

# Virtues and Values for Organizational Sustainability

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## **Abstract**

*This paper is an attempt to outline the importance of virtues and cultivating the right set of values in an organization so as to enhance its sustainability. In this pursuit, wisdom from Aristotle's Nichomachean ethics, the teachings of the Upanishads, and what the holy scriptures continuously reflect has been drawn about the importance of virtues. The importance of interconnectedness and transcendent values have also been explained in the context of organizations which have to continuously cope up with the uncertainties posed by a dynamic business environment for achieving sustainability. It has been suggested in the paper that when the virtues and values get hard-wired into the DNA of the organization then despite being in the midst of all the challenges organizations develop the capacity to move from generation to generation like an immortal soul.*

## **Introduction**

The world today is in a stalemate situation. In spite of all the scientific and technological developments and globalization, social and economic disparity is widening and is making the very words “harmony” and “peace” a far cry. Business Corporations are being looked upon as one of the agents of these negative changes. There is growing mistrust among people. Relationships are no more forged in terms of trust but in terms of greed. If it serves there individual interests, then it is good; if it doesn't then its bad. The entire interactions across the globe are turning into a virtual zero-sum game where one is “winning”, at least shortly at the expense of the other. The result of these interactions is pretty visible across the globe. We have developed nations facing the worst economic crisis, corporations struggling to win back consumer confidence, consumers spending recklessly on stuffs they don't need, international relations getting strained among the geographic neighbors, environment is getting more polluted, countries paying the least attention to nature or carbon emissions, etc. Even corporations who are actually speaking “green” are doing just to gain consumer confidence and not out of a feeling of compassion towards environment.

So, we see that the whole crisis which exists today in the world economy is due lack of compassion, truthfulness, honesty, trustworthiness, willingness to trust, etc. All of these have been considered as virtues or desirable qualities in every human. Hence, we see that the economic and social crisis that the world experiences today is not because of economic reasons only but the key source of all this crisis is the lack of human values which are basis

of healthy co-existence of different elements of eco-system or in other words lack of “virtues” among the mighty who are supposed to give direction to the world is the major reason for the critical situation in which presently we are in. So, the economic crisis has more to do with the value-crises or missing of virtues than with anything else.

Pursuance of self-interest at the expense of others is causing damage to the world society. This phenomenon is hugely prominent for last few decades in the business corporations developed on the principles of capitalism. In the words of Aristotle, the problem arises when exchange is conducted purely for monetary gain, which is what he calls trade. Aristotle maintains that trade gives expression to the mirage of infinite wealth accumulation. Instead of co-operating with others and actualizing their potential as social beings, trades puts individuals in a competitive struggle in which one's fellows are viewed as profit opportunities (Bragues, 2006).

Corporations would have to understand that without virtues it's impossible to sustain for longer period of time and moreover virtues are not something that can come overnight. They have to be inculcated and pursued on a continuous basis to bring them into behavior effortlessly. Right thinking, right intentions, right behavior could only be achieved through practicing virtues across the organizations. Every individual from top to bottom in the corporation should be made to come out of the crude pursuance of self-interest and indulge in demonstrating virtuous behavior for sustainability of the corporations and making it operate in a responsible manner. Virtues have to be reinforced throughout the organization as they are indispensable for eternity and this truth has been preached by the various enlightened souls like Vivekananda, Mahatama Gandhi, Kautilya and Aristotle etc. Corporations need to reinforce among every individual the feeling of oneness through the path of practicing virtues.

### **Importance of Virtues**

Aristotle's Nichomachean ethics was one of the prominent accounts on the importance of virtue in the pursuit of happiness in human life. Aristotle held that moral virtues are different from intellectual virtues. Intellectual virtue corresponds to the kind of knowledge and wisdom a person has acquired over a period of time through his practice and experience. Moral virtues are states of character lying at the mean between excess or lack of something.

As the Oxford Aristotelian scholar, W. F. R. Hardie, explains, the moral virtues require locating a mean between two extremes just because the feelings, desires and actions which concern moral actions are continuous. Because of this, they can be felt too much or too little (Hadreas, 2002). Moreover, the mean maximizes the avoidance of the two undesirable extremes. For example, the courage is the mean of too fearful and too fearless; good-temper

means neither too angry nor too submissive. This is sometimes referred to as the “the doctrine of mean”. It marks the significant distinction between virtues and vices.

Virtues are absolutely essential for every human to achieve excellence in life. In the words of Aristotle in *Nicomachean Ethics* (translated 2006, by W .D. Ross):

“Virtue, then, is a state of character concerned with choice, lying in a mean, i.e. the mean relative to us, this being determined by a rational principle, and by that principle by which the man of practical wisdom would determine it. Now it is a mean between two vices, that which depends on excess and that which depend on defect; and again it is a mean because the vices respectively fall short of or exceed what is right in both passions and actions, while virtue both finds and chooses that which is intermediate. Hence in respect of its substance and the definition which states its essence virtue is a mean, with regard to what is best and right an extreme.

(Aristotle, NE, I.6, translated. 2006)

Further –

That moral virtue is a mean, then, and in what sense it is so, and that it is a mean between two vices, the one involving excess, the other deficiency, and that it is such because its character is to aim at what is intermediate in passions and in actions, has been sufficiently stated. Hence also it is no easy task to be good. For in everything it is no easy task to find the middle, e.g. to find the middle of a circle is not for every one but for him who knows; so, too, any one can get angry — that is easy — or give or spend money; but to do this to the right person, to the right extent, at the right time, with the right motive, and in the right way, that is not for every one, nor is it easy; wherefore goodness is both rare and laudable and noble. (Aristotle, NE, I.9, translated. 2006).

And so it is very rare to find people of excellence. However, if we talk of eastern traditions brought by Vedas & the Upanishads, they speak of excellence in every individual. The only difference is that some people remain ignorant about it forever, and others attain that realization through discovering the true essence of their “Being” or Self.

So, if we go by east and west traditions, realizing ones self is absolutely indispensable to cultivate and nurture the right set of virtues within individuals and to stop ourselves from getting into the “vices”. The table 1 lists some of the virtues that every person should possess.

What we see in an organization is the gross level manifestation of the individual self which comprises of these virtues. So, virtues are more subtle in nature and comprise the subtle level of our individual self. If individuals in an organization exhibit these set of virtues, then it

finally manifests into a positive organizational culture that fosters an ethical climate. In such conditions, individuals at various levels of the organizational hierarchy make decisions which are more ethically sound.

Presently, there is a dearth of people with the above virtues. We have people tilting more towards their vices like greed, lust, etc and the consequence is pretty evident from the current global management crisis. At the gross level we have information and communication technology, organizations promoting them selves to be environment friendly, conscious to the needs of its various stakeholders, etc. But deep down on a more subtle level we have financial malpractices, misrepresentation of information, politics and jealousy, rivalry among employees within the organization, lack of trust among the organization and its stakeholders, etc. All this is due to a value crisis which stems from the crisis of the essential virtues which makes an ideal individual / employee. Aristotle notices that individuals seeking recognition do not just want to occupy other people's mental space; they want to be recognized for their virtues. According to Aristotle, this points to virtue as being at the core of the good life (Bragues, 2006).

Today we have managers with skills and charisma but not character. Character is something which is to be nurtured in every manager. It is only by nurturing the right virtues within every employee that we can create an ethical climate within an organization where every one will depict more ethicality in their various organizational decisions and will be aligned towards the greater purpose.

At the same time, it must be kept in mind that happiness is not a purely individual matter, for it can only be realized within a network of relations with others (Bragues, 2006). Individuals are "happy" (well-ordered), when they rationally harmonize their outer and inner world so as to live self-sufficiently (NE, 1985, I, 7, 1097b, 15–16 cited in Dierksmeier & Pirson, 2009). Not fortune or fortunes, but a communal and virtuous lifestyle makes for happiness. So, if we go by east and west traditions, realizing ones self is absolutely indispensable to cultivate and nurture the right set of virtues within individuals and to stop ourselves from getting into the "vices".

The table 1 below lists some of the virtues.

<b>Virtue</b>	<b>Definition</b>
Ability	Getting things done and done well; being dependable and competent
Acceptance	Making the best of bas situations; decreasing complaining
Ambition	Getting ahead; being tenacious
Amiability	Putting others at ease; fostering agreeable social contexts
Articulateness	Making one's case, expressing oneself; being understood clearly
Attentiveness	Listening; understanding
Autonomy	Having a personal identity; having personal integrity
Caring	Worrying about other's well-being when one is in a position of control
Charisma	Inspiring others
Compassion	Relieving others' suffering; sympathetic
Competitiveness	Winning; doing comparatively well
Contentment	Being happy, having peace of mind; lacking excessive competitiveness
Coolheadedness	Retaining control and reasonableness in heated situations
Cooperativeness	Getting things done; sharing responsibility
Courage	Doing the right thing despite the cost
Creativity	Conceiving something better or different; being innovative
Determination	Seeing it through
Entrepreneurship	Going where no one has gone before; having new ideas and products
Fairness	Giving others their due; creating a harmonious world
Generosity	Sharing, enhancing the well-being of others; surpassing expectations
Graciousness	Establishing a congenial environment
Gratitude	Give proper credit where it is due
Heroism	Doing the right thing despite obstacles; having courage under fire
Honesty	Telling the truth; not lying
Honor	Holding one's head high; being admired by others
Humility	Giving proper credit where it is due; not thinking too highly of oneself
Humor	Bringing relief; making world a lighter place
Independence	Getting things done despite bureaucracy
Integrity	Being one's true good self; being a model of trustworthiness
Justice	Giving others their due; treating others fairly
Loyalty	Working for the well-being of an organization and one's status in it
Passion	Engaging the world with enthusiasm; being infectious and inspiring
Pride	Holding one's head high; being admired by others
Prudence	Minimizing personal and company losses
Responsibility	Doing what one can to make things right; getting things done
Saintliness	Approaching the ideal; behaving extraordinarily
(Capable of) Shame	Regaining acceptance after having done wrong
Spirit	Appreciating the larger picture; cosmically edified
Style	Being interesting and elegant; charming
Tolerance	Getting along; reciprocity
Toughness	Maintaining one's position; being a take-charge type of person
(Willingness to) Trust	Being able to depend on others
Trustworthiness	Fulfilling one's responsibilities; responsible
Wittiness	Lightening the conversation when levity is appropriate
Wittiness	Lightening the conversation when levity is appropriate
Zeal	Getting the job done right; contagious enthusiasm

**Table 1. List of Virtues (Adapted from Solomon, 1999)**

The above mentioned virtues are highly required in the individuals working in any organization striving for sustainability.

Virtues are more subtle in nature and comprise the subtle level of our individual self. If individuals in an organization exhibit these set of virtues, then it finally manifests into a positive organizational culture that fosters an ethical climate. Individuals at various levels of the organizational hierarchy make decisions which are more ethically sound.

At the gross-level of an organization, everything might seem to be good but the seed for vices is sown at a more subtle level in an organization. At this subtle level, development of vices and killing of virtues goes un-noticed but only becomes apparent at its manifestation at the gross level later, threatening the very existence of an organization. It is only when virtue is nurtured and promoted among employees that an organization becomes more sustainable. Virtues have a paramount importance towards establishing sustainable management practices.

### **From eternal virtues to eternal values**

Cultivating virtues is the first step towards developing the “satwic” guna in every individual. Satwic gunas at a subtle level manifests into ethical organizational culture at the gross level. However, we note that virtues within an individual are of no use if they fail to create a value system within the organization. It is only when the organization creates the right culture for nurturing of virtues and discouraging vices that eventually a value system emerges which gets ingrained into the organizational DNA.

Interconnectedness and transcendence independently play a very important role in the creation of a value system which is more eternal and permanent. Both the ideas of interconnectedness and transcendence have their roots in the Indian spiritual tradition and have been repeatedly emphasized in the various scriptures like Veda, Upanishads, Bhagavad Gita, etc.

### **Interconnectedness**

The essence of interconnectedness contained in the Upanishads is *Aham Brahmasmi* which means I am the Brahman, i.e., my individual Self is no different from the Universal Self or consciousness. It is this very sense of unity or oneness with the Universe that gives rise to compassion. We start looking at ourselves as the creator rather than only as lost souls possessed by other's beings. The Mandukya Upanishad states that –

*All this is the Brahman; this self is the Brahman and the Self is fourfold. Beyond relation, featureless, unthinkable in which all is still.*

At a first glance, it seems that such interconnectedness is completely unrealizable in the context of organization with formal structures and processes. On the contrary, we are seeing organizations more interconnected in terms of information channel like never before. Never before could we conceive of hierarchy-less and borderless organizations. It is this very interconnectedness which is significant in human pursuit to do business beyond boundaries and continental borders on a transnational basis. The idea of interconnectedness is not just important to create borderless or flatter organizations but also to promote important virtues like compassion, trust, etc which are important for building strong relationships between the organization and its stakeholders. It is only with compassion that every individual learns to earn within an organization through the power of love and not through politics or rivalry. In a compassionate culture, employees show more empathy towards the concerns of their various stakeholders and consumers. Compassion is certainly one of the key elements for both product and service-excellence because it only when you understand your consumers' problems and concerns that you can better design the product or service keeping the consumers in your mind.

Organizations who fail to embrace this interconnectedness continue to live in silos and develop cultures where bureaucracy survives and gradually eats away the whole system. However, it is to be cautioned that interconnectedness is not limited to the “anywhere” revolution brought by the present day information and communication technology. But the key idea is that all the consciousness of the various elements of this universe is part of one single whole of consciousness which different sages have identified through different names. The Upanishads have named it as the Brahman, the universal divine consciousness which later was named as the Supermind by Sri Aurobindo, the great Indian mystic.

According to Sri Aurobindo, we can arrive at this state of consciousness either through disaggregation of the mind infinitely till we reach the state of indivisibleness or through the aggregation of the minds ad infinitum till we reach at one single whole. To quote his words:

*“Mind, being an action of the Infinite, de-pieces as well as aggregates ad infinitum. It cuts up being into wholes, into ever smaller wholes, into atoms and those atoms into primal atoms, until it would, if it could, dissolve the primal atom into nothingness. But it cannot, because behind this dividing action is the saving knowledge of the supra-mental which knows every whole, every atom be only a concentration of all-force, of all-consciousness, of all-being into phenomenal forms of itself. The dissolution of the aggregate into an infinite nothingness, at which Mind seems to arrive, is to the Supermind only the return of the self-concentrating conscious being out of its phenomenon into its infinite existence. Whichever way its consciousness proceeds, by the way of infinite division or by the way of infinite enlargement, it only arrives at itself, at its own infinite unity and eternal being.”*

*(Sri Aurobindo, 1939)*

In a purely organizational context too, the value system forms this eternal unity. When we start dividing it, we arrive at the level of virtues that make an ideal employee within an organization. So, just like the relation of mind and super-mind, Brahman and Atman, Values and Virtues are two sides of the same coin, creating that one unified organizational consciousness. If we go on aggregating ad infinitum, we find that this organizational consciousness is ultimately a part of the broader social consciousness and the universal consciousness. If we keep dividing infinitely, we arrive at the organizational DNA which is nothing but the set of eternal values and interconnections that exist in an organization. It is that indivisible unity of every organization. However, existing management's view of organizational DNA needs to change. It is not about the set of structure, staff, culture, system within an organization but the eternal unified value that connects these elements together to form one unified organizational 'whole' which is part of the grand unified 'whole' of Universal consciousness.

Embracing this interconnectedness and sense of unity consciousness is the prerequisite for a successful and sustainable organization which can sustain itself through the vicissitudes of the business as well as preserve its eternal values generation after generation of varied leaderships. We have companies like Tata group who have consistently been able to maintain an ethical image through an ethical culture and an impeccable value system created around 140 years ago by Jamshetji Nusserwanji Tata which still exists. Tata's active consistent participation in philanthropic activities at various levels shows its compassion and sense of responsibility towards the society. But it is not just interconnectedness but there is something else which has made these values stay in these companies and have contributed towards maintaining the sustainability of their business activities even at times of extreme business uncertainty. When the world was hit by recession and many revered companies were struggling for existence, Tata made some significant business acquisitions in the overseas market. The acquisition of UK-based Corus Steel by the Tata Steel further consolidated the steel industry across the globe with Tata making a quantum leap to the attain the 2<sup>nd</sup> position after Mittal Steel in terms of the largest producers of steel in the world. So, what is it that sustainable companies have which other successful companies didn't have so they struggled to carry on and sustain their business in times of uncertainty? What is it that one thing apart from interconnectedness due to which some companies have survived for over a century while others have perished in a few decades.

### **Transcendental values**

The answer to the question of sustainability of organizations lies in the law of transcendence. We argue that truly remarkable organizations have value systems and culture which have no beginning as they are based on eternal values and they also have no end. The value system of the organization is the "immortal soul" that transcends any end, any boundary, any

limitation and any ignorance; and as we have seen earlier that this value of organizations stem from the virtues exhibited by the organization at the individual level. Such organizations never perish. They grow either organically or inorganically, the culture keeps evolving but the basic eternal values remain still, unchanged.

That is exactly what the law of transcendence says that: He is never born, He will never die, He is always He, ever present. By 'He' I mean the Being or the Consciousness which is an embodiment of values and virtues. What really differentiate any great organization from good organization are these transcendental values. Someone may now ask that why do we need transcendental values? Why transcendence is important?

The answer to the above questions lies in the fact that the organization is not just the physical infrastructure, manpower, machines, processes, equipments, etc. An organization is also about the values which shape the culture of the organization. Some of the organizations which have survived for centuries have not done so all alone. There have been a series of transformations in structures, processes, infrastructure, etc. But the eternal core values remained constant. So the organization on a gross physical level may have died and born many a times. But the values of great organizations lived and remained constant even at the midst of all these transformations.

One of the basics of mergers or acquisitions is that culture and values of the two companies should be compatible with each other. Culture fit is vital to maintain the sustainability of the new company which is born out of the merging companies. On what basis do we decide this culture fit? It's certainly the values that both the companies thrive to adhere to and which forms the basis for their organizational cultures. As Lord Krishna said in the Bhagavad Gita:

*na tv eva ' ham jatu na sam; na tvam ne me janadhipah  
na cai ' va na bhavisyamah; sarve vayam atah param.*

Which means that there was never a time I was not, nor there will ever be a time when we shall cease to exist. Further he said –

*dehino ' smin yatha dehe; kaumaram yauvanam jara.  
tatha dehantarapaptir, dhiras tatra na muhyati.*

This means that as the soul passes in this body through the various stages of childhood, youth and old age, it is also taking one after the other body at these various stages. The wise know it and so the sages are never perplexed by this.

Similarly, every organization is continuously going through a cycle of creation, transformation, and rebirth. At each and every stage the organization is changing but what

remain constant are the core values of the organization which constitute its 'immortal' soul.

Hence, we conclude that it is only through values stemming from the virtues that every individual within an organization possess contribute significantly towards enhancing the sustainability of these organizations. Such organizations not just survive for generations but also set an example of ethics and its importance in sustaining organizations along the path of attaining excellence. Though interconnectedness has been embraced knowingly or unknowingly be modern management technology, transcendence has been completely ignored by the modern management thinkers. But now its time those modern management thinkers accept the relevance of these transcendental values and managers' start working towards cultivating virtues within themselves as well as among their subordinates so that ultimately the organizational culture is based upon such transcendental values.

### **What the Holy Scriptures say about Values**

The importance of virtues and values have been repeated and recited again and again for thousands of years by the various Holy Scriptures. Whether it is Bhagavad Gita or Quran, Bible or Dhammapada, every one of them reverberate the immortal values of compassion, wisdom, truth, justice, trust, etc.

Whether it is Lord Krishna, Allah or Jesus, all the Gods and Goddesses and the Holy one given in the scriptures have been depicted as an embodiment of the universal values like Truth, Compassion, Knowledge, Wisdom, Justice, Righteousness, etc.

The very opening of Qur'an, the holy book of Islam is with *Bism Allahir Rahmanir Rahim* i.e. I begin in the name of Allah who is Compassionate and Merciful. There are four key values in Qur'an which are repeatedly emphasized are: Justice (*'adl*), benevolence (*ihsan*), compassion (*rahmah*) and wisdom (*hikmah*). (Engineer, 2009)

The Bible says –

“If you love those who love you, what benefit is that to you? For even sinners love those who love them. And if you do good to those who do good to you, what benefit is that to you? For even sinners do the same. And if you lend to those from whom you expect to receive, what credit is that to you? Even sinners lend to sinners, to get back the same amount. But love your enemies, and do good, and lend, expecting nothing in return, and your reward will be great, and you will be sons of the Most High, for he is kind to the ungrateful and the evil. Be merciful, even as your Father is merciful. ... ( Luke 6:32-36, The Holy Bible, <http://www.biblegateway.com>)

From the above verses of Bible and earlier of Quran, we conclude that every person should

practice compassion, love without expectations and work without expectations. You are merciful not only to your fellow beings but also to your enemies. The people, the animals, the nature, the universe, all need your compassion. From compassion originates righteousness, truthfulness, honesty, mercy, etc. So, compassion can be considered to be that one universal virtue which unifies you with the divine consciousness or with that One.

In Dhammapada (translated by Carter & Palihawadan, 1987), Gautama Buddha says:

*But one who, well placed in virtue,  
Would be with defilements ejected,  
Endowed with control and truth,  
That one is worthy of a yellow robe.*

*(Dhammapada, Chapter 1, Verse 10, translated 1987)*

And I would finally like to conclude my point on the universal acceptance of virtues as playing the significant role of taking us from darkness to light, from ignorance to knowledge and from lower truth to higher truth by this shloka of the Brihadaranyaka Upanishad:

*Asato ma sad-gamaya, tamaso ma jyotir gamaya, mriyora-ma-amrtam gamaya*

Which means that “O Lord, lead me from untruth to truth, from darkness to light, from mortality to immortality.”

And so it only through values and virtues that organization can remain sustainable even in the midst of crisis or turmoil, turbulence or uncertainty in the existing business situation.

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