

# Investigating the Convergence of Corporate Social Responsibility and Spirituality at Work

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## Abstract

Although Corporate Social Responsibility (CSR) and Spirituality at Work (SAW) concern themselves with improving the moral climate of organisations, very few studies have explored the connections or divergences between the two concepts. The movement towards integrating spirit into the workplace is more recent than the debate on the social responsibilities of business; however both have raised important questions that could challenge the existing economic system and the fundamentals of contemporary business practice. Our aim in this paper is two-fold: firstly, we offer a critical review of the meaning and uses of CSR and SAW respectively, so as to explore the possible convergence of the constructs and examine how they contribute to more spiritually and ethically aware organisations. Secondly, we review the few models that have explicitly integrated CSR with SAW, and we propose an individual-based framework that could stimulate more sustainably the emergence of truly committed spiritual and moral organisations.

## INTRODUCTION

The interest in spirituality in relation to ethics and management has grown significantly over the last several decades. In spite of much scepticism and critical commentaries, the emerging field of Spirituality at Work (SAW) has gained credibility by offering solutions to the lack of morale and morality in organisations. The shift in values implied by spiritual practices particularly questions the suitability of the existing neo-liberal paradigm to address employees' increasing needs for meaningfulness and social contribution. Perhaps a spirituality-based paradigm offers a viable alternative to more traditional discourses on ethical business practice by promoting holistic responsibility for all social actors. Where does this leave the idea of socially responsible business? The concept of Corporate Social Responsibility (CSR) was tagged a buzzword in the 1990s just like SAW was in the late 2000s. Yet, both ideas perdure and seemingly address a shared agenda, although the SAW literature has hardly discussed CSR *per se*.

Our objective in this paper is to examine the extent to which CSR and SAW converge, and to assess how they can help regenerate moral behaviour in organisations. In order to do so, we will review what CSR and SAW respectively mean and purport to achieve, before contrasting both concepts. Surprisingly few publications have directly addressed the links between SAW and CSR, and none have contrasted directly CSR and SAW. In fact, most research studies assume that applied spirituality significantly improves the moral climate and moral behaviour of organisational members, and occasionally offer conclusions on how this sustains social responsibility. It seems intuitively correct to assume greater spiritual awareness involves stronger ethical values, but CSR and SAW are more narrowly defined concepts. At their roots, both constructs belong to different domains: spirituality consists in an inner, personal process of self-enquiry and development as one strives for an Ultimate Concern involving Humanity, Nature, God, the Self, the Good or any combination or declension of the above; CSR involves managing an organisation in accordance with the needs and rights of all stakeholders, taking into account the long-term implications of organisational activity on the social and natural environment (Carroll, 1999; Freeman, 2005; Neal, Lichtenstein & Banner, 1999; Sheep, 2006). Thus spirituality is primarily inward-looking, personal and relational, whilst CSR is outward-looking and organisational. Yet, both concepts aspire to challenge and change the dominant model of short-term material growth at any costs. How do they differ? Or do they complement one another?

Bubna-Litic (2009) argues that CSR and SAW are 'interpenetrating worlds' that share a rejection of a rationalistic, modernist, technology-based ideology to embrace a more sensitive, sensible and relationship-based worldview. As such, CSR approaches markets and business as 'a web of human relationships' which relies on 'our trust in the integrity of the other players', values that reflect the importance of spiritual awareness. Bubna-Litic thus concludes CSR and SAW are convergent: both concepts 'extend the horizons beyond what is "good for the organization"', inviting reflection on the subtle connections of a multi-layered world: individual, organisational, social, and natural. Although some elements of Bubna-Litic's position are shared by SAW scholars, this view is somewhat insufficient when it comes to the complex relationship between CSR and SAW. We shall therefore look in greater detail at each concept so as to capture the current relevance of CSR and SAW, comparing and contrasting their contribution towards building (morally and spiritually) good organisations. We then proceed by investigating the nature and limitations of the convergence between CSR and SAW. Given the limited existing models that combine CSR and SAW, notably that of Fry (2005) and Lips-Wiersma and Nilakant (2008), we propose that CSR and SAW work best

when grounded in conscious individual development. We offer a model centred on individual self-consciousness and argue that without extensive individual self-examination neither CSR nor SAW can sustain authentic moral commitment within and between organisations. Our purpose in this paper is to offer an avenue for CSR and SAW scholars and practitioners to engage in a constructive dialogue that would benefit organisations and organisational members at once.

## **REVIEWING CORPORATE SOCIAL RESPONSIBILITY**

### **Background**

There is no shortage of publications that review the CSR concept (Carroll, 1999; Carroll & Shabana, 2010; Garriga & Melé, 2004; Jones, 1980; Kakabadse, Rozuel, & Lee-Davis, 2005; Klonoski, 2001; Moir, 2001; Takala & Pallab, 2000; van Marrewijk, 2003). Finding its roots in the excesses of the Industrial Revolution regarding the human cost of economic development, the idea that business interests ought to be tamed by social goals only became a scholarly matter post-World War Two. The social responsibilities of companies were mostly thought of as philanthropic, and mostly concerned employees, and to a lesser extent the local community. The first decades of the 20<sup>th</sup> century marked a growing, if shy, concern for a more systematic approach to business' social influence. Early publications considered the individual, as well as the collective responsibilities, of business organisations, partly influenced by the growth of the managerial class following 'the so-called separation of ownership and control' (Jones, 1996, p. 24).

In 1953, the publication of Bowen's *Social Responsibilities of the Businessman* laid out the foundations of what was to become an important scholarly field (Carroll, 2008). Bowen's definition of social responsibility interestingly focuses on businessmen as decision-makers, highlighting implicit boundaries to the pursuit of profit. Other early works confirmed the idea that business actors were 'public trustees' in charge of managing economic resources in light of society's needs and values (Carroll, 2008). From the 1960s onwards, the number of publications and derivative concepts grew exponentially. Key authors that helped shape the field include William C. Frederick, Keith Davis, Harold Johnson, S. Prakash Sethi, Archie B. Carroll, R. Edward Freeman, Thomas M. Jones and Donna J. Wood (list non exhaustive). Although no formal definition exists, common elements suggest that CSR is a process involving multiple stakeholders with potentially conflicting interests, which goes beyond legal requirements, is more than philanthropy, and makes the organisation accountable for its power (Kakabadse et al., 2005)

### **Current Meaning and Uses of CSR**

Whilst no one really disputes the history of CSR, there exists doubt as to its original intent: what is social responsibility all about? Price (1997) suggests the controversy is based on contradictory views that business should (not), can (not) or will (not) be socially responsible, and that supportive arguments can be found for either stand. Price's classification is a fair picture of the debate in the field: is CSR about challenging the capitalist paradigm, moving away from consumerism, profit-seeking and economic value towards social and environmental justice, human development and spiritual value? Or is it about patching up the economic system as well as we can, hoping that it will make a difference in the long run? Although this dichotomised view sounds overly simplistic, most of the CSR literature falls into either of these two 'camps'.

### ***Optimistic/Pragmatic View***

We'd venture that the majority of CSR scholars belong to this group, as optimists or pragmatists. Optimists believe business people can and will care for others' interests equally, all the while ensuring their company remains profitable (see e.g. Carroll, 1991; Freeman, 2005; Wood, 1991). Pragmatists believe that business is here to stay, so we need to work with business (*read* negotiate in search of a satisfactory compromise) to improve its social influence (see e.g. Crane, McWilliams, Matten, Moon & Siegel, 2008; Davis, 1975; Jones, 1980). Both assume that the best we can do is work with what we have, that is, a market-based capitalist system that runs on ascribing economic value to anything.

To convince business people that being ethical is good, scholars have endeavoured to build a business case for CSR (e.g. Kurucz, Colbert & Wheeler, 2008). Whitehouse's interviews with corporate representatives of major UK firms suggest that CSR is embraced for its business advantages: being good is good business; however, this is a business decision, not a moral one (Whitehouse, 2006). The commitment may be sincere, but the business logic is unquestioned. A question remains: is this enough to foster moral decision-making respectful of human dignity, spiritual authenticity and environmental integrity?

Vallance (1993) suggests that this is not a relevant question when discussing business ethics. Instead, she insists that we consider first what business is for (its purpose) so as not to be tempted to ascribe undue responsibilities to business organisations such as 'spiritual fulfilment or even cradle to grave direction. To suggest that business should encompass these aims is not "ethical" or "socially responsible" but merely confused. Economics – and business – is not all there is to life' (p.49). We obviously agree that life is not just about business, and that there exist other frameworks than economics to guide life. And yet, although we know that there is more to life than business or economic wealth, and that not everything can and should be measured, compared or forecast, business logic has clearly pervaded most areas of society and most of our daily life is influenced by some form of economic calculus, starting with our employers and our political leaders. Thus, we argue, business is *necessarily* concerned with spiritual fulfilment and cradle to grave care.

### ***Sceptical/Holistic View***

The other 'camp' leaves more room for criticism of the wider socio-politico-economic environment. We find both sceptics who question the moral strength of CSR, and scholars who hope to redeem CSR by developing the concept holistically. The first step in the critical appraisal of CSR consists in asking the perennial question: what is business for and under which conditions is it legitimate? Whilst optimistic proponents of CSR concede that business is about profits (in that if a company fails to be profitable, it ceases to exist), this group of scholars adopt a broader view which is both normative and grounded in the underlying principles of the Social Contract tradition. To say that business is a social institution does not solely mean that business affects society, but that society created business. Business is thus ontologically a social subject, naturally shaped by society and rightfully chastised if it abuses its position. Mintzberg's (1983) review of the case for CSR is still relevant. Business decisions are more often than not also social and political decisions, and CSR should be about looking at the economic system, the structure of organisations, the processes of rewards and the individual's discretionary power within the organisation. The implicit ethos defended by Mintzberg echoes the call for a more radical and holistic responsibility of business.

More importantly, CSR as a construct does not focus on individual agents; rather it integrates individual values, principles and motives alongside other considerations more specific to

business practice. This may explain why CSR policies do not significantly change organisational values and do not guarantee ethical behaviour: if individuals are not convinced – and further, transformed and deeply committed to caring about others, then little will effectively happen. Takala and Pallab (2000) understand that CSR must start at the level of individual actors, and cannot stop at compliance. CSR rather implies developing and fostering employees' moral conscience by giving 'sufficient flexibility and autonomy to avoid "herd mentality", take initiative, responsibility and make a choice about doing the right thing' (p. 110). The 'mutual process' of raising moral consciousness within the organisation and within individuals strengthens the notion of responsibility which 'should basically stem from altruism' (p. 111). Ethics is about justice and social welfare and does include sacrificing self-interest when the pursuit of self-interest will likely harm or disadvantage others.

### **The Soul in CSR?**

We acknowledge the timid but passionate calls for more soul in organisations as reflecting a belief that socially responsible organisations convey spiritual values. Duska and Ragatz (2008) propose that moral commitment, integrity and worthiness lies in one's soul, individual or collective. Drawing upon Aristotle's causal framework, they suggest that companies corrupt their soul and damage their community when they slip away from the justice ideal Adam Smith envisioned. The recent rediscovery of the profound moral restrictions the so-called 'Father of Capitalism' placed on the pursuit of self-interest is telling of our previous uncritical acceptance that business is meant to have limited social responsibilities (Daianu & Vranceanu, 2005; Kennedy, 2008). To the question 'what is business for?', Duska and Ragatz (2008) answer it is 'to benefit society. When the pursuit of our own interest begins to harm society, and when the pursuit of profit begins to harm society, this pursuit must be checked.' (p. 161).

Echoing growing interest in virtue-based approaches to responsible management, Takala and Pallab also question the extent to which CSR actually goes beyond legal responsibilities if it fails to involve individuals' heart and soul. True ethical commitment aligns spirit with body and leads to values-based decisions that are enacted. William Frederick (1998) equally adopted a holistic view of CSR. Reviewing corporate efforts in regards to social issues, Frederick argued that organisations evolve from CSR1 (Corporate Social *Responsibility*) to CSR2 (as Corporate Social *Responsiveness*) to CSR3 (Corporate Social *Rectitude*). In 1998, though, Frederick went further and proposed a holistic framework in which business is not the centre but just part of the cosmos. According to CSR4 (Cosmos, Science and Religion), relationships between business and society are multi-dimensional. Management scholars sit alongside scientists, who teach us about human nature and the environment, and spiritual thinkers, who invite us to think about well-being beyond work. When corporations embrace CSR4, they can challenge the quasi-spiritual belief in money as an end-in-itself and focus on more caring ideals instead. Frederick (1998) thus suggests we pay closer attention to the spirit and inherent spirituality of organisations and organisational actors to ensure CSR remains relevant, a view supported in different ways by van Marrewijk (2003) and Kurucz et al. (2008).

Given these few CSR scholars' talk about soul, are we to conclude we have reached a stage where CSR stands for Corporate *Spiritual* or *Soul* Responsibility? Is the pursuit of social improvement and economic justice a spiritual goal in essence? Certainly the philanthropic aspects of CSR may be inspired by a spiritual call to do some good and support others; the rationale behind sustainable initiatives may lie in a deep connection felt between living beings, human and animal alike. But CSR in practice does not relate to spiritual fulfilment,

because it remains focused on organisations operating in a short-term oriented global environment. To what extent, then, does SAW offer a different take on holistic living other than what CSR offers? We summarise the definition and implications of SAW in the next section, before examining the possible combination of CSR and SAW.

## **EXAMINING SPIRITUALITY AT WORK**

### **Background**

Spirituality at work (SAW) is a relatively recent focus of academic research and writing. However this scholarly interest seems to be documenting a practice that has become popular enough both in management practice (Benefiel, 2005b; Labbs, 1996; Marques, Dhiman, & King, 2007; Milliman, Ferguson, Trickett, & Condemni, 1999) and for broad-based business (e.g. Fortune, Newsweek & NZ Management) and non-business periodicals (e.g. NZ Herald & NZ Listener) to explore similar themes.

The development of SAW can be traced back to the work of Max Weber (1958) who claimed that specific religious beliefs and attitudes characteristic of the protestant work ethic led to the emergence of capitalism in the Western world. Indeed, Bell & Taylor (2003; 2004) contend the current SAW discourse, similar to Weber's protestant work ethic, accepts the structural conditions of capitalism and differs from it only in that it remodels the protestant work ethic to reflect current new age sensibilities better. Mary Parker Follett (1918) was also a precursor for many current SAW concerns, as well as an early influence on the CSR movement. More than 80 years ago, Follett spoke of shared managerial governance as a 'great spiritual force evolving itself from men, utilizing each, completing his incompleteness by weaving together all in the many-membered community life which is the true theophany' (p. 137). Follett argued for a model of collective responsibility that overcomes extant worker-management antagonism by supporting joint problem-solving leading to a sense of connectedness, a 'power with' against the 'power-over' model of leadership and an emphasis on 'task significance' over monetary compensation (Quatro, 2004). Another early advocate for SAW was Abraham Maslow, a major contributor to humanistic psychology. Maslow's ideas of self-actualisation closely relate to the current SAW literature. Complete intellectual, emotional and spiritual fulfilment nurtures an enlightened management style; this consists in seeing the other as a means to accelerate self-actualisation and advance organisational performance, and is 'one way of taking religion seriously, profoundly, deeply and earnestly' (Maslow, 1998, p. 103).

### **Meaning and Development of SAW**

Despite these early developments, only recently has SAW emerged as a proper field of enquiry. In light of broad societal changes since the 1970s, such as the shift from a modernist to a postmodernist worldview (Biberman & Whitty, 1997) and a resultant quest for post-materialist assets of which spirituality is one manifestation (Neal et al., 1999; Tischler, 1999), SAW has gained its place amongst topics worthy of examination. SAW may also be part of a larger socio-cultural trend towards deinstitutionalisation (Berger & Luckmann, 1967; King, 1996; Sweet, 1999). Recent socio-demographic changes have likewise encouraged the development of SAW (Kale, 2004; Marques, 2005; Nadesan, 1999). One of these, a shift towards globally competitive service industries, has seen many organisations downsize, restructure and lay-off staff. Such practices exacerbate feelings of social alienation and fear, and compel employees to search for a deeper meaning in life by integrating a spiritual work identity (Ashar & Lane-Maher, 2004; Cash & Gray, 2000; Tischler, 1999).

There are good reasons, like CSR before it, to believe that SAW is more than an impermanent trend (Gotis & Kortezi, 2008). However, what exactly is SAW and what is it trying to achieve? By itself, spirituality is an incredibly complex and difficult concept to comprehend, measure, and apply but the added intricacy of the modern organisation compounds this. It is perhaps not surprising, therefore, that no consensual conceptual definition exists (Giacalone & Jurkiewicz, 2003) and that much of the literature in this area is ‘soaring rhetoric’ that exhibits more breadth than depth (Sass, 2000).

Broadly speaking, SAW is the ‘lived experiences and expressions of one’s spirituality in the context of the work’ (Sheep, 2006, p. 358). At a more concrete level though, how does a spiritual individual express their spirituality in the workplace? Sheep’s recent review of SAW literature from 1994 to 2004 reveals a conceptual convergence (although not yet an acknowledged consensus) has emerged as to what it entails. This convergence occurs in four recurring dimensions throughout the literature. The first of Sheep’s dimensions, *self-workplace integration*, is conceptualised as ‘a personal desire to bring one’s whole being into the workplace’ (p. 360). Dehler & Walsh (1994) believe individuals wish to integrate work into their lives and, in doing so, connect to themselves and others in their workplace community. The second dimension, *meaning in work* reflects this desire for integration not merely in the work environment itself, but in the meaning which one imbues the work (Ashmos & Duchon, 2000). Third, *self-transcendence* has the spiritual person perceiving their work and the workplace as connected to something greater than the self. Work is part of a bigger whole which thereof helps subjugate the workplace ego to one’s Ultimate Concern (Rozuel & Kakabadse, 2010). Such a practice allows workers to arise above their differences and naturally look to their organisation as a communal centre (Mirvis, 1997). Finally, *growth and development* of one’s inner self connects to the other three dimensions of workplace spirituality, but not independently of spiritual growth at the collective or organisational level. A maturing process must occur in the workplace if the human life at work is to be integrated and whole. This process is about ‘being able to reach one’s full potential and to have positive attitudes and relationships with the world’ (Neck & Milliman, 1994, p. 10).

As to its purpose, Adams & Csiernik (2002) summarise:

Workplace spirituality [SAW] involves the positive valuation, acknowledgement and respect of employees’ innate abilities in a context of meaningful, goal-oriented behaviour that encourages creativeness, belongingness and personal fulfilment.

Developing an organisational culture that ‘promotes employees’ experience of the transcendence through the work process, facilitating their sense of being connected to others in a way that provides feelings of completeness and joy’ is the principal method of achieving this (Giacalone & Jurkiewicz, 2003). When such a culture exists, both the individual and the organisation benefit (see e.g. Biswas & Biswas, 2007; Crawford, Hubbard, Lonis-Shumate, & O’Neill, 2009; Kolodinsky, Giacalone, & Jurkiewicz, 2008; Krishnakumar & Neck, 2002; Milliman, Czaplewski, & Ferguson, 2003; Mitroff & Denton, 1999; Nur & Organ, 2006; Trott, 1996).

### **Implementing SAW**

Many conceptual frameworks address the implementation of SAW, although few mention ethics or CSR in a direct manner. Pawar (2009) provides a useful summary of several models by segmenting them according to their focus. Individual-focused approaches reflect the view that spiritual development occurs within an individual employee, effecting change that then benefits the organisation (see e.g. Heaton, Schmidt-Wilk, & Travis, 2004; Marques, 2005).

These approaches focus on providing ‘various forms of inputs to individual employees, including experiential inputs, with a view to facilitating spiritual transformation in them’ (p. 378). Group-focused approaches such as that of Mirvis (1997) and Pandey and Gupta (2008) endeavour to build community in the workplace while tapping into group transcendence. As Mirvis notes, the development of a sense of community in the group occurs in four concurrent ways: consciousness of the self, consciousness of others, group consciousness and ‘organizing in harmony with...unseen order of things’ (p. 196). Organisation-focused approaches assess organisational characteristics (e.g. culture, structure and processes) and through them seek to induce employee experiences of SAW (see e.g. Gull & Doh, 2004; Jurkiewicz & Giacalone, 2004; Milliman et al., 1999; Pfeffer, 2003). Finally, a leadership-based approach to SAW advocates a central role for leaders in the facilitation of workplace spirituality. Spiritual leadership is a process or a mechanism that induces changes in certain organisational aspects which in turn facilitate employee experiences of workplace spirituality (see e.g. Duchon & Plowman, 2005; Fry, 2003; Fry, 2005).

Although diverse, each of these approaches purports to enhance the spiritual development and experiences of the individual in the workplace. Yet, several authors have questioned the controlling and instrumental nature of such arguments (see e.g. Bell & Taylor, 2003; Driscoll & Wiebe, 2007; Lips-Wiersma, Dean, & Fornaciari, 2009; Nadesan, 1999; Polley, Vor, & SubbaNarasimha, 2005; Pratt, 2000; Tourish & Tourish, 2010). According to Lips-Wiersma, et al. (2009), much of the existing SAW scholarship does not question or explore the ‘role of social, political and power processes and the degrees of freedom that shape identities’ (p. 289). At worst, the management literature assumes a neutral orientation towards talks of spirituality but more often than not, its stance is enthusiastic since managers view SAW as a panacea for all that ails business. Unfortunately, spirituality and its link to organisational transformation can become another means of controlling and manipulating meaning at work while pushing the acceptance of perhaps questionable organisational goals and practices. In this purview, there are real concerns that SAW becomes a way to increase productivity and to improve the bottom line instead of representing a genuine attempt to improve employees’ overall well-being. This resonates with criticism of CSR as dangerous window-dressing. Table 1 synthesises the above discussion.

**Table 1: Overview of Corporate Social Responsibility and Spirituality at Work**

	<b>Corporate Social Responsibility</b>	<b>Spirituality At Work</b>
<b>Timeline</b>	Early concerns post-Industrial Revolution Concept as such emerged 1960s	Early discussions 1910s Concept as such emerged 1970s
<b>Overall Idea</b>	Business organisations are a social force thus business agents must be responsible in regards to the impact of their actions on society and the global environment	People are spiritual beings thus the organisations they create and work in must echo and integrate their spiritual needs
<b>Purpose</b>	To provide frameworks and tools to better apprehend business organisations’ impact on society, and limit the negative outcomes	To bring meaning, value, integration and fulfilment to one’s work in a spirit of community and individual growth and development
<b>Approaches</b>	<u>Optimists/Pragmatists</u> : working within the existing neo-liberal framework to curb corporate ill-doings by convincing business there is a case for ethical practice <u>Sceptics/Holists</u> : wary of the limitations of the existing paradigm and working to change socio-economic paradigm with greater moral foundations	<u>Individual-focused</u> : through individual spiritual growth employees contribute to and benefit the organisation <u>Group/Organisation-focused</u> : spiritual growth requires change in the organisational environment to build a sense of community amongst individual employees who then develop spiritually
<b>Potential</b>	Reform of the economic system, redefinition and re-evaluation of the value of economic	Transformation and transcendence of materialistic expectations attached to the existing

	actors, greater sense of community and responsibility, enhanced eco-efficiency	economic system, personal fulfilment in harmony with community development, holistic value system
<b>Risks</b>	Moral compromise, superficial or limited concept (e.g. CSR as mere compliance, CSR as window-dressing), strategic endorsement without moral commitment, veil to hide greater abuse or problems	Recuperation by institutionalised religion, communitarianism, superficial concept, manipulation (e.g. SAW to increase productivity, SAW to hide employees' unrest), strategic endorsement without spiritual and moral commitment

## TOWARDS A CONVERGENCE OF CSR AND SAW?

As we stated earlier, CSR and SAW have hardly been discussed together despite the growing literature in both field. Bubna-Litic (2009) notes both concepts converge but he does not explore how so in great length. We are aware of only two models that specifically integrate CSR and SAW: Fry's spiritual leadership model (2003; 2005) and Lips-Wiersma and Nilakant's model of practical compassion (2008).

### Spiritual Leadership and CSR

Fry's spiritual leadership model is three-fold: firstly, the leader creates a vision that gives organisational members a sense of meaning and purpose. Secondly, he or she establishes an organisational culture based on the value of altruistic love whereby leaders genuinely care for others and endeavour to create a sense of community where individuals feel understood and appreciated. This, in turn, encourages hope and faith. In an organisational context, hope/faith is the source of absolute belief that the vision articulated by the leader will happen as will reward/victories accompanying this outcome. By summarising the hypothesised relationships between these components, Fry (2003) constructs an intrinsic motivational causal model of spiritual leadership. In this model, the leader articulates a compelling vision that produces a sense of calling, that is, gives followers a feeling of making a difference and a life that has meaning beyond the ego-self, a conviction reinforced by hope/faith and nurtured by a sense of altruistic love amongst organisational members.

Ultimately, the purpose of spiritual leadership is to create vision and value congruence across the individual, empowered team and organisational levels to foster both higher levels of organisational commitment and productivity. In a 2005 article, Fry advanced the notion that spiritual leadership is also a predictor of CSR. The spiritual leadership transformation process from formalised and standardised bureaucracy utilises a vision and values-driven approach that should ultimately foster CSR. This shift is facilitated, states Fry (2005), by developing a vision whereby leaders and/or followers can initiate actions that serve key stakeholders, all of whom have a legitimate strategic and moral stake in the organisation's performance. This is opposed to a 'shareholder value' approach that measures outcomes based on share price alone. Fry contends that spiritual leadership is a necessary but incomplete solution for organisations in today's changing world.

While useful, Fry's model (2003, 2005) is not without limits. Benefiel (2005a) contends Fry's work is positivistic in nature, yet it addresses concepts like 'hope/faith', 'calling', and 'altruistic love' that resist such quantifying classifications. Benefiel also denounces the instrumental take on workplace spirituality as if it were a panacea for all the organisation's problems and ultimately its profits. Certainly, Fry views spiritual leadership as a means to improve organisational commitment, productivity and ultimately financial performance; yet this approach to spirituality is counter-intuitive (Lips-Wiersma, 2003) and seen as another

attempt by business to control and exploit employees. Fry's (2003, 2005) model also assumes that leaders are willing to undergo the process of spiritual transformation but offers no clue as to how this occurs. Given the neo-liberal assumptions and beliefs that underpin much of business, such change seems unlikely at this stage. Moreover, the top-down nature of the model imposes the leader's supposed spirituality on his or her employees. This counters our view that spirituality is about an inward transformation of the self that works its way out through our relationships with and practice towards others.

### **Practical Compassion**

On the other hand, Lips-Wiersma and Nilakant (2008) believe that SAW transcends the shortcomings of the predominant economic paradigm. In their view, CSR aims 'to mitigate the negative consequences of economic theories of organisations' (p. 52) predominant in a neo-liberal framework; however it is not sufficient to challenge the underlying assumptions derived from self-interest and shareholder value maximization, which have led to serious economic, social and environmental dysfunctions. In other words, CSR remains prisoner of a narrow view of enlightened self-interest that makes ethics dependent upon its economic returns. Spirituality-based views, in contrast, seem to offer a viable alternative to the neo-liberal ideology since they focus on transcending the egotistic state and moving towards a more holistic and communitarian understanding of the individual and society. CSR without SAW fails to deliver on its promises.

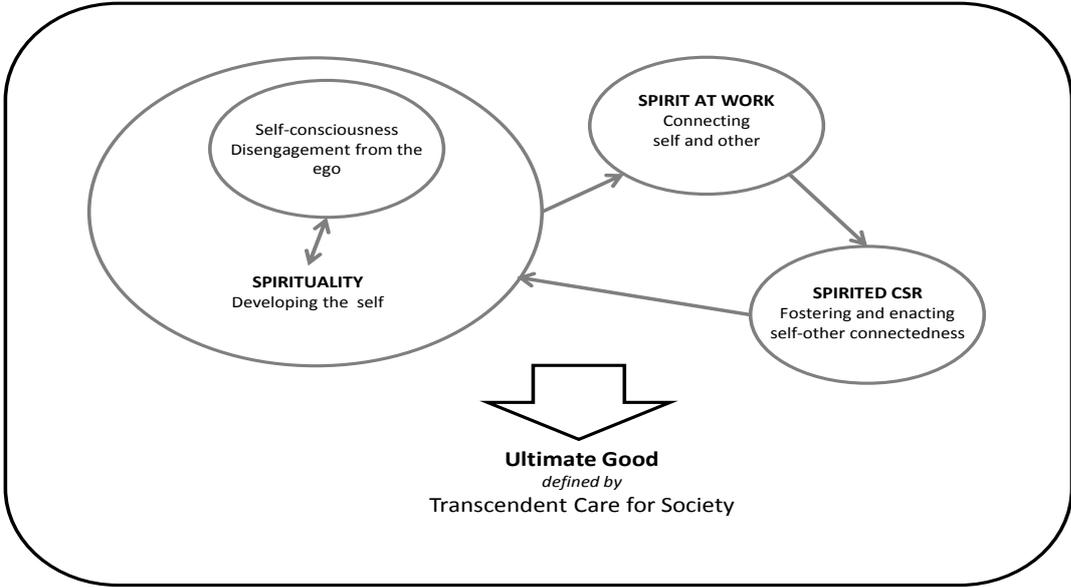
Lips-Wiersma and Nilakant further argue SAW needs to 'work with and give meaning to the tensions that arise from acting in accordance with a purpose beyond profit in a neo-liberal business climate' (2008, p. 61). Spirituality requires that we help and not harm others, and that we further their ends even if at the expense of our own. Ultimate spiritual freedom is a result of transcending our self-interests whereas economic freedom is, at best, enlightened self-interest. The contribution of SAW to the CSR debate is that it shifts the focus from self-interest through enlightened self to what Lips-Wiersma and Nilakant label *practical compassion*, a state 'where organisations are willing to forego their self-interest in order to commit to goals that benefit humanity as a whole' (p. 62). In their paper, Lips-Wiersma and Nilakant offer several management strategies to facilitate this shift. Unfortunately, each of these is organisational in nature and managerially imposed from the top-down. While in agreement with the move towards practical compassion, we posit that a sustainable spiritual framework needs to start with individual spirituality, that is, from the bottom up. Otherwise, spiritual and moral commitment risks alienating individuals instead of bringing them together.

We concur that a non-challenging approach to CSR is conducive to compromise that will not serve society's interests. Vallance (1993, p.51) believes that: 'Businesses, as businesses, do not need to be concerned with the spiritual status of their employees, but they must be very concerned about their actions. Business's interest is in good conduct more than in clear consciences.' She fails to see that the two are intimately related: greater consciousness of one's interconnectedness to all things strengthens moral values and moral commitment, thereby allowing for more consistent and sincere moral conduct. It is dangerous, if not counter-productive, for companies to ignore the spiritual and moral conscience of their employees and to focus on mere compliance.

### **CSR, SAW and the Individual**

Following the reviews of CSR, SAW and the two models that combine them, we are convinced that SAW rejuvenates and extends CSR in accordance with humanistic and spiritual concerns. We nonetheless believe this link risks corruption if left in the hands of

organisational leaders, however well-intentioned they may be. The approach of practical compassion is sustainable only if individuals fully understand and embrace it. Surely leaders have a role to play, but we are concerned with the potential excesses of a leader-based view of spiritual development. We also believe the call for spirit and soul is a grass-roots movement and should offer opportunities to individuals to embrace change in themselves first and foremost, for only then will institutions have a chance to be reformed as they should be. Building upon Vallance’s comment, we argue that no true ethical or spiritual commitment can exist without an individual will. Organisations should pay much closer attention than they currently do to their employees’ morale and moral character, because individuals have significant effects on collectives. Spiritual awakening can take place in groups but is always an individual experience which connects the individual to the whole. Figure 1 summarises how individual spiritual growth nurtures organisational spiritual growth and embeds ethical commitment.



**Figure 1: A CSR-SAW Individual-based Model**

In agreement with the SAW literature, spiritual development demands greater self-consciousness which leads to a disengagement from the tight control of the ego. In other words, the individual starts to learn that he or she is more than what he or she believes they are, uncovering hidden potential and slowly surrendering to the idea that one is an inherent part of a whole that one’s mind will never control. Spirituality thus consists in making sense of that discovery in all aspects of one’s life, developing the self as opposed to the limited ego-consciousness. To practice spiritual awakening at home is a start, to practice spiritual awakening at work is the next stage. The benefits involve both a deeper appreciation of the uniqueness of each and a greater understanding of one’s interconnectedness with all, transcending the tension of opposites between self and other(s). From an organisational viewpoint, we would expect a change in behaviours and a redesigning of the norms and expectations towards more holistic values, in effect bringing spirit at work. This new appreciation of self and others can then be integrated into strategic thinking and translated into a more inspiring organisational culture which values integrity, authenticity and community. This we call ‘spirited CSR’ and align ourselves with Takala and Pallab (2000) in arguing that CSR consists first and foremost in raising moral consciousness of individual agents by fostering a culture embracing self-other connectedness. Spirited CSR thus defined, as well as the self-reinforcing process of spiritual awakening, can more reasonably claim to

contribute to an ultimate good for society, transcending the pettiness of short-term profitability imperatives to demonstrate actual care for humanity.

We wish to stress that we are not arguing for yet another replacement for CSR as such. The idea is not to revamp CSR by adding 'spirited' in front of it and hope that the concept will take off and do some good for a while. It would not work. We chose this word combination to recall what CSR is and should be about first and foremost: spirit, heart, concern for others. We do not necessarily need new concepts, but we need more honesty and courage in how we use the existing ones.

## **CONCLUSION**

We aimed to analyse in this paper two significant concepts in organisational literature: organisations' social responsibilities and the role of spirituality in the workplace. Upon reviewing the history and recent developments of CSR and SAW, we propose that these concepts are convergent and complementary providing their critical and inspirational qualities are fully acknowledged. We've suggested a model that allows each organisational agent their individual space so that the transition from individual consciousness to group consciousness occurs naturally and remains authentic. Both Fry (2003, 2005) and Lips-Wiersma and Nilakant (2008) have proposed frameworks that pose SAW as preceding and expanding CSR outcomes towards society. However, we've highlighted how these frameworks give priority to the organisational level, rely on good-willed leaders to implement change and concede an instrumental value of SAW to justify its relevance to business. We believe that change ought to take place within the heart of individuals first, and that individual agents in turn must be supported by caring organisations which will redefine the rules of the business game. Without an effective, conscious disengagement from ego-concerns, spirituality will be instrumental and SAW will share CSR's fate as a good idea that did not prove up to expectations.

The difficult task is to accept that there is no actual recipe for implementing spirited CSR or endorsing authentic SAW. Instead, we ought to search within ourselves and with other colleagues or partners what this means for our specific organisation. Exposure to inspiring life stories and wise tales is always a good thing but reproduction is neither possible nor desirable. To adopt a holistic and spiritual viewpoint does not mean we embrace a 'one-size-fits-all' approach; rather, our individualities are celebrated whilst consciousness of our common nature is respectfully acknowledged. In time, it is possible that moral dilemmas change in nature because the role and agenda of business organisations would change under the impulse of business actors. Of course, we expect this process to take time, but we trust that individual agents, if given a voice, aspire to something more than material wealth and are capable of more than caring for the egotistic self. Leaders have a role to play, but the task falls on each one of us.

If we connect with our humanity in a caring, compassionate, conscious and responsible manner, it is unlikely to lead to moral abuse as extensive as we witness nowadays from part of individuals, corporations and institutions alike. This is not to say that a spiritual person or a spiritual organisation will have eradicated evil, for that is not a realistic goal. Evil exists for as long as goodness exists. We should always be aware of the darkness in ourselves so that we are able to responsibly understand it, stop projecting it onto others, and bear it with care and compassion. That, ultimately, is the purpose of spiritual growth – and it has the potential to change the world.

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