

Indian Ethos and Management

Index

I. Content	II
II. List of Figures	V
III. List of Tables	VI
IV. Abbreviations	VII
V. Case Study	112
VI. Bibliography	118
VII. Self Assessment Answers	121
Book at a Glance	

Contents

Chapter I	1
Nature and Scope of Ethics	1
Aim	1
Objectives	1
Learning outcome	1
1.1 Introduction	2
1.2 Nature of Ethics	3
1.2.1 Ethics is a Normative Science	3
1.2.2 Ethics is not a Practical Science	3
1.2.3 Ethics is not an Art	3
1.3 Moral Intuitionism	4
1.4 Human Person in Search of Himself/Herself	4
1.5 Love and the Moral Precepts	6
1.6 The Dynamics of Morality	6
1.7 The Constant and the Variable in Morality	7
Summary	9
References	9
Recommended Reading	10
Self Assessment	11
Chapter II	13
Sources of Ethos in Indian History	13
Aim	13
Objectives	13
Learning outcome	13
2.1 Introduction	14
2.2 Sources of Moral Ideals in India	14
2.3 Ethics: It's Meaning in Indian Tradition	15
2.4 Ethics in Vedic Period	15
2.5 Ethics in Dharmasastras and Itihasas	16
2.6 Way of Righteousness in the Gita	16
2.7 Ethical Concepts of Hindu Tradition	17
2.8 Ethics in Buddhism	19
2.9 Jain Ethics	20
Summary	22
References	22
Recommended Reading	23
Self Assessment	24
Chapter III	26
Work Ethos and Management	26
Aim	26
Objectives	26
Learning outcome	26
3.1 Introduction	27
3.2 Work Ethos and Management	27
3.2.1 Work Ethos at Different Levels of Management	28
3.2.2 Reasons for Poor Work Ethos/Culture	29
3.2.3 Dimension of the Work Ethos	29
3.2.4 Steps for Improving Work Culture.....	30
3.3 Model of Management in Indian Socio - Political Environment Work Ethos	30
3.3.1 Indian Socio-Political Environment	30
3.3.2 Salient Features of Indian Socio-Political Environment	30

3.3.3 Features of Indian Ethos	30
3.4 Constituents of Indian Ethos	31
3.5 Principles of Indian Management	32
3.6 Indian Model of Management and Management Practices	33
3.7 Elements of Indian Ethos	34
3.7.1 Need of Indian Ethos for Business	34
3.7.2 Main Features of Indian Heritage	34
3.8 Indian Insight into TQM	36
Summary	40
References	41
Recommended Reading	41
Self Assessment	42
Chapter IV	44
Human Behaviour and Action	44
Aim	44
Objectives	44
Learning outcome	44
4.1 Introduction	45
4.2 Understanding of Human Act	45
4.2.1 The Constituent Elements of Human Acts	45
4.3 Theory of Karma	46
4.3.1 Classification of Karma	49
4.3.2 Classification of Karma on the Basis of Priority of Effect	50
4.3.3 Time Effective Classification of Karma	51
4.3.4 Plane Effective Classification of Karma	51
4.4 Karma Yoga.....	52
Summary	53
References	53
Recommended Reading	53
Self Assessment	54
Chapter V	56
Leadership and Motivation Model	56
Aim	56
Objectives	56
Learning outcome	56
5.1 Introduction	57
5.2 Motivation	57
5.2.1 Maslow's Hierarchy of Needs	58
5.2.2 Alderfer's ERG Theory	59
5.2.3 McClelland's Theory of Needs	59
5.3 Motivational Goals	60
5.4 Leadership	60
5.4.1 The Search for Leadership	61
5.5 House's Path-Goal Theory	62
5.6 Vroom's and Jago's Leadership Styles.....	63
5.7 Leader Qualities	63
Summary	65
References	65
Recommended Reading	66
Self Assessment	67

Chapter VI	69
Indian Ethos and Values in Modern Management	69
Aim	69
Objectives	69
Learning outcome	69
6.1 Introduction	70
6.2 Indian Ethos in Management	70
6.3 A Manager’s Mind Set	74
6.3.1 Karma Yoga	74
6.4 Human Values – Indian Insights	75
6.5 Value-Oriented Holistic Management	76
6.5.1 Total Quality Management	76
6.6 Stress and Indian Ethos	77
6.6.1 The Dwandik Theory of Stress	78
Summary	79
References	79
Recommended Reading	80
Self Assessment	81
Chapter VII	83
Business Ethics	83
Aim	83
Objectives	83
Learning outcome	83
7.1 Introduction	84
7.2 Business Ethics and Social Responsibility	84
7.3 The Role of Ethics in Business	84
7.4 Recognising Ethical Issues in Business	85
7.5 Ethical Issues	86
7.6 Making Decisions about Ethical Issues	88
7.7 Improving Ethical Behaviour in Business	88
7.8 The Nature of Social Responsibility	89
7.9 Social Responsibility Issues	90
Summary	92
References	92
Recommended Reading	93
Self Assessment	94
Chapter VIII	96
Self-efficacy for Personal and Organisational Effectiveness	96
Aim	96
Objectives	96
Learning outcome	96
8.1 Introduction	97
8.2 Core Functional Properties of Perceived Self-efficacy	97
8.3 Diverse Organisational Impact of Perceived Self-efficacy	98
8.4 Principles Governing the Development of Personal and Collective Efficacy	101
8.5 Cultivation of Self-regulatory Competencies	106
Summary	108
References	108
Recommended Reading	109
Self Assessment	110

List of Figures

Fig. 3.1 Relationship between ethos morality and law	28
Fig. 7.1 The pyramid of social responsibility	89
Fig. 8.1 Structural paths of influence wherein perceived self-efficacy affects motivation and performance attainments	97

List of Tables

Table 6.1 Objectives of IEM	73
Table 6.2 Difference between IEM concept of Management and general concept of management	74
Table 6.3 Difference between NK and SK	74
Table 7.1 Percentage of workers who say these ethical infractions are committed by co-workers	86

Abbreviations

EML	-	Ethics, Morality and Law
ERG	-	Existence, Relatedness, and Growth
IEM	-	Indian Ethos in Management
NK	-	Nishkam Karma
NWT	-	Natural Work Teams
PST	-	Problem Solving Teams
QIT	-	Quality Improvement Teams or Excellence Teams
SK	-	Sakam Karma
TQM	-	Total Quality Management

Chapter I

Nature and Scope of Ethics

Aim

The aim of this chapter is to:

- define love in human values
- elucidate the moral precepts in life
- explain the concept of inner search in humans

Objectives

The objectives of this chapter are to:

- explain the significance of ethics
- explicate the nature of ethics
- elucidate the moral intuitionism in humans

Learning outcome

At the end of this chapter, you will be able to:

- understand the dynamics of morality
- identify the constant in morality
- recognise the variable values in morality

1.1 Introduction

The word “ethics” is derived from the Greek word *ethos* (character), and from the Latin word ‘*mores*’ (customs). Derived from the Greek word “*ethos*”, which means “way of living”, ethics is a branch of philosophy that is concerned with human conduct. It consists in a code of conduct of human beings living in a society. Ethics examines the rational justification for our moral judgments; it studies what is morally right or wrong, just or unjust. Together, they combine to define how individuals choose to interact with one another. In philosophy, ethics defines what is good for the individual and for society and establishes the nature of duties that people owe to themselves and to one another. It aims at individual good as well as social good, which means the good of mankind as a whole.

Ethics is an attempt to guide human conduct and it is also an attempt to help man in leading good life by applying moral principles. Ethics refers to well based standards of right and wrong that prescribe what humans ought to do, usually in terms of rights, obligations, benefits to society, fairness, or specific virtues. Ethics is related to issues of propriety, rightness and wrongness. What is right is ethical and what is wrong is unethical. The words ‘proper’, ‘fair’ and ‘just’ are also used in place of right and ethical. If it is ethical, it is right, proper, fair and just. Ethics is a matter of practical concern. It tries to determine the good and right thing to do; choices regarding right and wrong, good and evil; questions of obligation and value. Ethics is to consider the practice of doing right actions or what we may call the art of living the good life.

It is also defined as the science of the highest good. Mackenzie defines ethics as “the study of what is right or good in human conduct” or the “science of the ideal involved in human life”. So, it is clear that ethics is the study which determines rightness or wrongness of actions.

Applied ethics is the practice of ethics that aims to guide the moral judgment governing the decisions we make in all areas of our lives. Issues of right and wrong are related to one’s values. In the context of ethics, values are our standards of right and wrong.

The primary meaning of law is a rule of action, promulgated by him/her who is in charge of a community in view of the common good. This is called positive law. If the legislator is considered to be God, it is divine positive law; if the legislator is human person then it is human positive law. Human positive law can further be subdivided according to what the common good aimed at. (E.g. civil law, criminal law, commercial law, etc.) In a case, a positive law lays down rules to be observed by human persons.

Then there is another sense of ‘law’ which is quite different. In this sense, it is a formula expressing a constant of behaviour of things and of persons. So we have physical law (including laws studied in physics, chemistry, biology, etc.), psychological law, sociological law, etc. (Since the constant of behaviour among human persons is less fixed and foreseeable than that among things it is more of a statistical constant). As distinct from positive law, this kind of law is called ‘natural law’. It is descriptive. It can also be called prescriptive to the extent if it is considered as willed by God and includes the divine positive law, and descriptive to the extent that this divine will is the ultimate cause of the constant of behaviour in things and human persons. However, moral law corresponds exactly neither to the positive law nor to the natural law. On the contrary, the sense of the ‘absolute should’ is an immediate datum of the moral consciousness itself.

Secondly, in the language of moral philosophers, moral law includes not only general and abstract rules of action (e.g., “do good and avoid evil”), or in our language, the sense of the absolute should, but also particular and concrete precepts (e.g., help the poor, obey legitimate authority, be truthful, do not kill the innocent, adultery is wrong, etc.). These particular and concrete precepts are referred as the specifications of the moral law.

Hence our question: How are the general data of the moral consciousness particularised and concretised in specific precepts and what is the cause of this difference among men? In terms of moral value, we can raise this question as follows. If the moral value par excellence is human person’s self-realisation as human then how can this moral value determine specific moral values? And why is there disagreement as to whether such and such an action is a ‘good’ (moral value) or not?

1.2 Nature of Ethics

Ethics aims at systematic knowledge. So, ethics is a science. Every science is concerned with a particular sphere of nature. As a science ethics has its own particular sphere; it deals with certain judgments that we make about human conduct. It deals with systematic explanation of rightness or wrongness in the light of the highest good of man.

1.2.1 Ethics is a Normative Science

It is concerned with what ought to be done rather than what is the case. It differs from positive science. A positive science, natural science or descriptive science is concerned with what it is. It deals with facts and explains them by their causes. In positive science there is no question of judging its objects in any way. But ethics does not deal with fact, rather it deals with value. Therefore, it is clear that ethics is concerned with judgments of value, while positive science deals with judgments of facts. That is why ethics is not a positive science but a normative science. Normative ethics deals with standards or norms by which we can judge human actions to be right or wrong. For example, logic, aesthetics are also considered as normative sciences, because logic and aesthetics are concerned with truth and beauty. So, truth, beauty and value are the three ideals of logic, aesthetics and ethics respectively.

1.2.2 Ethics is not a Practical Science

Practical science deals with means for the realisation of an end or ideal. It teaches us to know how to do. As for instance, medical science is a practical science. It concerns with the means in order to remove the causes of ailments or diseases. But ethics is not concerned with means in order to achieve moral ideal that is rightness or goodness. It does not teach us how to live a moral life. So, ethics can not be regarded as a practical science.

1.2.3 Ethics is not an Art

Ethics does not teach us an art as to how to lead a moral life. Rather it helps us to justify rightness or goodness which can lead to the supreme goal of human life that is to realise its meaning. So, ethics is not a means to the highest ideal of human life. But, like the practical science, art is also a means for obtaining a goal. So, ethics is neither a practical science nor an art. Again the question arise, is there any art of conduct? The reply is, in case of morality this is not true. Art especially deals with acquisition of skill to produce objects, while morality deals with motive, intention, purpose and choice which are considered right or wrong in the light of goodness. Therefore, morality consists of goodness, which is really an intrinsic end.

A norm or ideal in the ethical sense is defined as any regulatory principle that controls or lays guidelines to thought and mode of acting. Ethics is a science of values as it discovers the forms of conduct or behaviour, which have the character of oughtness. Ethics deals with moral phenomena and it observes and classifies them and explains them by the moral ideal. It distinguishes moral judgments from logical judgments and aesthetic judgments and reduced them to a system. So, we may define the nature of ethics as scientific. However, from another perspective all sciences also lead to philosophical questions if we take philosophy to be quest for knowledge. That is why ethics is a branch of philosophy.

There is no clear-cut boundary between science and philosophy, between descriptive science and normative science and between ethics and philosophy. A norm is more than a description. While philosophies have become more scientific and sciences have become more philosophical, the distinction between science and philosophy and between value-science like ethics and general philosophy is a matter of degree. That way ethics is both scientific and philosophical, both descriptive and normative science and both pure and applied, pure ethics and meta ethics. Ethics is an art as it sets guidelines for practical conduct and also for understanding the meaning of what it is to act in an ethical manner. Ethics is concerned with goodness as an ultimate value while some other normative sciences like aesthetics and logic are oriented to the ideals of beauty and truth respectively.

1.3 Moral Intuitionism

All 'deontological' theories agree that there must exist some rule or law which 'enforces' moral value and that it is natural to human person, intuitively known. There is then an element of 'intuition' in all of them, no matter how they conceive of it and the way they approach it, whether as 'conscience' (Ockham), 'Logos' (Stoics), 'moral sense' (Shaftesbury), the 'a-priori categorical imperative' (Kant), 'right reason' (Thomas Aquinas and Suarez). This element of moral 'intuition' is also found in the 'teleological' theories whether implicitly or even explicitly. It is implicitly found in the concept of 'autarxia' (Epicurus), in that of 'eudemonia' (Aristotle), and explicitly in the concept of 'right reason' (Hobbes), in the 'conscientious feelings of mankind' (Mill).

And in fact the more the idea of moral obligation is prominent in an ethical theory, the more explicit becomes the recourse to this element of 'intuition' (or 'direct perception'). This element of 'intuition' is strongly emphasised by meta-ethicists who maintain that moral language is 'objective' and therefore 'informative'. But here again, they differ as to what the 'object' of this moral intuition is. This difference is explainable by the difference in their meta-ethical theories regarding the meaning of moral 'good.' Hence for some, this object is the 'rightness of specific acts' (Carritt, Prichard) for others it is a kind of moral property, simple and indefinable in non-moral terms (Moore), for others, it is a general principle (e.g., 'the principle of utility' itself – Sidgwick) or a set of principles (e.g., the 'Prima facie' duties of fidelity, reparation, gratitude, justice, beneficence, self-improvement and non-maleficence – Ross). In ethics the philosophy which insists on the necessity of moral intuition is called ethical intuitionism.

But even the most insistent of all moral philosophers on this element of intuition in the moral consciousness, namely Kant, not only does not deny, but, on the contrary, explicitly states that the moral judgment includes elements derived from experience (which are therefore 'a-posteriori' as opposed to the 'a-priori' element). Kant denies the possibility of deriving particular and concrete moral precepts from the concept of practical reason alone. For this the study of human nature is necessary.

Similarly, Thomas Aquinas distinguishes between the 'first principles' of the synderesis which are 'self-evident', intuitively known by all, and which cannot be deleted from the human heart, and the 'secondary and more specific principles' which are derived from the former 'as if by way of conclusion from premises' what is implied here is that this secondary principles require reflection. Thomas speaks of the difficulty involved in applying general principles to concrete cases. Even though principles whether theoretical or practical can be evident in themselves, they may not be so evident to us. And this is due, according to Thomas, to wrong persuasions on the part of human person.

Suarez is perhaps even more explicit in his doctrine that even the secondary principles, which like the primary are self-evident in themselves, require a certain amount of thought and experience. This is truer of the tertiary principles which require study and discursive thought. But all moral principles can be derived from self-evident principles. One notable difference between Thomas and Suarez is that the former derives the concrete principles in a way corresponding to 'human person's natural inclinations,' the latter derives them in a way corresponding to a legal system. For Suarez, these precepts have their immediate norm the 'good' of human nature. The need of experience and reflection is similarly indeed even more insisted upon by contemporary ethicists. Why this greater insistence?

1.4 Human Person in Search of Himself/Herself

What we are dealing with here is to see whether a general principle such as 'serious promises should not be lightly broken' is 'self-evident' and therefore be counted among the 'first principles' intuitively known by everybody. If yes, how is it derived from the very first self-evident principle that 'good is to be done, evil to be avoided?' Is it merely by a kind of logical deduction? And if it is 'self-evident' in itself but not known by all, is it because of some accidental reason such as ignorance or bad habit? Finally, if it is not 'self-evident' how is it that human person has today come to agree that such a general principle is correct (that it is a moral value)?

To speak more specifically of thinkers like Thomas Aquinas, Suarez and Ross are examples as they give of first principles (or of prima facie duties) are meant to serve merely as examples or are we to say that they are meant to be included among the first principles themselves? In the first case, we could perhaps disagree that the examples they give are good examples but still agree with their doctrine that there exist first principles intuitively known by every man. The question would be then which are these first principles. In the second case, to question the aptness of the examples would be to question their doctrine itself. Irrespective of what such thinkers actually mean we have got to study the problem in itself.

If there is any principle that cannot be denied, it is the immediate data of moral consciousness. If these data cannot be denied then they are self-evident. They are self-evident not as principles, that is, as formulae but as data whether they are thematically formulated or not. The immediate ontological foundation of the moral obligation is human inter-relatedness and that the norm for moral good (as distinct from the moral right) is human person as a social being. We have also reflected how the only moral precept which is immediately given that is self-evident and cannot be justified on a mere moral level is that human person should be human (as an individual and social being). Hence, all other precepts (what we are here calling specifications of the moral law) must somehow or other flow from this fundamental precept that a person should realise himself/ herself as a human.

Human person is becoming moral and more himself and in the process his awareness of himself develops. He/she has been continuously asking himself the question what he is. Human person is in a never-ending search of himself/herself. The more he/she grows the more he/she becomes conscious of himself/herself as human person the more he/she is himself/herself. Moral consciousness is a part or an aspect of human consciousness. The more human person becomes himself/herself the more he/she becomes conscious of what he/she should be. This leads to the emergence of moral precepts specifying evermore clearly the conduct of human person.

Hence the moral precepts (moral values) flow from the first fundamental moral precept that human person should be himself/herself the moral value par excellence not by way of mere logical deduction or of mere mediate inference. The former are related to the latter not simply as logical conclusions or as implicitly correlated to their premises. Logic has got to do with ideas, with mere ideas. It cannot be denied that this relation of the explicit to the implicit of the clear to the unclear of the concrete to the abstract is present here. But it is present in the sense that a continuously developing human consciousness is related to its stages i.e., past and future of its development. Existence is more than logic.

If what we are saying about the progressive development of human consciousness, and therefore of moral consciousness is true one can easily understand the development of morals from the cave-man to modern human person from ancient slavery to the Universal Declaration of Human Rights, which was approved without a dissenting voice in the United Nations General Assembly in 1948.

Ignorance of the moral precepts is therefore not necessarily the result of perverse customs as if this result were accidental. It is a fact of experience that perverse customs not only weaken the will to pursue the moral good but darkens the mind to recognise what the moral good is. But this is more easily possible in an individual level. Here we are placing ourselves on the level of mankind and its historical progress. This ignorance and the variety of morals can be explained by human historicity itself, that is, by the historical progressive development of his human moral consciousness.

However, we must not easily take it for granted that this development has always and everywhere been a linear progress. It may have suffered setbacks, reverses and regress. We need not go into that. What is more pertinent here to ask is whether we should reasonably suppose that human person has now attained some of his/her self-consciousness and of his/her moral consciousness. What is reasonable to suppose according to us is that he/she has not. Apart from the fact that one cannot predict the future, contemporary moral problem of the morality of abortion hinges to a great extent on whether one should consider the human foetus a human person. The so-called women's liberation movement indicates no matter what its merits and demerits are that women have not been treated as full human persons everywhere in the world. One could think of many other indications. If progress is still possible it can only be done by the passage of time and on the part of human person by experience and by his reflection on his own experience.

1.5 Love and the Moral Precepts

Here we wish to bring into focus the more salient moments of our reflection on the subject bringing them to bear upon the topic at hand. To recognise human inter-relatedness as the immediate ontological foundation of the moral order and to act accordingly can be expressed in terms of love. Love is therefore the existential basis of the moral order. This leads us already to start thinking that love is the basic moral activity.

The primary intuitively grasped demand that human person realises himself as a human person is particularised and concretised in moral precepts. This too can be expressed in terms of love. Universal love is particularised and concretised, it is objectified in the moral precepts. Hence, as love is not just one moral virtue among others but the form of all of the moral virtues, similarly love is not just one moral precept among others but it is the form of all of them. It is what makes moral precepts. Indeed it could hardly be called a precept since taken by itself in a non-objectified sense, it does not prescribe anything definite.

And in the same way one can hardly call the moral realisation of oneself as human as an obligation. This too taken by itself in a non-objectified sense does not oblige human person to do anything specific. And there is hardly any meaning in the saying that human person should love (love cannot be enforced) thus, there is hardly any meaning in the saying that human person should fulfil himself as human.

If love is the form of the moral precepts and if love like human moral consciousness is a progressive affair this means that acting according to the moral precepts is acting according to love but that this awareness admits of degrees. This means that love can also be considered to be not only the beginning of the moral life but also its end. At the beginning it is present as a seed which is more than mere potentiality but already an actuality albeit in a seminal form.

The seed can develop into a fully mature and fully conscious love. And if it is in love that human person perfects himself as human, it is in this fully mature and fully conscious love that he/she does so. Many factors go in this process of maturing of self-fulfilment. No matter how logically we can distinguish one human faculty (or aspect) of human person from another human person is a totality one integrated as a whole. As it is not the intellect which understands but human person by his intellect similarly it is not with his/her heart that human person loves but human person by his heart (but heart is one's whole being). Love is an existential relation involving the whole existence.

Suffice it here to remark already that though human person can develop one or other of his/her faculties independently of the rest (or at least quasi independently) one cannot develop himself/herself as a human person without developing the core of his/her being namely his/her love and this is not achieved by mere study and reflection – although these can be very useful but by doing. As scholastics say the operation is the perfection of being.

1.6 The Dynamics of Morality

Here we examine two questions which are intimately linked. In an evolutionary vision of human person to what extent can we say that morality (that is, the specification of the moral law) are universally valid for all human persons to what extent can we say that they are unchangeable? If one maintains their universal validity one is charged with absolutism with holding the opinion of a static nature of human person incompatible with present day theories about man's dynamic and evolutionary nature. If on the other hand one were to maintain a relative validity one would fall into a philosophically untenable moral relativism. Can the dilemma be overcome?

The Evolutionary nature of human person and of his human consciousness has long been recognised one way or another. Charles Darwin gave the theory of evolution a biological basis. An evolutionary view of the world and of human person is today at the basis of a great deal of scientific philosophical and theological thinking. The thinking of such human persons as Pierre Teilhard de Chardin and of Aurobindo comes of course spontaneously to mind.

Herbert Spencer is perhaps the best known Evolutionary ethicist. He starts by observing that both human and animal conduct consists in acts adjusted to ends. The higher we proceed in the scale of evolution the easier it becomes for us to obtain evidence of purposeful actions directed toward the good either of the individual or of the species. This purposeful activity forms part of the struggle for existence waged between individual members of the same species or between different species. But this type of conduct is according to Spencer an imperfectly evolved conduct. In

a perfectly evolved conduct which is ethical conduct in the proper sense of the word this struggle for existence will yield place to cooperation and mutual help. Egoism and altruism will be both transcended. This leads Spencer to distinguish between absolute and relative ethics. Absolute ethics is an ideal code of conduct formulating the behaviour of the completely adapted human person in the completely evolved society. Relative ethics is the nearest approximation to this ideal according to the more or less perfectly evolved society in which human person happens to find him/her.

Spencer adopts the utilitarian ethical principle. In fact he takes happiness to be the ultimate end of life and measures the rightness or wrongness of actions by their conduciveness to this end. From a nascent state when this utilitarian principle was dependent on non-ethical (e.g., authoritarian) beliefs it gradually developed to become independent and as suggested by the theory of evolution, it will continue to evolve and reach an ideal limit.

Happiness however depends on the fulfilment of some conditions. And these conditions are the observances of certain principles and rules which causally determine human welfare. Spencer acknowledges the existence of moral intuitions which however are the slowly organised results of experience received by the race. In other words an induction from experience handed down from one generation to the other ends up by becoming an instinctive moral reaction.

Evolution is moving towards the emergence of the highest form of life. Happiness as the supreme end of human person is the concomitant and virtue is the condition for its attainment. In the preface of the fifth and sixth parts of his, the principles of ethics subsequently withdrawn Spencer confesses that the theory of evolution has not provided as much practical guidance as he had hoped. What is peculiarly Spencer's is his interpretation of evolution as a teleological process directed towards the establishment of a higher and higher moral order.

1.7 The Constant and the Variable in Morality

Whether or not man has evolved from sub-human beings it is not for us to decide. But we can easily accept the theory that this human consciousness itself has natured and developed. At the beginning human person was not necessarily conscious of himself/herself as human as we are today. On an individual level this progress in human consciousness is a fact of experience. The child is a human being but as it grows it becomes more and more conscious of itself as a human being. We can accept this theory even on the level of mankind as such to explain how the moral law is particularised and concretised in specific moral precepts.

Human consciousness involves one's consciousness of oneself as an individual and as a social being. Moral consciousness is an integral part of human consciousness. Primitive human (to call him so) must have been morally conscious otherwise we are not entitled to call him/her human at all. So if moral consciousness belongs essentially to human consciousness as such and in a univocal and not in an analogical sense it has been a kind of constant in all the later stages of man's evolution. However, on the accepted theory that the human and therefore moral consciousness has been developing, the different stages of this development can be reasonably considered as the variable in human evolution.

If we speak of moral consciousness at all whether of the primitive human or ours we must speak of it in terms of the immediate data of consciousness as foundation on the human order more precisely on human inter-relatedness and these data to be in conformity to human reason and to be conducive to the self-realisation of human person as human. But human moral consciousness has been evolving. This change takes different forms some of which are easily understandable and afford no real problem to ethics some are not so easily understandable and therefore afford some difficulty.

As human person becomes more and more conscious of himself as human – as an individual and as a social being he/she becomes more conscious of his/her human inter-relatedness and of his/her rights and duties as a human person. This clearer self-consciousness is obviously concretised and particularised in specific moral precepts. Even at one given stage of human moral consciousness different people living in different human situations (situations affecting their interrelatedness) will live a more or less different moral life. Such human situations can arise out of geographical, climatic and economic conditions.

Again since moral consciousness has been in fact intimately linked to and condition by religious consciousness, different religious beliefs have produced different moral values. And a change in religious consciousness has often wrought a corresponding change in morality. The history of religion affords us with many examples (e.g., human sacrifice, burning of witches, saturnalia, etc.). This change is primarily and directly in religious consciousness and only secondarily and indirectly in moral consciousness. It is a change in the religiously conditioned morality.

However, a change in civil law governing the mores of the people does not necessarily mean a change in morality. When a civil law declares that something is legal it does not mean to say that it is moral. Civil law as such does not pass a moral judgment. Legal means allowed as far as the state is concerned. It is not the business of the state as such to promote the moral beliefs of one section of its population as against those of another. This is important to remember today when many countries proclaim themselves to be secular today when society is increasingly pluralistic.

The variable in morality raises the important question regarding the kind of certitude we can have in moral matters. To put it bluntly if what is believed to be morally right today can be proved to be morally wrong tomorrow and vice-versa can one be absolutely certain of what is morally right or morally wrong? In more philosophical terms if human person is conditioned by his/her existential situation and if human (and moral) consciousness is always in a process of development and is dependent on physiological, cultural, social, psychological environmental and other factors, can he/she ever be certain of having reached objective moral truth if there is such a thing as moral truth?

At the very outset, we have to distinguish carefully between moral relativity and ethical relativism. Moral relativity is simply the view that different people especially in different civilisations and cultures have or have had different moral beliefs and what is believed to be morally right at a given time or place may be believed to be morally wrong at a different time or place. This is an undeniable empirical fact. But ethical relativism is the philosophical theory that no foundation exists, there is no universal moral norm (or basic moral principle), but what is morally right is relative to the individual or group of men in question. If such a theory can give reasons for such a position (as Sartre does), it is ethical relativism in the strict sense. If it cannot give reasons but simply admits that it is strictly impossible to say what is morally right and morally wrong it can be reasonably called ethical skepticism.

In an evolutionary view of human being, that is, on the accepted theory that human consciousness of himself / herself is increasingly developing, can we pretend to say the last word on what human person is? Obviously not. Human person's knowledge of his/herself is a progressive and dynamic knowledge, always tending towards a better and better understanding. In this sense, human person's knowledge of himself/herself is relative. And if this is true his/her moral knowledge is also relative in so far as it is progressive and far from complete.

However, an attentive study of the evolution of human person's self-consciousness and of moral knowledge helps one to discover a certain constant progression, that is, human person is becoming more and more himself/herself. He/she is becoming more and more conscious of what he/she really is. His/her moral knowledge helps him/her to recognise himself/herself and others more and more as persons.

Like in all spheres of knowledge a time of questioning debate and temporary disagreement is necessary in moral knowledge if progress is to be made. Indeed a state of incertitude on some issues is a pre-requisite and the pre-supposition of every progress. But whatever has been achieved is a definite acquisition even if this acquisition remains still open to further advance and a deeper understanding.

Summary

- Ethics examines the rational justification for our moral judgments; it studies what is morally right or wrong, just or unjust.
- Ethics is an attempt to guide human conduct and it is also an attempt to help man in leading good life by applying moral principles.
- Ethics is a matter of practical concern.
- Mackenzie defines ethics as “the study of what is right or good in human conduct” or the “science of the ideal involved in human life”.
- Applied ethics is the practice of ethics that aims to guide the moral judgment governing the decisions we make in all areas of our lives.
- Normative ethics deals with standards or norms by which we can judge human actions to be right or wrong.
- A norm or ideal in the ethical sense is defined as any regulatory principle that controls or lays guidelines to thought and mode of acting
- Ethics is a science of values as it discovers the forms of conduct or behaviour, which have the character of oughtness.
- Ethics is an art as it sets guidelines for practical conduct and also for understanding the meaning of what it is to act in an ethical manner.
- Human person is becoming moral and more himself and in the process his awareness of himself develops.
- Moral consciousness is a part or an aspect of human consciousness.
- Love is the existential basis of the moral order.
- Absolute ethics is an ideal code of conduct formulating the behaviour of the completely adapted human person in the completely evolved society.
- Relative ethics is the nearest approximation to this ideal according to the more or less perfectly evolved society in which human person happens to find him/her.
- Spencer acknowledges the existence of moral intuitions which however are the slowly organised results of experience received by the race.
- Evolution as a teleological process directed towards the establishment of a higher and higher moral order.
- Human person’s knowledge of his/her self is a progressive and dynamic knowledge, always tending towards a better and better understanding.
- Moral relativity is simply the view that different people especially in different civilisations and cultures have or have had different moral beliefs and what is believed to be morally right at a given time or place may be believed to be morally wrong at a different time or place.
- Human consciousness involves one’s consciousness of oneself as an individual and as a social being.

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Self Assessment

1. _____ is a branch of philosophy that is concerned with human conduct.
 - a. Ethics
 - b. Nature
 - c. Industrial goods
 - d. Valuation

2. _____ refers to well based standards of right and wrong that prescribe what humans ought to do, usually in terms of rights, obligations, benefits to society, fairness, or specific virtues.
 - a. Ethics
 - b. Nature
 - c. Industrial goods
 - d. Valuation

3. Ethics is related to issues of _____, rightness and wrongness.
 - a. nature
 - b. humanities
 - c. propriety
 - d. values

4. _____ is a rule of action, promulgated by him/her who is in charge of a community in view of the common good.
 - a. Natural law
 - b. Positive law
 - c. Physical law
 - d. Psychological law

5. _____ deals with standards or norms by which we can judge human actions to be right or wrong.
 - a. Physical law
 - b. Normative science
 - c. Practical science
 - d. Normative ethics

6. _____ deals with means for the realisation of an end or ideal.
 - a. Practical science
 - b. Positive ethics
 - c. Positive science
 - d. Science ethics

7. A _____ in the ethical sense is defined as any regulatory principle that controls or lays guidelines to thought and mode of acting.
 - a. nature
 - b. value
 - c. ethics
 - d. norm

8. In ethics the philosophy which insists on the necessity of moral intuition is called _____.
- moral obligation
 - ethical intuitionism
 - moral value
 - moral principle
9. _____ consciousness is a part or an aspect of human consciousness.
- Moral
 - Value
 - Ethical
 - Moral value
10. _____ is perhaps the best known Evolutionary ethicist.
- Pierre Teilhard de Chardin
 - Herbert Spencer
 - Aurobindo
 - Charles Darwin

Chapter II

Sources of Ethos in Indian History

Aim

The aim of this chapter is to:

- define the sources of moral ideals in India
- elucidate the term moral consciousness
- explain the meaning of ethics in Indian tradition

Objectives

The objectives of this chapter are to:

- explain the term dharma
- explicate the ethics in Vedic period
- elucidate the ethics in dharmasastras and itihasas

Learning outcome

At the end of this chapter, you will be able to:

- understand the way of righteousness in the Gita
- identify the ethical concepts of Hindu tradition
- recognise the stages of life

2.1 Introduction

Moral consciousness is an undeniable fact of human experience. The moral sensibility is something essential for the peaceful society and the work. Even Gods are believed to incarnate to restore righteousness and peace in the society. Down through the centuries, many religious teachers, and philosophers were interested in the rational ground of morality. The caste duties of the Hindus prescribed in the Dharmasastras are well articulated commands, which are meant to regulate the life of the community. Ethics as a speculative science is based on the foundations of the moral behaviour of man, but a substantial portion of the moral codes are based on religious beliefs, social customs and traditions. When we take the Indian ethics too the morality is very much based on certain beliefs, customs and traditions of Indian religions.

It is true that the foundations of Indian ethics can be sought in the metaphysical and the theological beliefs in the form of worship, prayers and in the form of ideals and principles that directed man's life in the society. When we speak of Indian ethics, we cannot deny the intimate relationship that prevails between ethics and Hindu or any other religion. Ethics and religion are so closely related and whatever may be the religion, it contains within itself some system of morality for the guidance of its followers. Thus, Indian ethics is the indispensable part of Hindu religion and other religions of Indian origin. Indian ethical ideals and principles are very much found in the Vedas and in other Indian literatures and in other teachings of the Indian religions.

Like religion and art, morality also is an institution of life for anyone to adopt in his life. By this institution of morality one's actions from the moral point of view might be branded as good or bad, right or wrong, praiseworthy or blameful, etc. And again by morality one may be entitled to judge others' action as good or bad, right or wrong. In this sense morality can be regarded as a particular way of looking at issues of character and conduct. It is in this sense of morality, that we talk of human beings as moral agents but not of animals, we also talk of moral concepts, laws and principles, etc for a morally good or morally right life.

Morality means conscious living within the frame of certain principles of conduct laid down by those regarded as authorities. Thus, in general morality as an institution of life consists in the awareness of an important distinction between what is and what ought to be. So men should live not merely in the light of what is but also what ought to be. Specifically speaking morality is the awareness of a living based on a distinction between our animal demands and the demands of the higher faculties of human life, which make the human distinct from the animals.

Since the ancestors of Hindus in India were spiritual in nature they fixed their attention on a life beyond death. They regarded the human soul (inner being) as an eternal entity co-existing with the supreme being. They believed that every human soul goes to the round of births, rebirths and reaps the fruits of actions. When a soul comes to be associated with the gross material body, it is bound to perform certain deeds and in conformity with laws divine, reaps the fruits thereof. The belief is that, if good deeds are performed, happiness results and if evil deeds are performed, misery falls to the lot of the doer. The human soul never dies; it can never remain without doing 'actions' and can never claim exemptions from reaping the fruits of its deeds. It reaps as it sows. Any man ultimately looks for happiness which is the fruit of Karma and so he should necessarily know what is good and what is bad. Every law giver and every thinker of India in ancient period felt, the supreme necessity of framing certain rules of conduct and of presenting the ultimate end to which all the life of a human being is to be directed. In this chapter on Indian ethics we will be dealing with the Hindu ethics, some ethical notions of Buddhism and Jainism.

2.2 Sources of Moral Ideals in India

Any human being in the society is called to live and lead a moral life. To lead a moral life, he needs certain guidelines and principles of morality to do certain deeds and to abstain from certain deeds. What is the primary source of morality in India? The answer could be the authority of the Scriptures especially that of the Vedas, after the Vedas, the authority of the Smritis is accepted. So Vedas (Srutis) and the Smritis (Dharmasastras of Manu) taken together, have been regarded as the source of morality. Of these two (Vedas and Smritis), the Vedas are regarded as superior. In the event of a conflict between the two, the verdict of the Vedas prevails. Besides Srutis, Smritis and practices of good people conscience and reason also play a role in the matters of morality. The inner conscience also is the source and test of morality. This means that even the desire arising out of right will or determination may serve as a source or guide to morality. Right will is to be identified and decided. In recent times, especially; in the thoughts of Gandhi, and Aurobindo, conscience has been accorded a very important place as giving the final verdict regarding questions of morality and immorality.

The very concept of Indian morality is both authority based and social reasoning. Both in Buddhism and Jainism reason has been given a prestigious place. In Jainism right faith is given the first place among the three jewels. One is advised to use his reason in ascertaining the validity and worth of the precepts before following them. In Buddhism too the use of personal reason is neither disallowed nor despised. The four noble truths are to be followed but even then Buddha says wherever there is disagreement, questions can be asked for removing doubts.

In modern Hindu thought, reason is given better place, especially in the ideas of Vivekananda and Gandhi. For them reason is not the source of moral ideas, but yet they believe in the role of reason in the matters of morality. Hence, the primary role is given to Vedas and Smritis as the fundamental source of morality in Indian tradition, but besides them, all the above mentioned sources also played their roles in deciding the question of morality and immorality in Indian tradition.

2.3 Ethics: It's Meaning in Indian Tradition

The Indian term for morality and ethics is 'dharma'. Dharma comes from the root 'dhr', which means to hold together. And, thus, the function of dharma is to hold the human society together for its stability and growth. Right conduct is essential if the human society is to survive. The dharma in Hinduism is coextensive with morality. Dharma in the Vedas refers to the highest truth and power and it is very much understood as the performance of Vedic sacrifices and other rituals in the Vedas and Dharmasastras. So Dharma is understood in Vedas as duty par-excellence. Dharma is also generally understood as the duties of humans according to one's own caste and stage of life (Varnasrama Dharma).

And thus, many Hindu thinkers say if one does his duty; he will achieve either heaven or a better birth in the next life or even prosperity here and now. Thus, the Hindu concept of dharma has been recognised by its very close association with ritualistic and caste-oriented duties. And the purely moral sense of duty is overshadowed. But yet the Hindu thinkers advocate and recommend the practice of moral virtues and moral norms, which make a man as man. These moral virtues are called Sadharana Dharma or universal duties. Hence, the term dharma in Hinduism has two connotations:

- performance of ritual sacrifices and duties according to one's own caste and
- the second is the practice of moral virtues and norms.

So when we speak of dharma as morality, it includes all the duties one ought to perform and all the virtues he ought to practice to attain moksha or liberation.

2.4 Ethics in Vedic Period

When we speak of Indian ethics, its early beginnings have to be traced from the Vedas, particularly the Rig Veda. One of the central ethical concepts of the Rig Veda is 'rta', a conception of unifying order or moral law, pervading all things. The concept 'rta' has given rise to two other important concepts, the concept of Dharma and the concept of Karma. The concept of Dharma has got so different and divergent meanings, but generally it is known as duty. The concept Karma signifies that there is a uniform moral law, governing the actions of man and the rewards and the punishments appropriate to their actions. 'Rta' is the foundation of these two concepts. The more important and essential element in the Vedic ethics is that of love and worship offered to the Gods in complete submission.

Moral order or law is reflected in the right performance of sacrifices and so one who performs these sacrifices and the ceremonial duties laid down in the scriptures, would achieve the goal of eternal happiness in heaven. So the ethics of the Vedic Hindus is primarily a God-oriented ethics.

The highest goal of life for the Upanishads is no longer happiness as in the Rig Veda, but liberation from bondage to the transitory existence and the re-attainment of the inner essence of the soul. The Upanishadic ethics is primarily atmancentric and intellectualistic. The Upanishads declare that the Vedic sacrifices are totally irrelevant for the realisation of moksa. And so man is constantly exhorted to seek his individual liberation and not worry about other social, moral obligation.

This kind of philosophical individualism definitely undermines the values of social morality. For the Upanishads, the identification and the realisation of the self with Brahman is very important. In this metaphysical realm only we can speak of Upanishadic ethics. The oldest Upanishads say that the perfect sage is a saint who burns evil away and he is free from evil. Therefore, it is in the avoidance of evil, we can see the clear moral teaching in the Upanishads. Katha Upanishad declares in 1,2,24 that he who is always impure is born again and again that he fails to reach the highest goal. Good conduct is very much necessary for the attainment of man's metaphysical good (identification of the self with Brahman).

And man who is wise is morally a good man whose nature approximates to the divine model. Thus, the Upanishads are clear in saying that the man who has wisdom does not sin. He ceases to do evil and through his wisdom he annuls the evil of his former life.

2.5 Ethics in Dharmasastras and Itihasas

The institutes of Manu and other Dharmasastras are the main source books of both Hindu ritualism and social morality. The Upanishads emphasised the liberation of the individual, but the Manusmṛti subordinated individuality to social structures. Though individual, one belongs to a family and a sub-caste and he is always taken care by the family in which he is, and so the Hindu social morality is relativistic on several counts. Man's duties are accepted to be relative to time (Yuga) and place (Desa). The duties of a person are also strictly relative to his Varna (class) and the stage of Life (Asrama). Manu has decreed certain virtues as universal. They are, contentment (dhairya), forgiveness (kshama), selfcontrol (dhama), non-stealing (asteya), cleanliness (sauca), coercion of the senses (indriya nigraha), wisdom (dhi), knowledge of the Supreme Atman (vidhya), truthfulness (sathya) and abstention from anger (akrodha) (VI: 91-92). These virtues are common, universal dharma (Sadharana Dharma), which can be called morality. Thus, the Dharmasastras, Epics and the Puranas have their own specific goal but they seem to share more or less a common 'ethos' from the point of ethics.

2.6 Way of Righteousness in the Gita

The realisation of the Supreme Reality through a life of righteous actions is the central well-knit theme of all the eighteen chapters of the Gita. Actions are to be performed with the realisation of Brahmajnana. To attain the Brahmajnana one is advised to make a diligent search through devotion, renunciation and self surrender.

From attachment desire springs, from desire wrath arises, from wrath comes infatuation, from infatuation loss of memory and mind and finally from loss of mind he perishes. Thus, liberation from all kinds of bondages is possible only by the realisation of the Brahman or surrender unto the Lord and vice versa, the realisation of the Brahman is only through the liberation from all kinds of bondages. Actions are to be performed without any attachment to the fruit of the actions. This is one of the means of attaining Brahmajnana. Thus, Gita emphasises both on Karma Yoga and Gnana Yoga for the attainment of the Supreme Bliss, but yet Karma Yoga is superior to Gnana Yoga. Here, Karma Yoga simply means a mode of realising the Brahman through devotional meditation on the name of God, and the practice of one's own duties without any attachment. One will be blessed with Brahmayoga, which will lead him not only to moral success but also to the infinite spiritual joy and peace.

There is another way promoted by the Gita to attain the ultimate realisation in life and liberation from the cycle of births and deaths, which is known as Karma Yoga (Path of activity). The Gita has described this way as the method of disinterested action (NishkamaKarma). To attain moksa one has to be freed from the bondage to one's own actions. Hence, the Gita suggests the golden rule that actions should be done with the spirit of non-attachment to their fruits. Both the epics, itihasas have a bundle of ethical and moral codes and injunctions.

2.7 Ethical Concepts of Hindu Tradition

Importance of Ethics cannot be neglected in Indian traditions. Great epic stories were written highlighting the importance of values in Indian culture. Some of the important issues discussed in those epics are explained as below:

Doctrine of Karma

The doctrine of Karma states that whatever a man suffers or enjoys is the fruit of his own deed, a harvest sprung from his own actions, good or bad committed in his previous life. Karma is of four categories:

- Sanchita Karma, which means the accumulated past actions.
- Prarabdha Karma, which means the part of Sanchita Karma, this results in the present birth itself. This is also called predestination.
- Kriyamana Karma, which means present wilful actions or free will.
- Agami Karma, which means the immediate results caused by our present actions. Karma simply means action. And this Karma must remind us that what is called the consequence of an action is really not a separate thing but it is a part of the action and it cannot be divided from it. The consequence is the part of the action, which belongs to the future but yet the part is done in the present. Whatever a man sows, he shall reap.

Transmigration of soul

The doctrine of Karma and transmigration of soul are so closely bound up together. After the death of the body the life of the individual is continued in another body and so on in indefinite series. According to this theory, the soul though pure and blessed in itself, gets entangled in the Samsara (cycle of birth and rebirth). It is because of the Karma it passes through innumerable births (transmigration) before it regains its original state.

Supreme goals (Purusharthas)

The dominant interest of the Indian thought is in the highest value of human life. There are four values, which give meaning to human life. They are called Purusharthas. They are as following:

- Dharma
- Artha
- Kama
- Moksa

Dharma is usually distinguished into sadharana dharma and varnashrama dharma. Sadharana dharma refers to the duties of the universal scope and validity. There are ten cardinal virtues known as sadharana dharma according to Manu, endurance, patience, self-control, integrity, purity, restraint of senses, wisdom, learning, truth, absence of anger or non-violence. The varnashrama dharma refers to the duties of persons according to the castes and the stages of life. Thus, 'dharma' is considered to be a means value for attaining personality integration in the spiritual level or liberation.

The term 'artha' generally indicates the attainment of riches and worldly prosperity, advantage, profit and wealth. Kama is a comprehensive term, which includes all desires: desires ranging from the cravings of the flesh and the yearnings of the spirit. In Hindu thought there is always a clear emphasis on the enjoyment of secular pleasures along with the emphasis on the realisation of spiritual values. The uniqueness of the concept of kama and enjoyment in the Hindu ethics is that all of them were to be related to the spiritual goal of human existence and so the Indian ethics insisted on a regulated enjoyment. In every school of philosophy in India the first three Purusharthas are treated as the instrumental values, which directly or indirectly promote the Parama Purusharthas - the highest values of human life namely moksa. Moksa is also known as by other names such as mukti, apavarya, kaivalya and nirvana. This liberation is intimately bound up with the Karma samsara, the doctrine of Transmigration.

Svadharmma

By this term we mean each individual has to grow to his best according to his own dharma, that is to say the principle of individual growth is called Svadharmma. Svadharmma is in relation to an individual's temperament and stage and duties in life, based on varna and asrama. It is made in terms of three gunas, the sattva (purity), rajas (virility), and 'tamas' (darkness). These three qualities are found in each individual in varying proportions and thus this varying proportion of qualities is regarded as the basis of different types of actions and of four castes.

The concept of Svadharmma is very much based on these three classifications and it is well promoted by Indian ethical code that if the society is to function smoothly there should certainly be a hierarchical arrangement of functions and duties in it.

Varnadharmma

In Hindu ethics, we find varnasrama dharma as a social stratification, based on above said gunas, profession and birth. Although theoretically it is justified to have such a classification of people in the name of their propensity and quality they possess in terms of their attitude, caste system in Indian ethics remains an issue. It has been very much practiced and all ethical principles and codes are based on it. By way of profession one's caste is determined in some ways, both in theory and in practice. This looks somehow fine and rationally justified. Yet social mobility in the ladder of categories of people is not very much practical and it is not ensured. Even if a person develops sattva guna and becomes a teacher of scriptures, he / she cannot become a 'Brahmin' for the very reason that he was not born a Brahmin. Although theoretically Hindu ethics preaches it, social mobility in such practice remains only an utopia. One's birth, jati determines everything in caste systems. A Sudra is denied of the right of undertaking purificatory rite in the form of investiture of sacred thread (Upanayana), which is supposed to give a man his second birth. He is not allowed to perform Vedic sacrifices or read or listen to the Vedas. Severe punishments were prescribed and carried out, if a Sudra even dared to recite or had a chance to hear the Vedas.

A Brahmin unconditionally deserved the greatest honour and all kinds of gifts. He could not be given any corporeal punishment. He was exempt from the state taxes. The severest punishments were prescribed for the offender of a Brahmin. Hence, Hindu ethics regarding varnadharmma is still a contested and controversial moral and social code.

Stages of life (Ashrama Dharma)

According to Hindu thought, the life was divided into four stages or Ashramas:

- the Brahmacharya (Studenthood), the student who is bound to celibacy
- the Grihastha (the householder)
- the Vanaprastha (the forest dweller) and
- the Sannyasin (the mendicant)

A man should pass through these stages regularly and no man should enter any stage prematurely. A man after having studied the Vedas or two Vedas or even one Veda, in due order, without breaking celibacy must enter into the householder order. And when the householder sees wrinkles in his skin and whiteness in his hair and sees his grand son, only then he must retire to the forest. After having passed the third portion of life in the forests and having abandoned attachments, the man wanders as an ascetic, which is the fourth portion of life. This succession is regarded as so important for the due development of the Jivatma, and the proper ordering of the society.

Hindu rites - Samskaras

Sacrifices form the central theme of the Brahmanical religion and philosophy. The sacrifices not only please Gods but also feed them. Through them the sins are also atoned. The important Vedic sacrifices are the Sruta sacrifices and the Grihya rituals. Besides all these rituals, there are many personal or family sacraments known as Samskaras. These Samskaras are religious acts of purification and they are the ceremonies for sanctifying the body, mind and intellect of the individual, so that the person may become a full-pledged member of the community. For the performance of these sacraments, "samkalpa" or the mental attitude is the most important condition. The most important Samskaras are Garbhadhanam or conception, Pumsavanam: (Ensuring a male offspring), Simanthonnayanam (Parting of the hair), Jata-Karmam (Birth-Ceremony), Namakaranam or naming ceremony, Nishkramanam: taking the child out

of the house so that it may see the sun, Annaprasnam: the first feeding of the child with solid food (rice) in the sixth month, Chudakaranam: the rite of tonsure ceremony, Karnavedham: Piercing of earlobes, Vidhyarambam (beginning of knowledge), Upanayanam (Initiation by a teacher), Samavarthanam, Vivaha (Marriage), Antyesti or Funeral Rights.

2.8 Ethics in Buddhism

The Buddha thought ten meritorious deeds for us to perform in order to gain a happy and peaceful life as well as to develop knowledge and understanding. The ten meritorious deeds are:

- Charity
- Morality
- Mental Culture
- Reverence or respect
- Service in helping others
- Sharing merits with others
- Rejoicing in the merits of others
- Preaching and teaching the Dhamma
- Listening to Dhamma
- Straightening one's views

Moral conduct benefits all beings with whom one comes into contact. Mental culture brings peace to others and inspires them to practice Dhamma. Reverence gives rise to harmony in society. Service improves the lives of others. Sharing merits with others shows that one is concerned about others' welfare. Rejoicing in other's merits encourages others to perform more merits. Teaching, listening to the Dhamma is important factor for happiness for both the teacher and the listener. Straightening one's views enables a person to show to others the beauty of Dhamma.

There are ten demeritorious deeds from which the Buddhist are advised to keep away. These deeds are rooted in greed, hatred, and delusion and they will bring suffering to others. These ten deeds are divided into three sets:

- Actions of the body
- Verbal actions
- Actions of the mind

Four verbal actions are: lying, slander, harsh speech, and meaningless talk. . The other three actions of the mind are: covetousness or being desirous especially of things belonging to others, ill-will, wrong views. Buddhist morality judges an action good or bad basing on the intention or motivation from which it originates. If a person performs an action out of greed, hatred, delusion, his action is considered to be bad. On the other hand, if he performs an action out of love, charity and wisdom, his action is good. Love, charity and wisdom are known as the "the three good roots." Here the word 'root' refers to the intention from which that action originates.

In Buddhism a person's first duty is to cleanse him of the mental defilements of greed, hatred and ignorance. The reason for doing this cleansing is not because of fear or desire to please some divine beings. If this is so, that would mean that the person is still lacking in wisdom. He is only acting out of fear like the little child who is afraid of being punished for being naughty. A Buddhist should act out of understanding and wisdom. He performs good actions because he realises that by so doing he develops his moral strength, which provides foundation for spiritual growth, leading to liberation.

Five precepts

Telling about ten meritorious and ten evil actions, the Buddhism invites the lay Buddhists to adopt five precepts voluntarily to follow in order to live together in civilised communities with mutual trust and respect. Following these five precepts helps the lay Buddhist to make a spiritual journey towards liberation. These five precepts are purely voluntary ones. A good Buddhist should remind himself to follow the five precepts daily they are as follows, to take the training rule to refrain from killing living creatures, taking which is not given, sexual misconduct, false speech, and taking intoxicating drugs and liquor. The precepts are the basic practice in Buddhism. They are also an indispensable basis for people who wish to cultivate their minds. Without some basic moral code, the power of meditation can often be applied for some wrong and selfish motive. These five refrains is called as Pancasila.

Kindness and charity

The Lord Buddha proposes Universal Love or “Metta”. By this, Lord Buddha invites one to cultivate a boundless heart towards all beings. Speaking about charity Buddha says that the essence of true charity is to give something without expecting anything in return for the gift. A charitable person should not make other people feel indebted to him or use charity as a way of exercising control over them. He should not even expect others to be grateful. The act of true charity leaves both the giver and the recipient free. A real charity must proceed from the whole person as an act of his body, heart and mind. It should not be an act of generosity but it should be a “Dana” when a person performs “Dana”, he gives as a means of cultivating charity as a virtue. It reduces one’s craving and his selfishness.

Love for animals

The Buddhists are encouraged to extend love for all living beings without restricting only to human beings. Since every living being has a right to exist so it is not right for us to take away the life of any living being. It is unfair for us to deprive their living rights. If we believe that animals were created by someone for men, it would follow that men were also created for animals since some animals do eat human flesh. Buddhism says the destruction of any creature represents a disturbance of the universal order. Man’s cruelty towards animals is another expression of his uncontrolled greed. Our own existence on this earth may not be guaranteed if we do not take strict measures for the survival of other creatures.

2.9 Jain Ethics

Like Buddhism, Jainism also rejects Vedic ceremonialism and sacrificialism and also it takes ahimsa to be the most important ethical virtue and consequently denounces the Vedic sacrifices. In the observance of ahimsa, Jainism rather surpasses even Buddhism. In the observance of ascetic rituals also, Jainism goes further than Buddhism especially in the case of monks. The pancamahavrtas and triratnas form the ethics of Jaina tradition. Right knowledge, right faith and right conduct are known as Triratnas – or the three gems of Jainism. Right knowledge is the detailed cognition of the real nature of ego and non-ego, which is free from doubt, error uncertainty, etc. It can be obtained only by studying carefully the teachings of the omniscient Tirthankaras or teachers who have already obtained liberation and therefore are fit to lead others out of bondage. Then that preliminary faith should be supported by right knowledge again for having right faith based on general acquaintance (samyag- darsana) in support of right knowledge. Right faith does not imply that one must blindly follow the Tirthankaras. But one must have the right attitude of respect towards truth.

Further by studying the teachings of the Tirthankaras one can strengthen his belief. But these two are rendered useless unless they are followed by rigorous practice. Right conduct is the third indispensable (samyag-caritra) condition of liberation. It is this that enables one to stop the influx of new karmas and also to eradicate old ones. It consists in the control of passions, senses, thought, speech, etc. Right conduct is therefore described as refraining from what is harmful and doing what is good. Right conduct enables man to liberate himself from bondage. The Jaina prescription for right conduct: One must follow the five great vows namely the panca-maha-vrata for the perfection of right conduct. They are as follows:

Ahimsa, Sathyam, Asteyam, Brahamacaryam and Aparigraha

- Ahimsa denotes abstinence from all injuries to life either trasa or sthavara.
- Sathyam is abstinence from falsehood. It is speaking what is true, good and pleasant.
- Asteyam refers to abstinence from stealing.
- Brahmacharyam pertains to abstinence from sensual and casual pleasures. One must refrain himself from karma of any form altogether either in speech talk or action.
- Aparigraha: By this what is meant here is that abstinence from all kinds of attachments. It lies in giving up attachment for the objects of five senses.

Summary

- Ethics as a speculative science is based on the foundations of the moral behaviour of man, but a substantial portion of the moral codes are based on religious beliefs, social customs and traditions.
- Morality means conscious living within the frame of certain principles of conduct laid down by those regarded as authorities.
- Morality is the awareness of a living based on a distinction between our animal demands and the demands of the higher faculties of human life, which make the human distinct from the animals.
- The very concept of Indian morality is both authority based and social reasoning.
- The Indian term for morality and ethics is 'dharma'.
- Dharma in the Vedas refers to the highest truth and power and it is very much understood as the performance of Vedic sacrifices and other rituals in the Vedas and Dharmasastras.
- The term dharma in Hinduism has two connotations performance of ritual sacrifices and duties according to one's own caste and the second is the practice of moral virtues and norms.
- The more important and essential element in the Vedic ethics is that of love and worship offered to the gods in complete submission.
- The Upanishads declare that the Vedic sacrifices are totally irrelevant for the realisation of moksa.
- The Upanishads emphasised the liberation of the individual, but the Manusmṛti subordinated individuality to social structures.
- Gita emphasises both on Karma Yoga and Gnana Yoga for the attainment of the Supreme Bliss, but yet Karma Yoga is superior to Gnana Yoga.
- Karma Yoga simply means a mode of realising the Brahman through devotional meditation on the name of God, and the practice of one's own duties without any attachment.
- The doctrine of Karma states that whatever a man suffers or enjoys is the fruit of his own deed, a harvest sprung from his own actions, good or bad committed in his previous life.
- The dominant interest of the Indian thought is in the highest value of human life.
- The varnasrama dharma refers to the duties of persons according to the castes and the stages of life.
- The term 'artha' generally indicates the attainment of riches and worldly prosperity, advantage, profit and wealth.
- Moksa is also known as by other names such as mukti, apavarya, kaivalya and nirvana.
- Service improves the lives of others.
- The act of true charity leaves both the giver and the recipient free.
- Right conduct enables man to liberate himself from bondage.
- Hindu religio-culture is very composite, so we need to choose those aspects of Hindu-religio culture, which are most in harmony with our modern values.

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Self Assessment

1. _____ as a speculative science is based on the foundations of the moral behaviour of man.
 - a. Dharamasastras
 - b. Belief
 - c. Religion
 - d. Ethics

2. Indian ethical ideals and principles are very much found in the _____.
 - a. morality
 - b. culture
 - c. Vedas
 - d. Hindus

3. Like religion and art, _____ also is an institution of life for anyone to adopt in his life.
 - a. morality
 - b. vedas
 - c. spiritual agent
 - d. soul

4. _____ means conscious living within the frame of certain principles of conduct laid down by those regarded as authorities.
 - a. Ancestors
 - b. Karma
 - c. Morality
 - d. Ethics

5. The very concept of Indian morality is both authority based and _____ reasoning.
 - a. Buddhism
 - b. social
 - c. modern
 - d. smrtis

6. _____ in the Vedas refers to the highest truth and power and it is very much understood as the performance of Vedic sacrifices and other rituals in the Vedas and Dharamasastras.
 - a. Karmas
 - b. Ethics
 - c. Spirituality
 - d. Dharma

7. What is considered as duty par excellence in Vedas?
 - a. Karmas
 - b. Ethics
 - c. Dharma
 - d. Liberation

8. The Upanishads declare that the Vedic sacrifices are totally irrelevant for the realisation of _____.
- itihahas
 - sastras
 - moksa
 - ritualism
9. The doctrine of _____ states that whatever a man suffers or enjoys is the fruit of his own deed, a harvest sprung from his own actions, good or bad committed in his previous life.
- dharma
 - Gita
 - yoga
 - epics
10. Which of the following is not a purusharthas?
- Dharma
 - Karma
 - Moksa
 - Yoga

Chapter III

Work Ethos and Management

Aim

The aim of this chapter is to:

- define the term work management
- elucidate the term ethical behaviour
- explain the moral values

Objectives

The objectives of this chapter are to:

- explain the poor work ethos
- explicate the dimension of the work ethos
- elucidate the improving work culture

Learning outcome

At the end of this chapter, you will be able to:

- understand the model of management
- identify the features of Indian ethos
- recognise the principles of Indian Management

3.1 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.

3.2 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:

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.

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 ethical.. 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.

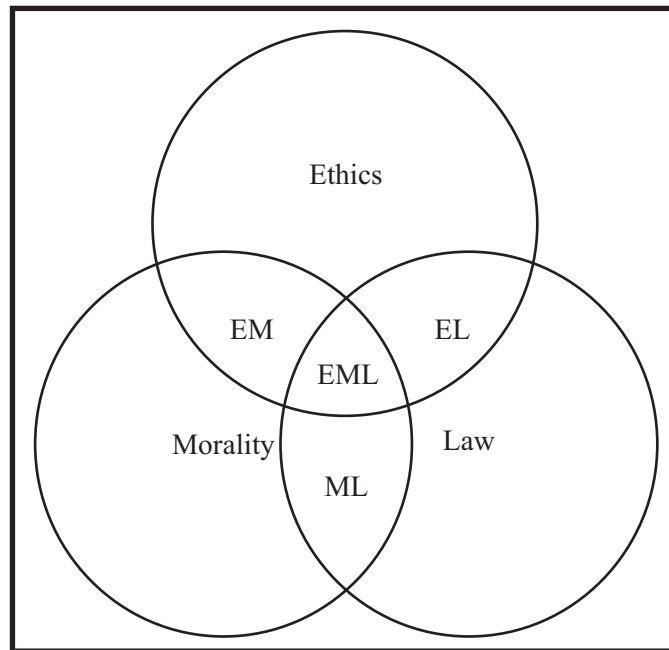


Fig. 3.1 Relationship between ethos morality and law

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.

3.2.1 Work Ethos at Different Levels of Management

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

At the basic level

Work ethos at the basic level entails:

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

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:

- **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.
- **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.

- **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.
- **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, subordinates and superiors and treat them well.
- **Protecting the interest of organisation:** Employees should strive to protect the interests of the organisation and never compromise on this aspect.

3.2.2 Reasons for Poor Work Ethos/Culture

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

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.

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.

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.

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.

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.

3.2.3 Dimension of the Work Ethos

Following are the other dimensions of work ethics:

Protecting the interest of the organisation

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.

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.

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.

3.2.4 Steps for Improving Work Culture

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

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

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

Understanding Indian socio- political environment is essential to develop the work ethos.

3.3.1 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.

3.3.2 Salient Features of Indian Socio-Political Environment

The following are some features of Indian Socio-political Environment:

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.

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.

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.

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.

3.3.3 Features of Indian Ethos

The following are the essential features of Indian ethos and insight:

- Indian ethos focuses on the existence of human being as a truth. There is nothing more perfect than the supreme soul.
- Indian ethos focuses on the following principle: 'If you are good, the whole world is good'.
- Indian ethos is principally derived from the Upanishads, Bhagwad Gita and Puranas.

- 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.
- Indian ethos places greater emphasis on values and ethics. Money is not power; knowledge, good health and sound character impart the real power.
- Indian ethos places emphasis on inner resources. Inner resources are much more powerful than outer resources.
- 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:
 - All work is an opportunity for doing good deeds in the world, thus, gaining materially and spiritually in our work.
 - One who delivers his duties with a calm and composed mind achieves the most.
 - As we think, so we succeed, so we become.
 - Strength and cooperation for excelling in work are bestowed by the divine.
 - All beings will enjoy the highest good by mutual cooperation and respect.

3.4 Constituents of 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:

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

3.5 Principles of Indian Management

The principles of Indian management are as follows:

- To exercise one's complete potential, energy and skill to achieve perfection, as human beings are capable of great endeavours.
- 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.
- 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.
- Following the path of Karma Yoga (selfless work) offers manifold benefits- private benefits in the form of self-purification and public benefits.
- Adhering to Yogah Karmasu Kaushalam - Achieving excellence at work through self motivation and self-development with dedication but, more importantly, without attachment.
- 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:
 - 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.
 - Humanising the organisation: Managing the three aspects of human 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.
 - 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.
 - 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.
 - 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.
 - 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.
 - 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.
 - 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.

3.6 Indian Model of Management and Management Practices

There are two important principles of Indian Model of Management:

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.

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

- **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.
- **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.
- **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.
- **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 other hand, is the obligation of the individual to carry out his duties as per the standards of performance.
- **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.
- **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.
- **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.
- **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.

3.7 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

3.7.1 Need of Indian Ethos for Business

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

- 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.
- 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.
- 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.
- Man versus machine: Indian wisdom indicates that productivity of human being is more important than the capacity of a machine or plant.
- 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 realise 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 emphasises on concepts like sacrificing individual desires in favour of social benefits and preferring long-term benefits over short term gains.

3.7.2 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 civilisation 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.

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. 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.

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.

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.

Production and consumption have undergone complete transformation over the years. The modern trend advises us to move towards more 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:

- **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.
- **The role of great economists:** In the Indian context, the role played by great economists in terms 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.
- **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.
- **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.

3.8 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

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.

- **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.
- **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.
- **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.

Bricks

Once the strong foundation of trust, ethics and integrity is laid, bricks are placed to reach the roof of recognition. This factor includes:

- **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.
- **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 reoccur. 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.
- **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 inspire 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.

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 is 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.

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 includes:

- **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 recognised 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.

- **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.
- **Quality:** Quality is the integration of quality in production, quality in services, and quality in management process.
- **Management:** Management is an art of accomplishing actions through others.

TQM is a continuous improvement approach and it is founded on the principle 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.

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.

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 realise 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.

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

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.

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.
- Ethics and ethical behaviour are the essential elements of healthy 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.
- At the top level, work ethos involves delivering as per commitment, being accountable for errors, feeling responsible for the task assigned to an individual.
- Moral standards provide a benchmark for judging the moral value of a decision.
- Human values refer to spiritual, ethical and moral values while Holism means oneness or unity. Indian model of management is a spiritualistic model.
- Management in the Indian social environment defines a standard of living and maximising quality of life.
- Indian ethos places greater emphasis on values and ethics.
- According to Indian ethos, total quality management can be assured through excellence at work through self-motivation and self-development.
- Dynamic meditation is meditation to transform lower consciousness into higher consciousness and hence is called transforming meditation.
- Intuition is the act of coming to direct knowledge or certainty without reasoning or inferring.
- Human values comprise of spiritual, ethical and moral values.
- Holism refers to the concept of oneness or unity.
- Planning means developing predetermined ideas or strategies for the future and makes policies and guidelines to achieve the organisational (short and long-term) goals.
- Responsibility is an obligation of subordinate to carry out his duties in best of his ability as per the directions of superior.
- All round development entails productivity, marketing and profitability, which can be enhanced by implementing Indian ethos and styles in business practises.
- Indian wisdom indicates that productivity of human being is more important than the capacity of a machine or plant.
- A dynamic meditation is a process of transforming lower consciousness into higher consciousness.
- Indian heritage emphasises that the essence of civilisation lies not in multiplication of wants but in the purification of human character.
- 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.
- 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.

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Self Assessment

1. Which of the following is not included in management process?
 - a. Optimum utilisation of resources
 - b. Realisation of organisational goals
 - c. Capable drastic corporate structure
 - d. Value addition to world

2. _____ ameliorates the public image of the company and adds to the overall development of ethical behaviour in the society.
 - a. Efficiency
 - b. Opportunities
 - c. Morals
 - d. Ethics

3. _____ refers to certain norms of behaviour governing the conduct of workers involved in work situations to achieve certain desired objectives.
 - a. Ethic
 - b. Work
 - c. Business
 - d. Work Culture

4. What does work ethos entails on top level?
 - a. Being accountable for errors
 - b. Discipline
 - c. Consistent maintenance of punctuality
 - d. No personal work

5. Which of the following is not a dimension of work ethics?
 - a. Protecting the interest in organisation
 - b. Work ethics through appropriate system
 - c. Work ethics in terms of proper communication
 - d. Work ethics in terms of lack of discipline

6. Which of the following is not a feature of Indian socio- political environment?
 - a. Focus towards business policy
 - b. Focus on accuracy
 - c. Focus on lifestyle
 - d. Simple living high thinking

7. _____ is the act of coming to direct knowledge or certainty without reasoning or inferring.
 - a. Motivation
 - b. Meditation
 - c. Intuition
 - d. Spiritualism

8. Which of the following refers to the concept of oneness or unity?
- Holism
 - Value
 - Management
 - Recruitment
9. Which of the following is an Indian management practice?
- Planning
 - Training
 - Assignment of duties
 - Human values
10. _____ is the discipline concerned with the element of good and bad involved in any situation.
- Foundation
 - Integrity
 - TQM
 - Ethics

Chapter IV

Human Behaviour and Action

Aim

The aim of this chapter is to:

- define the theory of karmas
- elucidate the elements of human acts
- explain the kinds of karmas according to Hindu scriptures

Objectives

The objectives of this chapter are to:

- explain the karmas according to Buddha scriptures
- explicate the classification of karma
- elucidate the classification of karmas according to the priority of effect

Learning outcome

At the end of this chapter, you will be able to:

- understand the human acts
- identify the time effective classification of karmas
- recognise the karma yoga

4.1 Introduction

Humans are said to be evaluative in nature. Whenever a person does something we find others analysing his/her behaviour and commenting that it was good, bad or at times indifferent. Ethics is said to be a philosophical treatise which studies human behaviour and tries to determine whether the act performed was morally right or wrong. It cannot content itself with simply registering facts; it attempts to reflect on the meaningfulness or meaninglessness of such facts, establish or reject them on a rational basis, understand their implications, draw relevant consequences and, above all, intuit their ultimate cause. There is a continuous effort made for studying our own moral beliefs and our moral conduct and striving to ensure that we, and the institutions we help to shape, live up to standards that are reasonable and morally based. This contributes towards establishing sound moral foundation on which people build their lives. Hence, one can reasonably aware that ethics represents a broad framework for determining a core value system one uses for our day to day existential situation.

The above discussion raises an essential question: How we judge certain actions as good or right whereas others are regarded as bad or wrong? Any attempt to provide an adequate answer to this query brings us to the analysis of a basic question: What is human action?

4.2 Understanding of Human Act

Scholastic philosophy outlines a distinction between Actus Hominis and Actus Humanus i.e., 'Acts of Man/Human' and 'Human Acts' respectively. Not every act that a human being does is a typically human act. Human activities, like the circulation of blood, heart beat, over which normal people in general have no control are not classified as human acts. Such acts which are beyond the control of humans and those which they share in common with animals are called as 'Acts of humans'. Acts of humans, then, are involuntary and therefore, not morally responsible for them.

On the other hand a 'Human Act' is one which proceeds from knowledge and from consent of free will. Or in other words it is an act which emanates from the will with knowledge of the end or goal to which the act leads. The Human Act is to be distinguished from Acts of Humans which are performed without intervention of intellect and free will. An act is termed as distinctively a human act which is voluntary in character, that is, the human person under consideration could have done it differently if s/he had so willed or chosen. It is an act which is in some way under the control or direction of the will, which is proper to humans. Such an act is performed by a person deliberately and intentionally in order to realise some foreseen end/s. Thus, one can rightly assert that a voluntary act proceeds from the will with the apprehension of the end sought, or, in other words, is put forth by the will solicited by the goodness of the object as presented to it by the intellect. Such acts, moreover, proceed from the will's own determination, without necessitation, intrinsic or extrinsic.

4.2.1 The Constituent Elements of Human Acts

Constituent elements of the human act refer to the inner causes or the constituting elements which generate a human person to undertake a certain act. The understanding of the Human Act indicates that there are two essential elements which constitute a human act: The Intellectual Element and The Volitive Element.

The Intellectual Element

Knowledge is one of the important qualities which distinguish humans from other sentient beings. Absolute truth in all situations and matters might be beyond human capabilities. But we humans can attain truth and that not all truths are relative are undeniable facts, as epistemology will be established. The denial of such assertions only results in re-asserting them, by the very act itself. Universal scepticism and absolute relativism are found to be self contradictory and as such are philosophically untenable doctrines.

The faculty of willing can make a choice for something and seek it only when it is first known. This act of knowing is undertaken by the faculty of the intellect. The human act is voluntary when its different elements and its implications are sufficiently known by the agent or the doer prior to the operation of the will. This process of knowing entails certain important conditions:

- adequate knowledge of the aspired object
- attention to the action by which the particular object is to be pursued and
- judgement on the value of the act

The fulfillment of the above elements is found to be essential as human person cannot consciously and freely will something without having proper knowledge about what the object one is concerned with and therefore conscious of the act one is to perform in order to achieve the desired aim. It is also required that one evaluates the action undertaken in its concrete nature as a desirable good or an undesirable evil. Such an appraisal includes judgement on the moral or ethical value of the act.

Furthermore, the goodness or the badness of a particular human act is judged only under those of its aspects which are sufficiently known. For instance a person who robs and kills a person not knowing him to be his brother, he is guilty of criminal injury but not culpable of offence of fratricide.

However, from the above discussion one should not presuppose that we have full knowledge of the act and its implications every time we undertake a human act. There is still room left for mistakes. What we affirm here is that with right effort the person can have sufficient knowledge of the object and its other considerations which are essential for the making of a human act.

The Volitive Element

Another important characteristic, which sets apart the human person from animals, is that of voluntariness or what we commonly designate as free will. It is the task of the intellect to conceptualise the good, to propose it to the will as something desirable, and to judge the suitability of the means in its attainment. This awareness which is based on certain amount of reflection is very important in the analysis of the human act. It can occur in varying degrees depending on which, they can affect the morality of the act. However, just this awareness is insufficient for the production of the human act. It is required that the presented good is willed freely by the person. The volitive dimension points out that the will can freely make a choice of the concrete object in which the good is sought. Thus, when we hold a person morally responsible for his/her action, we assume that the act was done freely, knowing and willingly. The idea of responsibility would seem then to connote and presuppose that of free will.

If a human person for some valid reason is not free to choose what he/she would like according to his/her insight and will, but has to act against one's will, his/her action is not free and consequently such an act cannot be designated as a Human Act. For instance a mentally disturbed person feels compelled to do something again and again but he/she is conscious of the object one is concerned with and also the end of the action with which the object is pursued, yet such an act will not be voluntary because its execution is done with psychic compulsion and not with free will. So an act to be a free act and consequently a human act, it is to be done without any internal or external compulsion. The degree of compulsion determines to a large extent the voluntariness of the action and consequently the culpability of the person. For instance, a high degree of compulsion may almost render the act involuntary and subsequently reduce the degree of culpability.

One must note that anything that is an object of the will, we call the thing willed. But not everything that is willed is necessarily an effect of the will; for example, the setting of a house on fire which is not caused, but desired by someone, is something willed but is not the effect of the will. Thus, when what is willed is both the object and the effect of the will, we call it voluntary.

4.3 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.

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.

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:

- 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.
- Prarabdha fruit-bearing Karma is the portion of accumulated Karma that has “ripened” and appears as a particular problem in the present life.
- Kriyamana is everything that we produce in current life. All Kriyamana karmas flow into 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.

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 foetus. 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 cannot 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.”

4.3.1 Classification of Karma

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

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 because the Karmic force which propels the life-fox 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-Bhavavattu Dasakas). (Decad = 10 factors). 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)

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).

Vitality (Jivitindriya) and Body (Kaya)

These (Avinibhoga 8 + Jivitindriya 1 + Kaya 1 = 10) ten are collectively called “Bodydecad” = (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.

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.

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., 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.

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.

4.3.2 Classification of Karma on the Basis of Priority of Effect

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

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.

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 unfavourable 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.

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 Dutthagamani 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.

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.

4.3.3 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 (Aparapariyedaniya) Karma
- Defunct or Ineffective (Ahosi) Karma

Immediately Effective Karma is that which is experienced in 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.

4.3.4 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.

4.4 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 consciousness'. 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.

A practitioner of NK should possess three important skills:

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

Summary

- Ethics represents a broad framework for determining a core value system one uses for our day to day existential situation.
- Human Act is one which proceeds from knowledge and from consent of free will.
- Constituent elements of the human act refer to the inner causes or the constituting elements which generate a human person to undertake a certain act.
- The degree of compulsion determines to a large extent the voluntariness of the action and consequently the culpability of the person.
- Karma means “deed” or “act” and more broadly names the universal principle of cause and effect, action and reaction that governs all life.
- Karma is not punishment or retribution but simply an extended expression or consequence of natural acts.
- 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.
- Sanchita is the accumulated Karma.
- 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.
- 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 Karma, as, for instance, to a beast of burden.
- 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.
- 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.
- Karma Yoga is a good pathway for self-purification and self-development, individual as well as collective growth and welfare.

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Self Assessment

1. Constituent elements of the _____ refer to the inner causes or the constituting elements which generate a human person to undertake a certain act.
 - a. voluntary act
 - b. human act
 - c. intellectual element
 - d. volitive element

2. _____ is the task of the intellect to conceptualise the good, to propose it to the will as something desirable, and to judge the suitability of the means in its attainment.
 - a. Criminal injury
 - b. Intellectual injury
 - c. Intellectual element
 - d. Volitive element

3. The degree of _____ determines to a large extent the voluntariness of the action and consequently the culpability of the person.
 - a. culpability
 - b. internal culpability
 - c. compulsion
 - d. Hinduism

4. Which of the following is considered as a spiritually originated law?
 - a. Hinduism
 - b. Human values
 - c. Human acts
 - d. Karmas

5. _____ means “deed” or “act” and more broadly names the universal principle of cause and effect, action and reaction that governs all life.
 - a. Karmas
 - b. Bhagavad Gita
 - c. Mahabharata
 - d. Vedanta

6. _____ is the law of moral causation.
 - a. Ethics
 - b. Prodigy
 - c. Karma
 - d. Inequality

7. _____ explains the cause of disparity among human beings in accordance with the law of cause and effect.
 - a. Hinduism
 - b. Buddha
 - c. Karmic tendencies
 - d. Disparity

8. Which of the following is not one of the kinds of karmas?
- Destructive Karma
 - Supportive karma
 - Birth Karmas
 - Reproductive karma
9. _____ is that Karma, which habitually performs and collects and for which one has a great liking.
- Proximate Karma
 - Weighty Karma
 - Habitual Karma
 - Reserve Karma
10. _____ means union between 'Individual consciousness' and 'supreme consciousness'.
- Yoga
 - Karmas
 - Actions
 - Arahantas

Chapter V

Leadership and Motivation Model

Aim

The aim of this chapter is to:

- define the term motivation
- elucidate the term leadership
- explain the theory of leadership

Objectives

The objectives of this chapter are to:

- explain the Maslow's Hierarchy of Needs
- explicate the Alderfer's ERG Theory
- elucidate the McClelland's Theory of Needs

Learning outcome

At the end of this chapter, you will be able to:

- understand the motivational goals
- identify the leadership techniques
- recognise the House's Path-Goal Theory

5.1 Introduction

There are at least two major influences that affect how individuals perform in their environment. These influences include:

- the type of leadership that exists, and
- personal motivation.

While neither is scientific in nature, there is significant research that identifies some theories and general conclusions about why people perform, how they perform, and why some people display different behaviours that puts them in positions of leadership. In addition to addressing leadership and motivation as theories rather than as scientific fact, there are other issues about personal behaviour that must be considered. The most basic concepts are that every person is:

- like every other person
- like some other people and
- like no other person

A further explanation may help clarify this statement. Every person is like every other person in that we have a need for food, water, shelter, etc. We are like some other people in that we have similar personality traits, which cause us to be more dominant and aggressive, while others may be more passive and submissive. Finally, we are unique in that no other person has the same genetic make-up, past experiences, or view of the world. It is these differences that suggest an analysis of leadership and motivation can result in general conclusions about behaviour and performance.

Human behaviour is as much a reflection of the differences between individuals as it is a reflection of their similarities. These individual differences are caused by a number of influences and characteristics. For example, personality traits focus on individual differences that make each person a unique human being. Our biological make-up concentrates on how we function as a result of our evolution and human inheritance. Our behaviour is largely influenced by the system of rewards and punishments that are present in our environment. Our cognitive approach focuses on how our thinking and memory affects our behaviour. The fact that we are here at this time with immediate influences, and the ability to express a free will, may present the greatest influence of all.

Any theories about leadership and motivation can be contradicted since these theories have many exceptions. It is important that these theories are considered general statements that have been confirmed through observational studies and are applicable only to the extent that they reflect and are influenced by individual behaviour. We might ask: "Why should we even pursue these topics if there are so many inconsistencies, exceptions, and variables that affect conclusions?". If we are searching for scientific evidence that is universally applicable, we may be wasting our time, but if our goal is to better understand human behaviour and its impacts on personal performance, the insights gained from such theories and studies are invaluable.

Systems formerly made up of rules, regulations, and procedures are being replaced by requirements for flexibility and customer service resulting in personal initiative, empowerment, and greater levels of individual decision-making. To achieve this, it is important to better understand human behaviour and some of the things that impact our actions and reactions.

5.2 Motivation

Motivation can be defined as the extent to which persistent effort is directed toward a goal.

- **Effort:** The first aspect of motivation refers to the amount of effort being applied to the job. This effort must be defined in relation to its appropriateness to the objectives being pursued. One may, for example, apply tremendous effort to inappropriate tasks that do not contribute to the achievement of the stated goals.
- **Persistence:** The second characteristic relates to the willingness of the individual to stay with a task until it is complete. For example, an important task that gets accomplished with effort but allows the person to rest on their laurels for an extended period does not display persistence.

- **Direction:** Is the effort directed towards the organisation's goals or related to the individual's self-interest? Direction is therefore measured in terms of how persistent effort is applied in relation to the goals being pursued.
- **Goals:** There are two different kinds of goals being pursued simultaneously. They are individual goals and organisational goals which may produce quite different results if they are not compatible.

Next we should distinguish between motivation and performance. While there may be little doubt about the motivation of the individual in terms of effort, persistence, and direction, there may be a lot of questions about the individual's performance as it relates to the organisational goals. The worker may be really busy and factors such as skill levels, task understanding, and aptitude may negatively impact performance. On the other hand, self-interest may create its own motivation not related to the organisational goals.

People may be motivated by factors in the external environment such as pay, supervision, benefits, and job perks. This is referred to as extrinsic motivation. They may also be motivated by the relationship between the worker and the task. This type of motivation is called intrinsic motivation. These factors often exist simultaneously, but we will distinguish between them as they relate to specific levels of motivation. We will explore three theories of motivation that are based on human needs. In assessing these theories, we will try and identify what motivates people.

5.2.1 Maslow's Hierarchy of Needs

Abraham Maslow developed a theory that humans have five sets of needs that are arranged in a hierarchy. He contends that people start by trying to satisfy their most basic or compelling needs and progress toward the most fulfilling. These needs are as follows:

- **Physiological needs:** These include the need for food, water, shelter, clothing and money. Until an individual has access to these necessities, there can be no further progress. These needs are very basic, and for the most part, society and our social network have ensured that they are present. Intrinsic values include personal comfort and satisfaction, while the extrinsic values are most often provided by the organisation, the community, or society.
- **Safety needs:** These include security, stability, and a structured environment. Here, the individual expects and pursues job security, a comfortable work environment, pension and insurance plans, and freedom to organise in order to ensure continuation of these benefits. Individual's main objective is to ensure that benefits are protected or employment needs are being met rather than contributing to long-term organisational goals. Again, we see a dependence on the external environment to provide these supports. Personal motivation may include the peace of mind that can be provided as a result of these needs being secured.
- **Relationship needs:** Relationship needs include socialisation, affection, love companionship, and friendship. The individual at this level participates for personal or intrinsic rewards. Since no person can live for extended periods without interaction with other people, the individual may be drawn to participate simply to fulfil this need. Organisations that provide these opportunities include social clubs, singles clubs, seniors clubs and service clubs, depending on the level of personal need. The organisation can assist by ensuring that the opportunity for social and relationship expectations are created and met.
- **Esteem needs:** These include feelings of adequacy, competence, independence, confidence, appreciation, and recognition by others. Again, the individual is driven more by internal or intrinsic needs. The external environment is needed more to provide recognition than to provide material rewards. At this point, the intrinsic value is more important than that which can be provided by outside influences. The ego seems to take over here and the need is to ensure that it is satisfied.
- **Self-actualisation:** This area is the most difficult to define and therefore, may be the most difficult to explain. Why does the successful business person need to pursue further wealth when they have already accumulated more than they will ever need? The answer may lie in the fact that motivation is more internal and therefore, even more individualistic. Different people have different ideas about what they need to achieve in order to obtain true happiness. For the wealthy person, money may no longer be the motivator, it may now be a need to exercise power or the adventure and adrenaline rush created as a result of playing "high stakes games". This becomes the intrinsic motivation. People who pursue self-actualisation are more accepting of reality, themselves, and others. Organisational requirements may include the opportunity for creativity and growth. Frequently, individuals aspiring to this level often operate outside existing organisations and instead build their own structures to suit their individual needs.

In discussing this theory, it appears that the further up the scale an individual moves, the more the rewards or motivators move from the external environment to an internal need. It also becomes more difficult to influence motivation, since material rewards become less relevant and internal rewards become more difficult to identify and address. In order to enhance organisational performance, it is important that the organisation recognise the individual need and provide opportunities for satisfaction.

5.2.2 Alderfer's ERG Theory

Clayton Alderfer developed another needs-based theory that supports in many ways; the theory developed by Maslow, but consists of three rather than five basic needs. Alderfer also sees his three levels which includes existence, relatedness, and growth (ERG) needs as being hierarchical, and thus, influenced by personal growth and extrinsic and intrinsic rewards.

- Existence needs: These include needs that are satisfied by material substances or conditions. They correspond closely to the physiological needs identified by Maslow and those safety needs that can be satisfied by material rather than interpersonal rewards or conditions. They include the need for food, shelter, pay, and safe working conditions.
- Relatedness needs: These are needs that may be satisfied by communication, or exchange and interaction with other individuals. There is a dependence on feedback from other organisational or community members to fulfil these needs. Thus, the motivation is provided by a combination of intrinsic and extrinsic rewards. These rewards include accurate and honest feedback, which may involve direction and advice rather than unconditional pleasantness or agreement.
- Growth needs: These are needs that are fulfilled by strong personal involvement that fully utilises our skills, abilities, and creativity. They include Maslow's self-actualisation as well as esteem needs that rely on intrinsic rewards.

Both theories are also similar because they are hierarchical, and individuals will concentrate on the achievement of the lowest level of need that is not fully satisfied. Maslow contends that the lowest level of need must be satisfied before an individual can proceed to the next higher level.

Maslow believes that once a need is met, it is no longer motivational. Alderfer theorises that while an individual may have met a higher-level need in one's personal life, for example, they may still be operating much lower on the scale where skills, aptitude, and knowledge may affect performance and confidence.

5.2.3 McClelland's Theory of Needs

Psychologist David McClelland contends that we develop a relatively stable personality early in life that, once acquired, remains unchanged. McClelland, therefore, does not see motivation as hierarchical. He does not address the issue of growth, but has been more concerned with the behavioural consequences of need. The three areas of need he has identified include the need for achievement, the need for affiliation, and the need for power.

- Need for achievement: Individuals in this category have a strong desire to perform challenging tasks well. They have a preference for situations where personal responsibility can be taken for successful outcomes. The goals they set provide for moderate and calculated risk, and the individual seeks performance feedback to allow for modification and to ensure success.
- Need for affiliation: People in this category display a need to establish and maintain friendly, compatible relationships. They have a need to like other people and want others to like them. They have an ability to create social networks that will result in meeting these needs.
- Need for power: People in this category have a strong need to have influence over others. They wish to make a significant impact and impression on those with whom they come in contact. This need for power corresponds in many ways to Maslow's esteem needs where power is used to get attention or to build personal prestige.

Since this theory is non-hierarchical, the growth pattern between intrinsic and extrinsic rewards that are a major part of the earlier theories, do not appear to contain the same significance.

McClelland contends that people will be motivated to seek out and perform well in jobs that match their needs. These needs may include any of the three categories identified above and are not contingent on any progression from one category to another.

The testing of these three theories has resulted in some conclusions that help us identify the strengths and limitations of each approach. While Maslow's theory is complicated and contains more steps than the others, there is recognition of the progression from one level to the other.

Alderfer's three levels seem to be simpler, less rigid, and therefore, may be more satisfactory to those who wish to understand and apply a model to individual behaviour. Results of McClelland's research have been applied in organisational settings and have been supportive of the idea that particular needs are motivational. Our former theme, 'when all else is consistent, the individual is different', suggests that the application of any theory of motivation has strengths and weaknesses that allow insight into individual motivation and provide escapes for those times when the theory will let us down. All theories contribute to a better understanding of human behaviour in general, but specific application of theory depends on factors that respond to individual needs.

5.3 Motivational Goals

Carol Dweck theorises that all goals a person might pursue fall into two distinct categories: performance goals and learning goals. A performance goal is one in which the individual is concerned with acquiring favourable judgement from his or her peers, supervisors, or authority figures. A learning goal is one in which an individual uses feedback to increase his or her competence.

If this theory is correct, it contains some further implications for motivation. Firstly, it provides for a much better understanding of intrinsic and extrinsic rewards in relation to performance. While favourable judgement from peers provides extrinsic rewards, the intrinsic rewards come from both the acceptance of this judgement, and the direction that it provides for further learning. The performer sees learning as a life-long process, thus, creating even greater levels of motivation. Secondly, this theory provides a better understanding about failure and its impact on the individual. Since we all fail sometimes, our ability to respond is an important factor in motivation.

A person with a learning goal will respond to failure by trying even harder to succeed the next time. In contrast, a person with a performance goal may respond to failure by concluding that they cannot complete the task and may therefore, give up.

Dweck further theorises that some people believe that personal qualities such as intelligence and ability are fixed and unchangeable. This belief may lead people with performance goals to conclude that they don't have what it takes, and as a result, give up, while others believe that intelligence and ability can change with time, education, and experience. Their goal, therefore, is not to prove their competence but to increase it, thus, success and failure are learning experiences that cause them to try even harder next time. Failure may even be seen as creating a greater challenge.

5.4 Leadership

In many circles, there is continuous debate about whether leaders are born or developed. If we reflect on our earlier discussion about motivation, we will see that humans are very complicated and are made up of a number of traits. As with motivation, these influences are both inherited and acquired from our environment and influences, and consequently, leadership theories will continue to be debated in the future. We will continue this discussion on the assumption that leadership can be developed. Furthermore, for the purpose of this unit, we will not distinguish between leaders and managers, but will use the term leader to apply to any earned or appointed role that carries with it the exercise of power and influence over others.

Leadership may be defined as the influence that particular individuals (leaders) exert upon the goal achievement of others (subordinates) in an organisational context. An earlier unit on Board Governance addresses in a limited way, the impacts of leaders on performance. We stated that leaders have an ability to see how different aspects of

a situation fit together and influence each other. They seek out alliances, opportunities, and approach goals in a proactive way. They have a positive effect on others, which attracts support from those who have similar needs for accomplishment. Their self confidence creates a belief in other people's abilities; therefore, emphasis is placed on empowerment and freedom.

If we agree with these statements, then leadership has two distinct aspects:

- the individual who exerts influence and
- those who are the objects of this influence

Successful leadership depends, to a large extent, on the environment and situation in which these dynamics exist. There are other issues that must also be acknowledged. There are two types of leaders:

- Emergent leaders - Those who earn leadership positions through their expertise, skills, abilities to influence others, or personal acceptability by the group; and
- Assigned leaders - Those who are given power to exercise influence through appointment.

In general terms, both emergent and assigned leaders fulfil two different functions. They must be able to provide social and emotional support to the group by listening, acknowledging, team building, and supporting other members in the group. This is referred to as social-emotional support. The second factor is to provide direction and assistance to the group in accomplishing their tasks. Successful leaders have the ability to identify and apply the appropriate strategy at the right time. A group that is confused about the goals of the organisation, for example, will not respond well to a social-emotional approach, nor will a group that is experiencing internal conflict and in need of team building skills respond very positively to a request to improve individual performance.

5.4.1 The Search for Leadership

What are the qualities that make successful leaders? The lack of capable officers in both the First and Second World War led to a search for leaders. This continued after the war to see if there were personality traits that distinguished leaders from followers. While some general characteristics of leaders emerged, there were no conclusions whether personality traits made up the leader or if the opportunity for leadership produced the traits. The biggest weakness in the trait approach to leadership identification is its failure to take into account the task, the subordinate, and the setting or environment in which work is performed.

The study of emergent leaders gives some good clues to what qualities appointed leaders must have to be successful. Emergent leaders hold their position as a consequence of their appeal to their subordinates. Their role is safe only as long as the group is attracted to these attributes and conditions. Should these positions change, or the group finds other influences, a lack of support or outside forces may undermine the leader's role. The role, therefore, is dependant on performance and any real or perceived faltering will quickly translate into lack of support. The present incumbent after losing support becomes "dethroned" or replaced.

This fledgling type of leadership is what we most often observe in community groups and organisations, politics, and citizen-led efforts. The leader is responsive to the group agenda and is secure only as long as he or she remains responsive. Since most people are easily influenced and may change their minds as a result of immediate or emerging needs, support is difficult to maintain. Leaders who find themselves in this position tend to try and "ride out the storm" before subjecting themselves to any formal leadership review.

Assigned leaders draw their power and influence from sources outside the group, and in most cases, have been given some power to assign tasks, and hand out rewards and punishments based on performance. Rewards may include compliments, tangible benefits, and deserved special treatment. When well thought out, with clear criteria rewards that compliment individual needs can be very motivational. On the other hand, leaders who have no authority to provide rewards may attempt to create them by giving compliments and praise and making promises they can't deliver. Over time, this tends to demotivate, leads to a loss of loyalty, creates dissension and eventually causes the group to become dysfunctional.

Punishments may include reprimands, unfavourable task assignments, and withholding of raises, promotions, and other rewards. At best, punishments seem to have minimal impact on satisfaction or productivity. At worst, punishments are seen as random, not contingent on behaviour or performance and most often poorly administered. Leaders who have access only to punishments often resort to identifying degrees of unfavourable behaviour, and dole out punishment accordingly.

5.5 House's Path-Goal Theory

According to Robert House, the most important activities of leaders are those that clarify the path to various goals of interest to subordinates, thus, effective leaders form a connection between subordinate goals and organisational goals. Since leadership is about increasing group performance through motivation, the leader must be more concerned with job satisfaction and the creation of a clear picture of how subordinates can gain rewards based on performance. House's theory is concerned with four different kinds of leader behaviour. These include:

- Directive behaviour: This includes scheduling work, maintaining performance standards, and letting subordinates know what is expected from them.
- Supportive behaviour: A leader displaying this behaviour is friendly, approachable, and concerned with pleasant interpersonal relationships.
- Participative behaviour: Leaders who practice this behaviour consult with their subordinates, and consider their opinions.
- Achievement-orientated behaviour: This behaviour encourages subordinates to exert higher efforts and strive for a higher level of goal accomplishment. Leaders demonstrating this behaviour express confidence that subordinates can reach these goals.

Situational factors

Subordinate characteristics and environmental factors greatly influence the success, and create the opportunity for successful leadership. Firstly, individual characteristics affect the achievement levels that can reasonably be expected. Secondly, subordinates have individual needs that must be met if their performance and motivation level is to remain high. Thirdly, subordinate's aptitude and abilities will affect both the performance and the response of other co-workers. Environmental factors that impact on leadership include the following:

- The appropriateness of the leader's style to the situation will have a major impact on the behaviour of the group.
- Task clarity, urgency and subordinate empathy will affect performance and motivation.
- Leader qualifications and knowledge will build group confidence and loyalty.
- There is probably no substitute for being in the right place at the right time.

Successful leaders will take advantage of the motivating and satisfying aspects of jobs while offsetting or compensating for those factors that demotivate or dissatisfy. There is evidence that this theory works better in predicting job satisfaction and leader acceptance than increasing subordinate performance.

Participative leadership

While public or community involvement will provide much better results in compiling a strategic plan for the community, you would not apply a public participation model if you were trying to escape from a burning building. Public or community participation can contribute to the following:

- Motivation: Participation can contribute to identifying and establishing group goals and how they can be accomplished. It can also contribute to intrinsic motivation by enriching subordinates jobs through variety, autonomy, and empowerment.
- Quality: There is an old saying that "two heads are better than one". In many cases, this is true of participation. Subordinates have knowledge and expertise that the leader may not have, thus, this combination of leader and subordinate expertise can lead to higher quality processes and solutions. In addition, the qualities of empowerment allow employees to take direct action to solve problems.
- Acceptance: Participation can increase subordinates acceptance of the decision since they were involved in making the decision in the first place. There is also a better chance of subordinates seeing decisions as being more fair when they have had input into these decisions.

Participative leadership can also create problems. The time and energy spent in calling meetings, soliciting ideas and training participants may affect deadlines. The involvement of subordinates may be perceived as a loss or sharing of power, thus, creating resentment at the leadership level. This may affect the performance of leaders which in turn, may affect subordinate performance.

Some workers may not want to be involved in the decision-making aspects of jobs. When the leader is distrusted or when a poor labour relations climate is present, subordinates may see their participation as “doing management’s job”. When governments attempt to involve the community in education reform, health care, economic and social development, it may be perceived as “down loading”, especially if these activities are undertaken in conjunction with other programs and economic cutbacks.

It appears that broad-based participation in short-term projects may not be as advantageous as implementing a participation model among a group of employees that will be part of the same team for an extended period, and have become very knowledgeable and proficient at their job. Inability to recognise this can lead to a lack of confidence in the process, the leaders, and create resistance to participation.

5.6 Vroom’s and Jago’s Leadership Styles

What are some of the options available to leaders? Victor Vroom and Arthur Jago maintained that there are three different types of leader behaviour. Leaders use either an autocratic, consultative, or group decision-making style.

- **Autocratic:** This style states that the leader solves the problem or makes the decision using information available to him or her at the time. In some cases, the leader may consult with subordinates to obtain information, but at no time does subordinate input include decision-making. The decision is passed on to subordinates for implementation.
- **Consultative:** The leader shares the problem with subordinates and gets their input. Subordinate involvement is seen as either a collective or individual request for information which may or may not influence the decision. The leader reserves the right to make that decision.

Group: The leader shares the problem with subordinates as a group, obtains their collective input and tries to reach consensus on the solution. The leader acts as a facilitator or chairman, trying not to influence input and accepting any solution that the group may suggest. With these three different approaches, we can also see that there are differing degrees within this spectrum that the leader may apply. According to Vroom and Jago, the approach depends on the situation or problem at hand. The leader’s goal should be to make the highest quality decision with the highest level of subordinate support.

5.7 Leader Qualities

It is apparent that leaders must possess many qualities in order to be successful and maintain the support of subordinates. The following is a partial list of these qualities.

- **Intellectual stimulation:** People are stimulated to think of problems and solutions in new and different ways. This depends on creativity, novelty and the ability to help people empathise with a new situation.
- **Energy:** The leader must be willing to exert the energy and effort that is necessary to see the task through to completion. Leaders show by example.
- **Self-confidence:** Leaders are self assured and possess a confidence in the task, their ability to perform, and the abilities of subordinates to contribute.
- **Assertiveness:** Leaders express their feelings honestly and directly in appropriate, spontaneous, and non-manipulative ways. Assertiveness communicates respect for others while acting in one’s own best interest.
- **Dominance:** When appropriate, successful leaders must be able to take control and dominate an issue, environment or situation. The successful leader also knows when to relinquish control and involve others.
- **Motivation:** Successful leaders know what they want, have a clear path to achieving it, and are “driven” by intrinsic rewards. Whether it’s Maslow’s need for self-actualisation, Alderfer’s growth needs, or McClelland’s need for power, leaders are driven by a need for success and achievement.
- **Honesty and Integrity:** To be recognised for the right reasons, leaders must be seen as being above reproach. Honesty and integrity are two factors that allow leaders to enjoy the support of subordinates. Without these qualities, there is a perception of mistrust, which leads to a lack of confidence.

- **Charisma:** Charismatic leaders possess the personal qualities that give them the potential to have extraordinary influence over others. They tend to command strong loyalty and devotion and in turn, inspire enthusiastic dedication and commitment to the leader and his or her mission. Dedication is inspired from an emotional commitment and followers come to trust and identify with the leader. Charismatics tend to possess all of the qualities noted above, and there is some argument that charisma is in itself a style of leadership

A single theory of motivation in isolation may provide some understanding of human behaviour, but by combining these theories, one may see patterns that assist in understanding why some people participate as they do. For example, the works of Maslow and Alderfer to some extent may provide understanding of why some people participate at higher levels than others and identify some of the rewards that may help this level of participation to continue. Our observations of leaders when combined with the leadership styles discussed in this chapter will help us understand why some leaders perform successfully, why some encounter difficulties and still others struggle with low levels of support while displaying high technical abilities.

Understanding leadership and motivation opens our minds to new thought processes of how people behave and why, helps understand some general principles of human behaviour and allows us to use these theories as a guide for our participation, analysis and understanding of group behaviour. This understanding can serve us best in selecting individuals who display some of these qualities to fill specific roles in our organisations and communities.

Summary

- Our cognitive approach focuses on how our thinking and memory affects our behaviour.
- Systems formerly made up of rules, regulations, and procedures are being replaced by requirements for flexibility and customer service resulting in personal initiative.
- Motivation can be defined as the extent to which persistent effort is directed toward a goal.
- The first aspect of motivation refers to the amount of effort being applied to the job.
- Abraham Maslow developed a theory that humans have five sets of needs that are arranged in a hierarchy.
- Relationship needs include socialisation, affection, love companionship, and friendship.
- In order to enhance organisational performance, it is important that the organisation recognise the individual need and provide opportunities for satisfaction.
- Alderfer theorises that if a higher level need is unsatisfied, the individual will regress to a desire to satisfy lower-level needs.
- Carol Dweck theorises that all goals a person might pursue falls into two distinct categories: performance goals and learning goals.
- Leadership may be defined as the influence that particular individuals (leaders) exert upon the goal achievement of others (subordinates) in an organisational context.
- The leader is responsive to the group agenda and is secure only as long as he or she remains responsive.
- Assigned leaders draw their power and influence from sources outside the group, and in most cases, have been given some power to assign tasks, and hand out rewards and punishments based on performance.
- According to Robert House, the most important activities of leaders are those that clarify the path to various goals of interest to subordinates, thus, effective leaders form a connection between subordinate goals and organisational goals.
- Subordinate characteristics and environmental factors greatly influence the success, and create the opportunity for successful leadership.
- Participation can contribute to identifying and establishing group goals and how they can be accomplished.
- Participation can increase subordinates acceptance of the decision since they were involved in making the decision in the first place.
- Subordinate involvement is seen as either a collective or individual request for information which may or may not influence the decision.
- A single theory of motivation in isolation may provide some understanding of human behaviour, but by combining these theories, one may see patterns that assist in understanding why some people participate as they do.
- Understanding leadership and motivation opens our minds to new thought processes.

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Self Assessment

1. _____ is as much a reflection of the differences between individuals as it is a reflection of their similarities.
 - a. Cognitive approach
 - b. Human behaviour
 - c. Leadership
 - d. Motivation

2. _____ can be defined as the extent to which persistent effort is directed toward a goal.
 - a. Leadership
 - b. Motivation
 - c. Effect
 - d. Persistence

3. Which of the following is not one of the characteristics of motivation?
 - a. Effort
 - b. Persistence
 - c. Direction
 - d. Supervision

4. Which of the following is not a theory of motivation?
 - a. Maslow's Hierarchy of Needs
 - b. House's Path Goal Theory
 - c. Alderfer's ERG Theory
 - d. McClelland's Theory

5. Which of the following is not a need of Maslow's Hierarchy of Needs?
 - a. Safety needs
 - b. Relationship needs
 - c. Esteem needs
 - d. Work needs

6. Which of the following is not a need of McClelland's Theory of Needs?
 - a. Need for relationship
 - b. Need for affiliation
 - c. Need for power
 - d. Need for achievement

7. A _____ is one in which the individual is concerned with acquiring favourable judgement from his or her peers, supervisors, or authority figures.
 - a. Learning goal
 - b. Performance goal
 - c. Progression goals
 - d. Leadership goals

8. _____ may be defined as the influence that particular individuals exert upon the goal achievement of others in an organisational context.
- Motivation
 - Promotions
 - Performance
 - Leadership
9. Who gave House's Path Goal Theory?
- Carol House
 - Carol Dweck
 - Robert House
 - David McClelland
10. Which of the following is not a kind of leader behaviour?
- Non- directive behaviour
 - Directive behaviour
 - Participative behaviour
 - Supportive behaviour

Chapter VI

Indian Ethos and Values in Modern Management

Aim

The aim of this chapter is to:

- define the term IEM
- elucidate the ideas and thoughts of Indian Ethos in Management
- explain the principles of IEM

Objectives

The objectives of this chapter are to:

- explain the manager's mind set
- explicate the human values
- elucidate the golden rules of Indian Ethics

Learning outcome

At the end of this chapter, you will be able to:

- understand the Value-Oriented Holistic Management
- identify the TQM
- recognise the HRD Interventions in TQM

6.1 Introduction

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".

6.2 Indian Ethos in Management

Formally, the body of knowledge which derives its solutions from the rich and huge Indian system of ethics (moral philosophy) is known as Indian Ethos in Management (IEM). Is IEM some kind of Hindu concept of management? Certainly not. Management is behavioural science and it has to be culture specific. IEM has as its basis, the culture base of India and as a country whose culture has its roots in religion. It does draw its lessons from the religions of the land be it Hinduism, Buddhism, or any other. The salient ideas and thoughts of Indian Ethos in Management revealed by our ancient scriptures are:

- Atmano Mokshartham, Jagat hitaya cha: All work is an opportunity for doing good to the world and thus, gaining materially and spiritually in our lives
- Archet dana manabhyam: Worship people not only with material things but also by showing respect to their enterprising divinity within.
- Atmana Vindyate Viryam: Strength and inspiration for excelling in work comes from the Divine, God within, through prayer, spiritual readings and unselfish work.
- Yogah karmashu Kaushalam, Samatvam yoga uchyate: He who works with calm and even mind achieves the most.
- Yadishi bhavana yasya siddhi bhavati tadrishi: As we think, so we succeed, so we become. Attention to means ensures the end.
- Parasparam bhavayantah shreyah param bhavapsyathah: By mutual cooperation, respect and fellow feeling, all of us enjoy the highest good both material and spiritual.
- Tesham sukham tesham shanti shaswati: Infinite happiness and infinite peace come to them who see the Divine in all beings.
- Paraspar Devo Bhav: Regard the other person as a divine being. All of us have the same consciousness though our packages and containers are different.

Basic principles of Indian Ethos for Management (IEM):

- Immense potential, energy and talents for perfection as human being has the spirit within his heart.
- Holistic approach indicating unity between the Divine (The Divine means perfection in knowledge, wisdom and power), individual self and the universe.
- Subtle, intangible subject and gross tangible objects are equally important. One must develop one's Third Eye, Jnana Chakru, the Eye of Wisdom, Vision, Insight and Foresight. Inner resources are much more powerful than outer resources.
- Divine virtues are inner resources. Capital, materials and plant & machinery are outer resources.
- Karma Yoga (selfless work) offers double benefits, private benefit in the form of self purification and public benefit.
- Yogah Karmasu Kaushalam - Excellence at work through self-motivation and self development with devotion and without attachment.
- Co-operation is a powerful instrument for team work and success in any enterprise involving collective work.

Principles of IEM are universally applicable. IEM can help to develop an effective and holistic management pattern, which will assure all round growth in productivity, marketing and profitability. This will help in synchronising private and public benefits and encourage individuals to lead an enriched quality of life together with worldly achievements. The best form of management has to be holistic and value driven which is the objective of IEM.

Items	Management (Oriented by Science and Technology, Western Approach)	Management (Oriented by Values and adopting holistic approach, Indian and Eastern)
Belief	Production, Productivity, Profit at any cost.	Material gain with belief in achieving human and social welfare in unison.
Guidance	Management guided by mind only, led away by ego and desire. Soulless management	Management by consciousness, power beyond mind i.e., soul. Interiorised management
Emphasis	Worker development, management of others, profit maximisation, human being only given lip sympathy.	Development of man, integrated growth harmony, happiness and health, management of self.
Tools	5 Ms as Resources – men, money, materials, machines and markets. Science & Technology, information for decision making	Men, machines, materials and methods as conscious partners – all having consciousness whether manifested or dormant. Information and intuition for decisions. Ethics and values combined with skills.
Problem solving	Conflict resolution by negotiation, compromise, arbitration. Liquidation of differences only for a temporary period. No reference to higher consciousness	Conflicts resolution through integration and synthesis on stressing super ordinate common goals so that enduring harmony and unity is assured. Self introspection, stepping back aids for solution
Decision making	Brain storming	Brain stilling
Development process	Physical, Vital and Mental only. Soul or spirit ignored. Material development only even at the cost of man and nature.	Integrated development. Whole man approach, breath-control and meditation emphasised. Human enrichment and total quality.
Approach	External behaviour. Mental, material, selfish only. Soulless	Noble attitudes, inner guidance, team spirit, total harmony, global good

Management Concepts Redefined

Term	General Definition (At Present)	IEM Definition
Management	Getting things done	Helping other people to produce extraordinary results
Productivity	Output centric	People centric
Planning	Management by results	Management by strategy
Effective supervision	Concern for task and not for people	Produce performers. Help the subordinates to develop leadership quality.
Motivation of people	Maslow’s Theory of Needs with some modifications	Emphasis on self-motivation, subordinates encouraged to be creative and given autonomy
Resources	Reliance almost on external resources	Reliance almost on internal resources
Health of the company	Balance Sheet and P/L a/c; money oriented	People oriented performance, environment friendly. Private – public benefit
Profitability	In terms of money. Social costs not included in Balance Sheet	In terms of good public image. Social costs internalised. Trust of customers and society
Hygiene factor	Attention only on job enrichment	Primary emphasis on mind enrichment
Rights and duties	Emphasis on taking not on giving. Rights become primary. Duties become subsidiary	Emphasis on giving not on taking. Duties given great importance and Rights assume secondary value
Marketing	Keen competition to capture and retain demand, market driven economy	Through cooperation by playing complementary role. Social awareness in marketing
System	Set of inter-related elements working as a whole. More emphasis on quantity and objective aspect	Pattern of particular response expressed through organisational functioning. Equal emphasis on quality/quantity with emphasis on subjective aspect
Structure	Hierarchical	Organic evolution, autonomous
Growth	Ultimately dependent on turnover of goods	Coordinating private and public benefit
Job satisfaction	Hygiene factor. Creativity ignored	Through innovation, uniqueness, extraordinary result, trouble shooting
Training	Functional skills, not value oriented and holistic	Value oriented, holistic approach and equal emphasis on both (skills / values)
Man – machine equation	Machine dominates man as human being receives lip sympathy	Man behind the machine given due regard. Healthy philosophy of life. Emotional stability

Man Placement	As per qualifications and experiences	More stress on natural inclination and character
Quality	Product quality by ISO, TQM, QC. Human value, quality plays minor role	Human quality, values, character, mind enrichment, whole man approach.

Table 6.1 Objectives of IEM

Indian ethos demands a subjective management system, which leads to an understanding of the following:

- Management attitude: Top management having firm belief in value-oriented holistic management. Profit is earned through service and satisfaction of all stakeholders – employees, customers, shareholders and citizens. Fulfilment of social responsibility must be ensured.
- Humanising the organisation: Looking at 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 individuals.
- Interiorising management: Self management or management by consciousness. When the soul manages the other four members of the human being, namely, the body, mind, intellect and the heart, the conflict these four have amongst themselves can be resolved. This is management by consciousness. The objective of self management is to first know and manage oneself and then manage others.
- Self-introspection: Embark upon self-study, self-analysis and self-criticism to locate areas of friction and disharmony, a self examination of one's own thoughts, feelings, emotions, sensations and passions and a desire to reduce and subdue the ego.
- Brain-stilling: For rational and enduring decisions, silent mind is a necessity. A perfect Mounum (calm mind enjoying tranquility) is necessary. Brain-stilling or meditative silence is the most reliable method to discover solutions to problems and difficulties which seem to be difficult to be tackled by reason and intellect because through this one can come into contact with the inner mind or higher consciousness called Chetana.
- 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.
- Self-dynamising meditation: A dynamic meditation is meditation of transformation of lower consciousness into higher consciousness and hence is called transforming meditation. Through meditation, in a silent and calm mind, one reaches a higher level of consciousness which offers guidance in the form of intuitions to tackle a multitude of problems. This is called consciousness approach to management.
- 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 and when fully developed, is efficient and effective for taking prompt and sound decisions. Intuition skills enable one to cope with confidence the fluctuating environment and rapid changes. Faith is a prerequisite to develop and realise the power of intuition.

6.3 A Manager's Mind Set

General Concept	IEM Concept
Produce results	Produce performers
Organise men, materials, machines and money	Mobilise men and sound out other readiness
Plan, set goals, prepare schedules, checklists	Obtain agreement and commitment on means and ends
Motivate, praise, reprimand, punish, push people	Inspire, empower, celebrate success, mourn failure, draw people
Check, control, report at the command post	Set personal examples: be visible, accessible and always on the move
Coordinate, requisition, convene meetings	Facilitate, show ways to overcome obstacles, take part in informal gatherings
Instruct, issue notices, order, demand compliance	Make queries, sound out ideas, encourage suggestions
Manage others: I-centered	Manage yourself. Other centered, not egoistic

Table 6.2 Difference between IEM concept of Management and general concept of management

6.3.1 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, team work, autonomous management, minimum control and supervision, etc. The result is all round happiness and prosperity.

Karma Yoga is an end-state or an alias of Nishkam Karma (NK). Yoga means union between 'individual consciousness' and 'supreme consciousness'. Work is one of the several methods of achieving this union. Juxtaposed against the NK is the other attitude to work called Sakam Karma (SK). Let us have a look at the main points of difference between NK & SK:

NK (Detached Involvement)	SK (Attached Involvement)
Psychological Energy Conservation	Psychological Energy Dissipation / Burn Out
Reactionless Action	Reactionful Action
Perfection is the Aim – to handle both success & failure	Success is the Aim – success excludes failure
Inner Autonomy / Sufficiency	Dependence on Externals, Thriving on Comparison
Being in the world, but not of it	Being in the world and also of it
Socio-economically relevant	Socio-economically questionable
Work-commitment	Reward-commitment
Mind enrichment	Job enrichment
Excellence through 'work is worship'	Excellence through competitive rivalry

Table 6.3 Difference between NK and SK

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.

A practitioner of NK should possess three important skills:

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

Quality of work life and work ethic

Why work?

To purify the mind and the heart (Chittashuddhi') and to become wise; to provide public benefit.

What is work?

To nurture each other. It is a form of Yagna, sacrifice. It is the worship of the Divine How to work? With the spirit of renunciation, i.e., Tyag and to serve others without self-interest.

Spirit of work

Excellence and perfection in work.

6.4 Human Values – Indian Insights

Values 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. Value system indicates a hierarchy based on ranking of an individual's values in terms of their intensity. Terminal values are desirable end-states of existence; the goals that a person would like to achieve during his/her life time. Instrumental values are preferable modes of behaviour or means of achieving one's terminal values. Values are called gunas.

A broad definition of values, derived from an insight into ancient India's psycho philosophical wisdom literature is: "Values are states of feelings/emotions that underpin the content of a choice/decision and determine the manner of using the intellect/reason for justifying and implementing that choice/decision."

Character is the foundation of values. The sequence being:

Character -> Values -> Attitudes -> Behaviour

Human Values is the sum total of qualities like truthfulness, integrity, gratitude, humbleness, forgiveness, patience, transparency, charitableness, simplicity, etc. Human Values make a person Antarmukhi (interiorised) while skills will make him more and more Bahirmukhi (exteriorised). Human values transcend moral, ethical and spiritual values.

Golden rule of ethics

The following are the forms of the golden rule in ethics. Each of these forms the basis of all human values. These are the core values to change one first.

- Everything you want others to do to you, you shall do to others.
- Do not do to others that which you do not wish them to do to you.
- Do not do anything to others that if done to you, would cause harm to you.

Values v/s skills

- To 'become', we need values. To 'do', we need skills.
- 'Becoming' (needing values) must precede 'doing' (needing skills). Values should act as the basis of the skills acquired.
- Values are the means of perfection. Skills must have sound system of values as the base. Otherwise, one can manipulate skills for ulterior motives.
- 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.
- 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.
- Values bring about excellence and universal good. Skills see us through mechanics of management.
- Skills are not enduring, values are.
- 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.”

Skill – Value Matrix

Skills		Values	
		Strong	Weak
	Strong	Most Desirable	Dangerous
	Weak	Tolerable	Useless

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.

6.5 Value-Oriented Holistic Management

The etymological root of the term ‘holism’ or ‘holistic’ is the Latin word ‘holon’ meaning total, whole or integrated as opposed to fragmented or splintered. It is generally used to mean ‘a total view’. It can be looked from the following two approaches:

- A ‘Rational’ approach, involving a process of ‘aggregation’
- A ‘Perceptive’ approach involving a process of ‘synthesis’

Rational is a ‘bottom up’ approach putting together the fragments or components or constituent elements and thus, construct the whole. The perceptive approach is a ‘top down’ approach – see the whole first and then go into the constituent elements. This is considered to be real ‘holism’.

Value-Oriented Holistic Management is the essence of the Indian Management thought which has been enriched by the rich Indian heritage and culture; the way we have looked at life over the ages. Management based only on skills can never be total or holistic. It is beyond doubt that management based on values supplemented by adequate skills can only be holistic and that is why we have this concept of “Value-Oriented Holistic Management”. This time tested approach to Management can help stop the rot that has crept into individuals and organisations.

6.5.1 Total Quality Management

Sashkin and Kiser have defined TQM as “Creating an organisational culture committed to the continuous improvement of skills, teamwork, processes, product and service quality, and customer satisfaction”. TQM stresses three principles: customer satisfaction, employee involvement, and continuous improvements in quality, which some refer to as the quality trilogy. TQM is also said to be based on four fundamental commitments:

- Commitment to the customer’s total satisfaction
- Commitment to understanding and improving the organisation’s processes
- Commitment to employee improvement
- Commitment to data-based decision making

Shared vision and values provide the foundation for making these commitments. Because the four commitments often require behaviour that is not customary to managers, in most organisations, unusual steps must be taken to ensure that workers and customers do not perceive the commitments as hollow promises.

It is pertinent to note here that it is values and the value system that gives real meaning to TQM efforts. It provides the substratum or a solid foundation for TQM and elevating the capacity of people and organisations to produce extraordinary results on the basis of available material resources. In many ways, it teaches a worker to control the temptation of jumping into ‘who is wrong?’ rather than concentrate on ‘what is wrong?’, which is a core idea of TQM. Jnana Chaksu and the concept of ‘Brain Stilling’ can help solve problems, which otherwise seems to be beyond grasp of even the most well known problem solving tools. Karma Yoga of all workers in an organisation

will guarantee internal as well as external quality. Yogah Karmasu Kaushalam (excellence in work) guarantees total employee involvement. Indian ethos gives the key to effective motivation, which is a key requirement in achieving 'total quality'.

HRD interventions in TQM

A Microsoft ad theme is 'People Ready Organisations' which reflects the importance organisations give to its human resource. TQM is now directly equated with HRD and they are regarded as two sides of the same coin. When we talk about HRD Interventions in TQM, we are talking of primarily two things – Emphasis on Quality of Life and Focus on Quality of Work Life. These two emphasise the fact that the worker is not merely a component of the production process. HRD intervention is needed to bring about "Total Quality People", for whom total quality is what brings about Atmananda (a sense of pride and self satisfaction).

6.6 Stress and Indian Ethos

Stress is a dynamic condition in which an individual is confronted with an opportunity, constraint, or demand related to what he or she desires and for which the outcome is perceived to be both uncertain and important. More typically, stress is associated with constraints 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'.

Causes of stress

- Mostly external and outside our control like rapid obsolescence of skills, uncongenial work environment, political and economic factors, etc.
- Stress generating events & situations in life partly controllable and partly not like death of family member / close relative, wedding, retirement, loss of Job, etc.
- Mostly internal and by and large within our control. These are classified into Strong negative emotions, the 5 as of anger, ambition, anxiety, apprehension and arrogance.
- Materialistic world view including a hedonistic culture that promotes crass consumerism and is sustained by some powerful unwholesome emotions like selfishness, greed, grabbing mentality, envy, egocentricity, etc.
- Living an impure, illegal and unethical life ruled by the senses; for example having extra-marital relationship and being a victim of lust and passion, engaged in shady corrupt deals and being a victim of easy money, etc.
- Personality composition / make-up
- Interplay of duality that is a fact of life and human existence

Consequences of stress

There is almost a unanimous view that there are four components of the consequences of stress. These are:

- Physiological – blood pressure problems, problems related to the heart, indigestion, insomnia, etc. These are termed nowadays as lifestyle diseases!
- Emotional – anxiety, anger, depression, fear (phobias), etc.
- Behavioural – over dependence, argumentativeness, disturbed work life/schedule, etc.
- Cognitive – adverse effects on mental functions such as reasoning, thinking, concentration, and memory, and incapability in decision making

The Indian view on stress

Ancient Indian literature does not talk about stress itself. Some of the terms used are bishad, klesha and dukh. Klesha refers to the stressor aspect. Our ancient literature does talk of tritap which refers to three kinds or rather sources of distress and miseries (dukhatraya) in human life, mainly

- Adhibhautika – due to beings, i.e., wild animals, reptiles and cruel humans
- Adhidaivika – due to 'Acts of God', i.e., natural calamities which are ordinarily beyond human control
- Adhyatwika – relating to one's own body and mind, i.e., physical and mental illness

Out of the three, those in the second group are ipso facto outside our control, the first group may be avoided if we are careful enough and the third are by and large within our control. As can be observed, these are very similar to the causes of stress as already mentioned above.

Methods of stress prevention

- Effective management of the 5As
- Developing a spirit of progressive renunciation
- The ethico-moral law of cause and effect (The Theory of Karma)
- Conscious efforts towards developing a healthy personality

Managing anger

The origin of anger is desire unfulfilled. Anger bursts are the results of frustrations and insecurities emanating from the same. What results is aggression – against inanimate objects like furniture, glassware, etc., against animate beings like parents, friends, relatives, etc. and aggression against self like suicide.

Anger could be both a cause and an effect of stress. There are two methods for dealing with anger. The Modern (Western) Approach which says accept & express and the Classical (Eastern) Approach which says deny & reject. There is almost complete unanimity among the psychologists that the classical approach is valid.

6.6.1 The Dwandik Theory of Stress

It is a contribution from The Gita which says that stress arises from the universal phenomenon of the constant interplay of dualities or opposites or contraries in the “fabric of life” of our existence – both the outer/physical world (e.g., night and day or hot and cold) and the inner/psychological domain (e.g., pleasure and pain or success and failure). The Gita suggests two alternative approaches to deal with Dwanda or Dualities, Samattwa (i.e., treating the two as equal) and Nirdwandwa (i.e., transcending the dualities). The first approach suits the Bhakta and is called the Bhakti-Yoga while the second is for the Gyani and is called the Gyan-Yoga. The first approach is relatively easier.

A few guidelines

Stress is a reality of modern life; there is no escape from it. Our objectives should be how to:

- increase the threshold level (between challenges & stress)
- prevent ourselves from becoming stressful
- effectively cope with stress so that we can soon revert back to the stress-free state.

Practical steps needed to be taken to attain these objectives. A few of these can be:

- Control anger by all means
- Exercise regularly
- Have good food habits
- Work efficiently but avoid competition with others
- Don't be a workaholic
- Look for ‘sat sangh’ (company of wise and good people)
- Remember The Theory of Karma
- Be content with whatever you have

Summary

- Cambridge Advanced Learner's Dictionary defines Ethos as the set of beliefs, ideas, etc. about social behaviour and relationship of a person or group.
- IEM can help develop an effective and holistic management pattern which will assure all round growth in productivity, marketing and profitability.
- The best form of management has to be holistic and value driven which is the objective of IEM.
- Top management having firm belief in value-oriented holistic management.
- When the soul manages the other four members of the human being, namely, the body, mind, intellect and the heart, the conflict these four have amongst themselves can be resolved.
- Brain-stilling or meditative silence is the most reliable method to discover solutions to problems and difficulties which seem to be difficult to be tackled by reason and intellect.
- A dynamic meditation is meditation of transformation of lower consciousness into higher consciousness and hence is called transforming meditation.
- Intuition is the act of coming to direct knowledge or certainty without reasoning or inferring. It is immediate cognition by the inner mind and when fully developed.
- Yoga means union between 'individual consciousness' and 'supreme consciousnesses'.
- Values 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.
- Value system indicates a hierarchy based on ranking of an individual's values in terms of their intensity.
- Terminal values are desirable end-states of existence; the goals that a person would like to achieve during his/her life time.
- Instrumental values are preferable modes of behaviour or means of achieving one's terminal values.
- Values are internal, dealing with internal development of a person, purifying mind and heart. Skills on the other hand only make a person proficient.
- Value-Oriented Holistic Management is the essence of the Indian Management thought which has been enriched by the rich Indian heritage and culture.
- Indian ethos gives the key to effective motivation, which is a key requirement in achieving 'total quality'.

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Self Assessment

1. Which of the following is not a salient idea and thought of Indian Ethos in Management?
 - a. Atmano Mokshartham
 - b. Archet dana manabhyam
 - c. Atmana Vindyate Viryam
 - d. Jnana Chaksu Kaushalam

2. Which of the following is not a principle of Indian Ethos for Management?
 - a. Immense potential
 - b. Holistic Approach
 - c. Karma Yoga
 - d. Infinite happiness

3. Which of the following is not an objective of IEM?
 - a. Guidance
 - b. Emphasis
 - c. Tools
 - d. Benefits

4. _____ is the most reliable method to discover solutions to problems and difficulties which seem to be difficult to be tackled by reason and intellect.
 - a. Chetna
 - b. Self introspection
 - c. Brain-stilling
 - d. Self- introspection

5. A _____ is meditation of transformation of lower consciousness into higher consciousness and hence is called transforming meditation.
 - a. brain stilling
 - b. dynamic meditation
 - c. intuition
 - d. commitment

6. _____ is immediate cognition by the inner mind and when fully developed, is efficient and effective for taking prompt and sound decisions.
 - a. Karma yoga
 - b. Dynamic meditation
 - c. Intuition
 - d. Brain stilling

7. _____ 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.
 - a. Culture
 - b. Needs
 - c. Ethics
 - d. Values

8. What are values also known as?
 - a. Ethics
 - b. Gunas
 - c. Rationalism
 - d. Culture

9. Which of the following is not a fundamental commitment of TQM?
 - a. Commitment to the customer's total satisfaction
 - b. Commitment to employee improvement
 - c. Commitment to organisational culture
 - d. Commitment to data-based decision making

10. Which of the following is not a source of distress and miseries?
 - a. Adhibhautika
 - b. Adhidaivika
 - c. Atmana Vindyate
 - d. Adhyatwika

Chapter VII

Business Ethics

Aim

The aim of this chapter is to:

- define social responsibility
- elucidate the importance of business ethics
- explain the role of ethics in business

Objectives

The objectives of this chapter are to:

- explain the concept of plagiarism
- recognise the ethical issues in business
- enlist the ways to improve the ethical issues in business

Learning outcome

At the end of this chapter, you will be able to:

- understand the pyramid of social responsibility
- identify animals rights
- recognise the environmental responsibilities

7.1 Introduction

As the opening vignette illustrates, determining how to conduct business appropriately can be challenging. Wrongdoing by businesses has focused public attention and government involvement to encourage more acceptable business conduct. Any business decision may be judged as right or wrong, ethical or unethical, legal or illegal.

In this chapter, we will take a look at the role of ethics and social responsibility in business decision making. First, we define business ethics and examine why it is important to understand ethics' role in business. Next, we explore a number of business ethics issues to help you learn to recognise such issues when they arise. Finally, we consider steps businesses can take to improve ethical behaviour in their organisations. The second half of the chapter focuses on social responsibility. We define social responsibility and then survey some important responsibility issues and how companies have responded to them.

7.2 Business Ethics and Social Responsibility

In this chapter, we define business ethics as the principles and standards that determine acceptable conduct in business organisations. The acceptability of behaviour in business is determined by customers, competitors, government regulators, interest groups, and the public, as well as each individual's personal moral principles and values.

Many consumers and social advocates believe that businesses should not only make a profit but also consider the social implications of their activities. We define social responsibility as a business's obligation to maximise its positive impact and minimise its negative impact on society. Although many people use the terms social responsibility and ethics interchangeably, they do not mean the same thing. Business ethics relates to an individual's or a work group's decisions that society evaluates as right or wrong, whereas social responsibility is a broader concept that concerns the impact of the entire business's activities on society. From an ethical perspective, for example, we may be concerned about a health care organisation or practitioner overcharging the provincial government for medical services. From a social responsibility perspective, we might be concerned about the impact that this overcharging will have on the ability of the health care system to provide adequate services for all citizens.

The most basic ethical and social responsibility concerns have been codified as laws and regulations that encourage businesses to conform to society's standards, values, and attitudes. At a minimum, managers are expected to obey these laws and regulations. Most legal issues arise as choices that society deems unethical, irresponsible, or otherwise unacceptable. However, all actions deemed unethical by society are not necessarily illegal, and both legal and ethical concerns change over time. Business law refers to the laws and regulations that govern the conduct of business. Many problems and conflicts in business can be avoided if owners, managers, and employees know more about business law and the legal system. Business ethics, social responsibility, and laws together act as a compliance system requiring that businesses and employees act responsibly in society.

7.3 The Role of Ethics in Business

Although we will not tell you in this chapter what you ought to do, others—your superiors, co-workers, and family—will make judgments about the ethics of your actions and decisions. Learning how to recognise and resolve ethical issues is an important step in evaluating ethical decisions in business.

It is not just altruism that motivates corporations to operate in a socially responsible manner, but also consideration of the “bottom line.” There are good business reasons for a strong commitment to ethical values:

- Ethical companies have been shown to be more profitable.
- Making ethical choices results in lower stress for corporate managers and other employees.
- Our reputation, good or bad, endures.
- Ethical behaviour enhances leadership.
- The alternative to voluntary ethical behaviour is demanding and costly regulation.

Regular readers of the news will have seen reports of unethical or aggressive sales tactics used to prey upon vulnerable consumers, most often seniors. Examples include persons claiming to be inspectors, citing roof and chimney repairs as being needed or even required by law. Others, while not resorting to such subterfuge, utilise sales techniques that are confusing or hard to resist for the vulnerable. In the past, persons falling prey to such tactics who signed purchase contracts in their homes had, in Ontario, only 24 hours to cancel the contract. Such direct sales contracts had to be cancelled in writing. As of May 18, 2001, the Ontario Consumer Protection Act provides a ten-day “cooling-off” period in which to cancel a direct sales contract worth \$50 or more. This is just one example of the ongoing efforts of both the federal and provincial governments in Canada to respond to unethical business practices.

It is important to understand that business ethics goes beyond legal issues. Ethical conduct builds trust among individuals and in business relationships, which validates and promotes confidence in business relationships. Establishing trust and confidence is much more difficult in organisations that have established reputations for acting unethically. If you were to discover, for example, that a manager had misled you about company benefits when you were hired, your trust and confidence in the company would probably diminish.

And, if you learned that a colleague had lied to you about something, you probably would not trust or rely on that person in the future. KPMG, a leading accounting and consulting firm, provides assistance to firms that want to develop ethics programs to avoid ethical problems and build trust and integrity in business relationships.

Well-publicised incidents of unethical activity—ranging from health care fraud to using the Internet to gain personal information from young children to charges of deceptive advertising of food and diet products to unfair competitive practices in the computer software industry—strengthen the public’s perception that ethical standards and the level of trust in business need to be raised.

7.4 Recognising Ethical Issues in Business

Learning to recognise ethical issues is the most important step in understanding business ethics. An ethical issue is an identifiable problem, situation, or opportunity that requires a person to choose from among several actions that may be evaluated as right or wrong, ethical or unethical. In business, such a choice often involves weighing monetary profit against what a person considers appropriate conduct. The best way to judge the ethics of a decision is to look at a situation from a customer’s or competitor’s viewpoint: Should liquid-diet manufacturers make unsubstantiated claims about their products? Should an engineer agree to divulge her former employer’s trade secrets to ensure that she gets a better job with a competitor? Should a salesperson omit facts about a product’s poor safety record in his presentation to a customer? Such questions require the decision maker to evaluate the ethics of his or her choice.

Not all shortcomings in business ethics are global in scope. Many affect us more directly and with greater immediacy. With the increasing complexity of modern cars, fewer people can assess the appropriateness of repairs made by mechanics or the fairness of the charge for carrying out those repairs. The Automobile Protection Association periodically uses a “Mystery Car” to evaluate auto repairs facilities. Their tests in May of 2002 found that the chances of overpaying for auto repairs were one in three. While some overcharges may be the result of honest error, it seems unlikely that the rate would be that high. Using a newly serviced vehicle with a disconnected vacuum hose as the test, the APA encountered repair costs ranging from no charge at a Vancouver Canadian Tire to \$670 at Minit-tune and Brake, also in Vancouver. A total of 39 shops were tested in Vancouver, Montreal, and Toronto. Thirteen shops overcharged for work done or performed unnecessary repairs for a failure rate of 33 percent. Our financial well-being and that of honest businesses requires not only that we be aware of the high profile cases reported in the news but also that we exercise vigilance in our daily activities.

Many business issues may seem straightforward and easy to resolve, but in reality, a person often needs several years of experience in business to understand what is acceptable or ethical. For example, if you are a salesperson, when does offering a gift—such as season basketball tickets—to a customer become a bribe rather than just a sales practice? Clearly, there are no easy answers to such a question. But the size of the transaction, the history of personal relationships within the particular company, as well as many other factors may determine whether an action will be judged as right or wrong by others. When Walmart began selling sandals that strongly resembled the popular Teva brand, Mark Thatcher, founder of the Teva Sports Sandal, took notice. Sales of Teva sandals fell from US\$69 million

to US\$42 million, and company executives believed this was because Walmart was selling copies (or “knock-offs”) for 25 percent less. This ethical issue of right or wrong was resolved in court. Teva won the lawsuit, and Walmart agreed to stop selling the shoes.

Ethics are also related to the culture in which a business operates. In Canada or the United States, for example, it would be inappropriate for a businessperson to bring an elaborately wrapped gift to a prospective client on their first meeting—the gift could be viewed as a bribe. In Japan, however, it is considered impolite not to bring a gift. Experience with the culture in which a business operates is critical to understanding what is ethical or unethical.

7.5 Ethical Issues

To help you understand ethical issues that perplex businesspeople today, we will take a brief look at some of them in this section. The vast number of news-format investigative programs has increased consumer and employee awareness of organisational misconduct. In addition, the multitude of cable channels and Internet resources has improved the awareness of ethical problems among the general public.

An Ethics Resource Center/Society for Human Resource Management survey of US employees indicates that workers witness many instances of ethical misconduct in their organisations. The specific percentages are noted in Table 7.1. Note that workers report multiple observations of ethical misconduct; therefore, each category is an independent question of observed misconduct. When employees were asked the principal causes of unethical behaviour in their organisations, the key factor reported was overly aggressive financial or business objectives. Many of these issues relate to decisions and concerns that managers have to deal with daily. It is not possible to discuss every issue, of course. However, a discussion of a few issues can help you begin to recognise the ethical problems with which businesspersons must deal. Many ethical issues in business can be categorised in the context of their relation to conflicts of interest, fairness and honesty, communications, and business associations.

Lying to supervisors	45%
Falsifying records	36
Alcohol and drug abuse	36
Conflict of interest	34
Stealing or theft	27
Gift receipt/entertainment in violation of company policy	26

Table 7.1 Percentage of workers who say these ethical infractions are committed by co-workers

Conflict of interest

A conflict of interest exists when a person must choose whether to advance his or her own personal interests or those of others. For example, a manager in a corporation is supposed to ensure that the company is profitable so that its stockholder-owners receive a return on their investment. In other words, the manager has a responsibility to investors. If she instead makes decisions that give her more power or money but do not help the company, then she has a conflict of interest she is acting to benefit herself at the expense of her company and is not fulfilling her responsibilities. To avoid conflicts of interest, employees must be able to separate their personal financial interests from their business dealings.

As mentioned earlier, it is considered improper to give or accept bribes payments, gifts, or special favours intended to influence the outcome of a decision. A bribe is a conflict of interest because it benefits an individual at the expense of an organisation or society. Walmart Stores, Inc., may have the toughest policy against conflict of interest in the retail industry. Sam Walton, the late founder of Walmart, prohibited company buyers from accepting as much as a cup of coffee from suppliers. The Walmart policy is black and white and leaves no room for interpretation, and it is probably a factor in helping Walmart reduce costs. Other retailers typically allow buyers to accept meals, small gifts, and outings such as golf, fishing, or hunting trips. Defence contractors, such as Lockheed Martin and Texas Instruments, have strict gift policies, as does the Royal Bank of Canada.

Fairness and Honesty

Fairness and honesty are at the heart of business ethics and relate to the general values of decision makers. At a minimum, businesspersons are expected to follow all applicable laws and regulations. But beyond obeying the law, they are expected not to harm customers, employees, clients, or competitors knowingly through deception, misrepresentation, coercion, or discrimination. A recent survey showed that nearly one-fourth of workers have been asked to engage in an unethical act at work, and 41 percent carried out the act.

One aspect of fairness relates to competition. Although numerous laws have been passed to foster competition and make monopolistic practices illegal, companies sometimes gain control over markets by using questionable practices that harm competition. Another aspect of fairness and honesty relates to disclosure of potential harm caused by product use. When Procter & Gamble introduced Olestra, the low cholesterol fat substitute, products in which it was used had labels warning consumers of potential problems with abdominal cramping.

Dishonesty has become a significant problem in North America. In a study conducted by the Josephson Institute, 92 percent of older teenagers admitted to lying and 70 percent admitted to cheating on tests. However, 97 percent of those surveyed say that good character is important, while 69 percent believe that the ethics of this generation are satisfactory.

Communications

Communications is another area in which ethical concerns may arise. False and misleading advertising, as well as deceptive personal-selling tactics, anger consumers and can lead to the failure of a business. Truthfulness about product safety and quality are also important to consumers. In the pharmaceutical industry, for example, dietary supplements, such as herbs, are sold with limited regulation and testing, and many supplements are sold by small, independent marketers. Some tests show that herbs, such as ginseng, may be sold without enough of the active ingredients to be effective. Now, large pharmaceutical firms, such as Warner-Lambert, are entering the US\$4 billion herb market and communicating the quality control and credibility associated with their names. However, ample opportunities remain for unethical firms to mislead consumers about herbal products.

Some manufacturers fail to provide enough information for consumers about differences between products. In the contact lens-solution market, a number of manufacturers are marketing identical products with different prices. Another important aspect of communications that may raise ethical concerns relates to product labelling.

Business relationships

The behaviour of businesspersons toward customers, suppliers, and others in their workplace may also generate ethical concerns. Ethical behaviour within a business involves keeping company secrets, meeting obligations and responsibilities, and avoiding undue pressure that may force others to act unethically. Managers, in particular, because of the authority of their position, have the opportunity to influence employees' actions. For example, a manager can influence employees to use pirated computer software to save costs. The use of illegal software puts the employee and the company at legal risk, but employees may feel pressured to do so by their superior's authority. On the other hand, new network management programs enable managers to try to control when and where software programs can be used. This could introduce an issue of personal privacy: Should your company be able to monitor your computer? Unauthorised copying of games and other programs has exposed companies to copyright-infringement suits, computer viruses, and system overload as well as the loss of productivity from employees spending time playing games.

It is the responsibility of managers to create a work environment that helps the company to achieve its objectives and fulfil its responsibilities. However, the methods that managers use to enforce these responsibilities should not compromise employee rights. Organisational pressures may encourage a person to engage in activities that he or she might otherwise view as unethical, such as invading others' privacy or stealing a competitor's secrets. Or the firm may provide only vague or lax supervision on ethical issues, providing the opportunity for misconduct. Managers who offer no ethical direction to employees create many opportunities for manipulation, dishonesty, and conflicts of interest.

Plagiarism means taking someone else's work and presenting it as your own without mentioning the source is another ethical issue. As a student, you may be familiar with plagiarism in school, for example, copying someone else's term paper or quoting from a published work without acknowledging it. In business, an ethical issue arises when an employee copies reports or takes the work or ideas of others and presents them as his or her own. A manager attempting to take credit for a subordinate's ideas is engaging in another type of plagiarism. Several well-known musicians, including Michael Jackson, George Harrison, and Michael Bolton, have been accused of taking credit for the work of others.

7.6 Making Decisions about Ethical Issues

Although we've presented a variety of ethical issues that may arise in business, it can be difficult to recognise specific ethical issues in practice. Whether a decision maker recognises an issue as an ethical one often depends on the issue itself. Managers, for example, tend to be more concerned about issues that affect those close to them, as well as issues that have immediate rather than long-term consequences. Thus, the perceived importance of an ethical issue substantially affects choices, and only a few issues receive scrutiny, while most receive no attention at all.

Ethical decisions involve questions about how we ought to behave. The decision process must consider cultural and religious background. A review of the literature will reveal many possible frameworks for making ethical and moral decisions, but all will consider the matter relative to those standards held important by the decision maker. Such traits as honesty, compassion, and fairness, as well as the individual's sense of right and wrong, will play an important part. One five-step framework published by the Markkula Center for Applied Ethics is:

- Recognise a moral issue
- Get the facts
- Evaluate the alternative actions from various moral perspectives
- Make a decision
- Act, then reflect on the decision later

7.7 Improving Ethical Behaviour in Business

Understanding how people make ethical choices and what prompts a person to act unethically may reverse the current trend toward unethical behaviour in business.

Ethical decisions in an organisation are influenced by three key factors: individual moral standards, the influence of managers and co-workers, and the opportunity to engage in misconduct. While you have great control over your personal ethics outside the workplace, your co-workers and management team exert significant control over your choices at work through authority and example. In fact, the activities and examples set by co-workers, along with rules and policies established by the firm, are critical in gaining consistent ethical compliance in an organisation. If the company fails to provide good examples and direction for appropriate conduct, confusion and conflict will develop and result in the opportunity for misconduct. If your boss or co-workers leave work early, you may be tempted to do so as well. If you see co-workers making personal long-distance phone calls at work and charging them to the company, then you may be more likely to do so also. In addition, having sound personal values contributes to an ethical workplace.

It is difficult for employees to determine what conduct is acceptable within a company if the firm does not have ethics policies and standards. And without such policies and standards, employees may base decisions on how their peers and superiors behave. Professional codes of ethics are formalised rules and standards that describe what a company expects of its employees. The Ethics Officer Association is a professional association of top managers in 500 companies who have responsibility for developing ethical policies and programs for their organisations, with members based in Australia, Canada, France, Germany, Great Britain, India, Japan, Switzerland, and the United States.

Codes of ethics, policies on ethics, and ethics training programs advance ethical behaviour because they prescribe which activities are acceptable and which are not, and they limit the opportunity for misconduct by providing punishments for violations of the rules and standards. The enforcement of such codes and policies through rewards and punishments increases the acceptance of ethical standards by employees. Enforcement of ethics policies is a common way of dealing with ethical problems.

Because ethical issues often emerge from conflict, it is useful to examine the causes of ethical conflict. Business managers and employees often experience some tension between their own ethical beliefs and their obligations to the organisations in which they work.

Many employees utilise different ethical standards at work than they do at home. This conflict increases when employees feel that their company is encouraging unethical conduct or exerting pressure on them to engage in it. Individuals also play a key role in promoting ethical decisions in the workplace. Whistle blowing occurs when an employee exposes an employer's wrongdoing to outsiders, such as the media or government regulatory agencies. However, more companies are establishing programs to encourage employees to report illegal or unethical practices internally so that they can take steps to solve problems before they result in legal action or generate negative publicity. Unfortunately, whistleblowers are often treated negatively in organisations.

7.8 The Nature of Social Responsibility

There are four dimensions of social responsibility: economic, legal, ethical, and voluntary (including philanthropic) (see Fig. 7.1). Earning profits is the economic foundation of the pyramid in Figure 7.3, and complying with the law is the next step.

A business whose sole objective is to maximise profits is not likely to consider its social responsibility, although its activities will probably be legal. We looked at ethical responsibilities in the first half of this chapter. Finally, voluntary responsibilities are additional activities that may not be required but which promote human welfare or goodwill. Legal and economic concerns have long been acknowledged in business but voluntary and ethical issues are more recent concerns.



Fig. 7.1 The pyramid of social responsibility

7.9 Social Responsibility Issues

As with ethics, managers consider social responsibility on a daily basis as they deal with real issues. Among the many social issues that managers must consider are their firms' relations with employees, government regulators, owners, suppliers, customers, and the community.

Social responsibility is a dynamic area with issues changing constantly in response to society's desires. There is much evidence that social responsibility is associated with improved business performance. Consumers are refusing to buy from businesses that receive publicity about misconduct. A number of studies have found a direct relationship between social responsibility and profitability, as well as that social responsibility is linked to employee commitment and customer loyalty—major concerns of any firm trying to increase profits. This section highlights a few of the many social responsibility issues that managers face; as managers become aware of and work toward the solution of current social problems, new ones will certainly emerge.

Relations with owners and shareholders

Businesses must first be responsible to their owners, who are primarily concerned with earning a profit or a return on their investment in a company. In a small business, this responsibility is fairly easy to fulfill because the owner(s) personally manages the business or knows the managers well. In larger businesses, particularly corporations owned by thousands of stockholders, assuring responsibility to the owners becomes a more difficult task.

A business's responsibilities to its owners and investors, as well as to the financial community at large, include maintaining proper accounting procedures, providing all relevant information to investors about the current and projected performance of the firm, and protecting the owners' rights and investments.

Employee relations

Another issue of importance to a business is its responsibilities to employees, for without employees a business cannot carry out its goals. Employees expect businesses to provide a safe workplace, pay them adequately for their work, and tell them what is happening in their company. They want employers to listen to their grievances and treat them fairly.

A major social responsibility for business is providing equal opportunities for all employees regardless of their sex, age, race, religion, or nationality. Women and minorities have been slighted in the past in terms of education, employment, and advancement opportunities; additionally, many of their needs have not been addressed by business.

Consumer relations

A critical issue in business today is business's responsibility to customers, who look to business to provide them with satisfying, safe products and to respect their rights as consumers. The activities that independent individuals, groups, and organisations undertake to protect their rights as consumers are known as consumerism. To achieve their objectives, consumers and their advocates write letters to companies, lobby government agencies, make public service announcements, and boycott companies whose activities they believe irresponsible.

Environmental issues

Environmental responsibility has become a leading issue in the last decade as both business and the public acknowledge the damage done to the environment in the past. Today's consumers are increasingly demanding that businesses take a greater responsibility for their actions and their impact on the environment.

Animal rights

One area of environmental concern in society today is animal rights. Probably the most controversial business practice in this area is the testing of cosmetics and drugs on animals that may be injured or killed as a result. Animal-rights activists, such as People for the Ethical Treatment of Animals, say such research is morally wrong because it harms living creatures. Consumers who share this sentiment may boycott companies that test products on animals and take their business instead to companies such as The Body Shop and John Paul Mitchell Systems, which do not use animal testing.

Pollution

Another major issue in the area of environmental responsibility is pollution. According to Laura Jones, an economist from British Columbia, Atlantic fisheries can avoid further ecological and economic disasters by switching to a “property rights” style of management.

Water pollution results from dumping toxic chemicals and raw sewage into rivers and oceans, oil spills, and the burial of industrial waste in the ground where it may filter into underground water supplies. Fertilizers and insecticides used in farming and grounds maintenance also run off into water supplies with each rainfall. Water pollution problems are especially notable in heavily industrialised areas.

Air pollution is usually the result of smoke and other pollutants emitted by manufacturing facilities, as well as carbon monoxide and hydrocarbons emitted by motor vehicles. In addition to the health risks posed by air pollution, when some chemical compounds emitted by manufacturing facilities react with air and rain, acid rain results.

Land pollution is tied directly to water pollution because many of the chemicals and toxic wastes that are dumped on the land eventually work their way into the water supply. Land pollution results from the dumping of residential and industrial waste, strip mining, forest fires, and poor forest conservation.

Response to environmental issues

Partly in response to federal legislation such as the Canadian Environmental Protection Act and partly due to consumer concerns, businesses are responding to environmental issues. Many small and large companies, including Walt Disney Company, Chevron, and Scott Paper, have created a new executive position, a Vice President of environmental affairs to help them achieve their business goals in an environmentally responsible manner.

Many firms are trying to eliminate wasteful practices, the emission of pollutants, and/or the use of harmful chemicals from their manufacturing processes. Other companies are seeking ways to improve their products. Auto makers, such as General Motors and Honda, are developing automobiles that run on alternative fuels such as electricity, solar power, natural gas, and methanol.

Summary

- We define business ethics as the principles and standards that determine acceptable conduct in business organisations.
- Ethical conduct builds trust among individuals and in business relationships, which validates and promotes confidence in business relationships.
- An ethical issue is an identifiable problem, situation, or opportunity that requires a person to choose from among several actions that may be evaluated as right or wrong, ethical or unethical.
- Ethics are also related to the culture in which a business operates.
- The vast number of news-format investigative programs has increased consumer and employee awareness of organisational misconduct.
- A conflict of interest exists when a person must choose whether to advance his or her own personal interests or those of others.
- Fairness and honesty are at the heart of business ethics and relate to the general values of decision makers.
- Another important aspect of communications that may raise ethical concerns relates to product labelling.
- Ethical behaviour within a business involves keeping company secrets, meeting obligations and responsibilities, and avoiding undue pressure that may force others to act unethically.
- Managers who offer no ethical direction to employees create many opportunities for manipulation, dishonesty, and conflicts of interest.
- A manager attempting to take credit for a subordinate's ideas is engaging in another type of plagiarism.
- Ethical decisions involve questions about how we ought to behave.
- Ethical decisions in an organisation are influenced by three key factors: individual moral standards, the influence of managers and co-workers,
- A business whose sole objective is to maximise profits is not likely to consider its social responsibility, although its activities will probably be legal
- Social responsibility is a dynamic area with issues changing constantly in response to society's desires.
- A major social responsibility for business is providing equal opportunities for all employees regardless of their sex, age, race, religion, or nationality.
- Land pollution is tied directly to water pollution because many of the chemicals and toxic wastes that are dumped on the land eventually work their way into the water supply.

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Self Assessment

1. _____ is the principles and standards that determine acceptable conduct in business organisations.
 - a. Business ethics
 - b. Government regulations
 - c. Ethical behaviour
 - d. Business conduct

2. _____ is a business's obligation to maximise its positive impact and minimise its negative impact on society.
 - a. Business ethics
 - b. Business responsibility
 - c. Ethical responsibility
 - d. Social responsibility

3. _____ builds trust among individuals and in business relationships, which validates and promotes confidence in business relationships.
 - a. Ethical conduct
 - b. Social responsibility
 - c. Ethical responsibility
 - d. Business ethics

4. A _____ exists when a person must choose whether to advance his or her own personal interests or those of others.
 - a. financial interest
 - b. business dealings
 - c. conflict of interest
 - d. special favour

5. Which of the following is not included in ethical issues?
 - a. Conflict of interest
 - b. Fairness and honesty
 - c. Communications
 - d. Ethical relationship

6. Which of the following is not a five step framework published by the Markkula Center for Applied Ethics?
 - a. Recognise a moral issue
 - b. Get the facts
 - c. Make a decision
 - d. Compassion and fairness

7. Which of the following is not a key factor that influence the ethical decisions in an organisation?
 - a. Collateral moral standards
 - b. Individual moral standards
 - c. Influence of managers
 - d. Influence of co workers

8. Which of the following is not a pyramid of social responsibilities?
- Voluntary responsibilities
 - Ethical responsibilities
 - Legal responsibilities
 - Social responsibilities
9. _____ is a dynamic area with issues changing constantly in response to society's desires.
- Economic responsibilities
 - Legal responsibilities
 - Social responsibility
 - Voluntary responsibility
10. It is the responsibility of _____ to create a work environment that helps the company achieve its objectives and fulfil its responsibilities.
- co-workers
 - managers
 - software
 - business functions

Chapter VIII

Self-efficacy for Personal and Organisational Effectiveness

Aim

The aim of this chapter is to:

- define self-efficacy
- elucidate the enabling modelling
- explain the core functional properties of self-efficacy

Objectives

The objectives of this chapter are to:

- explain the principles governing personal and collective efficacy
- recognise the transferring training by self directed success
- elucidate cognitive mastery

Learning outcome

At the end of this chapter, you will be able to:

- understand the self regulatory competencies
- identify the effect of human behaviour on efficacy
- recognise the ways of enabling of modelling through mastery

8.1 Introduction

Human behaviour is extensively motivated and regulated through the exercise of self-influence. Among the mechanisms of self-influence, none is more focal or pervading than belief in one's personal efficacy. Unless people believe that they can produce desired effects and prevent undesired ones by their actions, they have little incentive to act or to persevere in the face of difficulties. Whatever other factors may serve as guides and motivators, they are rooted in the core belief that one has the power to produce desired results.

That belief in one's capabilities is a vital personal resource and is amply documented by meta - analyses of findings from diverse spheres of functioning. Perceived self-efficacy is founded on the agentic perspective of social cognitive theory. To be an agent is to influence intentionally one's functioning and life conditions. In this view, people are contributors to their life circumstances not just products of them.

8.2 Core Functional Properties of Perceived Self-efficacy

Converging evidence from controlled experimental and field studies verifies that belief in one's capabilities contribute uniquely to motivation and action. Perceived self-efficacy occupies a pivotal role in causal structures because it affects human functioning not only directly, but through its impact on other important classes of determinants. These determinants include goal aspirations, incentives and disincentives rooted in outcome expectations, and perceived impediments and opportunity structures in social systems. Figure 8.1 presents the structure of the causal model. Diverse lines of research have verified the various paths in the structural model. Longitudinal research, evaluating the full set of determinants, confirms that the social cognitive model provides a good fit to the empirical evidence.

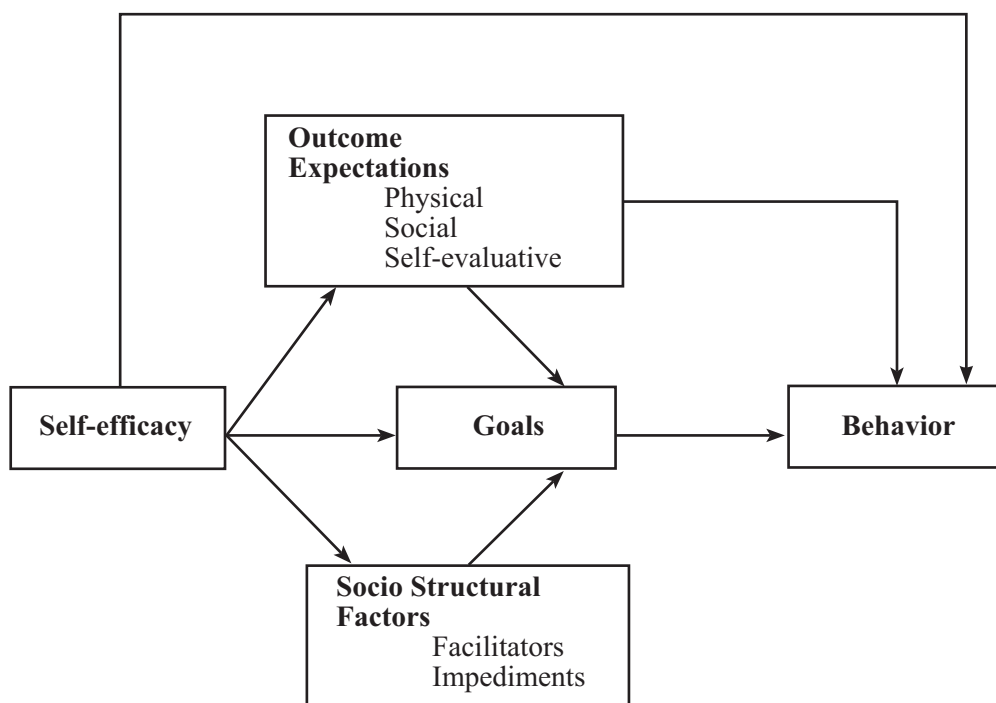


Fig. 8.1 Structural paths of influence wherein perceived self-efficacy affects motivation and performance attainments

Among the different determinants, self-efficacy emerges as the strongest predictor. Efficacy beliefs affect Self-motivation and action through their impact on goals and aspirations. It is partly on the basis of efficacy beliefs that people choose what goal challenges to undertake, how much effort to invest in the endeavour, and how long to persist in the face of difficulties. When faced with obstacles, setbacks and failures, those who doubt their capabilities slacken their efforts, give up prematurely, or settle for poorer solutions. Those who have a strong belief in their capabilities redouble their effort to master the challenges.

Perceived efficacy likewise plays an influential role in the incentive and disincentive potential of outcome expectations. The outcomes people anticipate depend largely on their beliefs of how well they can perform in given situations. Those of high efficacy expect to gain favourable outcomes through good performance, whereas those who expect poor performances of themselves conjure up negative outcomes. Anticipated outcomes may take the form of material costs and benefits, social commendation and reproof, and self - approving and self - censuring affective reactions.

In theories of motivation founded on the incentives operating through cognised outcomes, such as expectancy - value theories, motivation is governed by the expectation that a given behaviour will produce certain outcomes and the value placed on those outcomes. This type of theory includes only one of the two belief systems governing motivation. People act on their beliefs about what they can do, as well as on their beliefs about the likely outcomes of performance. There are countless activities which, if done well, produce valued outcomes, but they are not pursued by those who doubt they can do what it takes to succeed. They exclude entire classes of options rapidly on self-efficacy grounds without bothering to analyse their costs and benefits. Conversely, those of high efficacy expect their efforts to bring success and are not easily dissuaded by negative outcomes.

Rational models of motivation and decision making that exclude perceived self-efficacy sacrifice explanatory and predictive power. Perceived self-efficacy not only sets the slate of options for consideration, but also regulates their implementation. Having decided on a course of action, one cannot sit back and wait for the performances to appear. Making a decision does not ensure that individuals will mobilise the effort to execute the decided course of action successfully and stick to it in the face of difficulties. A psychology of decision making requires a psychology of action grounded in enabling and sustaining efficacy beliefs. One must add a performatory self to the decisional self; otherwise the decider is left stranded in thought. Beliefs of personal efficacy shape whether people attend to the opportunities or to the impediments that their life circumstances present and how formidable the obstacles appear. People of high efficacy focus on the opportunities worth pursuing and view difficult obstacles as surmountable. Through ingenuity and perseverance they figure out ways of exercising some measure of control even in environments of limited opportunities and many constraints. Those beset with self - doubts dwell on impediments which they view as obstacles over which they can exert little control. They easily convince themselves of the futility of effort so they achieve limited success even in environments that provide many opportunities.

8.3 Diverse Organisational Impact of Perceived Self-efficacy

The scope of the organisational applications of perceived self-efficacy will be summarised briefly before presenting the principles for altering efficacy belief systems. The brief review of its scope addresses the challenge of constructing a parsimonious theory of broad generalisability. To begin with, perceived self-efficacy is an influential determinant of career choice and development. The higher the people ' s perceived efficacy to fulfil educational requirements and occupational roles the wider the career options they seriously consider pursuing, the greater the interest they have in them, the better they prepare themselves educationally for different occupational careers, and the greater their staying power in challenging career pursuits.

New employees receive training designed to prepare them for the occupational roles they will be performing. Those of low perceived efficacy prefer prescriptive training that tells them how to perform the roles as traditionally structured. Employees of high perceived efficacy prefer training that enables them to restructure their roles innovatively by improving the customary practices and adding new elements and functions to them. Self - efficacious employees take greater initiative in their occupational self - development and generate ideas that help to improve work processes.

Organisations that provide their new employees with guided mastery experiences, effective co - workers as models, and enabling performance feedback enhance employees ' self-efficacy, emotional well - being, job satisfaction, and level of productivity. Other organisational practices, such as job enrichment and mutually supportive communication, also build employees' perceived efficacy to take on broader functions and a proactive work role. Self-efficacy theory provides a conceptual framework within which to study the determinants of effective work design and the mechanisms through which they enhance organisational functioning.

Work life is increasingly structured on a team-based model in which management and operational functions are assigned to the workers themselves. A self-management work structure changes the model of supervisory management from hierarchical control to facilitative guidance that provides the necessary resources, instructive guidance, and the support that teams need to do their work effectively. Enabling organisational structures builds managers' efficacy to operate as facilitators of productive team work. The perceived collective efficacy of self-managed teams predicts the members' satisfaction and productivity.

Managers as enabling facilitators of team functioning have also been studied in terms of empowering leadership. It is typically characterised as leading by example, participant decision making, enabling guidance, and receptivity to members' ideas. Empowering leadership has been found to be positively related to team performance, but the mechanisms through which it works have received little attention. The development of new business ventures and the renewal of established ones depend heavily on innovativeness and entrepreneurship. With many resourceful competitors around, viability requires continual ingenuity. At the preparatory level, self-efficacy plays an influential role in the development of entrepreneurial intentions. Learning experiences and risk propensity had no direct effect on intentions to pursue an entrepreneurial career. They had an impact only to the extent that they raised individuals' beliefs in their efficacy to identify new business opportunities, create new products, think creatively, and commercialise ideas. This is the structural pattern of relations after controlling for prior entrepreneurial intentions. Self-efficacy continues to play an influential role in the undertaking of new ventures.

Entrepreneurs have to be willing to take risks under uncertainty. Those of high efficacy focus on the opportunities worth pursuing, whereas the less self-efficacious dwell on the risks to be avoided. Hence, perceived self-efficacy predicts entrepreneurship and which patent inventors are likely to start new business ventures. Ventures who achieve high growth in companies they have founded or transformed, or those they have bought, have a vision of what they wish to achieve, a firm belief in their efficacy to realise it, set challenging growth goals, and come up with innovative production and marketing strategies. Effective leadership and workforces require receptivity to innovators that can improve the quality and productivity of organisations. Managers perceived technical efficacy influences their readiness to adopt electronic technologies.

Efficacy beliefs affect not only manager's receptivity to technological innovations, but also the readiness with which employees adopt them. Efficacy-fostered adoption of new technologies, in turn, alters the organisational network structure and confers influence on early adopters within an organisation over time. Perceived self-efficacy to fulfil occupational demands affects level of stress and physical health of employees. Those of low efficacy are stressed both emotionally and physiologically by perceived overload, in which task demands exceed their perceived coping capabilities; whereas those who hold a high belief in their efficacy and that of their group are unfazed by heavy workloads. Perceived self-efficacy must be added to the demands – control model of occupational stress to improve its predictability. It contends that being given control over work activities reduces the stressfulness of work life. High job demands with an opportunity to exercise control over various facets of the work environment is unperturbing to jobholders of high perceived efficacy, but stressful to those of low perceived efficacy to manage them. Efforts to reduce occupational stressfulness by increasing job control without raising self-efficacy to manage the increased responsibilities will do more harm than good. For the self-efficacious, job under load can be a stressor. Indeed, employees of high efficacy are stressed by perceived under load in which they feel thwarted and frustrated by organisational constraints in developing and using their potentialities. Exposure to chronic occupational stressors with a low sense of efficacy to manage job demands and to enlist social support in times of difficulty increases vulnerability to burnout. This syndrome is characterised by physical and emotional exhaustion, depersonalisation of clients, lack of any sense of personal accomplishment, and occupational disengagement with cynicism about one's work.

A resilient sense of efficacy provides the necessary staying power in the tortuous pursuit of innovation and excellence. Yet the much undaunted self-efficacy that breeds success in tough ventures may perpetuate adherence to courses of action that hold little prospect of eventual success. Thus, for example, managers of high perceived efficacy are more prone than those of low efficacy to escalate commitment to unproductive ventures, and to remain wedded to previously successful practices despite altered realities that place them at competitive disadvantage. The corrective for the perils of success is not deflation of personal efficacy.

Such a disabling remedy would undermine aspiration, innovation, and human accomplishments in endeavours presenting tough odds. Individuals who are highly assured in their capabilities and the effectiveness of their strategies are disinclined to seek discordant information that would suggest the need for corrective adjustments. The challenge is to preserve the considerable functional value of resilient self-efficacy, but to institute information monitoring and social feedback systems that can help to identify practices that are beyond the point of utility.

Reliable risk analysis, when achievable, is essential in preventing irresponsible ventures that created a global financial crisis. However, one must distinguish between accelerative commitment to a failing venture and engagement in deceptive and fraudulent corporate practices. Research on the exercise of moral agency attests to the influential role played by selective moral disengagement in corporate practices that spawn widespread harm. As a trader in the midst of the growing financial crisis put it, "I leave my ethics at the door."

It is easy to achieve veridical judgment. Simply punish optimism. The motivational belief system that fosters accomplishments in difficult endeavours combines realism about tough odds, but by using optimism through self-development and perseverant effort one can beat those odds. We study intensively the risks of overconfidence, but ignore the more pervasive personal and social costs of under confidence. This bias probably stems from the fact that the costs of lost opportunities and underdeveloped potentialities are long delayed and less noticeable than those of venturesome missteps. The heavy selective focus on the risk of overconfidence stands in stark contrast to the entrepreneurial spirit driving the modern workplace in the rapidly changing world.

The functional value of veridical self-appraisal depends on the nature of the venture. In activities where the margins of error are narrow and missteps can produce costly or injurious consequences, one is best served by conservative appraisal of one's efficacy. It is a different matter when difficult accomplishments can produce substantial personal or social benefits and the personal costs involve time, effort, and expendable resources. People have to decide whether to invest their efforts and resources in ventures that are difficult to fulfil, and how much hardship they are willing to endure in formidable pursuits that may have huge payoffs but are strewn with obstacles and uncertainties. Turning visions into realities is an arduous process with uncertain outcomes. Societies enjoy the considerable benefits of the eventual accomplishments in the arts, sciences, and technologies of its risk takers. Realists trade on the merchandisable products that flow from the creations of innovative persisters. To paraphrase the discerning observation of George Bernard Shaw, reasonable people adapt to the world, unreasonable people try to change it, and so human progress depends on the unreasonable ones.

Social cognitive theory distinguishes among three forms of perceived efficacy depending on the source of control over events. Direct individual efficacy pertains to belief in one's capability to exercise some measure of control over events within one's command. However, in many spheres of functioning, people do not have direct control over conditions that affect their lives. They exercise proxy efficacy through socially mediated influence. They do so by influencing others who have the resources, knowledge, and means to act on their behalf to secure the outcomes they desire. Many of the things people seek are achievable only by working collaboratively for common purpose through interdependent effort. In the exercise of collective efficacy, they pool their knowledge, skills, and resources, and act in concert to shape their future.

Given the generality and centrality of the self-efficacy mechanism in the causal structures governing diverse aspects of organisational functioning, programs aimed at developing a resilient sense of efficacy can yield significant dividends in performance accomplishments and personal well-being. The principles for developing and strengthening beliefs of personal efficacy are addressed in the sections that follow. Social cognitive theory lends itself readily to personal and social applications in diverse spheres of life. These applications are extensively reviewed elsewhere. The present chapter summarises the relevant principles for developing a resilient sense of efficacy and illustrates their application in the organisational field.

8.4 Principles Governing the Development of Personal and Collective Efficacy

Self-efficacy beliefs are developed by four principal sources of information conveyed inactively, vicariously, persuasively, and somatically. The most effective way of instilling strong efficacy is through enactive mastery experiences structured through graduated attainments.

If people experience only easy successes they come to expect quick results and are easily discouraged by failure. Hence, resilient efficacy requires experience in overcoming obstacles through perseverant effort. The route to high attainments is strewn with failure and setbacks. Success is achieved by learning from mistakes. Resilience must also be built by training in how to manage failure so that it is informative rather than demoralising.

The second way of developing personal and collective efficacy is by social modelling. Competent models convey knowledge, skills, and strategies for managing task demands. By their example in pursuing challenges, models foster aspirations and interest in activities. Seeing people similar to oneself succeed by perseverant effort raises observers' beliefs in their own abilities. Social persuasion is the third mode of influence. If people are persuaded to believe in themselves they will exert more effort. This increases their chances of success. However, credible persuaders must be knowledgeable and practice what they preach. Effective efficacy builders do more than convey faith in others. They arrange situations for others in ways that bring success. They avoid placing them, prematurely, in situations where they are likely to fail. They measure success by self-improvement, rather than by triumphs over others. Pep talks, without enabling guidance, achieve little.

People rely partly on their physical and emotional states in judging their efficacy. They read their tension, anxiety, and weariness as signs of personal deficiencies. Mood also affects how people judge their efficacy. Positive mood enhances a sense of efficacy; depressed mood diminishes it. People often misread their fatigue, windedness, aches, and pains as evidence of declining physical efficacy. These physical conditions are often due to a sedentary lifestyle. Efficacy beliefs are strengthened by reducing anxiety and depression, building physical strength and stamina, and changing misrepresentations of bodily states.

As illustrated in the diverse organisational effects cited earlier, efficacy beliefs regulate human functioning through their impact on cognitive, motivational, affective, and decisional processes. They affect: whether people think productively, pessimistically, or optimistically and in self-enacting or self-debilitating ways; how well they motivate themselves and persevere in the face of difficulties; the quality of their emotional well-being they achieve and their vulnerability to stress and depression; and the life choices they make, which set the course of their life paths.

Information for judging personal efficacy, whether conveyed inactively, vicariously, persuasively, or somatically is not inherently informative. It is only raw data. Experiences become instructive through cognitive processing of efficacy information and reflective thought. One must distinguish between information conveyed by events and information as selected, interpreted, and integrated into self-efficacy judgments.

The cognitive processing of efficacy information involves two separate functions:

The first is the types of information people attend to and use as indicators of personal efficacy. Social cognitive theory specifies the set of efficacy indicators that are unique to each of the four major modes of influence. For example, judgments of self-efficacy based on performance attainments will vary depending on people's interpretive biases, the perceived difficulty of the task, how hard they worked at it, how much help they received, the conditions under which they performed, their emotional and physical state at the time, their rate of improvement over time, and biases in how they monitor and recall their attainments. The indicators people single out provide the information base on which the self-appraisal process operates.

- The second function in efficacy judgment involves the combination rules or heuristics people use to weight and integrate efficacy information from the diverse sources in forming their efficacy beliefs. The informativeness of the various efficacy indicators will vary for different spheres of functioning. The various sources of efficacy information may be integrated additively, multiplicatively, configurally, or heuristically. This judgmental process is not entirely dispassionate. Strong preconceptions and affective proclivities can alter self-efficacy appraisals positively or negatively.

The multiple benefits of a strong sense of personal efficacy do not arise simply from the incantation of capability. Saying something should not be confused with believing it to be so. A sense of personal efficacy is constructed through a complex process of self-persuasion based on integrating constellations of efficacy information conveyed inactively, vicariously, socially, and physiologically.

Enablement through guided mastery

Guided mastery provides one of the most effective ways of cultivating competencies. However, a skill is only as good as its execution, which is heavily governed by self-regulatory and motivational factors. Individuals may, therefore, perform poorly, adequately, or well with the same set of skills depending on the beliefs they hold about their capabilities in given situations. Part of the power of guided mastery stems from its use of all four modes of efficacy development.

The method that produces the best gains in both self-efficacy and skill combines three components:

- First, the appropriate skills are modelled to convey the basic rules and strategies.
- Second, the learners receive guided practice under simulated conditions to develop proficiency in the skills.
- Third, they are provided with a graduated transfer program that helps them to apply their newly learned skills in work situations in ways that will bring them success.

Enabling modelling

Modelling is the first step in developing competencies. Complex skills are broken down into sub skills, which can be modelled on videotape in easily mastered steps. Subdividing complex skills into sub skills produces better learning than trying to teach everything at once. After the sub skills are learned by this means, they can be combined into complex strategies to serve different purposes. Effective modelling teaches general rules and strategies for dealing with different situations rather than only specific responses or scripted routines. Voiceover narration of the rules and strategies as they are being modelled, and brief summaries of the rules, enhance development of generic competencies.

The execution of skills must be varied to suit changing circumstances. People who learn rules in the abstract usually do a poor job in applying them in particular situations. However, teaching abstract rules with varied brief examples promotes generalisability of the skills being taught by showing how the rules and strategies can be widely applied and adjusted to fit changing conditions. A single lengthy example teaches how to apply the rule in that particular situation but provides no instruction on how to adapt its application to varying situations.

People fail to apply what they have learned, or do so only half-heartedly, if they distrust their ability to do it successfully. Therefore, modelling influences must be designed to build a sense of personal efficacy as well as to convey knowledge about rules and strategies. The impact of modelling on beliefs about one's capabilities is greatly increased by perceived similarity to the models. Learners adopt modelled ways more readily if they see individuals similar to themselves solve problems successfully with the modelled strategies than if they regard the models as very different from themselves. The characteristics of models, the type of problems with which they cope, and the situations in which they apply their skills should be made to appear similar to the trainees' own circumstances.

Guided skill perfection

Factual and strategic knowledge alone will not beget proficient performance. Knowledge structures are transformed into proficient action through a conception - matching process. Enabling modelling provides the guiding conception for proficient management of one's work life. The feedback accompanying enactments provides the information needed to detect and correct mismatches between the generic conception of requisite skills and action. This comparative process is repeated until a close match is achieved. Putting into practice what one has learned cognitively can also reveal gaps and flaws in the guiding conception. Recognising what one does not know contributes to the refinement of cognitive representations by further modelling and verbal instruction regarding the problematic aspects of the representation.

In the transformational phase of competency development, learners test their newly acquired skills in simulated situations where they need not fear making mistakes or appearing inadequate. This is best achieved by role rehearsal in which they practice handling the types of situations they have to manage in their work environment. Mastery of skills can be facilitated by combining cognitive and behavioural rehearsal. In cognitive rehearsal, people rehearse mentally how they will translate strategies into what they say and do to manage given situations. In perfecting their skills, people need informative feedback about how they are doing. A common problem is that they do not fully observe their own behaviour. Informative feedback enables them to make corrective adjustments to get their behaviour to fit their idea of how things should be done. Videotape replays are widely used for this purpose. However, simply being shown replays of one's own behaviour usually has mixed effects. To produce good results, the feedback must direct attention to the corrective changes that need to be made. It should call attention to successes and improvements and correct deficiencies in a supportive and enabling way so as to strengthen perceived efficacy. Some of the gains accompanying informative feedback result from raising people's beliefs in their efficacy rather than solely from further skill development.

The feedback that is most informative and achieves the greatest improvements takes the form of corrective modelling. In this approach, the sub skills that have not been adequately learned are further modelled and learners rehearse them until they master them. Effective functioning requires more than learning how to apply rules and strategies for managing organisational demands. The transactions of occupational life are littered with impediments, discordances, and stressors. Many of the problems of occupational functioning reflect failures of self-management rather than deficiencies of knowledge and technical skills. Therefore, an important aspect of competency development includes training in resiliency to difficulties. As we shall see later, this requires skill in cognitive self-guidance, self-motivation, and strategies for counteracting self-debilitating reactions to troublesome situations that can easily unhinge one.

In the latter phase, trainees were taught how to anticipate potential stressors, devise ways of overcoming them, monitor the adequacy of their coping approach, and use self-incentives to sustain their efforts. Trainees who had the benefit of the supplemental self-management training were better at applying learned negotiation skills in new contractual situations presenting conflict and intimidating elements and negotiated more favourable outcomes than trainees who did not. The self-managers made flexible use of the wide range of strategies they had been taught, whereas their counterparts were more likely to persevere with only a few of the strategies when they encountered negative reactions.

Job searches in a competitive market require a lot of self-initiative and staying power in face of discouraging rejections. A resilient sense of efficacy is needed to sustain the effort. Yanar, Budworth, and Latham combined modelling, functional verbal self-guidance, role rehearsal, and proximal goal setting to hasten reemployment of women in an Islamic society. They face the added obstacle of gender discrimination in the workplace. Compared to women who received didactic instruction in job search, those who had the benefit of the enabling socio-cognitive program were more persistent in their job search and more likely to find work in their area of interest. In accord with the findings, self-efficacy completely mediated the effect of the program on job search behaviours. This low cost/high benefit approach also enabled aboriginal youth to secure and maintain employment. The higher instilled self-efficacy the better their employment outcomes. This research addresses a matter of growing import as societies continue to become more ethnically and culturally diverse.

Transfer training by self-directed success

Modelling and simulated enactments are well suited for creating competencies. But new skills are unlikely to be used for long unless they prove useful when they are put into practice in work situations. People must experience sufficient success using what they have learned to believe in themselves and the value of the new ways. This is best achieved by a transfer program in which newly acquired skills are first tried on the job in situations likely to produce good results. Learners are assigned selected problems they often encounter in their everyday situations. After they try their hand at it, they discuss their successes and where they ran into difficulties for further instructive training. As learners gain skill and confidence in handling easier situations, they gradually take on more difficult problems. If people have not had sufficient practice to convince themselves of their new effectiveness, they apply the skills they have been taught weakly and inconsistently. They rapidly abandon their skills when they fail to get quick results or experience difficulties.

Mastery modelling is now increasingly used, especially in videotaped formats, to develop competencies. But its potential is not fully realised if training programs do not provide sufficient practice to achieve proficiency in the modelled skills or if they lack an adequate transfer program that provides success with the new skills in the natural environment. Such programs rarely include training in resiliency through practice on how to handle setbacks and failure. When instructive modelling is combined with guided role rehearsal and a guided transfer program, this mode of organisational training usually produces excellent results.

Because trainees learn and perfect effective ways of managing task demands under lifelike conditions, problems of transferring the new skills to everyday life are markedly reduced. A mastery modelling program devised by Latham and Saari to teach supervisors the interpersonal skills they need to work effectively through others is an excellent illustration of this type of approach to competency development. Supervisors have an important impact on the morale and productivity of an organisation. But they are often selected for their technical competencies and job - related knowledge, whereas their success in the supervisory role depends largely on their interpersonal skills to guide, enable, and motivate those they supervise.

Latham and Saari used videotape modelling of prototypic work situations to teach supervisors how to manage the demands of their supervisory role. They were taught how to increase motivation, give recognition, correct poor work habits, discuss potential disciplinary problems, reduce absenteeism, handle employee complaints, and overcome resistance to changes in work practices. Summary guidelines defining key steps in the rules and strategies being modelled were provided to aid learning. The group of supervisors discussed and then practiced the skills in role - playing scenarios using incidents they had to manage in their work. They received enabling feedback to help them improve and perfect their skills.

To facilitate transfer of supervisory skills to their work environment, they were instructed to use the skills they had learned on the job during the next week. They then reviewed their successes and difficulties in applying the skills. If they encountered problems, the incidents were re-enacted and the supervisors received further training through instructive modelling and role rehearsal on how to manage such situations. Supervisors who received the guided mastery training performed their supervisory role more skilfully both in role - playing situations and on the job assessed a year later than did supervisors who did not receive the training. Because the skills proved highly functional, the supervisors adhered to them. Weak training programs often rely heavily on platitudinous rules for success delivered in a hyped-up fashion. Any motivational effects rapidly dissipate as the initial burst of enthusiasm fades through failure to produce good results. Latham and Saari found that simply explaining to supervisors in the control group the rules and strategies for how to handle problems on the job without modelling and guided role rehearsal did not improve their supervisory skills. Because this approach provides supervisors with the tools for solving the problems they face, they expressed favourable reactions to it.

Supervisory skills instilled by guided mastery improve the morale and productivity of organisations. Compared to the productivity of control plants, the one that received the guided mastery program improved supervisory problem -solving skills, had a significantly lower absentee rate, lower turnover of employees, and a 17% increase in the monthly level of productivity over a six - month period. This surpassed the productivity of the control plants. Mastery modelling produces multiple benefits in sales similar to those in production as reflected in enhanced productivity and a lower rate of turnover in personnel.

There are no training shortcuts or quick fixes for perceived inefficacy, dysfunctional work habits, and deficient self -regulation and occupational competencies. As is true in other spheres of functioning, the methods that are least effective are most widely used because they are easy to do, whereas enablement methods of proven value are used less often because they require greater investment of time and effort.

The application of guided mastery for markedly different purposes, such as the elimination of anxiety dysfunctions, further illustrates the power and generality of this approach. Talk alone will not cure intractable problems. To overcome chronic anxiety people have to confront the perceived threats and gain mastery over them. When people avoid what they fear; they lose touch with the reality they shun. Guided mastery provides a quick and effective way of restoring reality testing and disconfirming faulty beliefs. But even more important, mastery experiences that are

structured to develop coping skills provide persuasive affirming tests that they can exercise control over what they fear. However, individuals are not about to do what they avoid. Therefore, one must create enabling environmental conditions so that individuals who are beset with profound self-doubt about their coping capabilities can perform successfully despite themselves.

This is achieved by enlisting a variety of performance mastery aids. This mode of treatment eliminates anxiety, biological stress reactions, and phobic behaviour. It also transforms dream activity and wipes out recurrent nightmares of long standing. The changes endure.

Cognitive mastery modelling

A great deal of professional work involves making decisions and finding solutions to problems by drawing on one's knowledge, constructing new knowledge structures, and applying decision rules. Competency in problem solving requires the development of thinking skills for how to seek and construct reliable information and put it to good use. People can learn thinking skills and how to apply them by observing the decision rules and reasoning strategies models use as they seek solutions.

Over the years, organisational training relied almost exclusively on the traditional lecture format despite its limited effectiveness. Mastery modelling works much better than lectures. With the advent of the computer, talking heads are being replaced by self-paced instructional programs that provide step - by - step instruction, structured drills, and feedback of accuracy. Comparative tests indicate that cognitive modelling may provide a better approach to the development of higher-order cognitive competencies. In teaching reasoning skills through cognitive modelling, performers verbalise their strategies aloud as they engage in problem - solving activities. The thoughts guiding their decisions and actions are thus, made observable. During cognitive modelling, the models verbalise their thoughts as they analyse the problem, seek information relevant to it, generate alternative solutions, judge the likely outcomes associated with each alternative, and select the best way of implementing the chosen solution. They also verbalise their strategies for handling difficulties, how to manage intrusive thoughts and disruptive emotional reactions, recover from mistakes, and motivate themselves. This enables them to remain task oriented under trying conditions.

Modelling thinking skills along with action strategies can aid development of reasoning skills in several ways. Watching models verbalise their thoughts as they solve problems commands attention. Hearing the rules verbalised as the action strategies are implemented produces faster learning than only being told the rules or seeing only the actions modelled.

Modelling also provides an informative context in which to demonstrate how to go about solving problems. The rules and strategies of reasoning can be repeated in different forms as often as needed to develop generative thinking skills. Varied application of reasoning strategies to fit different circumstances increases their understanding.

Observing models verbalise how they use their cognitive skills to solve problems highlights the capacity to exercise control over one's thought processes, which has been shown to boost observers' sense of efficacy over and above the strategic information conveyed. Similarity to succeeding models boosts the instructional impact. And finally, modelling how to manage failures and setbacks fosters resilience to aversive experiences.

Managers were taught how to generate ideas to improve the quality of organisational functioning and customer service by providing them with guidelines and practice in innovative problem solving. Cognitive modelling, in which models verbalised strategies for generating ideas, proved superior to presenting the same guidelines solely in the traditional lecture format. Managers who had the benefit of cognitive modelling expressed a higher sense of efficacy and generated considerably more ideas and ideas of greater variety. Regardless of format of instruction, the higher the instilled efficacy beliefs, the more abundant and varied were the generated ideas.

The advantages of cognitive mastery modelling are even more evident when the effectiveness of alternative instructional methods is examined as a function of trainees' pre existing level of perceived efficacy. Managers were taught with a computerised tutorial how to operate a spreadsheet program and use it to solve business problems. Cognitive modelling provided the same information and the same opportunities to practice the computer skills but

used a videotape of a model demonstrating how to perform the activity. Videotaped cognitive modelling instilled a uniformly high sense of efficacy to acquire computer software skills regardless of whether managers began the training self-assured or self-doubting of their computer capabilities. A computerised tutorial had weaker effects on efficacy beliefs and was especially ineffective with managers who were insecure in their computer efficacy. Cognitive modelling also promoted a high level of computer skill development. The higher the pre-existing and the instilled efficacy believe, the better the skill development. The benefits of mastery modelling extended beyond development of technical skills. Compared to the computer tutorial training, mastery modelling produced a more effective working style, less negative affect during training, and higher satisfaction with the training program. Mastery modelling provides an instructional vehicle that lends itself well for enlisting affective and motivational determinants of competency development.

We have entered a new era in which the construction and management of knowledge and development of expertise relies increasingly on electronic inquiry. Much information is currently available only in electronic rather than print form. The electronic network technologies greatly expand opportunities to attain expertise. Skill in electronic search is emerging as an essential competency. Knowledge construction through electronic inquiry is not simply a mechanical application of a set of cognitive operators to an existing knowledge base. Rather, it is a challenging process in which affective, motivational, and self-regulatory factors influence how information is gathered, evaluated, and integrated into knowledge structures.

Information seekers face a sudden large amount of information in diverse sources of varying value and reliability. It requires a strong sense of efficacy to find one's way around this mounting volume and complexity of information. People, who doubt their efficacy to conduct productive inquiries, and to manage the electronic technology, can quickly become overwhelmed. In developing their cognitive skills for untangling the web, individuals were taught how to frame the electronic inquiry by selecting key constructs and finding reliable sources; how to broaden the scope and depth of inquiry by using appropriate connectors; and how to sequence the inquiry optimally? Compared to a group that received a computer tutorial, those who had benefit of cognitive modelling that conveyed the same search rules gained higher perceived efficacy and satisfaction in knowledge construction. They spent less time in errors and redundancies, used better search and sequencing strategies, learned more, and were more successful in constructing new knowledge. Putting a human face with which one can identify in electronic instructional systems substantially boosts their power.

Belief in one's efficacy to manage electronic technology influences not only how well individuals acquire knowledge by this means, but also their receptivity to electronic innovations, job satisfaction and productivity. Many organisational activities are now performed by members of virtual teams working together from scattered locations through computer mediated collaboration. Working remotely with little direct supervision across time, space, and cultural orientations can be quite taxing. Those of high perceived efficacy for remotely conducted collaborative work have more positive job attitudes and achieve higher job performances than those of low perceived efficacy

8.5 Cultivation of Self-regulatory Competencies

The capacity for self-regulation through the exercise of self-influence is another core feature of an agentic theory of human motivation and action. The accelerated growth of knowledge and rapid pace of social and technological change are placing a premium on capabilities for self-motivation and self-development.

Indeed, to keep up with a world that is rapidly changing, people have to develop, upgrade, and reform their competencies in continual self-renewal. To achieve this, they must develop skills in regulating the cognitive, motivational, affective, and social determinants of their functioning.

Self-management is exercised through a variety of interlinked self-referent processes including self-monitoring, self-efficacy appraisal, personal goal setting, and enlistment of motivating incentives. Knowledge of how these various sub functions of self-regulation operate provides particularised guides on how to develop and implement this capability.

People cannot influence their own motivation and actions if they do not keep track of their performances. Neither goal without knowing how one is doing nor knows how one is doing without any goals motivating. Success in self-regulation partly depends on the fidelity, consistency, and temporal proximity of self-monitoring. Observing one's pattern of behaviour is the first step toward doing something to affect it but, in itself, such information provides little basis for self-directed reactions.

Goals and aspirations play a pivotal role in the exercise of self-directedness. Goals motivate by enlisting self-evaluative investment in activities rather than directly. Once people commit themselves to goal challenges they care about how they do. Two types of affective motivators come into play – people seek self-satisfaction from fulfilling valued goals, and are prompted to intensify their efforts by discontent with substandard performances. The goals that are motivating are the type that activates self-investment in the activity. They include explicitness, level of challenge, and temporal proximity. Explicit goals motivate because they specify the type and amount of effort needed to attain them. Many of the goals people set for themselves result in failure because they are too general and personally non-committing. To create productive involvement in activities, goals must be explicit. The amount of effort enlisted and satisfaction that accompany different goal attainments depend on the level at which they are set. Strong interest and self-investment in activities are sparked by challenges. There is no self-satisfaction with easy successes. Nor do goals that are widely out of one's reach bring any satisfying accomplishments and, over time, they can weaken one's sense of efficacy.

The effectiveness of goals in regulating motivation and performance depends on how far into the future they are projected. Long range goals provide the vision and give direction to one's activities. But they are too distant to serve as current motivators. There are too many competing activities at hand for distant futures to exert much impact on current behaviour. It is too easy to put off serious efforts in the present to the tomorrows of each day. Self-motivation is best sustained by attainable sub goal challenges that lead to distant aspirations. Short-term sub goals enlist the strategies and motivators in the here and now needed to get to where one is going. Difficult goal challenges are not achievable at once.

Seemingly overwhelming activities are mastered by breaking them into smaller manageable steps. Concentrated effort in the short term brings success in the long. Goal systems structured along the lines described above function as remarkably robust motivators across diverse activity domains, environmental settings, populations, and time spans.

Perceived self-efficacy plays an influential role in the self-regulation of motivation and actions through goal systems. It does so in part by its impact on goal setting. The stronger the people's belief in their capabilities the higher the goal challenges they set for themselves and the firmer their commitment to them. Graduated sub goals provide a means for building perceived self-efficacy and intrinsic interest where they are lacking. There are several ways they achieve these effects. Sustained effort fostered by proximal goals builds competencies. Sub goal attainments provide clear markers of increasing mastery. Evidence of progress builds self-efficacy. Sub goal attainments also bring self-satisfaction. Satisfying experiences build intrinsic interest in activities. Effective self-regulation is also central to personal management of emotional states and problem behaviours that have a negative spill over on work performance. Employee absenteeism costs US industries billions of dollars annually. It is a serious problem that disrupts work schedules, raises costs, and decreases productivity.

The elements for an effective self-management system are provided to reduce absenteeism. Employees who often missed work were taught in groups how to manage their motivation and behaviour more effectively. They kept a record of their work attendance. They analysed the personal and social problems that prevented them from getting to work, and were taught strategies for overcoming these obstacles. They set themselves Short-term goals for work attendance, and rewarded themselves for meeting their goals. Training in self-regulation increased employees' beliefs in their efficacy to overcome the obstacles that led them to miss work. They improved their work attendance and maintained these changes over time. The stronger they believed in their self-management capabilities, the better was their work attendance. A control group of employees who did not receive the program in self-regulation continued their absentee ways.

Summary

- Human behaviour is extensively motivated and regulated through the exercise of self-influence.
- Perceived self-efficacy is founded on the agentic perspective of social cognitive theory.
- Converging evidence from controlled experimental and field studies verifies that belief in one's capabilities contribute uniquely to motivation and action.
- Perceived self-efficacy occupies a pivotal role in causal structures because it affects human functioning not only directly, but through its impact on other important classes of determinants.
- Longitudinal research, evaluating the full set of determinants, confirms that the social cognitive model provides a good fit to the empirical evidence.
- Rational models of motivation and decision making that exclude perceived self-efficacy sacrifice explanatory and predictive power.
- People of high efficacy focus on the opportunities worth pursuing and view difficult obstacles as surmountable.
- Employees of high perceived efficacy prefer training that enables them to restructure their roles innovatively by improving the customary practices and adding new elements and functions to them.
- Self-efficacy theory provides a conceptual framework within which to study the determinants of effective work design and the mechanisms through which they enhance organisational functioning.
- The functional value of veridical self-appraisal depends on the nature of the venture.
- Social cognitive theory lends itself readily to personal and social applications in diverse spheres of life.
- The most effective way of instilling strong efficacy is through enactive mastery experiences structured through graduated attainments.
- The second way of developing personal and collective efficacy is by social modelling.
- The indicators people single out provide the information base on which the self-appraisal process operates.
- The feedback accompanying enactments provides the information needed to detect and correct mismatches between the generic conception of requisite skills and action.
- Job searches in a competitive market require a lot of self-initiative and staying power in face of discouraging rejections.
- Watching models verbalise their thoughts as they solve problems commands attention.
- The capacity for self-regulation through the exercise of self-influence is another core feature of an agentic theory of human motivation and action.
- Perceived self-efficacy plays an influential role in the self-regulation of motivation and actions through goal systems.

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Self Assessment

1. _____ from controlled experimental and field studies verifies that belief in one's capabilities contribute uniquely to motivation and action.
 - a. Functional properties
 - b. Self efficiency
 - c. Converging evidence
 - d. Goal inspiration

2. _____ affect Self-motivation and action through their impact on goals and aspirations.
 - a. Efficacy beliefs
 - b. Motivation
 - c. Performance
 - d. Capabilities

3. _____ plays an influential role in the incentive and disincentive potential of outcome expectations.
 - a. Perceived efficacy
 - b. Motivation
 - c. Human behaviour
 - d. Value theories

4. _____ provides a conceptual framework within which to study the determinants of effective work design and the mechanisms through which they enhance organisational functioning.
 - a. Work life
 - b. Managers
 - c. Self-efficacy theory
 - d. Empowering leadership

5. The _____ focus on the risk of overconfidence stands in stark contrast to the entrepreneurial spirit driving the modern workplace in the rapidly changing world.
 - a. self- appraisal
 - b. functional accomplishment
 - c. heavy selective
 - d. social cognitive theory

6. _____ lends itself readily to personal and social applications in diverse spheres of life.
 - a. Social cognitive theory
 - b. Self appraisal
 - c. Heavy selective
 - d. Functional accomplishment

7. _____ provides one of the most effective ways of cultivating competencies.
 - a. Modelling
 - b. Efficacy
 - c. Accuracy
 - d. Guided mastery

8. _____ teaches general rules and strategies for dealing with different situations rather than only specific responses or scripted routines.
- Effective modelling
 - Scripted routines
 - Human behaviour
 - Skill perfection
9. _____ instilled by guided mastery improve the morale and productivity of organisations.
- Guided mastery
 - Supervisory skills
 - Professional work
 - Organisational training
10. _____ and aspirations play a pivotal role in the exercise of self-directedness.
- Ethics
 - Behaviour
 - Goals
 - values

Case Study I

Jet Airways

Introduction

In October 2008, Jet Airways (India) Limited one of India's leading domestic airlines, decided to lay off more than 1,000 employees to streamline its operations. The retrenchment was the second phase of its trimming operations.

The first phase, which took place a day earlier, saw the airline showing the door to 850 cabin crew members. The second phase of retrenchment included employees from all operations - cabin crew, pilots, ground staff, airport services staff, and employees from management departments.

The sudden decision not only took the employees by surprise but also caused alarm in the Indian aviation sector. Amidst great opposition by various organisations and political parties, Naresh Goyal (Goyal), chairman of Jet, reinstated the employees a day later amidst great emotional drama. He was quoted as saying he had been appalled by the retrenchments of his employees, which he claimed, he had come to know only through media reports.

He added that he would "not be able to live as long as he lives" with the tough decision his management had taken and clarified that he was taking back the employees as they were "family to him" and as head of the family he would take care of them. A month later - in November 2008, Jet announced that it would consider serious salary cuts for its staff to handle the aviation crisis.

While many industry analysts were surprised by the turn of events that had led to the reinstatement of the sacked employees, they opined that Jet had been forced to take drastic decisions such as laying off employees or initiating pay cuts because of the turbulent phase through which the aviation industry was passing.

In September 2008, the International Air Transport Association (IATA) had predicted that world over the aviation industry would lose about US\$5.2 billion based on an average jet fuel price of US\$140. The rise in fuel prices had pushed the fuel bills of the aviation industry to US\$186 billion by the end of the year 2008.

Background note

Jet, with its headquarters in Mumbai, India, began as an air taxi operator in April 1992 and started its commercial operations a year later, in 1993. It operated with just 24 flights across 12 destinations initially, but showed exceptional growth with more than 357 daily flights to about 62 domestic and international destinations in 2008. It was first listed in the National Stock Exchange (NSE) in the year 2005. As of June 2008, it operated over 370 daily flights to about 68 destinations both in India and abroad including San Francisco, New York, Toronto, Singapore, Brussels, London (Heathrow), Hong Kong, Shanghai, Kuala Lumpur, Colombo, Bangkok, Kathmandu, Dhaka, Kuwait, Bahrain, Muscat, Abu Dhabi, Dubai, etc.

HR issues, management and decision making at Jet

According to the company, Jet paid the utmost importance to the composition of its senior management and its human resources with emphasis on teamwork as a key success factor. Being in the service-based industry, Jet gave priority to high quality, professional service to its customers.

The retrenchment drama unfolds

The retrenchment drama unfolded on October 16, 2008, when Jet announced that it would lay off nearly 1,100 of its staff a day after it had already laid off around 800 of its cabin crew members.

The second phase of 1,100 employees included those from departments like management, flight attendants, and the cockpit crew. The company decided to lay off these employees with no prior notice but offered them a month's remuneration.

Reasons for retrenchment

The growing challenges in the Indian aviation industry were the main reason for the lay offs at Jet, according to the company and other industry analysts.

(Source: *Case Study: HR Problems at Jet Airways: Coping with Turbulent Times in the Indian Aviation Industry* [Online] Available at: <http://www.citehr.com/172139-case-study-hr-problems-jet-airways-coping-turbulent-times-indian-avi.html> [Accessed 2 August 2013]).

Questions

1. Which decision lead to HR disputes?

Answer

Jet Airways (India) Limited (Jet), one of India's leading domestic airlines, decided to lay off more than 1,000 employees to streamline its operations. This sudden lay off lead to HR disputes.

2. When did Jet Airway dispute take place?

Answer

Jet Airways dispute took place in October, 2008.

3. What was the reason of retrenchment?

Answer

The growing challenges in the Indian aviation industry were the main reason for the lay offs at Jet, according to the company and other industry analysts.

Case Study II

Implementation of the Tata Code of Conduct at Tata Steel

Nearly a century old, Tata Iron and Steel Company Ltd. (TISCO), more popularly known as Tata Steel, is one of India's oldest companies. Established in 1907 by Mr. Jamsetji Tata, a visionary — it is Asia's first and India's largest integrated private sector steel company. Since its inception, the company has focused on the customer, operational excellence, employee welfare, organisational leadership, and social responsibilities and citizenship.

Consistent with its thrust on these dimensions, the company is one of the most respected companies in the country for its value-based practices, ethical and dynamic practices, and competitive performance. The name 'Tata' has always been synonymous with trust. The statement of purpose of the Tata group (Tata Steel belongs to this group) explicitly seeks to improve the quality of life in the communities it serves. It says, "Our heritage of returning to society what we earn evokes trust among consumers, employees, shareholders, and the community.

This heritage will be continuously enriched by formalising the high standards of behaviour expected from employees and companies." The values and principles that had governed the company (and Tata group) were articulated for the first time in 1998. It was in this year that the company formally published its 'code of conduct.' This document was aimed to guide each employee on the values, ethics, and business principles expected of them.

Among other things, the implementation of the Tata code of conduct was mandatory for the relatively autonomous group companies to leverage on 'Tata' as a brand. The successful implementation of this code of conduct was not a matter of choice for Tata Steel.

To implement the code of conduct, the company created a new position of 'ethics counsellor' at the senior management level. He was internally identified and made to report to the Managing Director of the company for the day-to-day functioning. However, he directly reported to the group headquarters. These ethics coordinators reported to the ethics counsellor directly on matters related to ethics. However, for other purposes, they continued to report to the heads of their respective departments. The ethics coordinators in consultation with the ethics counsellor organised a large number of awareness programmes every year. Such programmes were extended to the other stakeholders like suppliers and dealers of the company.

Having succeeded in creating awareness among the employees, the ethics counsellor organised nearly 15 awareness programmes for the families of the executives. The family members were made to feel proud that one of them was part of a 'value-based' organisation.

Formal control systems to uphold the code of conduct do not work owing to a lack of direct monitoring mechanisms. The workshops for the families were primarily restricted to the senior management levels. The ethics counsellor stated that implementation of the code was more critical for this group of employees. "Owing to larger responsibilities, they experience more temptations for violation of the code," he explained.

Having organised the workshops, the company looked into the possibility of integrating ethics in the performance management system. Every month, one ethics coordinator was rewarded on the basis of quality of work. The employees and other stakeholders were rewarded whenever they demonstrated unique behaviour of high moral value. However, the company decided not to make it a part of performance appraisal system as the management felt that following the code was not a matter of discretion. Any proven violation of the code was viewed seriously. In fact, one of the employees was dismissed from the company for violation of the code of conduct. The news was widely publicised though the name of the employee was not revealed.

The outcome of these efforts was found to be encouraging. One of the executives stated, "I received an honorarium of Rs. 2,000 for delivering a lecture in one of the prestigious management institutes. I proactively asked the ethics counsellor whether I could accept such payment. I did not want to violate the code of conduct even by mistake. I strongly believe in the ethics of the company."

The executives were extremely happy when they realised the advantage of the code of conduct in maintaining their relationships with external stakeholders. The managers found it difficult to interact with government officials without arranging for any favours in the early days after implementing the code of conduct.

However, the executives continued to insist on the directives of the top management and the principles of the code of conduct. Slowly, the officials realised that the company would continue to follow the code honestly. They stopped seeking gratifications from the Company.

During our interaction with the managers, we observed that the employees took pride in their association with a company that believed in the code of conduct. This sense of pride enhances the commitment of employees which, in turn, influences the performance of the company. Even interviews with the retired employees reflected a high respect for the company. Such behaviour of the employees enhances the image of an organisation, adds to the positive response of external stakeholders towards the organisation, and reduces the transactional cost.

(Source: *Vikalpa. Ethics in Organisations: The Case of Tata Steel* . [Pdf] Available at: <http://www.vikalpa.com/pdf/articles/2006/2006_apr_jun_75_88.pdf> [Accessed 12 October 2012]).

Questions

1. When was TISCO founded?
2. Which is Asia's first and India's largest integrated private sector steel company?
3. What action was taken to implement the code of conduct?

Case Study III

Napster Copyright Infringement Case

Duplicating software for friends, co-workers or even for business has become a widespread practice. All software programs are protected by copyright laws and duplicating them is an offense. How, then, has making illegal copies become such a common and accepted practice in people's homes and places of work?

Part of the answer revolves around the issue that software isn't like some other intellectual property. Intellectual property is that which is developed by someone and is attributable directly to the thinking process. Software is different from a book in that anyone can easily copy it and an exact replication is achievable. Another reason is related to cultural differences. People don't see copy as stealing. People don't find anything wrong in making a video copy of a hit feature film and selling it or hiring out. People defend their behaviour by saying: 'Everybody does it! I won't get caught! Or no one really loses!' The same issue of copyright is involved in the famous Napster case in America. Napster is an online service that allows computer users to share high-quality digital copies (MP3s) of music recordings via the internet. The San Mateo-based company doesn't actually store the recordings on its own computers, but instead provides an index of all the songs available on the computers of members currently logged on to the service. Napster, therefore, functions as a sort of clearing house that members can log on to, search by artist or song title, and identify where songs of their interest are so and download them from another user's hard drive.

Napster has become one of the most popular sites on the internet, claiming some 15 million users in little more than a year. Indeed, so many students were downloading songs from Napster, that many universities were forced to block the site from their systems in order to regain bandwidth. Napster's service has been almost as controversial as it has been popular. Barely a year after its launch, it was sued by the Recording Industry Association of America (RIAA), which represents major recording companies such as Universal Music, BMG, Sony Music, Warner Music Group, and EMI. The RIAA claimed by allowing users to swap music recordings for free, Napster's service violated copyright laws. It also sought an injunction to stop the downloading of copyrighted songs owned by its members as well as damages for lost revenue. It argued that song swapping via Napster and similar firms has cost the music industry more than \$300 million in lost sales. A few months after the RIAA lawsuit was filed, Metallica, a heavy metal band, and rap star Dr.Dre filed separate lawsuits accusing Napster of copyright infringement and racketeering. Lars Ulrich, Metallica's drummer, told a senate committee that Napster users are basically stealing from the band every time they download one of its songs.

The 1998 Digital Millennium Copyright Act (DMCA) grants immunity to Internet Service Providers for the actions of their customers. Napster attorneys argued that the company has broad protection from copyright claims because it functions like a search engine rather than having direct involvement with music swapping. However, according to the legal community, 'Napster does not take the legal steps required of search engines in dealing with copyright violations.'

Despite its claim, Napster was found guilty of direct infringement of the RIAA's musical recordings. To date, the service has not been shut down, because doing so could violate the rights of artists who have given Napster permission to trade their music. However, the company was required to block all songs on a list of 5,000 provided by the RIAA.

(Source: *Case Study on Business Ethics: Napster Copyright Infringement Case*[Online] Available at: <<http://www.mbaknol.com/business-ethics/case-study-on-business-ethics-napster-copyright-infringement-case/>> [Accessed 2 August 2013]).

Questions

1. Do you believe that there is nothing wrong in copying software, music or a video film?
2. Based on the facts of the Napster case, who do you think should have control over intellectual property- the artists or distributors of their work?
3. Copying of software, music and films is very common in India. Is it due to our socioeconomic factor? Discuss.

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Self Assessment Answers

Chapter I

1. a
2. a
3. c
4. b
5. d
6. a
7. d
8. b
9. a
10. b

Chapter II

1. d
2. c
3. a
4. c
5. b
6. d
7. c
8. c
9. a
10. c

Chapter III

1. c
2. d
3. d
4. a
5. d
6. b
7. c
8. a
9. d
10. d

Chapter IV

1. b
2. d
3. c
4. d
5. a
6. c
7. b
8. c
9. c
10. a

Chapter V

1. b
2. b
3. d
4. b
5. d
6. a
7. a
8. d
9. d
10. a

Chapter VI

1. d
2. d
3. d
4. c
5. b
6. c
7. d
8. b
9. c
10. c

Chapter VII

1. a
2. b
3. a
4. c
5. d
6. d
7. a
8. d
9. c
10. b

Chapter VIII

1. d
2. a
3. a
4. c
5. c
6. a
7. d
8. a
9. b
10. c