and I have turned them down. Why? If I took a new job like that it would take my husband and me completely off of the spiritual path we are walking in our lives, and I am not willing to do that.

(Senior Vice President / Technology Commercialisation)

Other leaders echoed similar sentiments about not making career moves in ways that would hurt their spiritual growth or hurt other people:

I have ambition, but I am not ambitious. If you are ambitious you bring pain to yourself since it is desire-based.

(Executive Director / International Marketing)

I was never so ambitious that I had to advance my career no matter what the cost. I clearly did not want to do anything to harm my spiritual development.
(Senior Vice President / Financial)

My purpose was always to be a leader; I knew that I would reach the top, but not by causing harm to anyone.
(General Manager / Manufacturing)

SBLs' purpose of business

Another question dealt with the executives' perspectives on the purpose of business *from their spiritual point of view*. The answers we received are not the answers you find in ordinary business school textbooks that are typically based on the rational economic perspectives of business. In their simplest and crudest expressions, such perspectives simply mirror the well know phrase that "the business of business is business." In our research, we received very different replies:

Corporations can become agents of benefit in the world by transforming themselves and being reflections of love. Then they will be guided in how to behave as corporate citizens. (Vice-Chairman / Public Relations)

The first purpose is to create human excellence in everything that we do. The second purpose is that each human being (each stakeholder) should grow as much as possible.
(Vice President of Human Resources / Media)

I believe that a corporation has a soul. Yes, you do perform in a capitalistic model, but you do it with absolute deep respect for people. Whether in our personal life or corporate life, I think that it is a principle of life to give back.
(Senior Vice President / Technology Commercialisation)

My definition of an organisation that is operating within a spiritual approach is very simple: it is to relentlessly pursue the creation of value by ethical means. All stakeholders are equally important, so we need to make sure there is value creation for each one of them.
(Managing Director / Technology Development)

Our responsibility is to insure that the company will survive and thrive for the next 120 years. When you begin to think this way, you are really entering into the spirit of family, into the spirit of a multi-cultural environment, and into the spirit of humanity as a whole.
(President / Electronic Equipment & Services)

SBLs' stories dealing with the purpose of business: "Quality Improvement"

The concept of quality is closely related to the purpose of business and serves as the basis for the following story. There was a group of companies in the United States under a holding company that planned to introduce a system of quality control measures. A problem arose in one of the companies, whose operations are "job shop" in nature. The top executive of the company, whose spiritual theme is "realising Divinity," was wondering what he should do. Here's how he described what happened:

There was a time when we were introducing ISO 9000, which was a system of quality control measures, into our companies. In one of our companies where we were introducing this, it was a job shop where we do specialty items for our customers. Since these products are made for specific applications, it is extremely difficult to standardise things and is a very complicated process.

The expert who was helping us said, "This is all very simple. All you need to do is write down each of the procedures that you are already doing. You don't have to make any improvement; you don't have to say anything other than exactly the way you are doing it. This has nothing to do with right or wrong, you simply say what you are doing and do what you say." Even after he said all of this my fellows were still completely worried.

One evening I was thinking about this while attending a study circle with my spiritual group. I saw that all of this was simply talking about unity of thought, word, and action. So, I called in my employees and gave them a talk about unity of thought, word and action. I told them, "This is nothing but the concept of having what you feel, what you write, and how you act be the same. This is all that ISO 9000 is about."

So we went all over the company and said, "The company's objective with ISO 9000 is to have unity of thought, word and action." If I had used the word spiritual to describe the basis of this concept, I would have probably gotten some reaction. I didn't feel that I needed to tout this as spiritual. It was just truth and honesty, that's all. When I explained what unity of word, thought and action meant, they understood the concept very easily.

Sometimes they would even come back with an example such as this: "If a customer wants us to deliver a product the next day and we know it is going to take one week, usually we tell them it will be the day after tomorrow so we can buy some time. Can we do that? If we do, then it disturbs the unity of thought, word and action. So, what do we tell them? Do we tell them the truth?"

They started raising all of these questions throughout the departments. I was amazed at the chain reaction that began to occur. So I told them, "Let's not go mad

about this unity of thought, word and action. Let's have a monthly meeting where you can come to me with these problems where you find it difficult to be totally truthful." I tried to help them see the difference between telling a customer, "no, it won't go tomorrow, we are having difficulties," which is the truth, versus "it will go day after tomorrow," which is a lie. In this way they could still buy some time without promising something.

(Chairman-President / Manufacturing)

SBLs' notion of "business success"

When we asked the executives we interviewed about how they define and measure business success based on their spiritual theme, we heard comments such as:

Business must benefit society; there is no question about it. You cannot be an island of prosperity in a sea of poverty. Wealth creation is not the major goal; it is the means by which we can serve the community. But unless you create wealth, you cannot share it. (General Manager / Manufacturing)

I think basically that you should not measure success or failure at all. What's most important is to determine: "What was my underlying motivation? Have I given all of the effort that was required? Did I analyse it fully with the proper sense of ethical values?"
(Chairman-President / Manufacturing)

Management by objectives says "go for the fruit, reach the maximum return." However, the Gita[13] says, "Don't go for the fruit." I say there is no conflict between the two. Maximise the objective returns, the results, for others – for the well being of the society, which is God. If you serve the world, you serve God.
(Chairman / Agriculture & Bio-Chemistry)

If you have a sound policy based on caring for people, not harming anyone or anything, and a profitable business strategy, then the financial success will come automatically.
(Senior Vice President / Manufacturing)

The motivation for what we do is beyond the bottom line. Everyone knows we are in business to make money, which goes without saying, but that is only part of the story. Everything we do is so clearly focused on environmental, social and ethical issues.
(Chairman / Manufacturing & CEO / Healthcare)

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[13] The Bhagavad Gita is an epic mystical poem that contains the moral and spiritual principles found in the very earliest ancient Indian scriptures.

SBLs' stories dealing with business success: "Customer Relationships"

A beautiful example about the relative importance of financial results, compared with building and keeping solid relationships, came to us from an executive whose spiritual theme is "Align oneself with a Super-power; have faith and caring for others."

One incident happened sometime back where a man who had previously worked for our company supplied and installed some refractory material to one of our customers. He represented himself to his customer as one of our employees and claimed that the material had come from us, which was not true. So, the client agreed to let him do the work because he used our name. It so happens that the work that he did failed after two months.

The customer came to me and talked with me about what had happened. I went through all of the purchase orders, but could not find one for that specific job. Then he mentioned the name of the man who did the work. I told him that that man had not worked for us for over six months. The customer assured me that this man told him that he worked for us and that he was using our materials.

In this situation, we had no legal obligation. The work was not done by our people or with our materials. But I felt it was our moral responsibility to stand behind this job because this customer gave the job to this man based on the company name. I replaced the material and sent my engineer out to install it. We lost heavily as there was no income whatsoever on this job. Even though I faced a lot of audit queries about this, I had the support of our management behind me.

Yes, it did help us to maintain our reputation, which is important to us. If we ever have material that we have installed that is defective, we will replace it free of cost; that is our culture.

(Senior Vice President / Manufacturing)

Another story about customer relationships came from an executive who co-founded an international marketing firm for artisan products made in developing countries throughout the world. Her spiritual theme is "Compassion, balance, grace, and friendliness." She told us:

Another initiative I started was to speak to the customers who were unhappy. I remembered my childhood where my mother and father taught me to treat a guest who came to our house as God. You do everything you can to make their time with you happy and satisfying and comfortable. So during our first customer training, I told them this story. I told them that at our company, I like to feel that the customer is God. So when the customer calls, we drop everything and we listen. People actually listened to what I said and thought it was nice.

We have a fabulous customer service group and yet I still want to speak with all of the unhappy customers. I always pick up the phone and call them. I begin by apologising to them, "I am so sorry that we have dissatisfied you in some way." I must tell you that customers are amazed; they cannot believe that one of the founders is taking the time to call them. From this call, I always end up with a happy customer; we usually end up feeling a lot of joy and laugh together. I tell them to call me again if they ever have any problems and I give them my direct line. So it is another way of being thoughtful and it works.

(Co-Founder, Vice President / Retail Marketing)

The role of spirituality in leadership

In the quantitative survey, we posed a series of statements about spirituality and leadership, and asked the leaders to answer on a 5-point scale from 1 = "strongly disagree" to 5 = "strongly agree." Here are some of the statements that the executives "strongly agree" to:

"A leader who leads from a spiritual perspective is better able to handle tough challenges successfully." (63% strongly agree)

"Spirituality is needed in the modern world of business." (57% strongly agree)

"Spirituality provides greater intuition for tough decisions." (57% strongly agree)

"The trends of stiff competition and globalisation in corporate business make it necessary to have a spiritual orientation." (47% strongly agree)

SBLs' stories dealing with success, spirituality and leadership: "Downsizing"

The next story also deals with one of the "tough challenges" that is central to strategic human resources. The CEO of a company in the healthcare industry had, after a very successful career in private and public business activities, taken over a major company that was in deep financial trouble. His spiritual theme is "Love God and love your neighbour." He felt compelled to conduct a downsizing, and here is how he dealt with that from his spiritual theme:

We were under extreme pressure because the whole company was falling apart. And the pressures were coming from everywhere. I met with the management of our bank once a month and they were looking critically at everything we were doing. We were pressed to an extent that most people simply cannot imagine.

We were forced to reduce staff very dramatically. On one occasion we cut away 10% of the staff overnight. I was really under pressure to determine which principles we should use to make the decisions as to who to lay off. I took the decision, which no one understood, that we would not fire anyone over 50. Neither would we fire people who were so essential that we didn't think we could survive without them. But other than that, we would let those people go who we thought would have the best chance of getting another job quickly - even though these were obviously the ones I would have preferred retaining. I just couldn't look into the eyes of all of the people that we would kick into prolonged unemployment in order for the rest of us to make money and prosper. I just couldn't do that.

I must admit that I simply made these decisions and I didn't really think about where they came from, which was from my conscience. Normally someone in my position would let the department heads talk to the people. But I didn't do it that way. I talked to every single person that was to be laid off and told each of them that they were going to be fired and that we would work with them to get them a new job the best we could. I was experiencing all their bad feelings as I was confronting myself with the doubts and fears of all of these people. To me it would have been an act of cowardice to let others do this for me. I made the decision. Then I explained it to my managers - and I explained to those being fired why I had chosen to do what we were doing.

The interesting point was that we got through this amazingly well. There was total acceptance, even though no one really understood it. But once it was done, people said "wow" and really respected my decision. I maintained a number of the people who were fired as very good friends because they respected that it was necessary. It turned out that we managed to work with almost all of them to get new jobs. Obviously this had a price for me and for the company as well, and the price was that there were lots of people that I would have rather laid off that we retained.

Later I realised that this was really an expression of my spiritual principles. But I must admit that while doing it I didn't think much about it. Yes, I did follow my conscience and that is certainly the voice of spirituality.

(Chairman / Manufacturing & CEO / Healthcare)

It can be told that some of the people he fired, became his friends for life. And that the company went on to became a phenomenal success as well as a highly renowned case study in modern management books.

SBLs' developing an organisational culture

Another topic of our interviews was what it takes to develop an organisational culture from a spiritual basis. We received many thought-provoking answers:

I believe that when a worker comes out of his house dressed in his uniform and carrying his tiffin (food) box, he has a mindset that he wants to work that day. How can he be thinking anything other than this? I used to tell my managers this in response to their complaints that the people did not want to work. I believe we are the ones that have created an environment that has given the worker the feeling that he does not want to work. Either he does not like this place or the equipment is not working right. But when a man says his prayers and puts on a full uniform and leaves his house at 7:00 in the morning, he has come to work. Let us create an environment for him to work; that is what I call spirituality. When we create an environment for the people where they want to work, then they will automatically change. I cannot tell them to change; I can only create the environment in which they feel that they want to change.
(Senior Vice President / Manufacturing)

Before you implement your core values, be sure that you have sound faith in them. What's most important is not that you have established all your values throughout the organisation, but to see that your organisation begins to expand its awareness and to think along the lines of these values.
(Chairman-President / Manufacturing)

We believe that spiritual methods will increase productivity and efficiency, and will make everyone a better human being - to help him / her manifest their latent Divinity.
(Vice President of Human Resources / Media)

We must work passionately toward excellence. This means both inner and outer excellence. Excellence requires a continuous effort to improve yourself and the organisation in a holistic way.
(President / Electronic Equipment & Services)

Related to this area, in the quantitative survey we asked the spiritual-based leaders to respond on a 5-point scale from "strongly disagree" to "strongly agree" to the following statement: "It is important to incorporate spiritually oriented activities in training and development at work." 21% agreed and 47 % strongly agreed. What is interesting is that 32% of these executives did *not* agree to the statement (they either disagreed or were neutral). These are not "ordinary" executives; they were chosen to participate in the research programme since they are known for having a character grounded in a consciously held spiritual view of life and that they lead from that spiritual basis.

So why did almost 1/3 of those SBLs not agree? Our research does not at present provide an answer; this would require renewed consultation with these leaders. One hypothesis, which appears to be supported by comments from the interviews, is that these leaders consider spiritual-based leadership to be something you embody and live up to and demonstrate in your daily activities, rather than something you talk about or systematise. This was the case with an executive who told us:

I used to be more explicit in how I led by my spirituality, which I did through company values and mission statements and both educative and rule-based programmes. I have over time become more and more implicit and less programme-oriented. When I work implicitly with spirituality, a lot of individual change happens and that stays. If it is implicit, it stays. If it is explicit, it goes. (Executive Vice President / Paper and Wood Products)

SBLs' stories dealing with developing organisational culture: "Team Building"

One of the stories we heard during an interview was from a Chairman who explicitly incorporated spirituality into team building throughout his company. His spiritual theme is "Noble actions, noble feelings, noble thoughts, noble responsibility." He told us about when he first became Chairman of the company:

When I first came to the company, I showed them "GOD." What is GOD? Group plus Organisation plus Direction equals "GOD".

To build the Group*, I did not put the system first; I put the people first. At first there were only five people in the top management group, each holding two responsibilities. We built a top team and used to meet in a room at 11 o'clock everyday and take decisions together. We discussed and talked together about all fields in the company, everything was a group decision.*

To build the Organisation*, our personnel manager became the R&D manager, our technical manager became the personnel manager, and our marketing manager became the manufacturing manager…all because we were making group decisions together.*

To build Direction*, we practiced 5-D's: discussion, decision, drive, determination, and destination. First we discussed, made decisions, initiated drive, worked with determination, and finally reached our destination. The organisation reaches the destination and there is success, and this elevates the team for the next situation.*

GOD – Group, Organisation and Direction. This is what we did in that company – everywhere I went I did this group process.

(Chairman / Agriculture & Bio-Chemistry)

Thus, he built his executive team first of all by aligning them into a <u>group,</u> and then rebuilding the <u>organisation</u> by reassigning personnel. Finally he helped develop the strategic <u>direction</u> of the company. This was his team-building model for the entire culture.

SBLs' inner process of decision making

When these spiritual-based leaders are making decisions, what goes on in their minds and hearts? Here is how some of them described their inner process:

> *I think the question here is whether you have acted according to your conscience – that is all you need to worry about.*
> *(Senior Vice President / Financial)*

> *I've tried to be rational when making decisions. But when I look back on the major decisions I've made, they are very intuitively based and values-oriented.*
> *(Chairman / Manufacturing & CEO / Healthcare)*

> *I am one who prays for guidance; I do not pray for a specific thing to happen or for a specific outcome. In this way I always feel connected.*
> *(Vice-Chairman / Public Relations)*

> *I ask myself one critical question: "Is there consistency between what I am thinking and what I am doing?" My thoughts and my practices must be the same.(President / Electronic Equipment & Services)*

> *I am confronted on almost a daily basis with situations where I have to pass transactions through my internal "ethics" system. I am talking about the invisible line that is within everyone's system and it is driven by consciousness. It is like a direct knowing, rather than a belief system.*
> *(Partner / Accounting)*

SBLs' stories dealing with the inner process of decision making: "Right Conduct"

In the quantitative survey, we asked the executives to respond to the following statement: "I have a clear set of personal values." We found that 21% agreed and 74% strongly agreed. And 79% of the leaders ranked "Right conduct and responsibility" among their top 5 values out of 16 choices given in the survey. Therefore, the next story deals with this notion of right conduct.

> *There was an instance where I was not the decision maker; my boss was the one who had to make a very important decision. However, I was able to see the basis of*

this decision from a spiritual perspective only after it had happened. We had borrowed a large amount of money from a lender who wanted to pull out of their operations in the US, and we had a large multi-million dollar loan due to them.

I went to the lender and told them that since they were the ones who were leaving, we would like to pay them less than our total amount owed to them. I proposed a certain reduction in what we owed them, and we had an extensive discussion about it. With hesitation, they agreed to a reduction, but it was a smaller reduction than what I had proposed. Since we couldn't finalise on the actual amount of the reduction, they had the head person from their London organisation come to the US to meet with our head person from Switzerland; and we decided to let those two people work it out.

I had briefed our head person, who was actually my immediate boss, on what had taken place up to that point. I suggested that he offer an amount for the reduction that was a little closer to what they had agreed to. I went into the discussions feeling very proud that I had negotiated this loan reduction, and had gained this extra income for the company with very little effort.

As we moved toward this critical point during the talks, my boss said, "I have not come here to ask for this reduction, I will not do it." We had negotiated so hard for this reduction, and now this man was saying that he would not ask for this! He told them that we would in due time pay back the entire amount of the loan.

My boss later told me, "We are responsible not only to our shareholders, but also to our bankers. There is absolutely no reason why we should take advantage of this situation."

I felt this was a deep spiritual lesson for me. The lesson for me was that all obligations must be honoured. They must be paid back in the right way, not by arguing like this. I saw that all obligations, whether they are in cash, such as this, or in some other form, must be repaid in some way or another. This is my duty and I must honour that duty. I saw that this was the only way to do business in this world.

 (Chairman-President / Manufacturing)

SBLs' disciplining of employees

We spontaneously heard from a number of executives about what they do when confronted with employees who need some form of disciplining. Their stories always reflected the spiritual basis from which they viewed their leadership in such situations.

Build the people for success and appreciate them. When you want to give a reprimand, do it like a dose of medicine. Appreciation is like food: morning

breakfast, afternoon lunch, and evening dinner. But, discrimination and punishment you dole out like a medicine: required dose, required time, doctor is present. If you give continuous medicine and no food, man will die. If there is only food and no medicine, there is no correction and improvement. Regular food and required medicine ensures health and strength. Integrate recognition and correction appropriately and optimally.
(Chairman / Agriculture & Bio-Chemistry)

Suppose a manager comes to me and tells me an employee needs to be sacked, as he is not performing. I think of the consequences of this to the employee: what will happen to his family, to his children, how will he get reformed? If there is something wrong, I ask what are some alternative ways he could improve, without terminating him. My philosophy is that when this employee was recruited he was perfect; otherwise why would he have been recruited? So if he needs to be terminated today, then surely the organisation has to take some responsibility – otherwise why did I recruit him? So I cannot absolve my responsibility so fast.
(Vice President of Human Resources / Media)

When it comes to disciplining a person, I don't like to use the stick too much. When someone needs correction, I always tell the person, "Look Mr X, I am not against you. Please don't mistake me. I love you. I am not against you. What I am against is the act of yours that you did. And that is what I'm correcting."
(Executive Director / International Marketing)

SBLs' growth as an SBL

All of the executives we interviewed related areas where they were still continuing to grow as spiritual-based leaders. For example:

I think the most important growth for me is to sharpen my ability to rest in the unknown. It's still very uncomfortable. I am still so hard-wired to jump in and solve problems, and my comfort zone is to take action.
(Chairman / Technology Development)

My gift has been a very warm heart and I am still learning how to balance that out with wisdom and discretion. I cannot always be up in the clouds. This is my discipline and my challenge.
(Vice-Chairman / Public Relations)

Spirituality is less of a conscious activity; it has simply permeated my life. I'm not really happy saying that I don't have a plan, but it is just there, my spirituality appears simply to be part of me.
(Chairman / Manufacturing & CEO / Healthcare)

Every day I think back and ask, "What have I learned today? What is the new experience?"
(General Manager / Manufacturing)

I think the key thing I would like to work on is learning to empower people – to help them be capable of what they are really capable of. I think this is the spiritual challenge I face.
(Strategy Director / Telecommunications)

I am very clear that an area I want to grow in is attaining internal peace. This is an art that I need to develop. Unless I do this, I cannot give my mind and heart to others.
(Managing Director / Technology Development)

SBLs' advice to aspiring spiritual-based leaders

Near the end of each interview, we asked, "What is your advice to leaders who, like yourself, aspire to lead from a spiritual basis?" Here is what some of the executives told us:

My main advice to aspiring spiritual-based leaders is to lead by example and to follow your conscience.
(Senior Vice President / Financial)

Sometimes you must focus more on the values-based leadership instead of the spiritual-based leadership. Most people can more easily recognise what is of value and can make sense of what they need to do.
(Vice President / Leadership Development)

First, leaders must deepen their own spirituality; this is key. Second, leaders must find a community of support that has compassion for others - it doesn't have to be an organised church.
(Chairman / Technology Development)

My first advice would be: do not consciously try to use the word spiritual; values can communicate the same thing. I believe that you can be totally spiritual without having to use the word spiritual.
(Chairman-President / Manufacturing)

It is possible to speak openly about spirituality at work. My caution is to "know your audience."
(Senior Vice President / Technology Commercialisation)

You should just lead according to your spirituality. You do not have to preach it. Understand yourself first, and never seek material gains from your acts – as the Gita

says.
(Executive Director / International Marketing)

When we presented our initial observations from this research programme at a symposium at the Sri Sathya Sai Institute of Higher Learning in Puttaparthi, India, we were accompanied by a spiritual-based leader named Shakti Kapoor, a Senior Technical Staff Member at IBM (the level of a vice-president in their technical ladder). He included the following advice to the graduate business students, whom he knew were dedicated to having spirituality be the basis of their future leadership:

> *A lot of times there is pressure in the business world that you have to change yourself in order to be successful, On the surface, it seems that you have to follow what others are doing, you have to dress up like them, you have to eat like them. I'm telling you that when you go out there in the jungle of business, you need not change. You <u>must</u> not change. You must hold on to your values and principles. You can change the world.*

Closing Comments

In the title of this paper, we stated that spiritual-based leadership was "a matter of faith and confidence." There certainly still exists scepticism about the relationship between spirituality and business, and whether a leader can be spiritual and successful in business at the same time. Our preliminary observations, based on the personal sharing and actual experiences of a number of leaders from all over the world, appear to indicate that being successful in the business world is eminently possible for people who wish to be devoted to, and lead from, their spiritual view of life. Furthermore, they are able to achieve this success within the traditional rational-economic understandings of the purpose of business or within an expanded framework for the purpose of business based on a spiritual foundation.

As spoken by one executive, the time is ripe for a new basis of business leadership:

> *There is such a need for a complete rebirth of trust in our business leaders. Somewhere along the line leaders have lost their humility and in doing so they have lost their compassion and empathy, and their inner connection to God.*
> *(Chairman / Technology Development)*

And yet another executive spoke of his faith in the possibility that spirituality will make the difference in meeting the challenges of our times:

> *As we collaborate with spirit, and deepen the spirituality associated with organisational enterprise, I think people will feel called to form businesses to address today's issues.*
> *(Former Dean / Higher Education)*

Finally, a third executive spoke optimistically of developments in the world of business – and of the possibility of spiritual growth while pursuing a career in business:

I have never seen so much constructive work being done, so many open collaborations, and so much constructive opening up as in business. So I feel that business is one of the best playgrounds you can have for your spiritual life.
(Executive Vice President / Paper and Wood Products)

It would seem that embarking on a successful journey of spiritual-based leadership in business might simply be "a matter of faith and confidence." Our continuing research and analysis will delve into this and other aspects of spiritual-based leadership – with the hope that the findings of this programme will help bring about a new era in business where wealth creation, values-based leadership, business ethics, and corporate social and environmental responsibility will all be deeply rooted in a spiritual view of life.