




Unit 1 Model of Management in Indian Socio Political Environment Work Ethos

	Learning Outcome
After reading this unit, you will be able to:	
<ul style="list-style-type: none">• Explain the model of management from the Indian perspective• Describe Indian ethics at work• Identify Indian socio political environment• List the principles of Indian Management• Analyse Indian insight into TQM	

	Time Required to Complete the unit
1.	1 st Reading: It will need 3 Hrs for reading a unit
2.	2 nd Reading with understanding: It will need 4 Hrs for reading and understanding a unit
3.	Self Assessment: It will need 3 Hrs for reading and understanding a unit
4.	Assignment: It will need 2 Hrs for completing an assignment
5.	Revision and Further Reading: It is a continuous process

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1.1 Introduction

Business does not exist and operate in vacuum. Firms and corporations function in the social and natural environment. By virtue of existing in the social and natural environment, business is obligated to be accountable to the natural and social environment in which it survives. Irrespective of the demands and pressures upon it, business, by virtue of its existence, is obliged to be ethical, for at least two reasons. Firstly, whatever the business accomplishes has repercussions on its stakeholders. Secondly, every juncture of action has trajectories of ethical as well as unethical paths and the existence of a business is justified by the ethical alternatives it responsibly selects. One of the conditions that brought business ethics to the forefront is the demise of small scale, high trust and face-to-face enterprises and emergence of huge multinational corporate structures capable of drastically affecting everyday lives of the masses.

1.2 Work Ethos and Management

Management is the process of optimum utilisation of human and non-human resources with the intent to accomplish the objectives of organisation along with value addition to the world. Thus, the process of management involves three things optimum utilisation of resources, which leads to efficiency, realisation of organisational goals which leads to effectiveness and value addition to world which suggests social responsibility.

Ethics and ethical behaviour are the essential elements of healthy management. Abundant access to information and greater business opportunities than ever before make ethics an essential requirement in the modern business world. The need to behave ethically comes from the following:

1. From the point of view of internal customer:

- It improves the atmosphere and ambience at work and facilitates by motivating the employees
- The ethical behaviour of management sets a good example for the employees
- It evokes a sense of pride for the company and improves its image in the eyes of the employees and establishes a sense of loyalty.

2. From the point of view of external customer:

- It ameliorates the public image of the company and adds to the overall development of ethical behaviour in the society

There have been innumerable discussions on ethics, law and morality. Ethics is a branch of philosophy that addresses questions about morality- i.e. concepts such as good and evil, right and wrong, virtue and vice, justice, etc. Ethics can also be characterised as

rules of conduct recognised in respect to a particular class of human actions or a particular group, culture, etc. Making ethical decisions may not always feel good or seem like they benefit you but are the 'right' choices to make. These are universal rules or 'golden rules' like; do not hurt, do not steal, do not be dishonest, do not lie. Again, what is morally correct is not always ethically also. Morals and the expression, "moral values" are generally associated with a personal view of values. Personal morals tend to reflect beliefs relating to various issues. *Law at work place* discusses the set of rules imposed by authority. In other words, law is a rule or body of rules of conduct inherent in organisation and essential to or obligatory on the part of employees.

At workplace, we have to keep a proper balance of Morality, Ethics and Law. The safest place is where your action covers all the three aspects Ethics, Morality and Law (EML). From the organisation's perspective, you must not transgress the boundaries of law i.e. perform within EL, EM, L or EML. Further, an employee may not always follow the law sometime he could listen to his ethics but one should always have the answer of breaking the law of Work life.

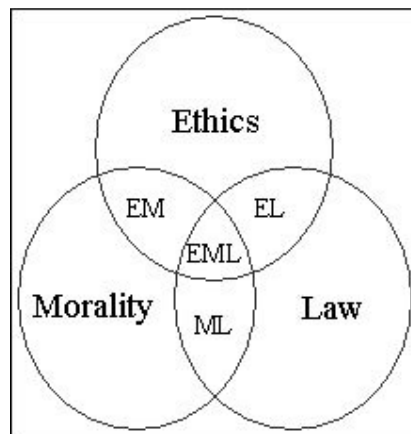


Fig. 1.1: Ethics, Morality and Law

Thus, Work Ethos or Work Culture refers to certain norms of behaviour governing the conduct of workers involved in work situations to achieve certain desired objectives. The degree of one's involvement influences his performance resulting in high or low productivity, high or low quality. Sometimes, work culture is also integrated with a worker's loyalty and sense of belonging, by his behaviour, to the organisation. It is a mixture of abiding to the laws, observing appropriate code of conduct as determined by the organisation as well as maintaining one's own morality.

1.2.1 WORK ETHOS AT DIFFERENT LEVELS OF MANAGEMENT

Work ethos will be different at different levels. It can be defined at different levels as under:

1. At a Basic Level

2. At the Top Level

1. At the Basic Level: Work ethos at the basic level entails:

- a. Discipline
- b. Consistent maintenance of punctuality
- c. Appropriate and cordial demeanour with superior, colleagues and sub ordinates
- d. No personal work or wastage of time during working hours
- e. Observance of discipline and decorum in regards to peers and subordinates
- f. Consistent sustenance of ethically and morally sound actions

2. Top Level: At the top level, work ethos involves delivering as per commitment, being accountable for errors, feeling responsible for the task assigned to an individual. Some more factors that form a part of work ethos at the superior level are:

- a. Work Culture:** Good work culture means one is fully dedicated towards work and has high morale and job satisfaction. On the other hand, poor work culture results in high rate of wastage, poor quality, low productivity and low morale.
- b. Loyalty:** Work culture is also concerned with a worker's loyalty and sense of belongingness to the organisation. One should protect the interest of the organisation at all times. No employee should pass any adverse comments about the organisations in the public.
- c. Commitment and Responsibility:** Every man should work like a master, not like a slave. Employees should assume complete responsibility for the task assigned to them and employ utmost efforts to attain the targets expected of them.
- d. Sense of Belongingness:** The worker should exhibit by his behaviour a sense of belongingness to the organisation. A sense of respect should be demonstrated for the organisation. One should maintain a cordial and amicable relationship with peers, sub ordinates and superiors and treat them well.

- e. **Protecting the interest of organisation:** Employees should strive to protect the interests of the organisation and never compromise on this aspect.

1.2.2 REASONS FOR POOR WORK ETHOS/CULTURE

The following factors are accountable for poor work culture in a business organisation:

1. **Lack of commitment:** Lack of commitment refers to the disinterest shown by a worker towards the work assigned to him. This results in poor work culture in the organisation and, in turn, in poor quality of product and diminished productivity. An employee's dedication towards his/her work should be exhibited in his behaviour.
2. **Lack of discipline:** Discipline includes consistent regularity and punctuality-coming to work place on time, completing the task within the stipulated deadline, following rules and regulations if any and not wasting time during working hours etc. Hence, lack of discipline will create poor work culture that may cause delay in operations.
3. **Poor working condition:** Poor working conditions includes unhealthy working atmosphere, lack of pure drinking water, lack of proper ventilation, lack of canteen facilities, lack of safety devices and norms, industrial pollution etc. These are the constituents of poor working conditions in an organisation.
4. **Political interference:** Most unions in companies are affiliated to some political party. Political leaders, sometimes, destroy the peace and harmony in the organisation for the sake of personal power and ego. This is one of the major reasons causing industrial conflict.
5. **Decline in moral standard:** Moral standards provide a benchmark for judging the moral value of a decision. They provide the basis for deciding whether an act is right or wrong. If there is decline in the moral standards, the culture of the work in an organisation deteriorates rapidly.

1.2.3 DIMENSION OF THE WORK ETHOS

Following are the other dimensions of work ethics:

1. **Protecting the interest of the organisation:** Interest of organisation must agenda high priority of an organisation's employees. Their activities must focus on the protection of interest of the organisation. Workers can protect the interest of their organisation through higher productivity and quality of a product. They should make their best efforts in this regard.


2. Work ethics through appropriate system: Unambiguous policies, rules and regulations, reward system etc. are facilitative in establishing work ethics. Clarity of these will make work-ethics more purposeful.


3. Work ethics in terms of proper communication system: A transparent communication system is said to be the lifeline of an organisation. Proper communication channel will promote work ethics in the organisation. Any misunderstanding, distrust, suspicion etc. may be eliminated through communication system.


1.2.4 STEPS FOR IMPROVING WORK CULTURE

Management must take some steps to improve the work culture in the organisation. Following steps may be taken:

1. In order to improve work ethos, wages should be correlated to productivity. 'Higher wages for higher productivity' should be the policy of the organisation.
2. In order to reduce absenteeism, attendance bonus should be introduced.
3. In order to increase efficiency of workers, they should be properly rewarded. In other words, efficient workers should get incentives.
4. Workers should be given an opportunity to participate in management decisions.
5. There should not be political interference in the day to day operation of the business.

	Study Notes

	Assessment
<ol style="list-style-type: none"> 1. Explain Work Ethos at different levels of Management. 2. What are the reasons for poor work culture. 	

	Discussion
<p>Visit a small business concern and list out what ethics do the employees and employers follow.</p>	

1.3 Model of Management in Indian Socio - Political Environment Work Ethos

1.3.1 INDIAN SOCIO-POLITICAL ENVIRONMENT

Indian socio-political environment is complex in nature. India is a large nation of diverse cultures, religions, castes and rituals. India is famous for its unity in diversity. Two most important tenets of Indian model of a management are Human Values and Holism. Human values refer to spiritual, ethical and moral values while Holism means oneness or unity. Indian model of management is a spiritualistic model.

1.3.2 SALIENT FEATURES OF INDIAN SOCIO-POLITICAL ENVIRONMENT

Following are some features of Indian Socio-political Environment

1. **Focus on Lifestyle:** Management in the Indian social environment defines a standard of living and maximising quality of life. Here quality of life not only means quality of consumer goods and services but also enrichment in quality of life in the society and the environment. Complete quality of life is a function of the way one thinks, speaks and behaves.
2. **Focus towards business policy:** Every political party makes policies and businesses have to follow these policies. Policies are made in accordance with current business situations. However, sometimes these policies are not favourable for the business environment. Since every political party has its own ideology. They make the policies according to their own benefits and interests.
3. **Existence of Human Orientation and Values:** There are many components of National Development activities that require human orientation and values. Human values like

hard work, truthfulness, obedience, good manners, peace and harmony are a part of Indian social and political environment.

4. **Simple living, High thinking:** The essence of Indian way of living is simple living and exalted thinking. Indians prefer to live a simple life so that they can give more energy and thought to the development of spiritualism. Here intelligence is more important than materialistic acquisitions, ethics is more important than economics.

1.3.3 FEATURES OF INDIAN ETHOS

Following are the essential features of Indian ethos and insight:

1. Indian ethos focuses on the existence of human being as a truth. There is nothing more perfect than the supreme soul.
2. Indian ethos focuses on the following principle: 'If you are good, the whole world is good'.
3. Indian ethos is principally derived from the Upanishads, Bhagwad Gita and Puranas.
4. In accordance with Indian ethos, one must successfully strike a balance between spiritual values and secular values so that even a rich person can lead a life of materialism and spirituality.
5. Indian ethos places greater emphasis on values and ethics. Money is not power; knowledge, good health and sound character impart the real power.
6. Indian ethos places emphasis on inner resources. Inner resources are much more powerful than outer resources.
7. According to Indian ethos, total quality management can be assured through excellence at work through self-motivation and self-development.

The following are some of the elements of Indian Ethos relevant to management that can improve work culture in organisation:

1. All work is an opportunity for doing good deeds in the world, thus gaining materially and spiritually in our work.
2. One who delivers his duties with a calm and composed mind achieves the most.
3. As we think, so we succeed, so we become.
4. Strength and cooperation for excelling in work are bestowed by the divine.
5. All beings will enjoy the highest good by mutual cooperation and respect.


1.3.4 WHAT CONSTITUTES INDIAN ETHOS?

Cambridge Advanced Learner's Dictionary defines Ethos as "the set of beliefs, ideas, etc. about social behaviour and relationship of a person or group" while Oxford Advanced


Learner's Dictionary defines it as "the moral ideas and attitudes that belong to a particular group or society". Indian Ethos is all about what can be termed as "national ethos".


Formally, the body of knowledge, which derives its solutions from the rich and huge Indian system of ethics (moral philosophy), is termed as Indian Ethos in Management (IEM). Management is behavioural science and it has to be culture specific and culture sensitive. IEM has the culture base of India as its foundation. India is a country whose culture has its roots in religion; it does draw its principles from the religions of the land, be it Hinduism, Buddhism or any other religion practised here. The salient ideas and thoughts of Indian Ethos in Management revealed by our ancient scriptures are:

1. **Atmano Mokshartham Jagat hitaya cha:** All work is an opportunity for offering service to the world and thus gaining materially and spiritually in our lives.
2. **Archet dana manabhyam:** Worship people not only with material possessions but also by showing respect to their enterprising divinity within.
3. **Atmana Vindyate Viryam:** Strength and inspiration for excelling in work comes from the Divine, the God within, through prayer, spiritual readings and unselfish work.
4. **Yogah karmashu Kaushalam, Samatvam yoga uchyate:** One who performs his duties and tasks with calm and composed mind achieves the most.
5. **Yadishi bhavana yasya siddhi bhavati tadrishi:** As we think, so we succeed, so we become. Attention to means ensures the end.
6. **Parasparam bhavayantah shreyah param bhavapsyathah:** By cooperation, respect and feeling of fellowship, all of us enjoy the highest good both material and spiritual.
7. **Tesham sukham tesham shanti shaswati:** Infinite happiness and infinite peace come to those who see the Divine in all beings.
8. **Paraspar Devo Bhav:** Regard the other individual as a divine being. All of us have the same consciousness though our outward appearances are different.

	Study Notes

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	Assessment
1. What is Indian Socio-political Environment?	
2. What are the features of Indian Ethos?	

	Discussion
"Simple Living, High Thinking". Do you agree? Discuss.	

1.4 Principles of Indian Management

The principles of Indian management are as follows:

1. To exercise one's complete potential, energy and skill to achieve perfection, as human beings are capable of great endeavours
2. Upholding a holistic approach that focuses on bringing about a unity between the Divine (The Divine means perfection in knowledge, wisdom and power), individual self and the universe.
3. Reckoning small, intangible objects and significant tangible objects as equally important. One must develop one's Third Eye, *Jnana Chakshu*, the Eye of Wisdom, Vision, Insight and Foresight. Inner resources are much more powerful than outer resources. Divine virtues are inner resources. Capital, materials, plant and machinery are outer resources.
4. Following the path of *Karma Yoga* (selfless work) offers manifold benefits- private benefits in the form of self-purification and public benefits.
5. Adhering to *Yogah Karmasu Kaushalam* - Achieving excellence at work through self-motivation and self-development with dedication but, more importantly, without attachment.

6. Co-operation is a powerful instrument for teamwork and success in any enterprise involving collective work.

Indian ethos demands a subjective management system. It leads to an understanding of the following:

- a. **Management Attitude:** Top management strongly believe in value-oriented holistic management. Revenue is generated through service and satisfaction of all stakeholders- employees, customers, shareholders and citizens. Fulfilment of social responsibility must be consistently ensured.
- b. **Humanising the Organisation:** Managing the three aspects of humane organisations, i.e. inter-personal relations, man-machine equation where man is the prime concern and inner management through mental and spiritual growth of individual.
- c. **Interiorising Management:** (Self management or management by consciousness) When the *soul* takes control and connects to the other four components of the human being, namely the body, mind, intellect and the heart, the conflict amongst these four can be resolved. This is termed as the management by consciousness. The objective of self-management is to first understand and manage oneself and then comprehend and manage others.
- d. **Self-introspection:** Embark upon self-examination, self-analysis and self-criticism to locate areas of congruency and disharmony, an internal assessment of one's thoughts, feelings, emotions, sensations and passions and a desire to surrender and subdue the ego.
- e. **Tranquillity of the mind:** For rational and enduring decisions, calm and peaceful mind is a necessity. A perfect *Mounum* (tranquil mind) is necessary. Meditative silence is the most reliable method to discover solutions to problems, which are apparently too arduous to be tackled by reason and intellect. Through this medium, one can encounter the inner mind or higher consciousness called *Chetana*.
- f. **Stepping Back (for a while):** Never decide anything, never speak a word, and never throw yourself into action without stepping-back. The stepping back from a situation for a while enables one to control and master a situation. This time can be used to reflect and come up with a plausible solution.
- g. **Self-motivated dynamic meditation:** Dynamic meditation is meditation to transform lower consciousness into higher consciousness and hence is called *transforming meditation*. Through meditation, with a tranquil and calm mind, one reaches a higher

level of consciousness that offers guidance on how to tackle a multitude of problems. This is called *consciousness approach* to management.

- h. Role of Intuition:** Intuition is the act of coming to direct knowledge or certainty without reasoning or inferring. It is immediate cognition by the inner mind. When fully developed, it proves to be effective while taking prompt and sound decisions. Intuition skills enable one to cope with confidence with the fluctuating environment and rapid changes. *Faith* is a prerequisite to develop and implement the power of intuition.

1.4.1 INDIAN MODEL OF MANAGEMENT AND MANAGEMENT PRACTICES

INDIAN MODEL OF MANAGEMENT

There are two important principles of Indian Model of Management:

1. Human Values
2. Holism

- 1. Human Values:** Human values comprise of spiritual, ethical and moral values. These values form a foundation for thoughts, actions, skills and behaviour and eventually lead to formation of a good character. These values will create a good man, a good manager, a good organisation and ultimately remove disarray from the minds of the people.
- 2. Holism:** Holism refers to the concept of oneness or unity. Holism is much broader than the systems approach to western model of management. A human being has a soul, body, mind and intellect. It is essential that all the above components of our personality are proper and mature. Holism is unity, i.e. the absence of duality; hence the absence of conflict and disharmony.

INDIAN MANAGEMENT PRACTICES

- a. Planning:** Planning means developing predetermined ideas or strategies for the future and make policies and guidelines to achieve the organisational (short and long-term) goals.
- b. Recruitment and Selection:** It includes criteria and policies related to recruitment and selection of employees, for instance education, experiences, talent, competences. However, some other factors like favouritism and prejudice play a significant role in the selection process in any organisation.
- c. Training:** It is a systematic procedure for a specific task to be provided to employees. In the Indian socio-political environment, developments are presently underway and

importance is being given to adoption of good training programmes to enhance efficiency and productivity of the employees.

d. Delegation of Authority: It is the base of superior-subordinate relationship and involves following steps:-

- **Assignment of Duties:** The superior attempts at defining the task and duties of the subordinate. He also defines the result expected from the subordinates. In this step, the superior takes care of the clarity of duty as well as result expected.
- **Granting of authority:** As the superior divides and shares his authority with his subordinates, division of duties take place. The subordinate should get enough independence to perform the task assigned by the superior. This division of power is important to get effective results.
- **Defining responsibility and accountability:** The subordinates should be obligatory towards the duties assigned to them. Responsibility is an obligation of subordinate to carry out his duties in best of his ability as per the directions of superior. Responsibility gives effectiveness to authority. Accountability, on the others hand, is the obligation of the individual to carry out his duties as per the standards of performance.

e. Commitment and Accountability: Work ethics is also concerned with commitment and accountability. This entails determining how the employee owns up for the tasks assigned to him. He needs to make all possible efforts to accomplish the work within the given time limit and also in an agreeable fashion.

f. Loyalty: Work ethics is also concerned with loyalty towards the organisation. This entails not talking negatively about the organisation and protecting the interest of the organisation at all times and in all situations.

g. Responsibility: People in the organisation have different attitudes towards their work. This can be noticed through job delivery, performance, evaluation, career development, formal training etc.

h. Work culture: India is renowned for its solid work culture, which includes: punctuality, proper dress code, proper demeanour and respect towards superiors, peers and subordinates and strict compliance with the rules and regulations of the organisation. A good work culture can also be introduced through an effective induction program.

1.4.2 ELEMENTS OF INDIAN ETHOS

Indians are the products of Indian Ethos. Indian management methods are bound to work in India. Indian Ethos is better than other ethos, though they may work well in other countries. Indians, by and large, believe in the following maxims:

- Ego sublimation rather than ego assertion
- Sacrificing spirit rather than fighting spirit
- Team achievement rather than individual achievement
- Spiritual attainment rather than material prosperity
- Self-control rather than outside control
- Concept of duties rather than concept of rights
- Yielding rather than dominating
- Concern for this world and its improvement
- Respect for and search for all truth, whatever be its source

1.4.3 NEED FOR INDIAN ETHOS FOR BUSINESS

We need to incorporate Indian ethos in our management for the following reasons:

1. Development of proper management system in the organisation: Management systems based on principles as per ancient wisdom are of immense help for the smooth conduct of business. Value-oriented management system can be established with the help of Indian ethos.
2. Assurance of all round development, growth and prosperity: All round development entails productivity, marketing and profitability, which can be enhanced by implementing Indian ethos and styles in business practises.
3. Larger goal: Indian ethos guides us that if we work sincerely for the society, for our organisation and for Nature, we will really enjoy our life through money, harmony, peace and bliss. Such deportment would enlighten our image.
4. Man versus machine: Indian wisdom indicates that productivity of human being is more important than the capacity of a machine or plant.

1.4.4 APPLICATION OF INDIAN ETHOS

Indian ethos can be effectively and efficiently applied for the following aspects of management:

- **Attitude of the management:** This relates to the attitude of top management towards ethics and values. Top management must have belief in value-oriented holistic management of business. Management must help all stakeholders to realize their expectations and desires.
- **Self-management:** The manager must first figure out how to manage and control himself. He cannot control and manage others without exercising self-management and comprehending its intricacies.
- **Meditation:** Meditation attempts to resolve many complex problems of management and organisation demanding higher consciousness. A dynamic meditation is a process of transforming lower consciousness into higher consciousness. Indian Ethos emphasizes on concepts like sacrificing individual desires in favour of social benefits and preferring long-term benefits over short term gains.

1.4.5 MAIN FEATURES OF INDIAN HERITAGE

Some common principles can be deduced from Indian heritage for production, consumption and other economic activities. These will prove beneficial to organisations to successfully face the challenges of new economy.

According to Indian heritage, man's attitude towards his social existence needs to shift towards duties, obligations and sacrifice. He must believe in 'Simple living and high thinking'. Indian heritage emphasises that the essence of civilization lies not in multiplication of wants but in the purification of human character. Common economic activities take on a new form when viewed from the angle of Indian heritage.

1. Production

It can be defined as conversion of inputs into output through a transformation process. Men, money, machines, material and management are different elements of input. The resultant output may be obtained in various forms like finished products, goods and services. Goods produced means manufacturing products and services like hospitals, communication and rental transport services etc.

- **Indian Heritage in Production**

From the point of view of economists, production from local resources for local needs is the most rational way of economic life. Humans have an innate tendency to

produce goods and products according to their basic requirements or needs. Needs, wants and desires are a part of one's life and production is required for fulfilling these needs, wants and desires of human beings. With the development of human beings, ways of production have also transformed in the modern world. Now a days, many natural resources or non- renewable resources are consumed in excess to produce goods and services. Productive resources should be diverted to production of most essential goods i.e. resources used in the production of alcohol, harmful chemicals and arms should instead be used for the production of food, clothing and house building.

2. Consumption

It can be defined as consuming or utilising the produced goods and services, e.g. customers buy a car and enjoy or consume it. However, there is a difference between the two terms customer and consumer. Customers are those who buy products and consumers are those who finally consume the products. In case of parents buying toys for their children, parents are customers but children are the consumers.

Production and consumption are directly proportional to each other. If there is no demand of products and services, then there is no need of production. If consumption of products and goods increases, then production will escalate automatically.

- **Indian heritage in Consumption**

Consumption increases production in terms of advanced methods and more finished products. From time to time, man has developed new methods and techniques of production to keep pace with increasing consumption. According to modern economists, one's standard of living is judged by the amount of annual consumption. Since consumption is directly related to welfare of human beings, Indian angle to consumption stresses that the aim should be to obtain the maximum well being with minimum of consumption.


Lessons drawn from Indian heritage for production, consumption and other economic activities:


Production and consumption have undergone complete transformation over the years. The modern trend advises us to move towards move reliable, more efficient and safer modes of production and consumption. Some production and consumption-related lessons we can draw from Indian heritage are as follows:


- 1. Impact of Spiritual Consideration:** Ancient days witnessed coordination between Artha (money) and Karma (duty). During that time, wealth creation was important but was not the focus. The central point of human existence was striking a proper balance between

the amount of efforts and the amount of remuneration attached to it. Thus, when such spiritual considerations are connected to one's job or work, it takes on a totally different meaning- a meaning devoid of the premises of utilitarianism.

- 2. The role of great economists:** In the Indian context, the role played by great economists in term of their thoughts on production and consumption cannot be ignored. Great intellectual gurus like Mahatma Gandhi, Vivekananda and Buddha constantly preached and advocated the one principle of 'more of giving and less of grabbing'. Despite being a scientific subject, Indian economy has its foundation in such the ideas of such economists.
- 3. Increase in per capita income:** Any economic action plan is assessed on various criteria, one of them being an increase in a country's per capita income. Since this concept is comparatively modern, Indian heritage system does not elucidate much on the ways and reasons to increase the per capita income. The prime focus was on spiritual growth in the earlier times. Even today, Indian economy focuses on a combination of physical and spiritual progress.
- 4. Use of Resources:** Indian heritage advocates the prudent and economic use of resources in the development of man but does not advocate irresponsible and indiscriminate use of resources. It prefers optimum use of resources and conservation of natural resources because they are available in limited quantity.

	Study Notes

	Assessment
Explain Indian Management with respect to Human Values and Holism.	

	Discussion
<i>"Yogah Karmasu Kaushalam"</i> - What did you understand by that. Explain in your own words.	

1.5 Indian Insight into TQM

The term Total Quality Management (TQM) has been coined to succinctly express a philosophy that makes quality the driving force behind leadership, design, planning and improvement initiatives. For this, TQM requires the help of eight key elements. These elements can be divided into four groups according to their function. The groups are:

1. Foundation: Ethics, integrity, trust
2. Building Bricks: training, teamwork, leadership
3. Binding Mortar: Communication
4. Roof: Recognition

1. Foundation: TQM is built on the foundation of ethics, integrity and trust. It fosters openness, fairness and sincerity and allows involvement of every member. This is the key to unlocking the ultimate potential of TQM. These three elements function in unison; however, each element's contribution to the TQM concept is unique.

a. Ethics: Ethics is the discipline concerned with the element of good and bad involved in any situation. It is a two-faceted subject in that it entails both organisational and individual ethics. Organisational ethics establish a business code of conduct that specifies guidelines that all employees must adhere to in the performance of their work. Individual ethics include personal definitions and decisions of right and wrong action.

b. Integrity: Integrity implies honesty, morals, values, fairness, adherence to the facts and sincerity. Customers (internal or external) expect and deserve to receive an integral response. People see the opposite of integrity as duplicity. TQM will not work in an atmosphere of duplicity.

- c. Trust:** Trust is a by-product of integrity and ethical conduct. Without trust, the framework of TQM cannot be established. Trust fosters full participation of all members. It allows empowerment that encourages pride, ownership and commitment. It allows decision-making at appropriate levels in the organisation, fosters individual risk-taking for continuous improvement and helps to ensure that systems and methods focus on improvement of process and are not used to challenge people. Trust is essential to ensure customer satisfaction. All in all, trust fosters cooperative environment essential for TQM.
- 2. Bricks:** Once the strong foundation of trust, ethics and integrity is laid, bricks are placed to reach the roof of recognition. This factor includes:
- a. Training:** Training is very important for employees to be highly productive. Supervisors are solely responsible for implementing TQM within their departments and teaching their employees the intricacies of TQM. Employees require training in the fields of interpersonal skills, the ability to function within teams, problem solving, decision-making, task management, time management, performance analysis and improvement, business economics and technical skills. During the creation and formation of TQM, employees are trained so that they can become productive employees of the company.
- b. Teamwork:** Teamwork is also a key element of TQM and can lead to success in business. With the use of teams, the business will receive quicker and better solutions to problems. Teams also provide permanent improvements in processes and operations. When working in a team, employees are more at ease bringing up problems that hamper their work and can expect help from other employees so as to find a solution and put it into place. TQM organisations usually adopt three types of teams:
- **Quality Improvement Teams or Excellence Teams (QITs):** These are temporary teams designed for the purpose of dealing with specific problems that often re-occur. These teams are set up for a period of three to twelve months.
 - **Problem Solving Teams (PSTs):** These are temporary teams with the aim of solving certain problems as well as identifying and overcoming causes of problems. Their tenure is generally from one week to three months.
 - **Natural Work Teams (NWTs):** These teams consist of small groups of skilled workers who partake of tasks and responsibilities. These teams use concepts

such as employee involvement teams, self-managing teams and quality circles. These teams generally work for one to two hours a week.

c. Leadership: It is understandably the most important element in TQM. It is, actually, omnipresent in an organisation. Leadership in TQM requires the manager to provide an inspiring vision, make strategic decisions that are understood by all and instil values that guide subordinates. For TQM to be successful in the business, the supervisor must be committed in leading his employees. A supervisor must understand TQM, believe in it and then demonstrate his belief and commitment through his daily practices of TQM. The supervisor makes sure that strategies, philosophies, values and goals are percolated down throughout the organisation to provide focus, clarity and direction. A key point is that TQM has to be introduced and initiated by the top management. Commitment and personal involvement is required from top management in creating and deploying crystal-clear quality values and goals consistent with the objectives of the company and well defined systems, methods and performance measurements for achieving those goals.

3. Binding Mortar: The one factor at this stage is communication, which binds everything together. Starting from foundation to roof of the TQM house, everything is bound by the strong mortar of communication. It serves as a vital link between all elements of TQM. Communication means a common understanding of ideas between the sender and the receiver. The success of TQM demands communication with and among all the organisational members, suppliers and customers. Supervisors must maintain open channels, through which employees can send and receive information about the TQM process. Communication coupled with sharing of correct information is vital. For communication to be credible the message must be clear and the receiver must interpret it the way the sender intended.

There are different ways of communication such as:

- **Downward communication:** This is the dominant form of communication in an organisation. This mode of communication is achieved through presentations and discussions. Using this mode, the supervisors find it easier to clarify the premises of TQM to the employees.
- **Upward communication:** Using this type, the lower level of employees are able to provide suggestions to the upper management relating to the affects of TQM. As employees provide insightful and constructive criticism, supervisors must listen effectively to rectify the situation that comes about through the use of TQM. This generates a bond of trust between supervisors and employees. This is also similar to

empowering communication, where supervisors keep open minds and listen to others.

- **Sideways communication:** This type of communication is important because it breaks down barriers between departments. It also allows dealing with customers and suppliers in a more professional manner.
- 4. Roof:** This level consists of one aspect, i.e. recognition. Recognition is the last and final element in the entire system. It should be provided for both suggestions and achievements for teams as well as individuals. Employees strive to receive recognition for themselves and their teams. Detecting and recognising contributors is the most important job of a supervisor. As people are recognised, there can be huge changes in self-esteem, productivity, quality and the amount of effort dedicated to the task at hand. Recognition comes in its best form when it is immediately following an action that an employee has performed. Recognition comes in different ways, places and time.
- **Ways:** Recognition may reach you by way of a personal letter from top management or award banquets, plaques, trophies etc.
 - **Places:** Good performers can be recognized in full view of departments, on performance boards and also in front of top management.
 - **Time:** Recognition can be bestowed at any time, e.g. in staff meeting, annual award banquets etc.

TQM is the need of modern competitive Industrial Organisations

Total Quality Management (TQM) is an approach to business, which looks critically at the products and services of a company in order to obtain complete customer satisfaction. The name includes the word 'total' because it involves everything the company does: all its processes and employees at every end in the company at all times.

TQM is the sum of three attributes, namely Total + Quality + Management.

- 1. Total:** Any decision or action transpiring in a particular department is not confined to that department but in turn influences the entire system of that organisation. Hence, every matter should be studied as a whole.
- 2. Quality:** Quality is the integration of quality in production, quality in services, and quality in management process.
- 3. Management:** Management is an art of accomplishing actions through others.

TQM is a continuous improvement approach and it is founded on the tenet that quality can be managed and that it is a process. Quality is a way of managing, not a technical activity. Quality means something more than just the basics outlined in ISO 9000 or ISI.

1.5.1 PURPOSE OF TQM

The purpose of TQM is to set up a system and management discipline that prevents unnecessary losses in company's performance cycle. The basic objective of a company is to integrate all the functions and processes within an organisation in order to achieve continuous improvement of quality of goods and services and business processes. Quality is the single greatest factor in achieving market success for any company. TQM primarily focus on total satisfaction.

- Total Quality involves everyone and all processes.
- Quality involves meeting customer requirement.
- Management involves Quality as a way of Managing.

1.5.2 FACTS RELATED TO TQM

TQM is the foundation of activities to attain the goal of error-free work most of the time. The assertion is expressed in various ways: right first time, zero defects. The idea is to strive for perfection in work. Zero defect production is the result of emphasis on prevention and careful use of measurement, process controls and elimination of waste and error. It serves as a goal for continuous improvement. Some points related to TQM are as follows:

- Prevention as the aim of all quality assurance.
- Quality as the single greatest factor in achieving market success for the company.
- Reducing products and services cost
- Following 'Just in Time' techniques
- Customer Satisfaction
- Processes, not people, being the problem
- Quality improvement as a continuous activity
- Management of quality at all costs
- Reduced variation

TQM

- Nothing is perfect; there is always a better way of doing things.
- Hence, TQM is an ongoing process.
- The Indian insight into TQM indicates that “mind” is the master of total excellence of performance in any field of activity.
- Mind is an energy source of all the people in the organisation to realize the targeted mission.
- Manpower governs the quality of collective minds.
- Total quality of mind determines the quality of thought, perception, ideology, attitudes and actions that control total quality of product and services provided by any organisation.

1.5.3 PRINCIPLES OF TQM

The concept of TQM focuses on the following five principles:

- Perform quality work at the initial stage itself.
- Customer focus is of prime importance.
- There should always be a strategic approach to improvement.
- Attempts for improvement should be continuous process.
- Team work and mutual respect should be encouraged.

1.5.4 OBJECTIVES OF TQM

- It will enrich the total quality of work, product and services and person.
- The employee will grow to be self-dependent and self-managed.
- The employee as a person will turn out to be quality conscious.
- The employees will develop self-discipline.
- Another hidden objective is that if we work with love and devotion, the glow of blissfulness will be bequeathed by God.

In the Indian context, TQM indicates that mind is the most significant dynamic of total excellent performance in any organisation. It gives the direction to the management to establish vision, mission and business definitions. It is the intellectual strength of human beings that controls the quality of human resources and processes.

Indian ethos entails thought process, perception, attitude and implementation actions, which maintain the quality of products and services. A perfect human being is the one who accepts everyone as a part of himself as an individual. Such a quality person in any organisation can best establish TQM. There are some factors discussed here for quality in a person:

- Attitude towards work
- Cooperation that peers, seniors and subordinates impart to him
- Leadership skills
- Top Management
- Family, mentor and ideals
- Teachers and Gurus

The Indian insight indicates that human mind is the master for improvising the quality of performance in any domain. Quality of mind essentially improves the quality of products and services.

We have the “7M” framework, which includes:

- Mind
- Motivations
- Mission
- Money
- Machines
- Material
- Manpower


Principles of TQM in Indian Context:


- Follow the divine principle 'Work is Worship'.
- Work is supreme in that merely work can lead to total quality.
- Commitment is essential for action.
- Sense of belongingness to the organisation is crucial.
- Focus towards each and every activity leads to betterment.

- Selfless actions towards work accomplish a lot.
- Total perfection and quality must be the objective of every single employee.

Conclusion

In TQM, everyone participates in the process, right from the managing director to the office peon. Everyone in the company is responsible for producing quality goods and services. In TQM, performance feedback is vital to enable managers at all levels to improve their contribution to business. An appropriate system of recognition and reward is critical to any company's TQM programme, particularly as quality improvement process.

	Study Notes

	Assessment
<ol style="list-style-type: none">1. What is Total Quality Management?2. Give the full forms of the followings:<ol style="list-style-type: none">a. NWTsb. PSTsc. QITs	



Discussion

"TQM is the sum of three attributes, namely Total + Quality + Management." Discuss.

1.6 Summary

Management is the process of optimum utilisation of human and non-human resources with the intent to accomplish the objectives of organisation along with value addition to the world. Thus, the process of management involves three things optimum utilisation of resources, which leads to efficiency, realisation of organisational goals which leads to effectiveness and value addition to world which suggests social responsibility. Ethics and ethical behaviour are the essential elements of healthy management. Abundant access to information and greater business opportunities than ever before make ethics an essential requirement in the modern business world.

WORK ETHOS AND MANAGEMENT

Work Ethos or Work Culture refers to certain norms of behaviour governing the conduct of workers involved in work situations to achieve certain desired objectives. The degree of one's involvement influences his performance resulting in high or low productivity, high or low quality. Sometimes, work culture is also integrated with a worker's loyalty and sense of belonging, by his behaviour, to the organisation. It is a mixture of abiding to the laws, observing appropriate code of conduct as determined by the organisation as well as maintaining one's own morality.

MODEL OF MANAGEMENT IN INDIAN SOCIO - POLITICAL ENVIRONMENT WORK ETHOS

Features of Indian ethos

Following are the essential features of Indian ethos and insight:

1. Indian ethos focuses on the existence of human being as a truth. There is nothing more perfect than the supreme soul.
2. Indian ethos focuses on the following principle: 'If you are good, the whole world is good'.
3. Indian ethos is principally derived from the Upanishads, Bhagwad Gita and Puranas.
4. In accordance with Indian ethos, one must successfully strike a balance between spiritual values and secular values so that even a rich person can lead a life of materialism and spirituality.

5. Indian ethos places greater emphasis on values and ethics. Money is not power; knowledge, good health and sound character impart the real power.
6. Indian ethos places emphasis on inner resources. Inner resources are much more powerful than outer resources.
7. According to Indian ethos, total quality management can be assured through excellence at work through self-motivation and self-development.

PRINCIPLES OF INDIAN MANAGEMENT

Indians are the products of Indian Ethos. Indian management methods are bound to work in India. Indian Ethos is better than other ethos, though they may work well in other countries. Indians, by and large, believe in the following maxims:

- Ego sublimation rather than ego assertion
- Sacrificing spirit rather than fighting spirit
- Team achievement rather than individual achievement
- Spiritual attainment rather than material prosperity
- Self-control rather than outside control
- Concept of duties rather than concept of rights
- Yielding rather than dominating
- Concern for this world and its improvement
- Respect for and search for all truth, whatever be its source

INDIAN INSIGHT INTO TQM

The term Total Quality Management (TQM) has been coined to succinctly express a philosophy that makes quality the driving force behind leadership, design, planning and improvement initiatives. For this, TQM requires the help of eight key elements. These elements can be divided into four groups according to their function. The groups are:

- Foundation: Ethics, integrity, trust
- Building Bricks: Training, teamwork, leadership
- Binding Mortar: Communication
- Roof: Recognition

1.7 Self-Assessment Test

Broad Questions

1. What is ethos? How they are helpful to managers? Discuss the Indian heritage in production as regards work ethos.
2. Explain the term TQM. Give an Indian insight to TQM. How important is TQM in India?


Short Notes


- a. The term TQM
- b. Culture required to implement TQM in the Organisation
- c. The process of implementing TQM in Indian Organisation
- d. Objectives of TQM
- e. Features of Indian Ethos


1.8 Further Reading

1. Foundations of Managerial Work-Contributions from Indian Thought, Chakraborty, S K, Himalaya Publishing House , Delhi, 1998
2. Management Effectiveness and Quality of WorkLife- Indian Insights, Chakraborty, S, Tata McGraw Hill Publishing Company, New Delhi, 1987
3. Management by Values, Chakraborty, S.K, Oxford University Press, 1991
4. Management in Turbulent Times, Drucker, P, Pan Books London, 1983
5. Managing Secularism in the New Millennium, Kumar S and N K Uberoi, Excel Books 2000
6. The Story of My Experiments with Truth, Gandhi, M K, Navjivan Publishing House, Ahmedabad, 1972

Unit 2 Problems Relating to Stress in Corporate Management- Indian Perspective

	Learning Outcome
After reading this unit, you will be able to:	
<ul style="list-style-type: none">• Identify the principles of Ethical values in management education.• Learn the consequences of stress• Specify Indian methods used to reduce stress• Describe Indian cultural values• Explain Indian perspective of Problems relating to stress in corporate management	

	Time Required to Complete the unit
<ol style="list-style-type: none">1. 1st Reading: It will need 3 Hrs for reading a unit2. 2nd Reading with understanding: It will need 4 Hrs for reading and understanding a unit3. Self Assessment: It will need 3 Hrs for reading and understanding a unit4. Assignment: It will need 2 Hrs for completing an assignment5. Revision and Further Reading: It is a continuous process	

	Content Map
2.1 Introduction	
2.2 Problems relating to stress in corporate management	
2.2.1 Methods of Stress Prevention	
2.2.2 Methods used to curb stress in India	
2.2.3 The causes of stress in contemporary organisation	
2.2.4 Consequences of stress	

2.2.5 Stress Management Programmes

2.2.6 Indian Perspective for Stress Management

2.3 Ethical values in management education

2.3.1 Indian Cultural Values

2.3.2 Business Ethics

2.3.3 Teaching of ethics

2.3.4 Values v/s Skills

2.3.5 Business Ethics as Management Discipline

2.3.6 Benefits of Managing Ethics as a Programme

2.4 Summary

2.5 Self-Assessment Test

2.6 Further Reading

2.1 Introduction

Stress is an active condition, which is a product of individual reaction to events taking place around him/her. More characteristically, stress is associated with restraint and demands. The former prevents an individual from doing what he/she desires, while the latter refers to the loss of something desired. The word 'stress' is derived from the Latin word 'Stringer', which means to 'draw tight'. When people feel stressed by the occurrences around them, their body reacts to such occurrences either positively or negatively. This may lead to physical perils in the form of blood pressure problems, problems related to the heart, indigestion, insomnia, etc. or emotional problems like anxiety, anger, depression, fear phobias.

Several factors, extending from physical to emotional, may lead to stress. Identifying which factors are causes of one's stress is the first and foremost step in determining how to deal with stress.

Stress at workplace is a relatively recent phenomenon of the contemporary world. The nature of work has revolutionised radically over the last century and is still undergoing alterations at a drastic alacrity. The diabolical effects of stress have spared no profession and has made its existence felt to every individual, be it an artist, a surgeon, a commercial pilot or a sales executive. Stress originates from change and since change is inevitable, the presence of stress remains consistent. Professional stress or job stress affects physical wellbeing of people working in an organisation, which in turn, affects the organisation's strength.

2.2 Problems relating to stress in corporate management

Stress at workplace is recognized as one of the most vital health hazard faced by workers across the globe. It is often the product of dissatisfaction at one's workplace when the requirements of a job do not match the capabilities, resources or wants of the worker. Every year, a multitude of companies put up with innumerable stress-related problems at work such as absenteeism, diminished productivity, employee turnover and health care expenditures. Among senior managers, stress often has the unfortunate and infectious effect of percolating down to line supervisors and work staff. So, the training to handle the problem of stress at workplace must be commenced at the level senior managers.

2.2.1 Methods of Stress Prevention

Every organisational change can remain stress free through stress management, which is often the most effective strategy approach for preventing stress at work.

Following are the steps that can aid an Organisation to prevent and eliminate job stress:

- Ensure that the workload is in line with workers' capabilities and resources.
- Design jobs to provide meaning, stimulation and opportunities for workers to exploit their skills.
- Clearly define workers' roles and responsibilities.
- Give workers the opportunities to participate in discussions, voice their decisions regarding the thoughts or actions affecting their jobs.
- Improve communications-communications; decrease uncertainty about career development and future employment prospects.
- Provide opportunities for social interaction among workers.
- Establish work schedules that are compatible with demands and responsibilities outside the job.
- Arrest workplace discrimination (based on race, gender, national origin, religion or language).
- Ensure hiring is in accord with Affirmative Action guidelines.
- Bring in an objective outsider such as a consultant to suggest a fresh approach to persistent problems.
- Introduce participative and collective leadership techniques that involve as many subordinates as possible to resolve stress-producing problems.

Telecommuting is another way organisations can help reduce stress for their workers. Telecommuting or telework is a work arrangement, in which employees enjoy flexibility in work locations and work timings. In other words, the daily commute to a central place of work can be replaced by telecommunication links. Employees define telecommuting as "an alternative work arrangement in which employees perform tasks elsewhere that are normally done in a primary or central workplace, for at least some portion of their work schedule, using electronic media to interact with others inside and outside the organisation". One reason that telecommuting gets such high marks is that it allows employees to exert control over how they do their work. Telecommuters were found to reporting more job satisfaction and less desire to switch to a new job. Employees that

worked from home also had less stress, improved work/life balance and higher performance rating by their managers.

2.2.2 Methods used to curb stress in India

Following are the methods to reduce stress in India:

1. Deep Breathing

Deep breathing is an easy and a very effective method of relaxation. Besides being a vital element in stress reduction, deep breathing is also a helpful approach. It is a vital element not only for reducing stress but also helpful approach to calm down someone in a to calm down an enraged individual.. Deep breathing, in combination with other relaxation techniques such as Progressive Muscular Relaxation and meditation, assists in reducing stress.

This technique involves taking number of deep breaths and relax your body further with each breath.

2. Progressive Muscular Relaxation (PMR)

Another technique to reduce stress is relaxing your body when your muscles are tense. This is called as Progressive Muscular Relaxation. The idea behind PMR is that you hold up a group of muscles so that they are as tightly contracted as possible, then hold them in a state of intense pressure for a few seconds and relax to their previous state. Finally, consciously relax the muscles even further, so that you are highly relaxed. This technique contributes a great deal in in reducing stress and physical discomfort at workplace.

3. Meditation

Meditation is useful techniques to reduce stress as it enables a person to relax totally and to regulate his/her mind. Meditation increases a person's concentration and prevents him/her from getting distracted by the surroundings or situations.

Meditation has proved to have both physical as well as psychological benefits. Moreover, meditation helps to establish a balance between the mind and body.

4. Yoga

Yoga as a form of relaxation techniques benefits to reduce stress and promote good health. Yoga has gained importance universally and is practised worldwide. In conjunction with breathing techniques, yoga helps in reduces stress and increases fitness. Besides, Yoga has also been credited with tackling chronic health problems. By tuning into the mind-body

connection yoga gives you the opportunity to de-stress. There are a number of asanaas in yoga, which reduces stress such as:

1. The Mountain Pose (Tadasana)
2. Camel Pose(Vitrasana)
3. Hero Pose (Virasana)
4. The Triangle pose (Trikonasana)
5. The Corpse Pose (Shavasana)



Fig. 2.1: Yoga Asana

5. Listening to music

In the present era, an alternative approach that is commonly used by people in India for stress reduction is listening to soothing or relaxing music. Tapes or CD of such music are easily available everywhere and prove beneficial in reducing stress level.

6. Tai Chi

Another technique for reducing stress, which is gaining momentum in India is Tai chi, the ancient Chinese system of exercises. Tai chi not only helps in reducing stress but also improves an overall sense of wellbeing.

With its slow, soft, continuous and relaxed movements, Tai Chi is very different from the other most common exercise programs that lay emphasis on strenuous workouts and working up a sweat.

In spite of the gentle, slow, stretching and circling movements, Tai Chi exercises the muscles more than any other type of exercises, including swimming. When performed correctly, Tai Chi improves the body posture since the muscles support the bones in their proper alignment.

Tai chi encourages physical relaxation by using slow movements coordinated with controlled deep breathing, which enables the body to disperse stress toxins and achieve what is known as the "relaxation response". The relaxation response has been found decreasing anxiety and improving blood flow. Apart from physical benefits, Tai Chi also promotes mental clarity and brings tranquility to the mind.

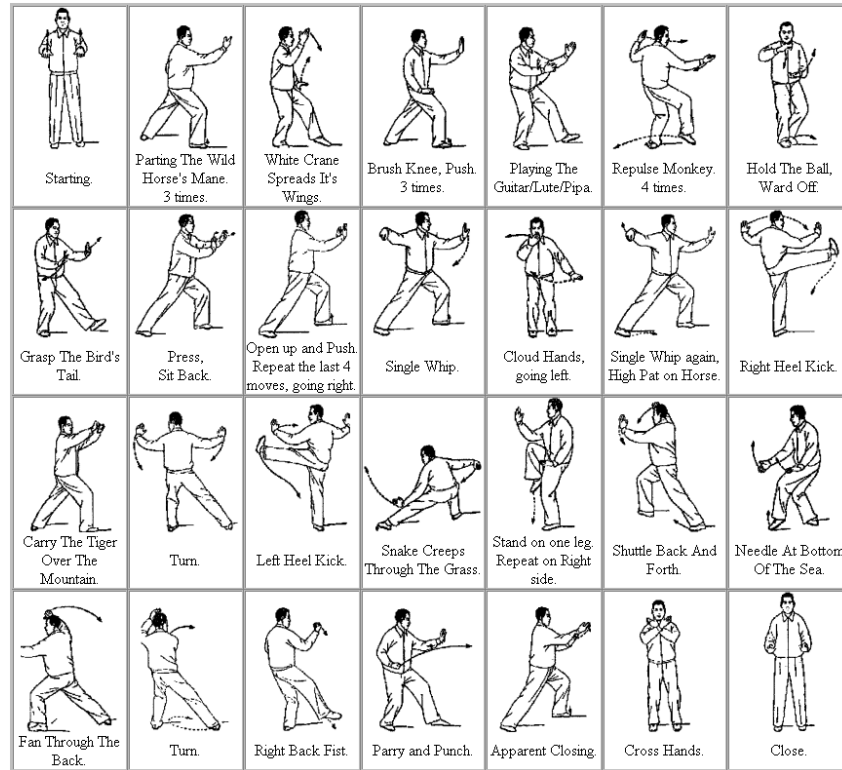


Fig. 2.2: Tai Chi

2.2.3 The causes of stress in contemporary organisation

Stress can be explained, basically, as strain upon a person's psychosomatic system, due to changing patterns in one's work life. Stress can be both positive and negative for a person. Positive stress increases anxiety level of an individual and motivates him to achieve something, whereas, negative stress causes health problems. When a person fails to be in harmony with the changing environment and surroundings and cannot maintain proper balance, then he can be diagnosed to be in stress. In the modern organisation, work life has become very demanding, which leads to some stress. However, when the stress surpasses the capacity of an individual, it creates problems both physically and mentally. Therefore, the main task for every person today is to convert stress into a productive factor rather than a restraint, which can cause imbalance in an individual.

The factors leading to stress among individuals are called as stressors. Some of the factors/stressors acting on employees are:

1. **Organisational factors:** With the growth in organisational stress and complexity, there is an increase in organisational factors too, which cause stress among employees. Some of such factors are:

- a. Discrimination in pay/salary structure
 - b. Strict rules and regulations
 - c. Ineffective communication
 - d. Peer pressure
 - e. Goals conflicts/goals ambiguity
 - f. More of centralised and formal organisation structure
 - g. Less promotional opportunities
 - h. Lack of employees participation in decision-making
 - i. Excessive control over the employees by the managers
- 2. Individual factors:** There are various expectations, which the family members, peer, superiors and subordinates have from the employee. Failure to understand such expectations or to convey such expectations lead to role ambiguity/role conflict, which in turn causes employee stress. Other individual factors causing stress among employees are inherent personality traits such as being impatient, aggressive, rigid and always pressed for time etc. Similarly, the family issues, personal problems, financial problems, sudden career changes, all lead to stress.
- 3. Job concerning factors:** Certain factors related to job, which cause stress among employees are as follows:
- a. Monotonous nature of job
 - b. Unsafe and unhealthy working conditions
 - c. Lack of confidentiality
 - d. Crowding
- 4. Extra-organisational factors:** There are certain issues outside the organisation, which lead to stress among employees. In today's modern and technology savvy world, stress has augmented. Inflation, technological change, social responsibilities and rapid social changes are other extra-organisational factors causing stress.

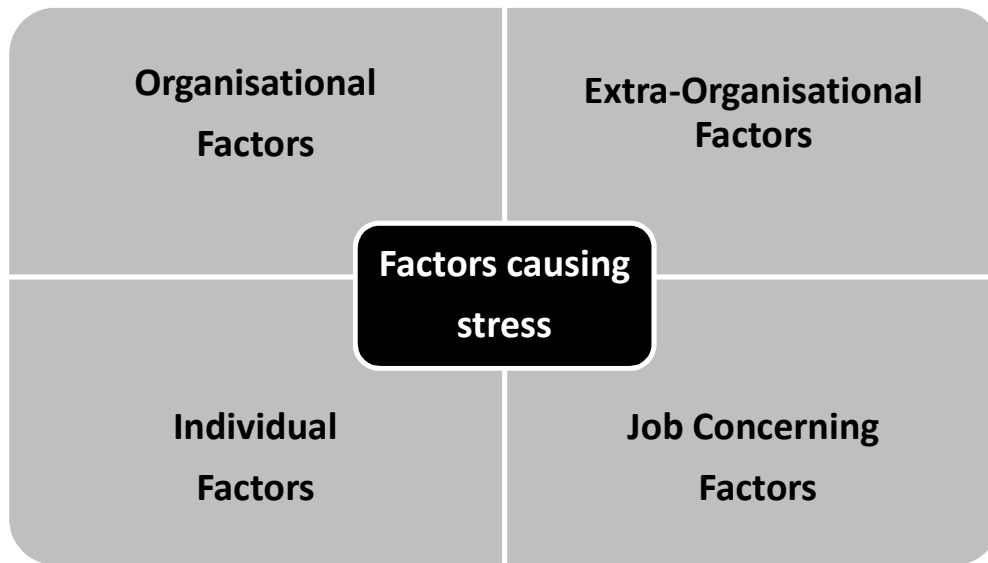


Fig: 2.3 Factors Causing Stress

2.2.4 Consequences of stress

There are consequences to individuals and to the organisation when stress starts to become a real issue. Some of these are:

To Individual:

- Demotivation
- Difficulty in concentration
- Suffered relationships
- Communication problems
- Health problems
- Decision-making problems
- Aggravated depression

To Organisation:

- Staff turnover increases
- Productivity and efficiency suffer

- Pressure on team members because of staff shortage or newcomers learning
- Faulty judgments occur
- Quality of work goes down
- Errors in work increase
- Communication deteriorates
- Commitment levels go down
- Customer service and response gets worse
- Lessening of team work
- Morale suffers
- Absenteeism increases

2.2.5 Stress Management Programmes

There is no fixed technique of managing stress. One has to find out what is the best way through which he can release stress. For this, one may have to experiment with various techniques that claim to reduce stress.

Training program in workplace is an unmatched stress management tool that can produce excellent results. It benefits both the organisation as well as the individual. The participants get an opportunity to accomplish important things in lesser time through interactive learning.. The manager or boss, who has to multitask constantly with an assortment of issues to tackle, on and off duty, benefits from a stress management programme. Stress management training programmes empower him with improved organisational skills and help him to disregard petty issues.

Channelising your thoughts in the right direction is another technique of stress management at a workplace. It helps to break through stressors. Everyone must understand and work to live rather than live to work. Too many hours spent for work make you tired, mentally as much as physically. From dawn to dusk, you have a cycle of multiple activities that leave you stressed. The impact is such that even when you lie down for some rest stress remains a constant companion. Learning to focus your thoughts on work when you are at

work and shifting over to family life when back at home will take you long way towards managing workplace stress.

Some of the stress management programmes conducted by organisations are as follows:

1. Laughter and Fun Time:

Having laughter and fun time is one of the methods used by companies to reduce stress in the office hours. Since employees are work for hours at length, it is desirable to use a few minutes for informal conversations with colleagues and team members. This gives them a break from work and revitalizes the employees' minds. This laughter and fun time is used to add humour through some good jokes, to share some funny experiences or to play a game or a musical instrument. Such activity is done with an aim to decrease stress levels at work and increase productivity. Such programmes are undertaken and extensively practiced in modern workplace without hampering the decorum of the company.

2. Yoga and Meditation

Exercises have a miraculous effect on one's mind and body. It is a scientific fact that mental stress is reduced significantly by following healthy living practice. Yoga and meditation have been known to offer a unique solution to the modern age stress. Therefore, many organisations have started meditation and yoga sessions at workplace for employees to relieve them from stress.

3. Counseling:

Counseling is discussion of a problem with an employee with a view to helping the employee to cope up with problem in a better way. Counseling helps in improving the employee's mental health by release of emotional tension. People will get emotional release from their frustrations and other problems whenever they have an opportunity to tell someone about them.

2.2.6 Indian Perspective for Stress Management

The Indian ways of managing stress are self-introspection, brain stilling and meditation.

We have to embark upon self-study, self-analysis and self-criticism to locate areas of friction, tension and disharmony. We should prepare a balance sheet of our strengths and weaknesses for our mind may identify weak spots. By regular introspection, we would find out a solution to the problems so that the concerned parts of our being can be persuaded to

play the desired role. Introspection involves a scrutiny of one's thoughts, feelings and senses. Constant practice or 'Sadhana' helps us to discard unwanted traits and cultivate good values to purify our mind and heart.

Indian philosophy also advocates brain stilling. It believes that for taking a rational decision, silent mind is an effective catalyst because it aids in a sound and lasting solution to all the management problems. It is the most reliable method to invent solutions to difficulties and problems, which cannot be tackled by arguments and reasons.

Lastly, dynamic meditation is meditation that transforms lower consciousness into higher consciousness. It opens the 'third eye' of wisdom through insight. Meditation helps in solving many complex managerial problems that demand higher consciousness.

The Western thought for resolution of stress problems

Indian philosophy or thought believes in 'simple living and high thinking'. In contrast, Western thoughts lay emphasis on materialistic civilization. They believe "success" as the goal of human life and aim at attaining high standard of living. Thus, Western society has been rightly designated by Prof. W.W. Rostow as 'High Mass Consumption Society'. For resolution of stress problems, the Western thought resorts to brainstorming by managers to solve difficult problems. To the Western management, the worker is all; a human being has no distinct existence. The worker or labour is treated like a hired commodity, which is paid for and rewarded as long as it is serviceable. The moment he ceases to be such, he is promptly replaced.

On the contrary, Indian philosophy lays emphasis on moral development and refinement of human values. The human being is of supreme importance and needs to be held in high esteem with respect to his moral values.

To conclude, we can say rationalism of the west leads to material success while spiritualism of the east leads to perfection on earth.

Relevance of Trans-cultural human values to the field of management

A value is a belief on which a person acts by preference. A value is a prescriptive belief. The word 'value' means the worth, merit, usefulness or importance of a thing or object or concept. Everyone does not hold the same values. The value of a thing varies from person to person and it is more of a relative concept. Few trans-cultural values comes to us from our ancestors.

Culture: It refers to general shared beliefs and values that define what is right, wrong, good and bad. As an example, Sun is worshipped as a God in the Hindu culture. This is shared belief of all individuals that follow the Hindu culture.

Trans-cultural Human Values: The values, which are same across the different cultures in the whole world are called Trans-cultural Human Values. These values prevail in the entire world. These values are very helpful in management.

Some of the trans-cultural values are:


- Unbiased personality
- Loyalty towards workers
- Cooperation
- Open minded nature and transparency in dealing
- Clear objective
- Self-discipline
- Managing Interpersonal role
- Social responsibility
- Inspiration to give


It will now be obvious why values are essential for a manager. All of them contribute greatly to managerial skills. Considering this, it is absolutely necessary for the management to work seriously for developing trans cultural human values in managers. Values like self-discipline, cooperation, inspiration, integrity, satisfaction play a very vital role in uplifting the organisation in the society. The importance and relevance of trans cultural values in management is reflected in following points.


- Credibility among stakeholders: Some individuals are directly or indirectly affected by the decisions of the organisation. Stakeholders include customers, suppliers, employees, shareholders etc. implementation of values like transparency and integrity aid in upholding the organisation's credit with the stakeholders.
- It corresponds to basic human value: A manager knows that his decisions can affect thousands of individuals. Therefore, there should not be any place for biases. One should not think of individual interest. We should help and cooperate with everybody, irrespective of favours or grudges. Opportunities and responsibilities should be the same for all employees at same levels.
- Helpful in decision-making: Another point of great importance is that trans cultural values helps the managers make more efficient decisions i.e. the decisions which are in the

interest of public, their employees and the company's long term good. This is so because respect for ethics will force a management to take various aspects - economic, social and ethical- in consideration while decision-making.

- Profit earning: A company inspired by trans cultural values is also a profitable one. Value driven companies are sure to be successful in the long run, though in the short run, they may seem to lose money.
- Management credibility with employees: Trans cultural values are supposed to be common language to congregate leadership and its populace under one objective. Organisation values, when perceived by employees as genuine, create common goals, values and culture.
- Clear objective: The organisation should clarify the objectives of the company so that even a layman can understand them. If the objectives are not clear, then lower level management cannot achieve these objectives efficiently. It can affect the productivity of the employees at operational level. Unambiguous objectives are helpful in minimising disputes and conflicts.
- Self-discipline: It is very important to control one's mind before controlling others. A manager should take decisions with cool mind and self-discipline. A manager should be properly disciplined; this includes even routine tasks like arriving on time at the organisation, optimum use of working hours, not wasting other's time. If a manager expects discipline from other, he must demonstrate discipline first. That way, the act of discipline comes full circle.

	Study Notes

	Assessment
<ol style="list-style-type: none"> 1. What are the causes and Consequences of Stress? 2. What are the methods to reduce Stress? 	

	Discussion
<p>What are the methods followed by you for Stress Management? Discuss this with your friends or colleagues and find out what methods do they follow for Stress Management.</p>	

2.3 Ethical Values in Management Education

2.3.1 Indian Cultural Values

Indian culture is predominantly a spiritual and inward looking culture. It has a socio-centric vision. The orientation of the spiritually dominated culture is that of welfare- the social good or the good of the greater members.

Simple living and high thinking is the characteristic feature of our culture. One of the dominant features of the Indian culture is the joint family system. The values that are particular to Indian society are extremely important in the context of management, where group effort rather than an individual endeavor is more important. Living in a joint family, an individual endeavor is more important. The individual is brought up in a system of management, which may be termed the Karta style of management.

Karta in a joint family is a fatherly figure. Everyone in the family invests confidence in him; he is respected and he is open to constructive and respectful criticism. There is the warmth of relationship, closeness, consideration for others and a feeling of sacrifice for the larger family interest. Naturally, these are the values an individual grows up with.

Another characteristic of Indian culture is PURUSHARTHAS- The Mission of Life. Purushartha means and connotes the aims, mission or purpose of life. These four Purusharthas comprise a man's aspirations. Purusharthas are four in number.

The critical aspects of the Indian ethos need to be imbibed by an international company seeking to set up business in India. Before we focus on the culture-specific system of management suited to Indian psyche, we should first understand and appreciate the

salient characteristics of Indian culture. Such an understanding is essential before embarking on the task of building the indigenous system of management.

These are:

- Essential divinity of human soul
- Essential owners and solidarity of universe and all life
- Philosophy of an integral experience
- Family is the basic unit of social system
- Rishi and ashramic culture
- Purusharth- the mission
- Varna-Ashram system
- Spirit of free enquiry, tolerance and selective assimilation

The characteristics of Indian culture attempt to be pervasive and enduring, when applied in management. When an international company is setting up business in India, it will have to look for the acceptability of their management in its present form in the Indian situation. The four basic cultural dimensions, which may account for differences in management and HRD practices across culture, are:

- The extent to which a society emphasizes collective rather than individual activity
- The extent of power distance or tolerance for social inequality
- The extent of acceptance of uncertainty
- The extent to which a society emphasizes 'Masculine values' and behavior such as assertiveness, ambitiousness, domination etc.

2.3.2 Business Ethics

The term 'ethics' refers to value-oriented decisions and behavior. The word ethics comes from the Greek root 'ethikos', meaning character, beliefs, standards or deals that pervade a group, a community, a people. Today ethics is the study of moral behavior- the study of how the standards of moral conduct among individuals are established and expressed behaviorally. Terms such as business ethics, corporate ethics, medical ethics or legal ethics are used to indicate the particular area of application. But to be meaningful, the ethics involved in each area must still refer to the value-oriented decisions and behavior of individuals. Ethics refer to a set of moral principles, which should play a very significant role in guiding the conduct of managers and employees in the operation of any enterprise. Ethics is concerned with what is right and what is wrong is human behavior. It is normative and prescriptive, not neutral. It addresses the question of what ought to be. Ethics refer both to Indian Ethos and Values

the body of moral principles governing a particular society or group and to the personal normal precepts of an individual.

Business ethics, also known as corporate ethics, is a set of applied ethics or professional ethics that examines ethical principles and moral or ethical problems that arise in a business environment. It applies to all aspects of business conduct and is relevant to the conduct of individuals and business organisations as a whole. Applied ethics is a field of ethics that deals with ethical questions in many fields such as medical, technical, legal and business.

Business ethics can be both a normative and a descriptive discipline. As a corporate practice and a career specialization, the field is primarily normative. In academia, descriptive approaches are also taken. The range and quantity of business ethical issues reflects the degree to which business is perceived to be at odds with non-economic social values. Historically, interest in business ethics accelerated dramatically during the 1980s and 1990s, both within major corporations and within academia. For example, today major corporate websites lay emphasis on commitment to promoting non-economic social values under a variety of headings like ethics code, social responsibility charter and so on. In some cases, corporations have redefined their core values in the light of business ethical considerations, e.g. British Petroleum's "Beyond Petroleum" environmental initiative.

Characteristics of business ethics

- Individual-specific and subjective: ethical questions do not have a unique solution but a multitude of alternatives.
- Ethical decisions are not limited to themselves but affect a wide range of other situations as well.
- Ethical decisions involve a trade-off between cost incurred and benefits received.
- Consequences of ethical decisions are not always clear.
- Every person is individually responsible for the ethical or unethical decision and action that he or she takes.
- Ethical actions are voluntary human actions.

2.3.3 Teaching of Ethics

In the contemporary scenario, ethics are very important, as we have already seen. However, the key question is how does one acquire ethics. There are some skills that one can learn by reading books or by training, e.g. how to run a computer, how to do calculations etc. For our present topic, however, we can ask “Can ethics be taught?” Can one learn ethics by reading books or by training or by attending classes? There are some arguments regarding this issue, as you will find in the forthcoming section.

Teaching of ethics includes:

- Stimulating moral thoughts
- Developing problem-solving skills
- Creating a sense of moral obligation
- Recognising ethical dilemmas
- Tolerating or reducing ambiguity

Arguments in favour of teaching ethics:

1. Values are relative:

Every individual holds one value as the prime, most significant and precious for his existence. Another one upholds some other value. This does not mean we have only one value to go with. However, our preferences are different and subjective. Accordingly, the interests we serve of the organisation differ. Someone upholding honesty, for example, will not tolerate any dishonest behaviour, even for the larger good of the organisation.

2. Values shaped by external environments:

Values cannot be fully developed on their own; they develop in a conducive environment. We need to therefore, assess the environment and take due precaution to let our values develop and prosper. Values need time to take root in one's personality; it is not an overnight process.

Arguments against teaching ethics:

1. People are born with certain values:

Values are inborn. They cannot be enhanced by reading or training. One's conditions at birth are responsible for the establishment of certain values in that individual. Unless that condition and upbringing are changed, values cannot and should not be taught externally.

2. Values are cultured in home:

This is an extension of the previous cause. A child's first contact is with his parents and not the society. Therefore, upbringing or education by parents plays an important role

in the definition of one's values. A truly moral person is the one who has developed a moral disposition through the development of right habits and behavior in the formative years.

3. Values are internal:

There cannot be external values. Ethics are internal character traits such as loyalty, sensitivity, justice, compassion and honesty may be reinforced in an academic course but they really do not originate there. They cannot be added on to one's person, like clothes.

Ethics

The word 'Ethics' is derived from the Greek word 'Ethos', which means custom, usage or habit. Ethics concerns attempts to distinguish 'right' from 'wrong', 'good' from 'bad' and constitution of desirable conduct in a particular set of social circumstances.

The nature of ethics is as follows

1. **A normative science:** Ethics is said to be a normative science because it deals with ideals. Ethics is concerned with the ideals of good. A normative science determines norms, ideals, standards or values. Ethics is not a natural or pure science like Physics and Chemistry.
2. **Self-imposed:** Ethical principles are self-imposed. The laws of the state are externally imposed on the individual by the state. Incompliance of laws may attract punishment. We follow a moral principle not because of hope of reward or fear of punishment but because we consider that to be our duty.
3. **Morality:** Morality is the essence of ethical behaviour and it should be reflective. Any conduct is based on social rules and understanding of duties. In cases where there is a conflict of duties, conventional morality fails totally. Conventional morality ensures well being and survival of society. It is true that conventional morality serves the majority men in most cases, but it fails in complex cases.
4. **Discipline:** Ethics follows the rule of discipline. Discipline is necessary for ethics and it plays a vital role in ethics. Ethics contains principles and rules and regulations.

Golden Rule of Ethics

The following are the forms of the golden rule in ethics (Golden Rule of Reciprocity). Each of these forms the basis of all human values.

1. Everything you want others to do to you, you should do to others.
2. Do not do to others anything, which you do not wish them to do to you.
3. Do not do anything to others that, if done to you, would cause harm to you.

2.3.4 Values v/s Skills

1. Becoming something or someone requires values whereas to do something a person requires skills.
2. Values are the means of rightness. Skills must be based on values for perfection. Else, a person can manipulate skills for hidden motives.
3. Values are internal, dealing with internal development of a person, purifying mind and heart. Skills, on the other hand, only make a person proficient. Values are the means of perfection of personality.
4. The field of values is governed by union, holism and relatedness. More often than not, skills are used to bring about division, fragmentation and separation.
5. Values bring about excellence and universal good. Skills see us through mechanics of management.
6. Skills are not enduring, values are.
7. Skills change with passage of time. Policy is flexible; principles and values are not. We have permanent fundamental values. "Skills must pass through the corridors of values and the corridors have to be kept not dark and untidy, but well lit and clean."

		Values	
		Strong	Weak
Skills	Strong	Most Desirable	Dangerous
	Weak	Tolerable	Useless

Skill – Value Matrix

The discussion in no way speaks against acquiring skills but tries to guard against only acquiring skills, as the matrix above testifies. Of course, the discussion, in no uncertain terms, makes it clear that values are more important than skills.

2.3.5 Business Ethics as Management Discipline

Business ethics has come to be considered a management discipline, especially since the birth of the social responsibility movement in the 1960s. In that decade, social awareness movements raised expectations of businesses to use their massive financial and social influence to address social problems such as poverty, crime, environmental protection, equal rights, public health and improving education. An increasing number of people asserted that because businesses were making a profit from using our country's

resources, these businesses owed it to our country to work to improve society. Many researchers, business schools and managers have recognized this broader constituency and in their planning and operations have replaced the word "stockholder" with "stakeholder," meaning to include employees, customers, suppliers and the wider community.

The emergence of business ethics is similar to that of other management disciplines. Here are some examples:

- When organisations realized that they needed to manage a more positive image to the public, the recent discipline of public relations was born.
- When organisations realized that they needed to manage their human resources in a more efficient way, the recent discipline of human resources was born.

Similarly, as commerce became more complicated and dynamic organisations realized they needed more guidance to ensure that their dealings supported the common good and did not harm others, business ethics was born.


Note that 90% of business schools now provide some form of training in business ethics. Today, ethics in the workplace can be managed through use of codes of ethics, codes of conduct, roles of ethicists and ethics committees, policies and procedures, procedures to resolve ethical dilemmas, ethics training, etc.


2.3.6 Benefits of Managing Ethics as a Programme

Myriad benefits in formally managing ethics as a programme can be listed as under:

- Establish organisational roles to manage ethics
- Schedule ongoing assessment of ethics requirements
- Establish required operating values and behaviors
- Align organisational behaviors with operating values
- Develop awareness and sensitivity to ethical issues
- Integrate ethical guidelines to decision-making
- Structure mechanisms to resolving ethical dilemmas
- Facilitate ongoing evaluation and updates to the program
- Help convince employees that attention to ethics is not just a knee-jerk reaction done to get out of trouble or improve public image

	Study Notes

	Assessment
<p>Write short notes on:</p> <ul style="list-style-type: none"> a. Business Ethics b. Teaching Ethics c. Values v/s Skills 	

	Discussion
<p>Conduct a debate on "Joint Family System". After the debate, list out the pros and cons of this system.</p>	

2.4 Summary

The word 'stress' is derived from the Latin word 'Stringer', which means to 'draw tight'. When people feel stressed by the occurrences around them, their body reacts to such occurrences either positively or negatively. Stress at workplace is a relatively recent phenomenon of the contemporary world. Professional stress or job stress affects physical wellbeing of people working in an organisation, which in turn, affects the organisation's strength.

Stress at workplace is recognized as one of the most vital health hazard faced by workers across the globe. It is often the product of dissatisfaction at one's workplace when the requirements of a job do not match the capabilities, resources or wants of the worker.

A combination of organisational change and stress management is often the most useful approach for preventing stress at work. Telecommuting is another way organisations can help reduce stress for their workers. Telecommuting or telework is a work arrangement in which employees enjoy flexibility in working location and hours.

Methods used to reduce stress in India are Deep Breathing, Meditation, Yoga, Progressive Muscular Relaxation, Listening to music and Tai Chi.

PROBLEMS RELATING TO STRESS IN CORPORATE MANAGEMENT

The factors leading to stress among individuals are called as stressors. Some of the factors/stressors acting on employees are organisational factors, individual factors, job concerning factors and extra-organisational factors.

Consequences of stress

To Individual:

- Demotivation
- Difficulty in concentration
- Suffered relationships
- Communication problems
- Health problems
- Decision-making problems
- Aggravated depression

To Organisation:

- Staff turnover increases
- Productivity and efficiency suffer
- Pressure on team members because of staff shortage or newcomers learning

- Faulty judgments occur
- Quality of work goes down
- Errors in work increase
- Communication deteriorates
- Commitment levels go down
- Customer service and response gets worse
- Lessening of team work
- Morale suffers
- Absenteeism increases

The techniques for managing stress at workplace are laughter and fun time, yoga and meditation, counseling, etc.

ETHICAL VALUES IN MANAGEMENT EDUCATION

The term 'ethics' refers to value-oriented decisions and behavior. The word ethics comes from the Greek root 'ethikos', meaning character, beliefs, standards or deals that pervade a group, a community, a people.

Business ethics, also known as corporate ethics, is a set of applied ethics or professional ethics that examines ethical principles and moral or ethical problems that arise in a business environment. It applies to all aspects of business conduct and is relevant to the conduct of individuals and business organisations as a whole.

Teaching of ethics includes:

- Stimulating moral thoughts
- Developing problem-solving skills
- Creating a sense of moral obligation
- Recognising ethical dilemmas
- Tolerating or reducing ambiguity

Benefits of Managing Ethics as a Programme

Myriad benefits in formally managing ethics as a programme can be listed as under:

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- Schedule ongoing assessment of ethics requirements
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- Structure mechanisms to resolving ethical dilemmas
- Facilitate ongoing evaluation and updates to the program
- Help convince employees that attention to ethics is not just a knee-jerk reaction done to get out of trouble or improve public image

2.5 Self-Assessment Test

Broad Questions

1. Discuss the causes and solutions to stress in modern organisations. How does the Indian philosophy differ from western thought on Stress Management?
2. Explain Indian ethical systems. How important are they in the global context? Explain how business ethics differ from personal ethics.


Short Notes


- a. Business Ethics
- b. Values and Skill
- c. Indian Culture
- d. Causes of Stress at Workplace
- e. Techniques of Managing Stress


2.6 Further Reading

1. Foundations of Managerial Work-Contributions from Indian Thought, Chakraborty, S K, Himalaya Publishing House , Delhi, 1998
2. Management Effectiveness and Quality of WorkLife- Indian Insights, Chakraborty, S, Tata McGraw Hill Publishing Company, New Delhi, 1987
3. Management by Values, Chakraborty, S.K, Oxford University Press, 1991
4. Management in Turbulent Times, Drucker, P, Pan Books London, 1983
5. Managing Secularism in the New Millennium, Kumar S and N K Uberoi, Excel Books 2000
6. The Story of My Experiments with Truth, Gandhi, M K, Navjivan Publishing House, Ahmedabad, 1972

Unit 3 Relevance of Values In Management

	Learning Outcome
After reading this unit, you will be able to:	
<ul style="list-style-type: none">• Specify the relevance of values in management• Speak about the theory of Karma• Define the need for values in global change in India• Explain the importance of VBM• Classify KARMA	

	Time Required to Complete the unit
<ol style="list-style-type: none">1. 1st Reading: It will need 3 Hrs for reading a unit2. 2nd Reading with understanding: It will need 4 Hrs for reading and understanding a unit3. Self Assessment: It will need 3 Hrs for reading and understanding a unit4. Assignment: It will need 2 Hrs for completing an assignment5. Revision and Further Reading: It is a continuous process	

	Content Map
3.1 Introduction	
3.2 Relevance of Values in Management	
3.2.1 Value Based Management: A System for Transforming the Corporate Culture	
3.2.2 Meaning of Value Based Management	
3.2.3 A Free Enterprise Approach to Economic Justice	

- 3.2.4 The ESOP: A Vital Key to VBM Culture
- 3.2.5 Basic Elements of Value Based Management
- 3.2.6 Implementation Process of VBM
- 3.2.7 Benefits of Value Based Management
- 3.2.8 Importance of Value Based Management

3.3 Need for Values in Global Change-Indian Perspective

- 3.3.1 Features of Values
- 3.3.2 Importance of Values in Business
- 3.3.3 New Economy and Relevance of VBM in Global Change
- 3.3.4 Value System of India

3.4 Theory of KARMA

- 3.4.1 Classification of Karma with respect to different functions
- 3.4.2 Classification of Karma on the basis of Priority of Effect
- 3.4.3 Time Effective Classification of Karma
- 3.4.4 Plane Effective Classification of Karma
- 3.4.5 Karma Yoga

3.5 Summary

3.6 Self-Assessment Test

3.7 Further Reading

3.1 Introduction

The concept of business value aligns with the theory that a firm is best viewed as a network of relationships, both internal and external. This network is sometimes called Value network or Value chain. Each node in the network could be a stakeholder group, a resource, an organisation, end-consumers, interest groups, regulators or the environment itself. In a Value network, value creation is viewed as a collaborative, creative, synergistic process rather than a purely mechanistic one or a result of command-and-control.

If we visualize a firm as a network of value-creating entities, then the questions arising are how each node in the network contributes to overall firm performance and how it behaves and responds to its own interests. When the nodes are independent organisations (e.g. suppliers) or agents (e.g. customers), it is assumed that the firm is seeking a cooperative, "win-win" relationship where all parties obtain value. Even when nodes in the network are not fully independent (e.g. employees), it is assumed that incentives are important and that those incentives go beyond direct financial compensation.

While it would be quite desirable to translate all forms of business value to a single economic measure (e.g. discounted cash flow), many practitioners and theorists believe this is neither feasible nor theoretically impossible. Therefore, advocates of business value believe that the best approach is to measure and manage multiple forms of value as they apply to each stakeholder group.

As of yet, there are no well-formed theories about how the various elements of business value are related to each other and how they might contribute to the firm's long-term success. One promising approach is the business model, but such models are rarely formalized.

Peter Drucker was an early proponent of business value as the proper goal of a firm, especially the goal of creating value for customers, employees (especially "knowledge workers") and distribution partners. His management by objectives was a goal setting and decision-making tool to help managers at all levels create business value. However, he was skeptical as to whether the dynamics of business value could ever be formalized, and that too, with current methods.

3.2 Relevance of Values in Management

In management, business value is an informal term that incorporates all forms of value that determine the health and well-being of the firm in the long run. Business value expands the concept of value of the firm beyond economic value (also known as economic profit, i.e. economic value and shareholder value added) to include other forms of value

such as employee value, customer value, supplier value, channel partner value, alliance partner value, managerial value and societal value. Many of these forms of value are not directly measured in monetary terms.

Business value often embraces intangible assets not necessarily attributable to any stakeholder group. Examples include intellectual capital and a firm's business model. Balanced scorecard methodology is one of the most popular methods for measuring and managing business value.

A growing number of today's economy captains believe that people make a difference in business. The question is, "What kind of people make a difference?"

Many progressive organisations want to employ and develop only those people who possess a special predefined set of competencies- creativity, innovation, adaptability, teamwork, personal integrity etc. These competencies guarantee that business strategies and relevant goals will be fulfilled while staying in tune with corporate culture and values. Moreover, managers create a unique category, as they actively participate in formulating business strategies and are directly responsible for ensuring that planned objectives will be met.

Relevance of Values in Managers

- Young managers should understand and be aware of the reasons that underline moral principles. These are helpful in fostering the rational ability when applying these principles. It is a vital part of ensuring that managers comply with the company standards for conduct.
- Knowledge of business ethics will help managers in resolving ethical issues/dilemmas as and when they arise.
- Knowledge of values will help managers in setting highly responsible tone for the organisation - in individual judgments and decisions, whether ethical or otherwise.
- The study of business ethics provides conscientious managers with a morally responsible approach to business. The need for responsible manager is acute as questions of business ethics cannot be entirely determined by law and government organisation but must remain the concern of individual manager.
- It helps managers to realize their social responsibility. Many organisations find it wise to go beyond their primary mission and take into consideration the needs of the community. Business ethics make managers more accountable for social responsibility.

- The study of business ethics inculcates a high level of integrity in managers. Goal of ethics education is to share knowledge of, build skills and develop minds. It helps to gain clarity and insight into business ethics and to avoid business misconduct in organisations.
- The study of business ethics helps managers to arrive at a decision that they feel to be 'right and proper' or 'just'. It facilitates individuals to understand their moral standards and ethical norms, beliefs and values so that they can decide when faced with business dilemma.
- Business ethics create awareness of social and moral values through education. This is pertinent in contemporary business scenario because erosion of essential values and increasing cynicism in society is leading to violence, superstition and fatalism.
- Knowledge and awareness of the concept and practices of business ethics is equally helpful to practicing managers in managerial conduct and decision-making.
- Business ethics improve the skills of reflective managers both in analyzing concrete moral issues and in deliberating and deciding upon strategies for solving moral dilemmas.

3.2.1 Value based management: A System for Transforming the Corporate Culture

Work in most companies today follows the philosophy of Frederick Winslow Taylor, who proposed that system efficiency should be the primary focus of corporate managers. Writing in 1911, Taylor declared:

"In the past, man was first. In the future, the system will be first."

Thus, Taylor's "scientific management" system was launched, turning the worker into a mere cog in the system, a disposable human tool, a worker-for-hire, a wage serf. As satirized in Charlie Chaplin's classic movie, "Modern Times", Taylor's assembly-line system dehumanized the worker and the culture of work, pitting workers against technology.

Taylor was also oblivious to another danger inherent to his system: it left ownership, control and the distribution of profits at the disposal of a handful of elites, comprising of managers, time-study engineers and owners. His system offered once self-reliant workers higher wages in exchange for their loyalty to what many consider a modern form of feudalism. Most companies today still operate according to Taylor's top-down vision of the workplace.

The era of robotics, advanced informational systems and the Globalisation of production, marketing and distribution are coercing a basic shift in how we view the role of

the worker and the nature of the workplace. Businesses are recognizing that for their own survival, they must find new, more flexible ways of rewarding and motivating their workers, while simultaneously controlling costs and delivering ever-higher levels of value to their customers. They are realizing that these objectives are impeded by the adversarial nature of the surrounding economic and cultural environment, a by-product of Taylor's philosophy of work and the inherent instability of the wage system. They are also appreciating now that what is essential is an innovative way of thinking.

This novel way of thinking would not reject the importance of systems, but would redesign systems to put people first. It would create a new system of management that re-humanises the workplace. It would shift power, responsibility and control over modern tools and advanced organisational systems from the hands of the few to all those affected by the process. The new system would combine principles of equity (justice and ownership) with principles of efficiency. The ultimate aim would be to raise the performance of an enterprise and its workers to their highest potential, to better serve their customers and other stakeholders. Instead of tapping into the wisdom, knowledge and creativity of only the few, the new system would recognize the advantages of drawing out and combining the wisdom, knowledge and creativity of all contributors to the business process, including workers.

Some of the most progressive private sector firms have begun to implement successful new approaches for motivating workers, improving productivity and quality, facilitating changes and maintaining continuity in their organisation's culture. A comprehensive approach developed by Center for Economic and Social Justice (CESJ) is called Value Based Management (VBM) - a business philosophy and management system for competing effectively in today's global marketplace, centered on the inherent value and dignity of every person.

3.2.2 Meaning of Value Based Management

Value Based Management (VBM) is a customer-focused system built upon shared principles and core values, which is designed to instill an ownership culture within an organisation. VBM is initiated and nurtured by authentic leaders who actively seek to empower others; it is developed and sustained from the ground-up. Value Based Management follows the market-oriented theory of economic justice first advanced by the Employee Stock Ownership Plan ESOP inventor Louis Kelso and the philosopher Mortimer Adler.

Value Based Management offers workers an opportunity to participate as first-class shareholders in the company's equity growth and in monthly and annual profits on a profit

center basis. Experience has shown that where strengthened by a VBM culture, people become empowered to make better decisions, discipline their own behavior and work together more effectively as a team. Because each person contributes to risks and shares as an owner as well as a worker, VBM helps unite everyone's self interest around the company's bottom-line and corporate values.

Value Based Management calls for a new philosophy of leadership. It holds that a genuine leader sees himself or herself as the ultimate servant and a teacher, one who empowers others to realize their hidden potential, not one who rules by fear or refuses to be accountable to others.

A well-designed Value Based Management system sharpens and crystallizes the leader's philosophy around a set of universal moral principles. Through a participatory, company-wide process, the foundation is laid for an ongoing ownership sharing culture within the company. Such a culture typically incorporates an ESOP, individual and team performance feedback (i.e. formula-based cash profit sharing), ownership education and sharing of financial information and structured participatory management and governance. VBM builds checks-and-balances in the governance and accountability system to allow executives flexibility to make traditional executive decisions, while avoiding the imposed and unworkable management by the managing committee.

3.2.3 A Free Enterprise Approach to Economic Justice

In its deepest sense, management science can be understood as a branch of social morality- how our institutions can be organized to promote the dignity and empowerment of each person affected. Reflecting this, Value Based Management embodies the interdependency between universal moral values and material values. VBM offers a set of principles and a system for promoting a free enterprise version of economic justice within the emerging global marketplace.

Value Based Management starts with the recognition of the value of each person- each customer, each supplier and each worker. Value Based Management respects the dignity of all forms of productive work and recognizes that, regardless of a person's function or role in the company, all are workers.

The economic purpose of Value Based Management is to help empower people and raise their human dignity and quality of life. Its principal means for achieving this end is expanded capital ownership.

3.2.4 The ESOP: A Vital Key to a VBM Culture

Value Based Management is designed to provide every worker with the most effective means to become a co-owner of the place where he works. The Employee Stock Ownership Plan (ESOP) was created to provide workers with access to capital credit- previously available only to those with significant accumulated assets- and to pay for their shares out of future corporate profits which they help the company to earn.

In terms of Value Based Management, the ESOP, by itself, is insufficient. Without a clear articulation of shared moral values and the systematic dispersion of power and accountability in a company, the ESOP can be exploited as a tool to abuse workers and deprive them of their ownership rights, thus violating the fundamental principles of justice underlying Value Based Management. An ESOP based on VBM principles respects the property rights of every shareholder.

3.2.5 Basic Elements of Value Based Management

Value Based Management provides an ethical framework for succeeding in business. As such, VBM balances moral values with material values.

VBM's three notions of value are:

- A foundation of shared ethical values- starting with the belief in the intrinsic value of each person (each employee, customer and supplier)
- Success in the marketplace based on delivering maximum value (higher quality at lower prices) to the customer
- Rewards based on the value that people contribute to the company, as individuals and as a team, as workers and as owners

The ethical and material aspects of value can be realized in a business by:

- 1) Creating structures of corporate governance and management based on shared moral values, as expressed in a written set of:
 - a) company core values (ethical principles which define the culture and clarify the social purposes of the organisation)
 - b) a code of ethics (a set of habits to be encouraged to guide individual behavior toward strengthening the company's culture and interpersonal harmony)

Ideally, these core values and code of ethics are agreed upon by consensus by every person in the company and are subject to periodic review and improvement. These serve as

the "compass" for guiding corporate objectives, policies and other decisions; they also provide a basis for judging people's behavior.

- 2) Maximizing value for the customer (those being served) by increasing quality and/or decreasing price: (This relationship can be expressed as $V=Q/P$.) Within a VBM culture, everyone in the company recognizes "service to the customer" as a primary core value, not only because as a person, each customer deserves to be treated with dignity, but because ultimately, it is the customer who "signs" every employee's paycheck. $V=Q/P$ thus becomes the simple formula for any business to follow to succeed in the competitive marketplace.
- 3) Structuring the company's compensation and reward system to enable every person in the company to be rewarded for the value of their contributions/inputs to the company: This is one of the fundamental aspects of ownership. It reflects the "correct" principle of distributive justice contained within the Kelso-Adler theory of economic justice, where a person's returns are based on performance and contribution, not charity.

Basic VBM compensation and reward systems would include:

- a) monthly, bimonthly or quarterly bonuses linked to each worker's profit center within the company
- b) annual corporate-wide performance bonuses based on formulas tying each worker's contributions to overall company profits
- c) a structured, profit-based program of share ownership (i.e. annual ESOP contributions), supplemented by cash dividend payouts to reinforce ownership consciousness

Building Systems for Sharing Risks, Responsibilities and Rewards

VBM is designed to "institutionalize" shared responsibility, shared risks and shared rewards within the company's ongoing structures and processes. The key management areas affected by the VBM transformation process include:

Corporate Values and Vision	Training and Education
Leadership style and skills	Pay and rewards
Corporate governance	Grievances and adjudication
Open Book Management	Collective bargaining with labor unions

Operations (policies and procedures)	Employee shareholder education and participation
Communications and information sharing	Future planning

3.2.6 Implementation process of VBM

As a company implements Value based management, it will need to accomplish three steps: gain senior team commitment, customize the VBM framework and finally, make VBM a way of life in the organisation.

1. Gaining top management commitment

VBM is similar to all other initiatives in one respect. Senior management needs to support VBM with their words and ultimately with their actions. It is up to the senior team to create a sense of urgency around the initiative and clearly communicate a vision of the impact that VBM will have on the organisation. In short, they must make the reasons for VBM simple, clear and compelling. Anything less than the full commitment of the senior team will ultimately cause the initiative to fail and be reduced to another "Program of the month" that does not achieve the intended results. The organisation will waste a lot of time, money and energy unless adequate returns are not received from the VBM investment.

2. Customise the VBM framework

Implementing VBM requires an organisation to redesign its management practices. The key management practices are performance measurement, compensation design, planning/budgeting and training and communication programs.

a) Performance Measurement

The first step in customizing a VBM framework is to abandon accounting based metrics and define a value-based measure, such as economic profit, as the key performance metric of the company. The overarching goal is to improve economic profit over the long-term. When a firm opts for the long-term view, it is imperative to act in an ethical and socially responsible manner. Anything less may improve short-term prospects but will not lead to long-term success.

Less is more when defining the measure. While the measure needs to be grounded in financial theory, keep the complexities to a minimum. Remember, if improving economic profit is the goal of the organisation, then people need to understand how it is calculated and ultimately how they can make decisions that improve economic profit.

b) Compensation Design

If the incentive plan is not adequately tied to value creation, disconnection will occur between the creation of shareholder value and the manager's compensation. This disconnect may cause the actions of the managers to stray from the best interests of the shareholders. Some key characteristics of value-based incentive plans compared to traditional plans are uncapped bonuses, targets based on market expectations and the use of a bonus bank. A plan with these characteristics encourages participants to think, act and be paid like owners.

c) Integrating Performance Measures into planning framework

The new performance measure needs to be at the heart of key management processes, such as budgeting, planning and capital allocation. A good exercise during the budgeting and planning process is to have business units calculate what level of bonus will be paid out if projected performance is met. This is an excellent way to move from a "manager" mindset to an "owner" mindset. When organisations do not consistently make decisions using the new performance measure, a mixed message is sent to the organisation about the organisation's overarching goal. This mixed message will lead to confusion about what the key objective of the organisation is.

d) Initial Training and Communication Plans

The organisation needs to develop a plan as well as the necessary material to communicate the importance of managing for value and the basic concepts of VBM. People in the organisation need to understand the basics of economic profit before they are able to apply the concepts to daily decisions. An organisation needs to develop a new reporting package that is easily understood by finance and non-finance employees alike. The results need to be communicated visually, timely and accurately.

The initial training provides the opportunity for employees to understand new concepts and start developing ideas around how they can make decisions that are more in line with value creation. Communication of results will provide the necessary feedback to the organisation about how their actions are influencing shareholder value. Lack of feedback on how actions are affecting value will disrupt the learning process, signal a lack of importance regarding the initiative and ultimately cause the initiative to lose momentum.

3. Making VBM a way of life

Companies must integrate VBM into their culture. VBM cannot be thought of as just an initiative but rather as a way of life. VBM needs to become a part of the drinking water, so to speak, meaning we have to turn our efforts to ensuring that everyone in the organisation understands his or her role in creating value in the organisation. This begins at the top of the organisation and needs to be cascaded down the entire organisation so that each individual understands the two big and relevant questions: "How does our company create value?" and "How do my role and the daily decisions that I make impact value?" To reach this level, the organisation will need to devote a significant amount of resources to provide the necessary learning, tools and feedback required so that all individuals can understand their role in value creation. When an organisation reaches a place where everyone in the organisation can answer the above questions, it is on its way to developing a culture focused on value creation.

3.2.7 Benefits of Value Based Management

- Satisfied customers
- Correctly assigned resources
- Growing profits
- Streamlined processes that deliver
- Business facts to manage the business
- Motivated and accountable people
- Eliminated waste

The bottom line: VBM = Performance

1. **Benefits of VBM for Management:** By moving from an autocratic to a more participatory, value-based mode, a company's leadership can spread around some of management's typical operational headaches.
2. **Benefits of VBM for employees:** A workplace that operates according to the principles of Value Based Management empowers employees as workers and as owners. VBM creates a corporate culture where work can be more satisfying and economically rewarding.
3. **Benefits of VBM for Labor Unions:** VBM involves the transformation of labor unions, offering labor representatives new and more important roles than they have played within the adversarial wage system culture. Unions can help deliver a higher degree of


economic justice and far greater rights for their members than the "crumbs" now bargained for within the framework of traditional labor-management bargaining.

- 4. Benefits of VBM for the Company as a Whole:** Experience within a growing number of companies indicates that the more that people's self-interests are unified within a management system reflecting the principles of Value Based Management, the greater the customer and employee satisfaction will be. From this can emanate increased cost savings, increased sales and increased profits.

3.2.8 Importance of Value Based Management

The important points of VBM are as follows:

1. Managerial effectiveness based on VBM can solve problems harassing the economies of all countries. Such management offers human welfare, nature welfare, quality of life and quality of work.
2. Selfless action purifies our mind and intellect. Purer mind concentrates, contemplates and mediates to approach divinity or perfection through pure consciousness.
3. When one surrenders oneself to the Supreme Being or God, one can reach the goal of pure consciousness.
4. Value based management provides proper use of valuable human and material resources offered by the mother earth.
5. Value based management promotes work culture, self-discipline and consciousness among the employees.
6. Value based management helps in bringing human harmony and happiness in the organisation.
7. Values based management cares for its people. People are protected from unwanted stresses and strains, unrest, loneliness and adverse organisational work life.
8. Value based management helps in reducing conflicts and disputes. This enhances reputation and goodwill of the organisation.

	Study Notes

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Assessment

Complete the sentences:

1. _____ is a customer-focused system built upon shared principles and core values, which is designed to instill an ownership culture within an organization.
2. _____ was created to provide workers with access to capital credit--previously available only to those with significant accumulated assets--and to pay for their shares out of future corporate profits which they help the company to earn.



Discussion

Visit an organisation which operates through Value Based Management. Find out the difference in the outlook of the employees and employers of this organisation with some other organisation which does not follow VBM.

3.3 Need for Values in Global Change-Indian Perspective

It is said that the only thing constant in this ever-changing world is 'change' and it is our duty to accept this fact. In the very swiftly progressing contemporary world, changes happen more rapidly. There is a growing concern for weakening of values as they threaten the stability of society. It has become clear in recent years that management must work to develop organisational values. Such values help us to make a distinction between the short term and the long term, the right or the wrong.

Skills allied to control, cooperation, analysis, communication, public relation and team building etc. will not serve their purpose unless they result from a value based pure mind. Management by values is characterised by the following points:

1. Managerial decision-making necessitates the interplay of both critical and holistic facilities.
2. The key to collaboration and teamwork has in the increasing absorption of the reality that the same soul dwells in all.
3. The inventive energies of human beings are consequent from and rooted in absolute creative intelligence.
4. The concept of self in man has to embrace the spiritual aspect beyond his physical, social and economic dimensions.
5. The final declaration of managerial conflicts rests in deionization of self.
6. Effective leadership style requires an understanding of three fundamental ingredients that make up each individual: satwa, i.e. purity and righteousness; rajas, i.e. strong living and aversion and tamas, i.e. ignorance and laziness.

All managerial decisions are skewed in the eventual analysis and the usefulness of such decisions depends acutely on the purity of mind of the decision maker. Values such as liability, veracity, obligation and nationalism are considered old fashioned by some people, as they try to draw attention to change in opinions, thinking and attitudes in the modern times.

However, these values might be old but are not certainly outdated. On the contrary, there is a great need of these types of values in the changing world. These values are widespread. In fact, the need of these values is the need of time, which cannot be overlooked. Values like reliability, dependability, certainty, uniformity, compassion, honesty, veracity and trustworthiness are required for survival in this epoch of global change.

3.3.1 Features of Values

Values lay the foundation for the understanding of perception, attitudes and motivation of people. Some features of values are following:

1. Values are at the core of personality and are a powerful force affecting behaviour.
2. Values contain judgmental element i.e. an individual's ideas as to what is right or wrong.
3. Values are fixed; they change after a long time.

4. Many values are relatively stable and enduring. This is because of the way in which they are originally learned.
5. We have a hierarchy of values that form our value system. However, everyone does not hold the same values, as discussed earlier.
6. Values have both content and intensity attributes. The content attribute indicates that a mode of conduct of existence is important. The intensity attributes specifies how important it is.

3.3.2 Importance of Values in Business

Values play a vital role in business affairs in the following ways:

1. **Corporate culture:** An effective value system creates a strong corporate culture, which is necessary for high performance and growth in the business.
2. **Guide to action:** Business values serve as social guides to decision- making and actions to be taken in the business. These values provide the precise answer to the basic question as to what is good business.
3. **Objective standards:** Business values serve as objective standards or norms against which the conduct and performance of executives can be judged. Values determine the managerial functions of the manager.
4. **Social responsibility:** Businesses have social obligations. Business values help to persuade businessmen to discharge their social responsibilities. Business enterprises follow ethical norms to fulfil their responsibilities to different sections of society such as obligations towards employees, customers, society, shareholders etc.

The values for managers are stated below:

- Fearlessness
- Purity of mind and heart
- Integration of thoughts
- Inspired vision
- Creativity
- Empathy
- Love and affection
- Patience

- Friendship with all
- Spirit of sacrifice for the sake of common good
- Non-violence
- Firm but fair
- Harmlessness
- Gentleness
- Truthfulness
- Loyalty
- Cheerfulness
- Simplicity
- Calmness
- Control of mind and restraint on senses and passions

A manager with these values can mobilize his and other's energies and help accomplish tasks. They motivate others to develop these values as well.

3.3.3 New economy and relevance of VBM in global changes

The new economic policy named as Economic Reforms was initiated in 1991. The main features of the resultant new emerging economy are as stated below:

1. Liberalisation
2. Globalisation
3. Privatisation
4. Participative Style of Management
5. Intense Competition
6. Conservation of Natural Resources
7. Decentralisation

1. Liberalisation: The new economy is replete with liberal policies. It signifies removing all controls and restrictions like permits, licenses, quotas etc. imposed by the government. Earlier licenses were required to establish majority of industries but now the license requirement has been revoked. The above control and restrictions resulted in consumption delays, losses and high cost economy. In contrast, liberalisation resulted in

industrial sector reforms, tax reforms, foreign exchange reforms and trade policy reforms, all of which resulted in boosting the Indian economy.

2. **Privatisation:** It means the transfer of a function, activity or organisation from public to private sector. It indicates the beginning of a new culture in the society where marketisation, competition, efficiency become the guiding principle in economic decision-making.
3. **Globalisation:** It refers to entrance of private or government players into foreign markets or removal of restrictions on the extension of business outside the geographical boundaries of the country.
4. **Participative Style of Management:** This is followed by the organisations in which all the employees are invited to the meetings for suggestions in order to improve the productivity of the organisation.
5. **Competition:** Earlier there used to be monopoly. However, now competition has become intense due to privatisation and globalisation. There are numerous brands available in the market in every product category and perfect competition exists.
6. **Decentralization:** Now-a-days, authority of decision-making is transferred to subordinates in order to make the implementation process faster. The reason is that they know the problem and solution well. Responsibility is also transferred to subordinates by way of decentralisation.
7. **Conservation of Natural Resources:** In today's scenario, companies are using natural resources without thinking of future requirements. The companies do not exhibit social responsibility towards natural resources. The concept of sustainable development should be followed and optimum utilization of resources is the need of the day.


3.3.4 Value System of India


In order to understand the members of a particular society, it is essential to have some idea of their daily lives, tradition, beliefs, way of looking at the world and value system. Values determine what is right and what is wrong for an individual, for a group of people and for the people living in a particular nation. Individual's value system decides the do's and the don'ts in their life. It forms the foundations of their characters. Depending on their value system, they behave in a particular manner in a given situation.


The cultures of various countries differ. There may be some similarity, but they are not the same. The values, beliefs and notions of Japan differ from that of America, China or India. An organisation is a part of the society; therefore, as far as an organisation in a

particular nation is concerned, its value system also differs from another organisation situated in some other country. We will now look at the salient features of the organizational value system in India.

- Co-operation: Indian philosophy focuses more on co-operation instead of killer instinct and tough competition (a feature of the western thought).
- Family oriented, more emotional: The value system of India is oriented towards family. Even grownups, while taking major decisions, consult with seniors. Indian ethos emphasizes respect to the elders, specially parent and teachers.
- Humility and respect for others: Indian ethos emphasizes humility and respect for others.
- Respect to others: It focuses on showing respect to others. Others mean not only the fellow human beings but objects as well. Even earth is asked forgiveness because we tread on it.
- Self-management: Indian Ethos believes that self management is the essence of management. Before managing others effectively, a person should know how to manage himself. Then only he can manage others effectively.

	Study Notes

	Assessment
<p>Write notes on:</p> <ul style="list-style-type: none"> a) Features of Values b) Importance of Values c) Value System in India 	

	Discussion
<p>Do you think there is a need for values for global change? Discuss and write a paragraph in 200 words.</p>	

3.4 Theory of Karma

Karma in Hinduism is also considered a spiritually originated law. Many Hindus see God's direct involvement in this process, while others consider the natural laws of causation sufficient to explain the effects of Karma. However, followers of Vedanta, the leading extant school of Hinduism today, consider Ishvara, a personal supreme God, as playing a role in the delivery of Karma. Theistic schools of Hinduism such as Vedanta thus disagree with the Buddhist and Jain views and other Hindu views that Karma is merely a law of cause and effect; they believe Karma is also dependent on the will of a personal supreme God. Examples of a personal supreme God include Shiva in Shaivism or Vishnu in Vaishnavism. A good summary of this theistic view of Karma is expressed by the following: "God does not make one suffer for no reason nor does He make one happy for no reason. God is very fair and gives you exactly what you deserve."



Fig 3.1: Religious symbol of Hinduism

Karma is not punishment or retribution but simply an extended expression or consequence of natural acts. Karma means "deed" or "act" and more broadly names the universal principle of cause and effect, action and reaction that governs all life. The effects experienced can be mitigated by actions and are not necessarily fated. That is to say, a particular action now is not binding to some particular, pre-determined future experience or reaction; it is not a simple, one-to-one correspondence of reward or punishment.

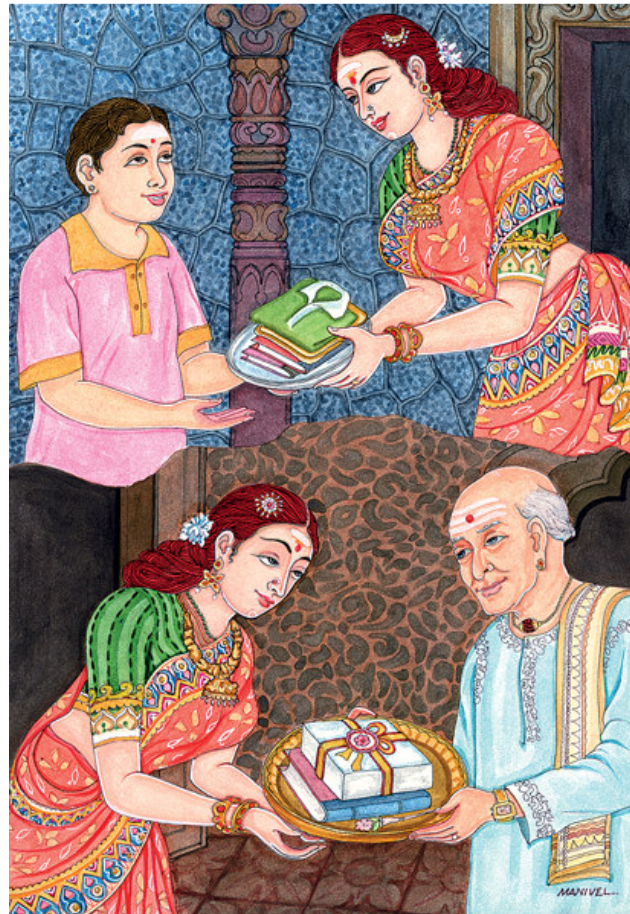


Fig 3.2: "If one sows Goodness, One will reap Goodness"

Karma is not fate, for humans act with free will creating their own destiny. According to the Vedas, if one sows goodness, one will reap goodness; if one sows evil, one will reap evil. Karma refers to the totality of our actions and their concomitant reactions in this and previous lives, all of which determine our future. The conquest of Karma lies in intelligent action and dispassionate response.



Fig 3.3: Lord Krishna teaches Arjun

One of the first and most dramatic illustrations of Karma can be found in the Bhagavad Gita. In this epic, Arjuna, the protagonist, is preparing for a battle where the enemy consists of members of his own family. He is terrified and nervous, so much so that he puts his weapons down and decides not to fight. His charioteer, Krishna (an avatar of god), explains to Arjuna the concept of dharma (duty) among other things and makes him see that it is his duty to fight against injustice. The whole of the Bhagavad Gita within the Mahabharata is a dialogue between these two on aspects of life including morality and a host of other philosophical themes. The original Hindu concept of Karma was later enhanced by several other movements within the religion, most notably Vedanta and Tantra.

According to Paramhans Swami Maheshwarananda, one begets Karma in four ways: through thoughts, words, one's actions and actions others do under one's instructions.

Everything that one has ever thought, spoken, done or caused is Karma, as is also that which we think, speak or do this very moment. After death, we lose Kriya Shakti (ability to act) and do Karma. Actions executed consciously weigh heavier than those performed unconsciously. However, just as poison affects us even if consumed unknowingly, suffering caused unintentionally will also give appropriate karmic effect. We are in a position to do something about our destiny by doing the right thing at the right time. Through positive actions, pure thoughts, prayer, mantra and meditation, we can resolve the influence of the karma in present life and turn the destiny for the better. A spiritual master knowing the

sequence in which our Karma will bear fruit can help us. As humans, we have the opportunity to speed up our spiritual progress with practice of good Karma. We produce negative Karma because we lack knowledge and clarity.

Hindu scriptures divide Karma into three kinds:

1. **Sanchita** is the accumulated karma. It would be impossible to experience and endure the entire gamut of Karma in one life. From this stock of Sanchita Karma, a handful is taken out to serve one lifetime. This handful of actions begins to bear fruit and they will be exhausted only after the consequences are experienced. Hence, it is the sum of one's past Karmas- all actions (good and bad)- that follow through from one's past life to the next.
2. **Prarabdha** Fruit-bearing Karma is the portion of accumulated Karma that has "ripened" and appears as a particular problem in the present life.
3. **Kriyamana** is everything that we produce in current life. All Kriyamana karmas flow in to Sanchita Karma and consequently shape our future.

In this way, so long as the stock of Sanchita Karma lasts, a part of it continues to be taken out as Prarabdha Karma for being experienced in a lifetime, leading to the cycle of birth and death. A Jiva cannot attain Moksha until the accumulated Sanchita Karmas are completely exhausted.

Karma is the law of moral causation. The theory of Karma is the fundamental doctrine of Buddhism. This belief was prevalent in India before the advent of the Buddha. Nevertheless, it was the Buddha who explained and formulated this doctrine in the complete form in which we have it today. Some questions that open the debate are listed below:

- What is the cause of the inequality that exists among mankind?
- Why should one person be brought up in the lap of luxury, endowed with fine mental, moral and physical qualities and another in absolute poverty, steeped in misery?
- Why should one person be a mental prodigy and another an idiot?
- Why should one person be born with saintly characteristics and another with criminal tendencies?
- Why should some be linguistic, artistic, mathematically inclined or musical from the very cradle? Why should others be congenitally blind, deaf or deformed?
- Why should some be blessed and others cursed from their births?

Either this inequality of mankind has a cause or it is purely accidental. No sensible person would think of attributing this unevenness, this inequality and this diversity to blind chance or pure accident.

In this world nothing happens to a person that he does not, for some reason or other, deserve. Usually, men of ordinary intellect cannot comprehend the actual reason or reasons. The definite invisible cause or causes of the visible effect are not necessarily confined to the present life; they may be traced to a proximate or remote past birth.

According to Buddhism, this inequality is due to not only heredity, environment, nature and nurture, but also to Karma. In other words, it is the result of our own past actions and our own present doings. We ourselves are responsible for our own happiness and misery. We create our own Heaven; we create our own Hell. We are the architects of our own fate.



Fig 3.4: Lord Buddha: (circa 563 to 483 BC)

Buddha explains the cause of disparity among human beings in accordance with the law of cause and effect.

We are certainly born with hereditary characteristics. At the same time, we possess certain innate abilities that science cannot adequately account for. To our parents, we are indebted for the basic sperm and ovum that form the nucleus of this so-called being. They remain dormant within each parent until this potential germinal compound is vitalised by the karmic energy needed for the production of the fetus. Karma is, therefore, the indispensable conceptive cause of this being.

The accumulated karmic tendencies, inherited in the course of previous lives, at times play a far greater role than the hereditary parental cells and genes in the formation of both physical and mental characteristics.

The Buddha, for instance, inherited, like every other person, the reproductive cells and genes from his parents. Apart from this, physically, morally and intellectually, there was none comparable to him in his long line of Royal ancestors. In the Buddha's own words, he belonged not to the Royal lineage, but to that of the Aryan Buddhas. He was certainly a superman, an extraordinary creation of his own Karma.

According to the Lakkhana Sutta of Digha Nikaya, the Buddha inherited exceptional features, such as the 32 major marks, as the result of his past meritorious deeds. The ethical reason for acquiring each physical feature is clearly explained in the Sutta.

It is obvious from this unique philosophy that karmic tendencies can not only influence our physical organism, but also nullify the potentiality of the parental cells and genes. Hence the significance of the Buddha's enigmatic statement: "We are the heirs of our own actions."

Dealing with this problem of variation, the Atthasalini, being a commentary on the Abhidharma, states: "Depending on this difference in Karma appear the differences in the birth of beings, high and low, base and exalted, happy and miserable. Depending on the difference in Karma appears the difference in the individual features of beings as beautiful and ugly, high-born or low born, well-built or deformed. Depending on the difference in Karma appears the difference in worldly conditions of beings, such as gain and loss and disgrace, blame and praise, happiness and misery."

Thus, from a Buddhist point of view, our present mental, moral intellectual and temperamental differences are, for the most part, due to our own actions and tendencies, both past and present.

Although Buddhism attributes this variation to Karma, as being the chief cause among a variety, it does not, however, assert that everything is due to Karma. The law of Karma, important as it is, is only one of the twenty-four conditions described in the Buddhist Philosophy.

Refuting the erroneous view that "whatsoever fortune or misfortune experienced is all due to some previous action", the Buddha said: "So, then, according to this view, owing to previous action, men will become murderers, thieves, unchaste, liars, slanderers, covetous, malicious and perverts. Thus, for those who fall back on the former deeds as the

essential reason, there is neither the desire to do, nor effort to do, nor necessity to do this deed or abstain from this deed."

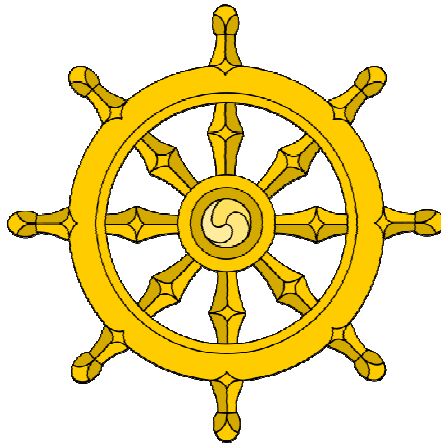


Fig 3.5: Dharma Wheel

Criticism

It is this important text, which states the belief that all physical circumstances and mental attitudes spring solely from past Karma that Buddha contradicted. If the present life is totally conditioned or wholly controlled by our past actions, then certainly Karma is tantamount to fatalism or determinism or predestination. If this were true, free will would be an absurdity. Life would be purely mechanistic, because it is predetermined. Being created by an Almighty God who controls our destinies and predetermines our future or being produced by an irresistible Karma that completely determines our fate and controls our life's course, independent of any free action on our part, is essentially the same. The only difference lies in the two words God and Karma. One could easily be substituted for the other, because the ultimate operation of both forces would be identical.

3.4.1 Classification of Karma with respect to different functions

With respect to different functions, Karma is classified into four kinds:

1. Reproductive Karma

Every birth is conditioned by a past good or bad karma, which predominated at the moment of death. Karma that conditions the future birth is called Reproductive Karma. The death of a person is merely 'a temporary end of a temporary phenomenon'. Though the present form perishes, another form, which is neither the same nor the absolutely different, takes its place, according to the potential thought-vibration generated at the death moment, because the Karmic force which propels the life-flux still survives. It is this last thought,

which is technically called Reproductive (Janaka) Karma, that determines the state of a person in his subsequent birth. This may be either a good or bad Karma.

According to the Commentary, Reproductive Karma is that which produces mental aggregates and material aggregates at the moment of conception. The initial consciousness, which is termed the Patisandhi, rebirth consciousness, is conditioned by this Reproductive (Janaka) Karma. Simultaneously, with the arising of the rebirth-consciousness, there arise the 'body-decad', 'sex-decad' and 'base-decad' (Kaya-Bhavavatthu Dasakas). (Decad = 10 factors).

(a) The body-decomposing is composed of:

- The element of extension (Pathavi)
- The element of cohesion (Apo)
- The element of heat (Tajo)
- The element of motion (Vayo)

(b) The four derivatives (Upadana Rupa):

- Colour (Vanna)
- Odour (Gandha)
- Taste (Rasa)
- Nutritive Essence (Oja)

These eight (Mahabhuta 4 + Upadana 4 = 8) are collectively called Avinibhoga Rupa (Indivisible form or Indivisible matter).

(c) Vitality (Jivitindriya) and Body (Kaya)

These (Avinibhoga 8 + Jivitindriya 1 + Kaya 1 = 10) ten are collectively called "Body-decad" = (Kaya dasaka).

Sex-decad and Base-decad also consist of the first nine, sex (Bhava) and seat of consciousness (Vathu) respectively (i.e. eye, ear, nose, tongue and body).

From this, it is evident that the gender of a person is determined at the very conception of the being. It is conditioned by Karma and is not a fortuitous combination of sperm and ovum cells. The pain and happiness one experiences in the course of one's lifetime are the inevitable consequence of reproductive Karma.

2. Supportive Karma

It is that which comes near the Reproductive (Janaka) Karma and supports it. It is neither good nor bad and it assists or maintains the action of the Reproductive (Janaka) Karma in the course of one's lifetime. Immediately after conception, till the death, this Karma steps forward to support the Reproductive Karma. A moral supportive (Kusala Upathambhaka) Karma assists in giving health, wealth, happiness etc. to the being born with a moral reproductive Karma. An immoral supportive Karma, on the other hand, assists in giving pain, sorrow, etc. to the being born with an immoral reproductive (Akusala Janaka) Karma, as, for instance, to a beast of burden.

3. Obstructive Karma or counteractive Karma

This Karma, unlike the former, tends to weaken, interrupt and retard the fruition of the reproductive Karma. For instance, a person born with a good reproductive Karma may be subject to various ailments etc., thus preventing him from enjoying the blissful results of his good actions. An animal, on the other hand, who is born with a bad reproductive Karma, may lead a comfortable life by getting good food, lodging, etc., as a result of his good counteractive or obstructive (Upabidaka) Karma, preventing the fruition of the evil reproductive Karma.

4. Destructive (Upaghataka) Karma

According to the law of Karma, the potential energy of the reproductive Karma could be nullified by a mere powerful opposing Karma of the past, which, seeking an opportunity, may quite unexpectedly operate, just as a powerful counteractive force can obstruct the path of a flying arrow and bring it down to the ground. Such an action is called destructive (Upaghataka) Karma, which is more effective than the previous two in that it is not only obstructive but also destroys the whole force. This destructive Karma may also be good or bad.

As an instance of operation of all the four, the case of Devadatta, who attempted to kill the Buddha and who caused a schism in the Sangha (disciples of the Buddha) may be cited. His good reproductive Karma brought him birth in a royal family. His continued comfort and prosperity were due to the action of the supportive Karma. The counteractive or obstructive Karma came into operation when he was subject to much humiliation as a result of his being excommunicated from the Sangha. Finally, the Destructive Karma brought his life to a miserable end.

3.4.2 Classification of Karma on the basis of priority of effect

There is another classification of Karma, according to the priority of effect:

1. Weighty (Garuka) Karma

This is either weighty or serious- may be either good or bad. It produces its results in this life or in the next, for certain. If good, it is purely mental as in the case of Jhana (ecstasy or absorption). Otherwise, it is verbal or bodily. On the immoral side, there are five immediate effective heinous crimes (panchanantariya karma): Matricide, Patricide and the murder of an Arahant, the wounding of a Buddha and the creation of a schism in the Sangha. Perpetual skepticism (Niyata Micchaditthi) is also termed one of the weighty (Garuka) Karmas.

If, for instance, any person were to develop the Jhana (ecstasy or absorption) and later were to commit one of these heinous crimes, his good Karma would be obliterated by the powerful evil Karma. His subsequent birth would be conditioned by the evil Karma in spite of his having gained the Jhana earlier. Devadatta lost his psychic power and was born in an evil state because he wounded the Buddha and caused a schism in the Sangha.

King Ajatasattu would have attained the first stage of Sainthood (Sotapanna) if he had not committed patricide. In this case, the powerful evil Karma acted as an obstacle to his gaining Sainthood.

2. Proximate (Asanna) Karma or death-proximate Karma

This is the Karma, which one does or remembers immediately before the moment of dying. Owing to the great part it plays in determining the future birth, much importance is attached to this deathbed (Asanna) Karma in almost all Buddhist countries. The customs of reminding the dying man of good deeds and making him do good acts on his deathbed still prevails in Buddhist societies.

Sometimes a bad person may die happily and receive a good birth if he remembers or does a good act at the last moment. This does not mean that he will be exempt from the effects of the evil deeds which he accumulated during his lifetime, even though he enjoys a good birth. They will have their due effect as occasions arise.

At times, a good person may die unhappy by suddenly remembering an evil act of his or by harboring some unpleasant thought, perchance compelled by unfavorable circumstances. In the scriptures, Queen Mallika, the consort of King Kosala, remembering a lie she had uttered, suffered for about seven days in a state of misery when she lied to her husband to cover some misbehavior.

These are exceptional cases. Such reverse changes of birth account for the birth of virtuous children to vicious parents and of vicious children to virtuous parents.

3. Habitual (Accina) Karma

It is that Karma, which habitually performs and collects and for which one has a great liking. Habits, whether good or bad, become one's second nature, tending to form the character of a person. At unguarded moments, one often lapses into one's habitual mental mindset. In the same way, at the death-moment, unless influenced by other circumstances, one usually recalls to mind one's habitual deeds.

Cunda, a butcher, who was living in the vicinity of the Buddha's monastery, died yelling like an animal because he was earning his living by slaughtering pigs.

King Dutthagamini of Ceylon (Sri Lanka) was in the habit of giving alms to the Bhikkhus (monks) before he took his own meals. His habitual Karma gladdened him at the dying moment and gave him birth in the Tusita heaven.

4. Reserve or cumulative (Aatatta) karma

This literally means 'because done'. All actions, not included in the aforementioned and soon forgotten, belong to this category. This is, as it were, the reserve fund of the Karma of a particular being.

3.4.3 Time Effective Classification of Karma

There is another classification of Karma, according to the time in which effects are worked out:

- Immediately effective (Ditthadhammavedaniya) Karma
- Subsequently effective (Uppapajjedaniya) Karma
- Indefinitely Effective (Aparapariyavedaniya) Karma
- Defunct or ineffective (Ahoosi) Karma

Immediately effective Karma is that which is experienced in this present life. According to the Abhidhamma, one does both good and evil during the javana process (thought-impulsion), which usually lasts for seven thought-moments. The effect of the first thought-moment, being the weakest, one may reap in this life itself. This is called the Immediately Effective Karma.

If it does not operate in this life, it is called 'Defunct or ineffective' Karma.

The next weakest is the seventh thought-moment. Its effect one may reap in the subsequent birth. This is called 'Subsequently effective' Karma.

This, too, is called Defunct or ineffective Karma if it does not operate in the second birth. The effect of the intermediate thought-moments may take place at any time until one attains Nibbana. This type of Karma is known as 'Indefinitely effective' Karma.

No one, not even the Buddhas and Arahantas, is exempt from this class of Karma, which one may experience in the course of one's wandering in Samsara. There is no special class of Karma known as Defunct or ineffective, but when such actions that should produce their effects in this life or in a subsequent life do not operate, they are termed Defunct or ineffective Karma.

3.4.4 Plane Effective Classification of Karma

The last classification of Karma is according to the plane in which the effect takes place, namely:

Evil Actions (akusala kamma) which may ripen in the sentient planes (kammaloka) (Six celestial planes plus one human plane plus four woeful planes = eleven kammaloka planes.) Only four woeful kamalokas are considered active here.

Good Actions (kusala kamma), which may ripen in the sentient planes except for the four woeful planes

Good Actions (kusala kamma), which may ripen in the Realm of Form (rupa brahamalokas). There are four Arupa Brahma Lokas.

3.4.5 Karma Yoga

Karma Yoga is a good pathway for self-purification and self-development, individual as well as collective growth and welfare, minimum play of passion, jealousy, hatred, greed, anger and arrogance, team spirit, teamwork, autonomous management, minimum control and supervision. The result is all round happiness and prosperity.

Karma Yoga is an end-state alias Nishkam Karma (NK). Yoga means union between 'Individual consciousness and 'supreme consciousnesses'.

It is evident that NK offers the most wholesome work psychology and should therefore be the "Right Attitude to Work" because it is based purely on the tremendous logic in its theory and the infinite power in its practice.

Lord Krishna in the Gita says:

“Karmanye vaadhikaraste Ma Phaleshu Kadhachana


Ma Karma Phala Hetur Bhurmatey Sangostva Akarmani”

This means “You have the right only to action and never to the fruits of your actions, nor be attached to inaction”.

A practioner of NK should possess three important skills:

- (i) An ability to deal with situations in a mature way
- (ii) An ability to deal with relationships in a humane manner
- (iii) Understanding and tapping the power of the mind, which is infinitely flexible

	Study Notes

	Assessment
<p>Complete the sentences:</p> <ul style="list-style-type: none">i. Hindu scriptures divide Karma into three kinds:<ul style="list-style-type: none">a. _____ is the accumulated karma. It would be impossible to experience and endure all Karmas in one life.b. _____ Fruit-bearing Karma is the portion of accumulated Karma that has "ripened" and appears as a particular problem in the present life.c. _____ is everything that we produce in current life. All Kriyamana	

karmas flow in to Sanchita Karma and consequently shape our future.

- ii. Every birth is conditioned by a past good or bad karma, which predominated at the moment of death. Karma that conditions the future birth is called _____.
- iii. _____ is a good pathway for – self purification and self-development, individual as well as collective growth and welfare, minimum play of passion, jealousy, hatred, greed, anger and arrogance, team spirit, team work, autonomous management, minimum control and supervision, etc.
- iv. _____ are basic convictions that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence.



Discussion

Theory of Karma is followed in many religions in India. Discuss what importance it plays in different religions. (Hinduism, Buddhism, Jainism, etc.)

3.5 Summary

The concept of business value aligns with the theory that a firm is best viewed as a network of relationships, both internal and external. This network is sometimes called Value network or Value chain. Each node in the network could be a stakeholder group, a resource, an organisation, end-consumers, interest groups, regulators or the environment itself. In a Value network, value creation is viewed as a collaborative, creative, synergistic process rather than a purely mechanistic one or a result of command-and-control.

RELEVANCE OF VALUES IN MANAGEMENT

In management, business value is an informal term that incorporates all forms of value that determine the health and well-being of the firm in the long run. Business value expands the concept of value of the firm beyond economic value (also known as economic profit, i.e. economic value and shareholder value added) to include other forms of value such as employee value, customer value, supplier value, channel partner value, alliance

partner value, managerial value and societal value. Many of these forms of value are not directly measured in monetary terms.

VALUE BASED MANAGEMENT (VBM)

Value Based Management (VBM) is a customer-focused system built upon shared principles and core values, which is designed to instill an ownership culture within an organisation. VBM is initiated and nurtured by authentic leaders who actively seek to empower others; it is developed and sustained from the ground-up. Value Based Management follows the market-oriented theory of economic justice first advanced by the Employee Stock Ownership Plan ESOP inventor Louis Kelso and the philosopher Mortimer Adler.

BENEFITS OF VBM

- Satisfied customers
- Correctly assigned resources
- Growing profits
- Streamlined processes that deliver
- Business facts to manage the business
- Motivated and accountable people
- Eliminated waste

RELEVANCE OF VALUES IN MANAGEMENT

The values for managers are stated below:

- Fearlessness
- Purity of mind and heart
- Integration of thoughts
- Inspired vision
- Creativity
- Empathy
- Love and affection
- Patience

- Friendship with all
- Spirit of sacrifice for the sake of common good
- Non-violence
- Firm but fair
- Harmlessness
- Gentleness
- Truthfulness
- Loyalty
- Cheerfulness
- Simplicity
- Calmness
- Control of mind and restraint on senses and passions

THEORY OF KARMA

Karma in Hinduism is also considered a spiritually originated law. Many Hindus see God's direct involvement in this process, while others consider the natural laws of causation sufficient to explain the effects of Karma. However, followers of Vedanta, the leading extant school of Hinduism today, consider Ishvara, a personal supreme God, as playing a role in the delivery of Karma. Theistic schools of Hinduism such as Vedanta thus disagree with the Buddhist and Jain views and other Hindu views that Karma is merely a law of cause and effect; they believe Karma is also dependent on the will of a personal supreme God. Examples of a personal supreme God include Shiva in Shaivism or Vishnu in Vaishnavism. A good summary of this theistic view of Karma is expressed by the following: "God does not make one suffer for no reason nor does He make one happy for no reason. God is very fair and gives you exactly what you deserve."

Karma is not punishment or retribution but simply an extended expression or consequence of natural acts. Karma means "deed" or "act" and more broadly names the universal principle of cause and effect, action and reaction that governs all life. The effects experienced can be mitigated by actions and are not necessarily fated. That is to say, a particular action now is not binding to some particular, pre-determined future experience or reaction; it is not a simple, one-to-one correspondence of reward or punishment.

3.6 Self-Assessment Test

Broad Questions

1. What is the relevance of values in management? How can Value Based Management be promoted? The needs for values have to be changed globally. How does the Indian system become relevant here?
2. Explain the theory of KARMA. Why it is important in today's world? What are its implications in HRM?


Short Notes


- Theory of Karma
- Importance of Value Based management
- Benefits of VBM
- Values for managers
- Karma Yoga
- Classification of Karma


3.7 Further Reading

1. Foundations of Managerial Work-Contributions from Indian Thought, Chakraborty, S K, Himalaya Publishing House , Delhi, 1998
2. Management Effectiveness and Quality of WorkLife- Indian Insights, Chakraborty, S, Tata McGraw Hill Publishing Company, New Delhi, 1987
3. Management by Values, Chakraborty, S.K, Oxford University Press, 1991
4. Management in Turbulent Times, Drucker, P, Pan Books London, 1983
5. Managing Secularism in the New Millennium, Kumar S and N K Uberoi, Excel Books 2000
6. The Story of My Experiments with Truth, Gandhi, M K, Navjivan Publishing House, Ahmedabad, 1972

Unit 4 Holistic Decision-Making

	Learning Outcome
After reading this unit, you will be able to:	
<ul style="list-style-type: none">• Explicate the Holistic approach for managers in decision-making• List the values in management• Identify secular and spiritual values• Specify two different approaches in executive decision-making• Discuss the role of management in spirituality	

	Time Required to Complete the unit
<ol style="list-style-type: none">1. 1st Reading: It will need 3 Hrs for reading a unit2. 2nd Reading with understanding: It will need 4 Hrs for reading and understanding a unit3. Self Assessment: It will need 3 Hrs for reading and understanding a unit4. Assignment: It will need 2 Hrs for completing an assignment5. Revision and Further Reading: It is a continuous process	

	Content Map
4.1 Introduction	
4.2 Holistic Approach for Managers in Decision-making	
4.2.1 Holistic decision-making	
4.2.2 Other approaches to executive decision-making	
4.2.3 Holistic management: A new framework for decision-making	
4.2.4 Holistic approach for managers	
4.2.5 Major managerial challenges in the modern organisation	
4.3 Secular versus Spiritual	

4.3.1 Spirituality

4.3.2 Secularism

4.4 Values in Management

4.5 Summary

4.6 Self-Assessment Test

4.7 Further Reading

4.1 Introduction

The term holism was introduced by the South African statesman Jan Smuts in his 1926 book, *Holism and Evolution*. Smuts defined holism as "The tendency in nature to form wholes that are greater than the sum of the parts through creative evolution".

The idea has ancient roots. Examples of holism can be found throughout human history and in the most diverse socio-cultural contexts, as has been confirmed by many ethnological studies. The French Protestant missionary, Maurice Leenhardt coined the term *cosmomorphism* to indicate the state of perfect symbiosis with the surrounding environment, which characterized the culture of the Melanesians of New Caledonia. For these people, an isolated individual is totally indeterminate, indistinct and featureless until he can find his position within the natural and social world in which he is inserted. The confines between the self and the world are annulled to the point that the material body itself is no guarantee of the sort of recognition of identity typical of our own culture.

In the late 1990s, the term *holistic* evolved into the term *wholistic* in order to clarify the concept even further. For example, schools refer to *wholistic* learning styles and medicine refers to the *wholistic* model that considers the mind, body, spirit in diagnosis and treatment.

Holism is the idea that all the properties of a given system (physical, biological, chemical, social, economic, mental, linguistic etc.) cannot be determined or explained by its component parts alone. Instead, the system as a whole determines in an important way how the parts behave.

4.2 Holistic Approach for Managers in Decision-making

4.2.1 Holistic Decision-making

"Holistic decision-making encourages us to be aware of our actions and their impact on the whole"



Fig 4.1: Decision Choice

The idea of Holistic Management began in the 1960's when Allan Savory, then a young wildlife biologist in his native Southern Rhodesia, set out to solve the riddle of desertification. After successive careers as a farmer, game rancher, management consultant, a member of Parliament and leader of the opposition party in the midst of a civil war, Savory concluded that the spread of deserts, the loss of wildlife and the human impoverishment that always resulted were related to the way people made decisions, whether or not those people lived or worked on the land.

Exiled as a result of his opposition to the ruling Rhodesian party, Savory immigrated to the United States where he co-founded the Center for Holistic Management with his wife, Jody Butterfield, in 1984. He left that organisation in 2009 to form the Savory Institute, headquartered in Albuquerque, New Mexico, which works with people around the world to heal damaged land and increase the productivity of working lands by applying the Holistic Management principles.

In 2009, Holistic Management International celebrated its 25th anniversary. It continues to offer land stewards a comprehensive framework for identifying specific goals, making grazing, land management and financial decisions that positively impact land health and productivity and performing effective monitoring in ways that specifically further those goals.

At its core, the Holistic Management Framework uses a concept known as a holistic goal to guide decision-making. The holistic goal ties people's desired way of life, based on what they value most deeply (materially and spiritually), to the ecosystems and resources that support their vision. All actions and decisions are tested to determine whether they will help reach the established holistic goal. Testing and management guidelines, planning procedures and a feedback loop assure constant monitoring of the success of decisions.

The Holistic Management Framework also considers the key role that animals play in renewing the land and recognizes the nature and importance of four basic ecosystem processes: the water cycle, the mineral cycle, energy flow and community dynamics (the relationship between organisms in an ecosystem). The Framework identifies eight tools for managing these ecosystem processes: human creativity, technology, rest, fire, grazing, animal impact, living organisms and money and labor.

4.2.2 Other Approaches to Executive Decision-making

1. Rational versus Holistic

When complicated decisions have to be made, whether about salaries, layoffs or growth strategy, executives often rely on their underlying values to help them sort through possible options. Profit maximization and rationality form the basis of one such set of values, one frequently used by executives when making these decisions.

"By making things quantifiable and rational, executives can have more confidence in their decisions, even when they create uncomfortable outcomes," explains Nathan Washburn, a management researcher at the W. P. Carey School of Business. "But when it comes to working for these executives, that way of thinking might turn their employees off."

That unsettled feeling about the calculated nature of rational decision-making, with its emphasis on profits as guiding principle, inspired Washburn to launch a study about rational decision-making. Despite being the dominant management value set today, could rational decision-making actually harbor faults? And, could a less widely accepted, but more forward-thinking, "holistic" approach to management decision-making turn out to be more effective?

2. Autocratic vs. Visionary

In his paper, "Rational Versus Holistic Values as a Basis for Leadership," Washburn and co-authors make the case that managers who are guided by financial statements alone (practitioners of the rational approach) are more likely to be viewed as "autocratic" and uninspiring by their subordinates. In contrast, leaders who take a more "holistic" approach, a style characterized by attention to multiple factors, including relationships, are seen as "visionary." It is these "holistic" managers, Washburn says, not their by-the-numbers counterparts, who are more likely to have a positive impact on their organisations by fostering a greater sense of employee optimism and improving overall firm performance.

The paper was the first to show that "holistic" decision-making may create better long-term results for a company than the more traditional "rational" approach.

Washburn says: "What we found is that executives emphasizing rationality in their decision-making are less likely to be seen as visionary by their subordinates and more likely to be seen as autocratic. But the more holistic executives are seen as more visionary and less autocratic."

Contrasting approaches

By definition, these two approaches (rational vs. holistic) to decision-making are wildly different.

"Rational" managers believe that precise ends should be sought through precise and calculated means. Supporters of the rational approach believe "the best method for attaining this desired outcome is by focusing their attention on quantifiable activities that can be observed and measured. In this way, the uncertainties associated with opportunistic behaviors and the environment can be managed." It is a logical, sensible approach that many executives seem to believe in.

Given the pressures of the modern business environment and the fact that the rational approach has been considered the standard among academics for so long, that makes sense: The rational approach is one that uses profit maximization as the guiding principle and so Wall Street, at least, surely supports it.

Holistic managers, meanwhile, are a bit more complicated. These executives look beyond the bottom line and believe a company's strength can manifest itself in any number of ways. Supporters of the holistic approach say: "Firm value is derived from socially complex resources and relationships." Critics, meanwhile, deride this approach as inexact and lament the fact that it provides no quantifiable means of finding the "right" decision.

But Washburn sees value in the holistic approach, which he says can allow executives to look at the big picture, rather than just the bottom line. He writes: "More than quantification and rational decision-making, the role of the executive requires holistic consideration of resources and relationships. So while improving performance may still be the goal, the implication for executive decision-making is to more generally focus on building core processes that could potentially add value to the organisation in the long run."

In other words, Washburn believes that even though holistic executives are not basing their decisions on the bottom line, as the rational side would prefer, the holistic approach can still be effective because of its broader positive implications.

The point, Washburn says, is that executives are not just decision makers. They are leaders and being a leader involves a great deal more than simply deciding among options. It

also involves inspiring confidence among staff, getting the most out of employees and getting people to go the extra mile for the company.

"We proposed that if you're a rational decision maker, there will be negative influences, not necessarily on your decision-making, but on the leadership you exhibit- and people aren't going to like you as well." Washburn says. "But if you're this more holistic person, where you take into account the different relationships you have with other employees, then you're going to come across as a much better person. It's a pretty simple idea, really."

Looking for fallout

To test his ideas, Washburn and his co-authors studied the decision-making methods of hundreds of executives with the help of a huge data sample gathered from the Global Leadership and Organisational Behavior Effectiveness (GLOBE) project, an international, cross-cultural study on leadership. In total, they combed through the survey results of executives from nearly 700 companies in 15 different countries. The companies studied represented a wide variety of industries, from manufacturing to IT to tourism, with an average size of about 500 employees.

The executives completed surveys about their management style- surveys that would help the research team determine whether each was "rational" or "holistic." Later, three lower-level managers were asked whether they thought their bosses' leadership style was visionary or autocratic. Finally, three more subordinates were asked to assess the executives' overall impact on firm performance.

Contrary to the arguments of supporters of the rational approach, Washburn found that "a managerial emphasis on rational or profit maximization values does not form the basis for the type of visionary leadership qualities necessary to realize important firm outcomes." That is because the rational approach "appears to be more predictive of authoritarian forms of leadership", while the holistic, socially responsible management style was "predictive of visionary leadership and favourable firm outcomes."

To put it more simply: The number-crunchers may think they are being responsible by basing their strategy decisions on the bottom line, but unless they consider the broader influence of their actions as executives, they may be driving their companies, slowly but surely, into the ground. Decision-making at the executive level, Washburn contends, should be about more than just profits and losses.

"If you value your people and you value your customers," Washburn says, "that's going to come across in the type of leader you are."

Bottom Line:

Many management strategy theorists believe in an economics-based view of management in which profit maximization is the guiding principle for decision-making.

Executives who follow this "rational" style of management believe that precise ends should be sought through precise and calculated means.

A "holistic" approach, in contrast, takes into account any number of different factors. These managers believe firm value is derived from "socially complex resources and relationships," and they must understand the impact of their decisions on the overall culture of their company.

Results from a new study show that holistic managers are viewed as less autocratic and more visionary than their rational counterparts. The study also shows that holistic managers had a more positive effect on the overall firm performance.

4.2.3 Holistic Management: A New Framework for Decision-making

Increasingly sophisticated technology and an ever-expanding base of knowledge have not been enough to allow humans to halt the worldwide progression of environmental degradation. Extensive fieldwork in both Africa and the United States convinced Allan Savory that neither the forces of nature nor commonly blamed culprits- overpopulation, poor farming practices, lack of financial support- were causing the decline of once-healthy ecosystems. He also noted that once land has become degraded, leaving it alone seldom helps revitalize it. Savory eventually came to realize that on the most fundamental level, environmental problems are caused by human management decisions and only through wholesale changes in the way decisions are made can functioning ecosystems be restored. In response to that startling discovery, Savory began to develop a revolutionary new approach to decision-making and management.

Human Resource management: Role and importance of values- ethical, moral, philosophical, spiritual and scientific

In every human endeavour in every sector and in every field of activity, there is a management component as an integral part of the activity- thoughts, words, deeds, actions, transactions, policies, decisions and relationships. Management functions have existed since the dawn of civilization. But it has been made a subject for studies and practice only during the last 100 years, and that too, in business and industrial sectors during the Industrial Era which developed under the capitalist system.

It is the management function which determines or discriminates between what is good and bad for the doer and his/her family, society, community, religion, nation, mankind, animal species and planet. It is lack of ethical and moral component that is afflicting the three entities in the planet, consisting of mankind, animals and Nature's endowments. At present, Management, as taught in Business Schools and practiced in every area of activity, is governed by social science disciplines, such as Politics, Economics, Sociology, Psychology, Logic, Law, Productivity Techniques, Mathematics, Statistics, Information Technology, Accounting etc. These disciplines do not have a discriminating or humanistic component. Therefore, in order to enable Management Science to be an instrument for the welfare of Man, Animal and Nature, it is essential to introduce ethical, moral, philosophical and spiritual values, such as honesty, truth, integrity, non-violence, selflessness, service consciousness, compassion towards animals, respect for Nature, sympathy, empathy, courtesy, politeness, forgiveness, concern for others, culture, aesthetics, art, yoga, meditation, fasting, silence, prayer, surrender to the divine, equanimity, balance, serenity, calmness, quietude, fairness, justice etc. Further, Management functions should avoid, abjure, eliminate or suppress anger, arrogance, egoism, avarice, jealousy, envy, hatred, prejudice, lust, passion, vindictiveness, boastfulness, cynicism and other negative tendencies and instincts lying dormant in Man.

Typically, fostering positive virtues and suppressing negative tendencies are part of and are largely common for all religions. Unfortunately, secular education and transactions in public life kept religion away. Therefore, fostering desirable qualities and avoiding negative tendencies ought to be taken over by Management function inherent in every human activity.

This is the only way by which plunder and pillage of Mother Earth, desertification, global warming, extinction of forest, cruelty to animals, exploitation of consumers, fraud, scams, criminality, violence, sensuous behavior, break up of families, terrorism, inter-religious and international conflicts and confrontation etc. can be avoided. This means that Management Science has to adopt these noble and worthy ideals and virtues into the Education System and into organisations of all kinds. The philosophical concept of Hinduism, incorporating theory of karma and reincarnation, law of cause and effect etc. are additional inputs, which would pre-empt deviant behaviour among people. Good begets good and bad results in failure and sorrow in this birth or in subsequent births. The theology part of all religions, i.e. the concept of God and His relationship with man, theory of creation, heaven and hell, punishment and reward by God etc. can be left out of the new version of Management proposed here. A reorientation of Management in Government, Business,

Education and all human endeavours would be the strategy and innovation for materialistic progress, peace and harmony, elimination of conflicts, suppression of violence and passions, elimination of hatred etc.

4.2.4 Holistic Approach for Managers

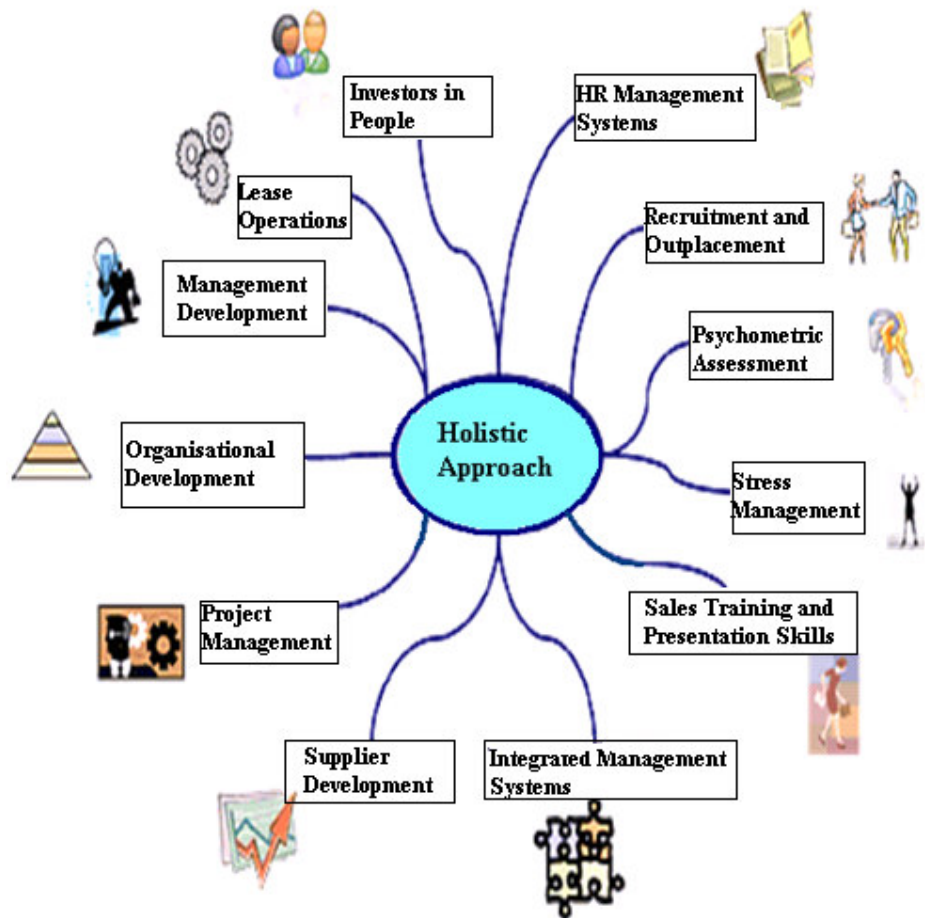


Fig 4.2: Holistic Approach for Management

- **Decision-making**

Decision-making is an indispensable component of management process and a manager's life is filled with making decisions. Decision-making is the process of choosing a course of action from among alternatives to achieve a desired goal. It consists of activities a manager performs to arrive at a conclusion. Managers take decision-making as their control job because they constantly choose what is to be done, which is to do, when to do, where to do and how to do.

- **Stages in Decision-making**

According to William Moore, Management means decision-making. The actual decision process occurs in two stages:

Stage 1: In this stage, the decision maker applies a minimum performance rule to each dimension that specifies the minimum acceptable performance level for each dimension of the decision.

Stage 2: The minimum performance level may be less than desirable and when considered by it, would lead to the rejection of the alternative.

- **Features of Decision-making**

The features of decision-making process are as follows:

1. Decision-making is a goal-oriented process. Decisions are made to achieve certain goals.
2. Decision-making involves choice or selection of the most appropriate course of action out of various alternatives.
3. Decision-making is an ongoing or continuous process.
4. Decision-making is an intellectual process.
5. Decision-making is a dynamic process.
6. Decision-making is situational.

- **Classification of Organisation's Decisions**

Organisation's decisions are classified as:

1. **Strategic Decisions:** Strategic decisions are taken at the higher level of management. Strategic problems involve long-term commitments or resources, for example, where to locate a new plant.
2. **Tactical or Operational Decisions:** Tactical decisions are taken at the lower level. Tactical problems involve short-term resource deployments supporting decisions such as how many production lines to operate.

- **Decision-making Process**

When a manager makes a decision, it is in effect the organisation's response to either an opportunity or a problem. Decision-making process is a dynamic concept rather than static. Once the set of decision alternatives has been established, each one is evaluated on the basis of the following relevant criteria:

1. Economic
2. Political
3. Technological
4. Social and Ethical Issues

For most decisions, economic criteria will be important. The relative importance of criteria may be situational. The impact of business decisions on society is important because an economic unit operates at the pleasure of the society. There are five steps involved in decision-making. Decision-making is the crucial (part) role performed by a manager. In the corporate world, that higher the responsibility, higher is the requirement of effective decision-making.

- **Steps in Decision-making Process**

A decision maker should follow these five steps:

1. Recognition of decisions needs to be made. The need for decision recognition comes into picture in case of existence of a problem or a state of disparity between desired and actual condition.
2. Once the need for making the decision is ascertained, then it is important to identify the criteria for decision-making.
3. Certain weightage should be allocated to the criteria.
4. Different alternative solutions for the problem should be found out.
5. Strengths and weaknesses should be compared with help of criteria to choose the best alternative.

- **Decision-making Skills**

Following are some of the skills relevant in terms of decision-making:

1. Ability to convert the ideas into reality
2. Consistent performance
3. Thorough knowledge of subject
4. Awareness of the latest development

- **Holistic Approach for Decision-making**

It means everything is inter-related. Decisions taken in one department would affect other department as well. Managers should keep in mind the entire organisations while taking any decision because his decision would affect the interest of stakeholders of the business. In other words, managers should make decisions keeping in view various interest groups such as workers, customers, suppliers etc. Those decisions should be taken that do not harm the interest of any group, be it society, workers, customers or management.

The holistic approach is based on the principles of unity or non-duality. Under the principle of unity, the universe is an undivided whole where every particle is connected with another particle.

- **Necessities for good Decision-making**

The necessities of good decision-making are as follows:

1. Decision should leave the manager in a healthy state of mind. It means the decisions made by the manager should not only solve the problem but also provide a sort of satisfaction.
2. The backward and forward linkages of problem should be clearly understood.
3. Managers should receive the information related with the problem from his subordinates. Moreover, he should also make efforts at his level to collect the facts related to the problem.
4. Managers must not involve personal evaluation in decision-making.
5. Decision must bring unity and cooperation in the organisation.

4.2.5 Major managerial challenges in the modern organisation

In the era of rapid technological advances in the world and economic liberalisation in India, new challenges are emerging in Indian Business Environment. In this changing scenario, only those organisations, which have the capacity to complete and survive would emerge and take over the place of old ones. Because of this changing environment, following managerial issues are encountered in the modern world.

1. Globalisation

Globalisation entails the open market system. There is no restriction on the extension of business outside the geographical boundaries of the country. Today, world has become a global village. The economic relevance has extended beyond these boundaries. As an example, in the era of globalisation, many companies like Wipro, Satyam, Videocon, Indian Ethos and Values

Maruti, Pepsi and TCS earn 50% of their total revenue from foreign markets. Globalisation is helpful in earning profit but it creates many challenges for management. Cultural diversity, work force and economic diversity are some of the major challenges.

2. Mergers and Acquisitions

Every organisation strives for growth, which may come either from company's own projects or through mergers and acquisitions. In merger, one organisation merges with the other organisation in its entirety, while in acquisition, one organisation acquires the control of another organisation. Liberalisation has paved way for mergers and acquisitions, e.g. Vodafone, Essar and Hindustan Lever Ltd.. In the absence of proper integration between the two organisations, mergers and acquisition efforts are likely to nullify.

3. Increasing Quality Consciousness

With the increasing competition in the market, customers as well as organisations have become more conscious about the quality of their products and services. Quality is a sense of appreciation that something is better than something else. Quality mean the customer expectation should meet with the performance of the product. Increasing quality consciousness has generated the adoption of the following practices:

- Six sigma techniques
- Quality certification, i.e. ISI, ISO 9001-2000
- Emphasis on Total Quality Management (TQM)
- Emphasis on Kaizen (Japanese technique of production)

4. Newer Organisation Design

Over a period of time, there are many changes in dynamic organisational structure. Now demand of part time and temporary workers is increasing, i.e. work force is hired for accomplishment of certain projects. When that is finished, the team disbands. computer, cell phones, modems, internet, intranet allow people to work for multiple employees at the same time.


5. Emphasis knowledge management


In recent years, more emphasis has been put on (MIS) Management Information System. MIS has become most important resource for the organisation. It is used relevant organisation members at different levels.

6. Changing Workforce Profile

With the increased completion, demand of educated and skilled workforce has increased. Earlier our labour force was considered illiterate and all human resource activities used to be geared to meet job demand and expectation based on that illiteracy. But today, they are more educated and skilled oriented.

	Study Notes

	Assessment
<ol style="list-style-type: none">1. Write notes on the followings:<ol style="list-style-type: none">a. Holistic approach to Managerial Decision Makingb. Rational approach to Managerial Decision Makingc. Autocratic approach to Managerial Decision Makingd. Visionary approach to Managerial Decision Making2. Compare and contrast the above four approaches to Managerial Decision Making	

	Discussion
<p>"Holistic decision making encourages us to be aware of our actions and their impact on the whole". Discuss.</p>	

4.3 Secular versus Spiritual

4.3.1 Spirituality

Spirituality involves a belief in a relationship with some higher power, divine being or infinite source of energy. It is derived from the Latin word SPIRITUS, which refers to “breath” or “wind”.



Fig 4.3: Spirituality

Spiritual Needs

Spiritual needs can be stated as follows:

- Love
- Hope
- Trust
- Forgiveness
- Being respected and valued
- Dignity
- Fullness of life
- Values
- Creativity
- Connecting with higher power
- Belonging to a community

Characteristics of spiritual wellbeing

Following are the characteristics of a spiritual wellbeing:



Fig 4.4: Spiritual Wellbeing

- Seeking to surpass one's ego (i.e. their own self-interests)
- Awareness and acceptance of one's interconnectedness with others, creation and one's Ultimate Concern
- Understanding the higher significance of one's actions
- Believing in something beyond the material universe which ultimately gives value to all
- Sense of inner peace
- Compassion for others
- Gratitude
- Appreciation for unity and diversity
- Humour
- Wisdom
- Generosity
- Capacity for unconditional love

Role of Management in Spirituality

- Having an organisational vision/mission that helps individuals make a difference in the world they could not otherwise make

- Leading and managing by using values that drive fear and abuse out of the workplace and engage the hearts and minds of people
- Allowing for decision-making responsibility through self- managed, empowered teams
- Trusting people and letting them be who they are to use and develop their gifts and skills
- Offering collective forms of reward and recognition
- Providing a way for employees to fulfill their familial and other social obligations

Spiritual Distress

Spiritual distress is a disruption in one's beliefs or value system. It affects a person's entire being by shaking the basic beliefs of one's life.

Signs and Symptoms of Spiritual Distress

- Questions the meaning of life
- Afraid to fall asleep at night or other fears
- Anger at God/higher power
- Questions own belief system
- Feels a sense of emptiness; loss of direction
- Talks about feelings of being left by God/higher power

Factors leading to spiritual distress

- **Physiological problems:** Loss of a body part or functions
- **Situational factors:** Death/ illness of a significant person, inability to practice one's spiritual rituals, feeling of embarrassment when practicing them
- **Treatment related factors:** Abortion, surgery, dietary restrictions, isolation

4.3.2 Secularism

The fundamental principle of Secularism is that in his whole conduct, man should be guided exclusively by considerations derived only from the present life. Anything that is above or beyond the present life should be entirely overlooked. Whether God exists and whether the soul is immortal are questions, which cannot be answered precisely, so they should be ignored.



Fig 4.5: Secularism

Features of Secularism

Features of Secularism are as follows:

- Primary emphasis on the material and cultural improvement of human beings
- Respect for and search of all truth, whatever be its source, which can be tested in reality to observe whether it leads to human betterment
- An independent rational morality, which does not base itself on faith in divine commandments
- Concern for current age or world and its improvement


Arguments against Secularism


Opponents of secularism argue that secular management creates more problems than it solves and that an organisation with a religious (or at least a non-secular) work ethos is better.


III effects of Secular Management

- Labour management conflict is out of control.
- Workers are demoralized.
- Nature is exploited ruthlessly.
- Human welfare is neglected.
- Management acts as a handmaid of profit and the motto is more and more money at any cost.
- Under such management, we obtain external growth at the cost of internal growth.

- Man as a human being stands nowhere.
- There is no human approach. We have erosion of ethical, spiritual, moral and human values.
- In an organisational structure, we have erosion of human touch between top management and operatives.

	Study Notes

	Assessment
<p>Explain in one sentence:</p> <p>a) Spiritualism</p> <p>b) Secularism</p> <p>c) Spiritual Distress</p>	

	Discussion
<p>Express your views about Secularism and Spiritualism.</p>	

4.4 Values in management

Secularism V/s Spiritual Values in Management: In managing a business concern, secular and spiritual values play an important role. Therefore, one should have knowledge about the secular and spiritual values. These have been defined as under:

Secularism is the doctrine that morality should be based solely with regard to the well-being of mankind in the present life to the exclusion of all considerations drawn from belief in God. Indian conception of secularism required that there shall be no state religion and the state shall treat all religions equally. Secularism means non-religious. The secular values are based on facts and science. Secularism means being materialistic and task oriented for managers. Secularism is a professional value, which completely ignores the difference of caste, colour, religion, culture etc.

The main features of secularism are listed below:

1. Primary emphasis is laid on the material and cultural improvement of human beings.
2. Respect for and search of all truth is undertaken, whatever be its source, which can be tested in reality to observe whether it leads to human betterment.
3. There is concern for current age or world and its improvement.
4. Primarily profit-oriented: One's main objective is to earn profit fairly without hurting any faith, religion or culture. One should plan the actions in the way to maximize the profit without discriminating amongst the work force.
5. Responsibility towards society: Decision should be made keeping in mind what shall be more beneficial to the organisation and society. One should take maximum efforts for the wellbeing of society.
6. Professionalism: Decision taken should not be on the basis of religion, caste, colour etc. Decision taken should not show personal image or business.
7. Secular values lay emphasis on brotherhood of man and unity of the world.
8. Secularism emphasises the cultural and material welfare of human beings.

Under management by secularism, as represented today by western management, the spectacular development of science and technology enables management to achieve overall prosperity. In the western world, management acts as a handmaid of profit and the motto is more and more money at any cost. Under such management, we obtain external growth at the cost of internal growth.

Under management by secularism:

1. Workers are demoralized
2. Labour management conflict is rampant.
3. Human welfare is neglected.
4. Wealth is accumulated.
5. Soul is lost.
6. Main objective of management is to earn more money at any cost.

According to Freud, as the influence of science on man increases, the influence of religion declines. However, secularism leads to humanitarianism, which stands for peace, goodwill and understanding. Humanitarianism helps in fostering the brotherhood and unity in the world.

The term spiritual refers to the people who believe in religion. They believe that work and religion are two sides of a coin. Spiritual values are an important source of information. These values result in creativity of thought and practice in the field of spiritual science. Human values, when based on spiritualism, act as the base for thoughts, actions, skills and behavior and will mould a good character. These spiritual values create a good man, a good manager and a good organisation. They set good examples into his society. People having good character are also self motivated, self-disciplined; they are good leaders.

The features of spiritualism are as follows:

1. **Divine Qualities:** There are number of divine qualities, which are present in an individual and can be termed as spiritual values i.e. self respect, respect for God, belief in giving than taking, respect for elders, satisfaction etc.
2. **Work is Worship:** It is rightly said that work is worship. The quality of work life in an individual is greatly influenced by spiritual and ethical values. One should work with more confidence, loyalty, dedication, responsibility and motivation.
3. **Control over Mind/Self Discipline:** It is another main feature of spiritual values. Control over mind helps in proper usage of our time, energy and other resources. High level of inspiration can be achieved through controlling mind.
4. **Belief in Religion:** Spiritual people believe in religion. The way we behave reflects our religious values. People from different castes, cultures follow a different religion and a different God. It is rightly said that belief in religion is a reflection of our spiritual values.


Spiritualism, Secularism and Management

The quality of work in an organisation is greatly influenced by the spiritual and ethical values prevalent in the organisation. However, a number of business and industrial organisations, both in our country and abroad, tend to disregard the importance of such spiritual values. Human happiness is the major objective for which the industrial enterprise exists. It is a fact that man is today in the midst of one of the greatest crisis in history. This is due to lack of adjustment of human spirit to the startling developments in science and technology. It is said that there is no clash between secularism and spiritualism. Spiritualism shows the goal and materialism supplies the tools.

Examples where both spiritualism and secularism are relevant:

1. **Worship of Tulsi:** Tulsi is a type of medicinal plant or herb. We do worship Tulsi by giving water or by lighting a lamp near Tulsi. In some parts of India, it is customary to cultivate Tulsi in front of the main door. Such beliefs generate due to spiritualism. Secularism states that lighting a lamp in Tulsi kills insects. Tulsi also has medicinal value as it cures cough and cold.
2. **Giving Arghya to Sun:** It is spiritual value to give arghya to sun in the morning because sun is considered a God. Secular values believe that when we give arghya to sun (or look at it in the early morning), our eyesight improves.
3. **Touching feet of elders:** According to spirituality, we get blessings by touching the feet of elders. A secular value says that blood circulation is maintained by bowing down to touch others' feet.

In this way, in some situations, both secular and spiritual values are relevant.

	Study Notes



Assessment

1. What did you understand by Secular and Spiritual Values?
2. Write a note on Secularism, Spiritualism and Management.



Discussion

Quote at least five examples (apart from those mentioned in the book) where both spiritualism and secularism are relevant.

4.5 Summary

The term holism was introduced by the South African statesman Jan Smuts in his 1926 book, Holism and Evolution. Smuts defined holism as "The tendency in nature to form wholes that are greater than the sum of the parts through creative evolution".

HOLISTIC APPROACH FOR MANAGERS IN DECISION-MAKING

Holism is the idea that all the properties of a given system (physical, biological, chemical, social, economic, mental, linguistic etc.) cannot be determined or explained by its component parts alone. Instead, the system as a whole determines in an important way how the parts behave.

Various approaches to Management

Many management strategy theorists believe in an economics-based view of management in which profit maximization is the guiding principle for decision-making.

Executives who follow this "rational" style of management believe that precise ends should be sought through precise and calculated means.

A "holistic" approach, in contrast, takes into account any number of different factors. These managers believe firm value is derived from "socially complex resources and relationships," and they must understand the impact of their decisions on the overall culture of their company.

Results from a new study show that holistic managers are viewed as less autocratic and more visionary than their rational counterparts. The study also shows that holistic managers had a more positive effect on the overall firm performance.

Decision-making Process

Decision-making is an indispensable component of management process and a manager's life is filled with making decisions. Decision-making is the process of choosing a course of action from among alternatives to achieve a desired goal. It consists of activities a manager performs to arrive at a conclusion. Managers take decision-making as their control job because they constantly choose what is to be done, which is to do, when to do, where to do and how to do.

VALUES IN MANAGEMENT

Secularism

Secularism is the doctrine that morality should be based solely with regard to the well-being of mankind in the present life to the exclusion of all considerations drawn from belief in God. Indian conception of secularism required that there shall be no state religion and the state shall treat all religions equally. Secularism means non-religious. The secular values are based on facts and science. Secularism means being materialistic and task oriented for managers. Secularism is a professional value, which completely ignores the difference of caste, colour, religion, culture etc.

Spiritualism

The term spiritual refers to the people who believe in religion. They believe that work and religion are two sides of a coin. Spiritual values are an important source of information. These values result in creativity of thought and practice in the field of spiritual science. Human values, when based on spiritualism, act as the base for thoughts, actions, skills and behavior and will mould a good character. These spiritual values create a good man, a good manager and a good organisation. They set good examples into his society. People having good character are also self motivated, self-disciplined; they are good leaders.

4.6 Self-Assessment Test

Broad Questions

1. What do you understand by Holistic Management System? How is Holistic approach useful for managers in decision-making?
2. Differentiate between Secularism and Spiritualism. How are spiritualism and secularism helpful to management?


Short Notes


- a. Secularism
- b. Spiritual Values
- c. Holistic Approach in decision-making
- d. Features of Secularism
- e. Holistic Management


4.7 Further Reading

1. Foundations of Managerial Work-Contributions from Indian Thought, Chakraborty, S K, Himalaya Publishing House , Delhi, 1998
2. Management Effectiveness and Quality of WorkLife- Indian Insights, Chakraborty, S, Tata McGraw Hill Publishing Company, New Delhi, 1987
3. Management by Values, Chakraborty, S.K, Oxford University Press, 1991
4. Management in Turbulent Times, Drucker, P, Pan Books London, 1983
5. Managing Secularism in the New Millennium, Kumar S and N K Uberoi, Excel Books 2000
6. The Story of My Experiments with Truth, Gandhi, M K, Navjivan Publishing House, Ahmedabad, 1972

Unit 5 Personal Growth and Human Values

	Learning Outcome
After reading this unit, you will be able to:	
<ul style="list-style-type: none">• Understand the principles of science and human values• Speak about personal growth• Learn lessons from ancient Indian educational system• Compare the education systems of ancient India and modern India• Identify the role of science and technology in promotion of human values	

	Time Required to Complete the unit
<ol style="list-style-type: none">1. 1st Reading: It will need 3 Hrs for reading a unit2. 2nd Reading with understanding: It will need 4 Hrs for reading and understanding a unit3. Self Assessment: It will need 3 Hrs for reading and understanding a unit4. Assignment: It will need 2 Hrs for completing an assignment5. Revision and Further Reading: It is a continuous process	

	Content Map
5.1 Introduction	
5.2 Personal Growth	
5.2.1 Recognize Your Weaknesses without Hiding behind Them	
5.2.2 Strive for Balance	
5.3 Lessons from Ancient Indian educational system	
5.3.1 Rituals and Ceremonies	
5.3.2 The Ashramas	
5.3.3 Lessons drawn from ancient education system for Modern Management	

5.3.4 The Gurukul System

5.4 Science and Human Values

5.4.1 Examples of relation between Science and Human Values

5.5 Summary

5.6 Self-Assessment Test

5.7 Further Reading

5.1 Introduction

A value is a belief, a mission or a philosophy that is meaningful. Every individual has a core set of personal values, whether we are consciously aware of them or not. Values can range from the commonplace such as the belief in hard work and punctuality, to the more psychological, such as self-reliance, concern for others and harmony of purpose.

When we examine the lives of famous people, we often see how personal values guided them, propelling them to the top in their fields. For example, one actor was motivated by his commitment to social justice, which led to important acting roles related to the value that made him world famous. Likewise, a well-known business CEO was motivated by the personal value that technology should be easy to use, which caused his company to spawn a technology revolution. Whatever one's values, when we take them to heart and implement them in the smallest details of our lives, great accomplishment and success are sure to follow.



Fig 5.1: Personal Growth and Human Values

Just as individuals subscribe to values, so do organisations and institutions. In fact, if we were to examine any company, we would discover that one or more business values were the key to their success. Examples are:

- 1. Sears' commitment to trusting the customer:** From the 19th century onward, any product could be returned to Sear's company with a money back guarantee, which engendered great trust in both directions, enabling booming sales and great success for the firm.
- 2. Apple Computer's belief in the values of solving problems of society:** The Company created the iPod player and iTunes online music store to overcome a conflict between

those, who sought to download copyrighted music free and the music industry, which sought to protect its artists and its revenues.

3. Marriott's values of systemization and standardization: The company created a standard model hotel and then duplicated it hundreds of times around the world, enabling it to grow incredibly fast and become the leader of its industry.

Likewise, we see how political parties and politicians subscribe to certain core values, ranging from helping the poor, easing the burden of the middle class, improving the environment, making government responsive and efficient, engendering loyalty and unity and so forth.

The key point to keep in mind about values is that implementing them energizes everything concerned with it. For an individual, committing to and applying values releases fresh energies, which always attract success, achievement and well-being. Likewise, when companies or other institutions adopt values, individuals working at the organisation become energized, as do its customers, its products and services and everyone and everything else associated with that organisation.

We can energize our lives by making full effort to implement the values to which we subscribe. Once we identify values that are meaningful to us, we can develop strategies to implement them. If we make the determined effort to implement those strategies, good fortune is sure to follow in the form of new opportunities, new sources of revenue and income besides other forms of material and psychological benefit. We may even notice that as we implement values, we experiences instances of "life response", where good fortune suddenly comes to us from seemingly out of nowhere, defying our normal perceptions of what is logical and possible.

5.2 Personal Growth

Each personality type has a different idea of what it means to be successful. Self-knowledge is one common goal that will help everyone achieve personal success. So many people are hung up on somebody else's idea of what it means to be successful and they are unaware of what is truly important to them. This is completely normal. We all have important role models and influencers in our lives that may have basic values that are quite different from our own. If this is the case, it is important to recognise that the discrepancy between what we have been taught as being truly important and what we personally

believe to be truly important, is due to a difference in perspective. If we spend our time and effort trying to meet somebody else's idea of success and ignore or belittle any conflicting messages from our own psyche, then we will find ourselves exhausted and unhappy. Realizing what is truly important to us is a major step towards achieving personal success.

5.2.1 Recognise Your Weaknesses without Hiding behind Them

While improving our self-knowledge and realizing our true goals can be very liberating, we should not discard the rules of the society in which we live. We must recognise that other people's value systems are no less important than our own. In addition, we must recognise and accept that we live in a society, in which certain personality types and behaviors are more suited towards particular tasks. This is the second key that will open the door towards personal growth.



Fig 5.2: Personal Growth

For example, there are situations, in which it is more appropriate and effective to show compassion and caring (Feeling), rather than impersonal logic (Thinking). Likewise, there are situations that call for using impersonal logic to make a decision, in which the more subjective viewpoint of the Feeling function is inappropriate and ineffective. Persons with a preference for Feeling will have a natural advantage over Thinkers in situations that require compassion and awareness of other's emotions. Conversely, persons with a preference for Thinking will have a natural advantage over Feelers in situations that require the ability to make a decision based on impersonal data.

As we learn about our personality type and the types of others, we are empowered with an understanding of why people react differently in different situations. When put into the context of Psychological Type, we can better accept and understand people's behaviours

that are different from ours. These insights are extremely useful and powerful to us as individuals. However, if we are concerned with growing as individuals, we must take care not to use personality type as an excuse for our inappropriate behavior. While it is powerful and useful to notice that another person's inappropriate behavior may be due to their personality type, we cannot apply the same reasoning to ourselves. We should recognise that our personality type has weaknesses, but we must use that knowledge to conquer those weaknesses rather than to excuse poor behavior. We cannot be responsible for other people's behaviour, but we can control our own.

Accordingly, if we notice that someone seems to be unable to make an impersonal decision that is isolated from human perspective, we should say to ourselves, "Ah ha, here is a Feeler. This person does not use thinking well and that is why he is behaving this way." Yet when we as Feelers are presented with a situation that requires an impersonal approach, we should NOT say to ourselves "I am a Feeler and can't be expected to make decisions based purely on impersonal facts and logic". This kind of rationalisation for behaviour is certainly an easy way out of a situation, but it enforces and encourages weakness.

5.2.2 Strive for Balance

Most of the weaknesses associated with any given personality type are a result of that type's dominant function overtaking the personality to the extent that the other functions become slaves to the dominant function. Although it is natural for every personality to be ruled by its dominant function, it becomes a problem when the supporting functions are not allowed to develop fully on their own because they are too busy "serving the master". In such cases, a personality can become quite imbalanced.

A situation, in which the dominant function of a personality completely overshadows the other personality functions, is analogous to a kingdom that is ruled by an overbearing king, who requires absolute servitude. Imagine such a king sitting down for dinner in his castle. He keeps all of his servants running about to bring him dinner and requires that they serve him fully (disregarding their own needs) until he is completely satiated. His Foreign Minister, who is expected at an important affair at a neighbouring kingdom, finds himself pouring ale. His Minister of Domestic Affairs, rather than addressing the issue of a failing economy, slices roast turkey. His staffs grab food for themselves here and there, but never get what they really need or want and are consequently unsatisfied, malnourished and underdeveloped. The issues that the staff should be taking care of are left undone, because

they never finish their primary task of serving the king. The king's immediate needs are being met and so he is tolerably happy, but he is an ineffective king. As far as he knows, everything and everybody exists simply to serve him. He has no concept of Success beyond his daily needs. Since he cannot see beyond his own needs, the entire kingdom suffers.

Likewise, a personality that has developed with a goal of serving the dominant function above all other considerations, often results in a person, who is imbalanced. In severe cases, the weaknesses associated with the given type are often quite apparent to others and overshadow the individual's natural strengths. Such a drastic imbalance is not common and may be the result of continuous and extreme stress. Most people will experience times in their lives during which they are stressed to the point of serious imbalance. People, who experience this constantly have issues that need to be dealt with and should seek help.

Much more commonly, we see individuals, who exhibit both the strengths and weaknesses of their type. It is natural and healthy that each personality type is ruled by a dominant function and that the other functions support the ruling function. We do not seek to change anyone's natural self or to achieve a perfect balance amongst a personality's functions. By definition, a kingdom needs a king in order to exist and a personality needs a dominant function. However, a kingdom with a well developed and effective king (the dominant function), who has well-trained and educated advisors (the supporting functions), will thrive more than the kingdom ruled by a neglectful king, who is supported by inexperienced advisors.

As we can see, Balance and Success are relative terms. They have different meaning for each of the sixteen personality types. One statement using these terms is true for all types: Balance is the key to Success.


So, how do we apprehend what is truly important to us? How do we recognise our weaknesses and learn not to hide behind them? How do we become balanced? How do we open that magical door that will show us the way to personal growth and success?


There is no quickie scheme that will make you a successful person. Psychological Type is a powerful aid in our quest for excellence, but it is not the actual solution. It is a model that will help you to expand your understanding of human nature. An improved understanding of yourself and others will help you to find, follow or expand your path. An awareness and acceptance of the fact that one personality function may be more effective

than another function in a given situation will help you to understand the relevance of personal growth to your life.

Carl Jung identified a process of personal growth that he called individuation, which is essentially the conscious realisation of your true self, beyond the Ego that is presented by your conscious self. Our efforts to help people develop themselves is essentially the effort to help them to realise that their personal perspectives and conscious ideas are only a small part of who they are and that the more they try to develop and defend this superficial "self", the further they get away from their true Self. This realisation helps a psyche in many concrete ways and is also a positive step towards promoting a psyche that is open to the process of individuation. For the purposes of making this realisation accessible to the general public, our writings are mostly void of complex theoretical discussion.

	Study Notes

	Assessment
What do you understand by Personal Growth? Why is it significant for an individual?	

	Discussion
Think for some time and write 10 points each about your strengths and weaknesses. Discuss your answer with your friends/classmates and let them comment on it.	

5.3 Lessons from Ancient Indian Educational System

The ancient Indian Education was basically aimed at personal growth of individual. Our education system is the oldest in the world and has some qualities, which we are proud of and which do not exist anywhere else in the world.

The Ancient Indian Education System aspired not only to give theoretical knowledge but also to make an individual modest, so that he can get 'MUKTI'. The ultimate plan of human society of that age was the achievement of supreme i.e. 'BRAHMA', which was customary in the entire visible world. A man should employ himself in 'KARMOPASNA' i.e. work is worship and thus purify his inner senses and gain the supreme.

The scriptures and stories give fleeting instances of the freedom to explore within a rigor of discipline; the guru's formidable exterior and predictable firmness, often with discretion to relent appropriately; implicit obedience juxtaposed with simple curiosity and desires that become central to directional changes. The historical canvas and the context of the learning- teaching settings offer complex webs of themes expressing in unique colours the inter-connectedness in socialisation.

Education in its historicity in the Indian Context relates to primacy of a classical tradition based on the ancient textual materials; mainly the Samhitas, Brahmanas, Aranyakas and the Upanishads. Any discourse on ancient learning has its own carefully constructed vocabulary, which is both descriptive and systematic of its structure, function and content.

Gurukula, Guru-shishya parampara, Varna, Akshararambha, Dhvija are some familiar terms denoting the setting, the teacher- student interaction, social stratification and the two stages of initiation to knowledge seeking. The oldest literature would be the Vedas and the interactions of the teacher- taught governed by the principle of acharya devo bhava (teacher be God).

History records the Vedas to be a collection of hymns describing and praising the forces of nature, authored by the common Aryan people. The compilation is done by Rishis (Cultural Heritage of India). The authorship of the common people and the worship of nature are indicative of harmony and an ecological inter-dependence of man and nature. The creators and the contents of the literature form both the pulse and the voice of the people. Valuing common people and their beliefs is what comprises our heritage in the

Vedic literature. The essential learning from the Vedas is that what becomes classical, having roots in the words of 'all' rather than only the elite few.

Folk stories in many regions express the guru's desire to pass on the learning to deserving students. The rigor and discipline the students had to display to be worthy of being imparted knowledge was thorough. Deceptively simple tasks such as carrying a very light box through the forest without opening it or the case of Nachiketa, who proved his exceptional worth through his exemplary patience by waiting for the Guru to be free and feel convinced to teach, suggests total regard for the value of the teacher. Such incidents highlight that there is much more to learning and growing than building skills. Nurturing human values and concern is an important facet of true knowledge; seeking and giving of knowledge. The Vedas were preserved through the rote chanting by the young and interested few, mainly in the oral form. The following are the stages in the oral form:

- **The Samhita-ath:** Continuous recitation
- **The Pada-Path:** Word recitation
- **The Krama-Path:** Step recitation
- **The Jata -Path:** Woven recitation
- **The Ghana-Path:** Compact recitation

It is with this oral learning mode that the Vedas have stood the test of time. Recitation and chanting in groups has a crucial role in committing texts to memory with children. Children themselves monitor each other. Many of the scriptures give evidence of changing needs of children with a vocabulary identifying stages of growth and development of children: Shishu, Balak, Yuva, Vyasak and Vridhha.

5.3.1 Rituals and Ceremonies

The rituals and ceremony described in Ayurveda literature coincides with growth milestones, signifying an awareness of developmental patterns and needs of children. Some of the prescribed rituals are:

- **Surya darshan:** for the mother and child in the neonatal stage; a ritual to formally welcome the new- born to explore and enjoy the world
- **Nama-karan:** the naming ceremony
- **Mundana:** the Tonsure or the shaving of the head
- **Vidyarambha:** the initiation to learning

- **Upanayan:** the transition to adulthood leading to Brahamcharya
- **Grihastha Ashrama:** the building of a family and the new role as a householder

The continuation of many of these traditions over time is itself a testimony to the usefulness of rituals in sensitively socializing the young to the larger culture.

5.3.2 The Ashramas

Traditionally, the life of a Hindu is divided into four Āshramas (phases or stages).

- The first part of one's life, Brahmacharya, the stage as a student, is spent in celibate, controlled, sober and pure contemplation under the guidance of a Guru, building up the mind for spiritual knowledge.



Fig 5.3: Brahmacharya

- **Grihastha** is the householder's stage, in which one marries and satisfies kāma and artha in one's married and professional lives respectively (see the goals of life). The moral obligations of a Hindu householder include supporting one's parents, children, guests and holy figures.
- Vānaprastha, the retirement stage, is gradual detachment from the material world. This may involve giving over duties to one's children, spending more time in religious practices and embarking on holy pilgrimages.
- Finally, in Sannyāsa, the stage of asceticism, one renounces all worldly attachments to secluded find the Divine through detachment from worldly life and peacefully shed the body for Moksha.

5.3.3 Lessons drawn from ancient education system for Modern Management

In the ancient education system in India, following lessons can be drawn:

- There should be a religious and human touch in people.
- There should be a feeling of social responsibility and obligations among the people.
- Actions should be taken to build character of the people.
- Development of personality through self-confidence, self respect should be initiated.
- Ethical behaviour should be promoted by teaching of ethics.
- Respect for old culture and heritage should be ensured.
- There should be spirituality at workplace.
- Decision-making should be based on moral judgments and standards.
- Management system should be in tune with Indian ethos.

5.3.4 The Gurukul System

The Gurukul System was an important concept associated with pursuit of studies in ancient India. A gurukul was a place where a teacher or a guru lived with his family and establishment and trained the students in various subjects. The gurukuls usually existed in forests.

Admission into the gurukul was not an easy process. A student had to convince his guru that he had the desire, the determination and the required intelligence to pursue the studies and had to serve him for years, before he was admitted into the school and initiated into the subjects. Students in the gurukuls were subjected to rigorous discipline. They had to live in a very austere environment and practice yoga and meditation under the supervision of the master and also perform many menial jobs for the master's household. On specific occasions, they had to undergo fasting as a necessary means of purification and mastery of the body and mind.

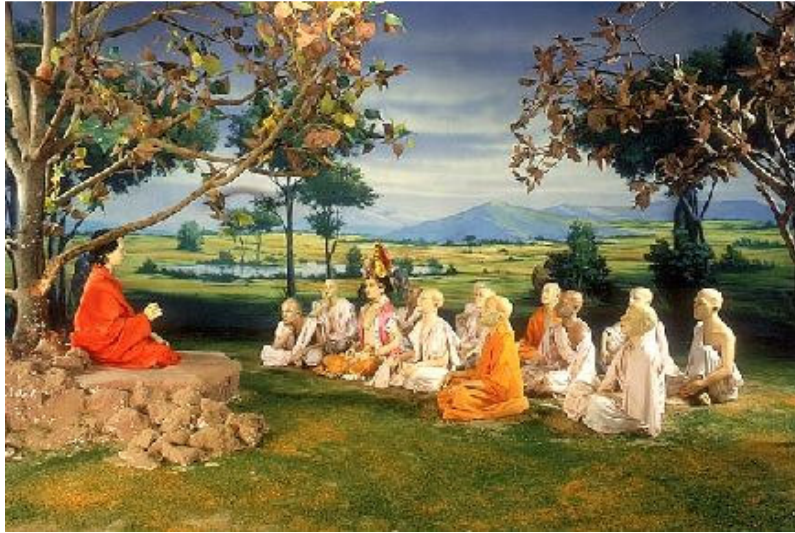


Fig 5.4: The Education System in Ancient India: Gurukul


Sometimes, if the Guru travelled to other places, the students accompanied him. Girls were not admitted to the Gurukuls. They were not even allowed to study like the boys. Ancient India had some educated women, like Maitreyi, wife of Yajnavalkya, who were generally related to some seers and sages or wives of some great kings. But it is doubtful if ordinary women in ancient India had any role other than performing household duties and procreation.


Lower caste people were not permitted to study any subject outside their occupation. In the early Rig Vedic period, some gurus were broadminded enough to admit some low caste children as their students, as is evident from the story of Satyakama Jabala, who was born to a free woman and Yajnavalkya, who came from a very humble background. But the trend changed completely during the later Vedic period, so much, so that even the mere act of hearing the Vedic hymns by low caste men was declared a sacrilege and great crime.

Ancient India had a number of universities and centres of education, where not one guru but several lived together and taught different subjects to groups of students.. The emergence of Buddhism and the migration of gurus to towns and cities contributed to this new movement.

Hinduism emphasizes the importance of verification of truth through personal experience. It regards the external world as a great illusion, but does not discourage those, who want to study it in order to realise the nature of external reality. In ancient India, a

number of subjects other than religion were taught to students as a part of their occupational study or even general study. These included subjects such as mathematics, medicine, metallurgy, magic, music, art of warfare, sculpting, temple building, commerce, pottery, weaving and so on. Since the occupations were based upon castes, children were initiated into the secrets of their traditional vocations from a very early age. Hinduism recognises the importance of knowledge in the spiritual progress of man, but at the same time it is wary of the fact that you cannot teach everything to everyone. Knowledge should be imparted only to those, who are interested, who are mentally disposed, who are qualified by virtue of their evolution or current knowledge and who knows the true value of knowledge.

	Study Notes

	Assessment
<ol style="list-style-type: none">1. Write notes on the followings:<ol style="list-style-type: none">a. The Ashramasb. Rituals and Ceremoniesc. The Gurukul System2. Explain meaning of the followings:<ol style="list-style-type: none">a. The Samhita-Path: _____	

- b. The Pada-Path: _____
- c. The Krama-Path: _____
- d. The Jata -Path: _____
- e. The Ghana-Path: _____



Discussion

Write an essay (not more than 500 words) on the topic: Acharya Devo Bhava

5.4 Science and Human Values

Let us look at human values as a scientist looks at the phenomenon he chooses for studying. What do we mean by human values? First of all, this is something we appreciate and want to have or achieve. Values are something we qualify as good and are prepared to set as our goals in life. Second, we usually do not include satisfaction of our physical needs into the concept, even though we appreciate it and have to achieve it all the time, often, simply in order to survive. It would be fair to say that the concept of values describes that part of our goals, which are not immediately necessary for survival. We call these aspects of life spiritual, as opposed to the other aspects, which are referred to as physical or biological.

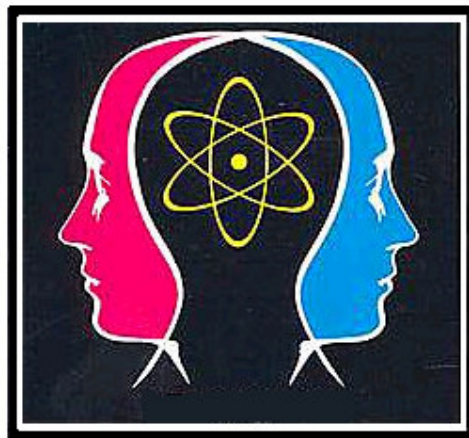


Fig 5.5: Science and Human Values

Goals of organised systems form a hierarchy. When two different goals come into conflict, we call for a higher goal or a principle or a value, which we choose to resolve the conflict. The thing, which interests us at most today is the highest of these principles: the

Supreme Goal or the Supreme Value of human life. This is the problem of ethics. Philosophy and religion work on this problem traditionally. How does it look from the scientist's point of view?

The first attempt of an answer leads to a discouraging result. Science is alien to ethics by its very essence. It answers only to the questions of how things are, but not how they ought to be. It does not say what is good and what is bad. As an American philosopher remarked, no matter how carefully you study the railroad schedule, you will not find there an indication where you want to go.

It is thinkable; however, that science could kill ethics as an independent subject. For somebody, who lived in the 19th century and took seriously and consistently the implications of the science of his time, as was done by Karl Marx, it was quite natural to believe that the problem of ethics was not real, but imagined.

In the nineteenth century, the picture of the world given by science was broadly as follows. Very small particles of matter move about in virtually empty three-dimensional space. These particles act on one another with forces, which are uniquely determined by their positioning and velocities. The forces of interaction, in their turn, uniquely determine, in accordance with Newton's laws, the subsequent movement of particles. Thus, each subsequent state of the world is determined, in a unique way, by its preceding state. Determinism was an intrinsic feature of the scientific worldview of that time. In such a world, there was no room for freedom; it was illusory. Humans, themselves merely aggregates of particles, had as much freedom as wound-up watch mechanisms.

With this worldview, the problem of ethics is not to decide what is good and what is evil, but simply to predict how people would behave in given circumstances. It is only a branch of science, the science of behavior. This trend of thinking was the theoretical basis for the Marxist economic determinism and the Leninist totalitarianism, which brought misery and dehumanisation to millions, if not billions of people. In the twentieth century, the scientific worldview has undergone a radical change. It has turned out that subatomic physics cannot be understood within the framework of the Naive Realism of the nineteenth century scientists. The theory of Relativity and, especially, Quantum Mechanics requires that our worldview be based on Critical Philosophy, according to which all our theories and mental pictures of the world are only devices to organise and foresee our experience and not the images of the world as it "really" is. Thus, along with the twentieth-century's specific

discoveries in the physics of the micro world, we must regard the inevitability of critical philosophy as a scientific discovery, one of the greatest of the twentieth century.

We now know that the notion that the world is "really" space, in which small particles move along definite trajectories, is illusory; it is contradicted by experimental facts. We also know that determinism, i.e. the notion that in the last analysis all the events in the world must have specific causes, is illusory too. On the contrary, freedom, which was banned from the science of the nineteenth century as an illusion, became a part, if not the essence, of reality. The mechanistic world-view saw the laws of nature as something that uniquely prescribes how events should develop, with indeterminacy resulting only from our lack of knowledge; contemporary science regards the laws of nature as only restrictions imposed on a basically non-deterministic world. There is genuine freedom in the world. When we observe it from the outside, it takes the form of quantum-mechanical unpredictability; when we observe it from within, we call it our free will. We know that the reason our behaviour is unpredictable from the outside is that we have ultimate freedom of choice. This freedom is the very essence of our personalities, the treasure of our lives. It is given to us as the first element of the world we come into. Logically, the concept of free will is primary, impossible to derive or to explain from anything else. The concept of necessity, including the concept of a natural law, is a derivative; we call necessary or predetermined, those things, which cannot be changed at will.

Thus, the modern philosophy of science leaves ethics separate from science and, of course, extremely important, because the kind of life we have depends on the kind of goals we set. Science gives us knowledge, but does not immediately direct our will. The gap separating knowledge and will can never be fully bridged. It is true as well as important that knowledge can direct will, make certain decisions natural, highly probable or almost inevitable. But there is no necessity on the path from knowledge to action. With any given knowledge, we are still free to set any goal at will. Goals can be logically derived only from goals, not from knowledge.

Guru Dronacharya: He rewarded Arjun with the supreme weapon: the Brahmastra. He, however, did not give it to his own son, Ashwathama. Guru Dronacharya was afraid that his son might misuse it as he had high skills but low values.

According to Rabindra Nath Tagore: "Our scientific world is world of reasoning but the reality of world belongs to personality of man."

According Dr. S. Radha Krishnan: “In a technological civilization, in a mass society, the individual becomes a depersonalized unit. Things or machines control life. Statistical average replaces qualitative human beings. Science has thus aggravated his mental restlessness.”

5.4.1 Examples of relation between Science and Human Values

a) Giving arghya to Sun

Human Values: It is human values to give arghya to sun in the morning because sun is God and if we give arghya to the Sun, it purifies the environment.

Science Relation: If we give arghya to the sun, then our eye sight will improve. If we give arghya to the sun, then rays get reflected through the water and are good for health.

b) Fasting

Human Values: Fasting is a way of offering prayers to God.

Science Relation: It helps in relaxation of digestive system, as a person eats less than his/her normal intake.

c) Wearing Silver Anklets

Human Values: Laxmi arrives because of the sound of anklets.

Science Relation: Silver is very cool in nature. So, it stops anger. Anklets also help in proper blood circulation.

d) Doing Yagya

Human Values: To make God happy and for peace.

Science Relation: Purifies environment and kills insects

e) Wearing the ring in ring finger

Human Values: Wearing ring has effect on the heart.

Science Relation: Generally, we wear a ring because it acts as an acupressure and ring - finger is directly connected with the heart.

f) Worship of Peepal

Human Values: People worship the tree of Peepal because they treat Peepal as God.

Science Relation: Peepal gives maximum oxygen in the morning.


g) Namaskar


Human Values: Namaskar is also a part of human values.

Science Relation: The scientific reason behind this is that it acts as acupressure.

Conclusion

Science and human values are important in their own respects. It is a fact that science is a path to logic, whereas value system drives us to relate each other. Through a study of these concepts under management discipline, we can critically separate them.

	Study Notes

	Assessment
Write 10 sentences on relation between Science and Human Values.	



Discussion

Mention a few examples of relation between Science and Human Values (apart from the ones mentioned in the book).

5.5 Summary

HUMAN VALUES

A value is a belief, a mission or a philosophy that is meaningful. Whether we are consciously aware of them or not, every individual has a core set of personal values. Values can range from the commonplace, such as the belief in hard work and punctuality, to the more psychological, such as self-reliance, concern for others and harmony of purpose.

PERSONAL GROWTH

Each personality type has a different idea of what it means to be successful. Self-knowledge is one common goal that will help everyone achieve personal success. So many people are hung up on somebody else's idea of what it means to be successful and they are unaware of what is truly important to them. This is completely normal. We all have important role models and influencers in our lives that may have basic values that are quite different from our own. If this is the case, it is important to recognize that the discrepancy between what we have been taught is truly important and what we personally believe to be truly important is due to a difference in perspective. The ancient Indian Education was basically aimed at personal growth of individual. Our education system is the oldest in the world and has some qualities, which we are proud of and, which are do not exist anywhere else in the world. and we are proud of this.

LESSONS FROM ANCIENT INDIAN EDUCATION SYSTEM

The Ancient Indian Education System aspired not only to give theoretical knowledge but also to make an individual humble, so that he can get 'MUKTI'. The ultimate plan of human society of that age was the achievement of supreme i.e. 'BRAHMA' it was customary in the entire visible world. A man should employ himself in 'KARMOPASNA' i.e. work is worship and thus, purify his inner senses and gain the supreme.

Rituals and Ceremony

The rituals and ceremony described in Ayurveda literature coincides with growth milestones signifying an awareness of developmental patterns and needs of children.

Ashramas

Traditionally the life of a Hindu is divided into four Āshramas (phases or stages; unrelated meanings include monastery); viz. (i) Brahmacharya, (ii) Grihastha, (iii) Vānaprastha and (iv) Sannyāsa.

Altekar

According to 'Altekar' there were six main characteristics of education in ancient India. These were: 1. Infusion of Piety and Religiousness, 2. Formation of Character 3. Development of Personality 4. Inculcation of Civic and Social Duties 5. Promotion of Social Efficiency and Happiness 6. Preservation and Spread of National Heritage and Culture.

The Gurukul System

The Gurukul System was an important concept associated with pursuit of studies in ancient India. A gurukul was a place, where a teacher or a guru lived with his family and establishment and trained the students in various subjects. The gurukuls usually existed in forests. Admission into the gurukul was not an easy process. A student had to convince his guru that he had the desire, the determination and the required intelligence to pursue the studies and had to serve him for years, before he was admitted into the school and initiated into the subjects.

SCIENCE AND HUMAN VALUES

The modern philosophy of science leaves ethics separate from science and, of course, extremely important, because the kind of life we have depends on the kind of goals we set. Science gives us knowledge, but does not immediately direct our will. The gap separating knowledge and will can never be fully bridged. It is true as well as important that knowledge can direct will, make certain decisions natural, highly probable or almost inevitable. But there is no necessity on the path from knowledge to action. With any given knowledge, we are still free to set any goal at will. Goals can be logically derived only from goals, not from knowledge.

5.6 Self-Assessment Test

Broad Questions

1. Discuss the main features of Ancient Indian Education System. What lessons can be drawn from that system for human development and corporate management?
2. How do the field of Science and Technology and Indian Ethos and Values in management relate to each other? Can this relationship help to develop an Indian thought on management?

Short Notes

- a. Different types of Ashramas
- b. Education system in ancient India
- c. Personal Growth
- d. Science and Human Values
- e. Characteristics of education in ancient India

5.7 Further Reading

1. Foundations of Managerial Work-Contributions from Indian Thought, Chakraborty, S K, Himalaya Publishing House , Delhi, 1998
2. Management Effectiveness and Quality of WorkLife- Indian Insights, Chakraborty, S, Tata McGraw Hill Publishing Company, New Delhi, 1987
3. Management by Values, Chakraborty, S.K, Oxford University Press, 1991
4. Management in Turbulent Times, Drucker, P, Pan Books London, 1983
5. Managing Secularism in the New Millennium, Kumar S and N K Uberoi, Excel Books 2000
6. The Story of My Experiments with Truth, Gandhi, M K, Navjivan Publishing House, Ahmedabad, 1972

Glossary

Business ethics:	Business ethics (also known as Corporate ethics) is a form of applied ethics or professional ethics that examines ethical principles and moral or ethical problems that arise in a business environment.
Dhvaja:	Dhvaja meaning banner or flag. The Dhvaja is comprised of the Ashtamangala, the 'eight auspicious symbols'.
Yagya:	In Hinduism, Yagya is a ritual of sacrifice derived from the practice of Vedic times. It is performed to please the gods or to attain certain wishes. An essential element is the sacrificial fire, the divine Agni, into which oblations are poured, as everything that is offered into the fire is believed to reach the gods.
ESOP:	Employee Stock Ownership Plan (ESOP) is an employee benefit plan. The scheme provides employees the ownership of stocks in the company. It is one of the profit sharing plans. Employers have the benefit to use the ESOPs as a tool to fetch loans from a financial institute. It also provides for tax benefits to the employers.
Ethical behavior:	Ethical behaviour is characterized by honesty, fairness and equity in interpersonal, professional and academic relationships and in research and scholarly activities. Ethical behaviour respects the dignity, diversity and rights of individuals and groups of people.
Ethics:	The science of human duty; the body of rules of duty drawn from this science; a particular system of principles and rules concerning duty, whether true or false; rules of practice in respect to a single class of

human actions, like political or social ethics; medical ethics.

Gurukula: A gurukul is a type of school in India, residential in nature, with shishyas living in proximity to the guru, often, within the same house. In a gurukul, shishyas reside together as equals, irrespective of their social standing, learn from the guru and help the guru in his day-to-day life, including the carrying out of mundane chores such as washing clothes, cooking, etc.

Holism: Holism is the idea that all the properties of a given system (physical, biological, chemical, social, economic, mental, linguistic, etc.) cannot be determined or explained by its component parts alone. Instead, the system as a whole determines in an important way how the parts behave.

Karma: Karma in Indian religions is the concept of "action" or "deed", understood as that which causes the entire cycle of cause and effect originating in ancient India and treated in Hindu, Jain, Buddhist and Sikh philosophies.

Karma Yoga: Karma yoga "discipline of action" is a form of yoga based on the teachings of the Bhagavad Gita, a sacred Sanskrit scripture of Hinduism. Of the four paths to realization, karma yoga is the science of achieving perfection in action.

Kriya Shakti (ability to act): Kriya most commonly refers to a "completed action", technique or practice within a yoga discipline, meant to achieve a specific result.

Kriyamana: Kriyamana is everything that we produce in current life. Kriyamana karma, in Hinduism, is the karma that human beings are creating in the present, the fruits of which will be experienced in the future.

Materialism:	In philosophy, the theory of materialism holds that the only thing that exists is matter; that all things are composed of material and all phenomena are the result of material interactions. In other words, matter is the only substance.
Meditation:	Meditation is a holistic discipline in which the practitioner trains his or her mind ,in order to realise some benefits. Meditation often involves invoking or cultivating a feeling or internal state such as compassion or attending to a specific focal point.
Moksha:	In Indian religions, Moksha or Mukti, literally "release" , is the liberation from samsara and the concomitant suffering involved in being subject to the cycle of repeated death and rebirth (reincarnation).
Parampara:	Parampara denotes a succession of teachers and disciples in traditional Indian culture. This Sanskrit word, literally, means an uninterrupted row or series of order, succession, continuation, mediation, tradition.
Puranas:	The Puranas are a genre of important Hindu, Jain or Buddhist religious texts, notably consisting of narratives of the history of the universe from creation to destruction, genealogies of kings, heroes, sages and demigods and descriptions of Hindu cosmology, philosophy and geography.
Secularism:	Secularism is the concept that government or other entities should exist separately from religion and/or religious beliefs. It also refers to the view that human activities and decisions, especially political ones, should be based on evidence and fact unbiased by religious influence.

- Spiritual Distress:** Spiritual Distress is defined as "a disruption in the life principle that pervades a person's entire being and that integrates and transcends one's biological and psychological nature."
- Spiritualism:** Spiritualism is a monotheistic belief system or religion, postulating a belief in God but not an anthropomorphic one. A distinguishing feature is the belief that spirits of the dead residing in the spirit world, can be contacted by "mediums", who can then provide information about the afterlife.
- Stress:** Stress a term in psychology and biology, refers to the consequence of the failure of an organism, human or animal, to respond appropriately to emotional or physical threats, whether actual or imagined.
- Total Quality Management (TQM):** Total Quality Management (or TQM) is a management concept coined by W. Edwards Deming. The basis of TQM is to reduce the errors produced during the manufacturing or service process, increase customer satisfaction, streamline supply chain management, aim for modernization of equipment and ensure workers have the highest level of training.
- Ashramas:** An Ashrama in Hinduism is one of four stages in an age-based social system as laid out in the Manu Smṛti and later Classical Sanskrit texts.
- Upanishads:** The Upanishads are philosophical texts of the Hindu religion. More than 200 are known, of which the first dozen or so, the oldest and most important, are variously referred to as the principal, main (mukhya) or old Upanishads. The oldest of these viz the Brihadaranyaka and Chandogya Upanishads, were composed during the pre-Buddhist era of India.

Value Chain:	The value chain, also known as value chain analysis, is a concept from business management that was first described and popularised by Michael Porter in his 1985.
Value Based Management (VBM):	Value based management is a management approach, which ensures that corporations are run consistently on values.
Varna:	Varna refers to the main division of Hindu society into four social classes.
Varna-Ashram system:	The Varna Ashramas are just a description of the stages of a human life on Earth.
Vedanta:	Vedanta was originally a word used in Hindu philosophy as a synonym for that part of the Veda texts known also as the Upanishads
Work Ethos:	"Work ethos" is a compound expression built on the Greek word "ethos" (referring to an idea of "habit" that often is ascribed to one's personal/moral tendencies).
Yoga:	Yoga refers to traditional physical and mental disciplines that originated in India. The word is associated with meditative practices in Hinduism, Buddhism and Jainism. Yoga is the sum total of all activities; mental, verbal and physical.