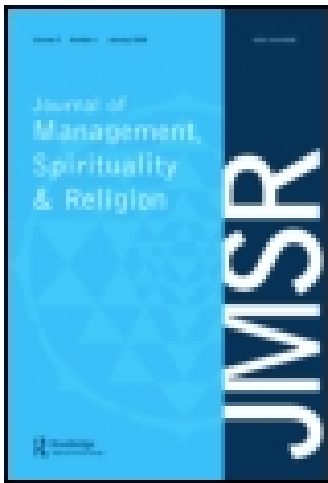


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On: 14 January 2015, At: 14:06

Publisher: Routledge

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK



Journal of Management, Spirituality & Religion

Publication details, including instructions for authors and subscription information:

<http://www.tandfonline.com/loi/rmsr20>

Soulful corporations - a values-based perspective on corporate social responsibility

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Published online: 12 Jan 2015.



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To cite this article: Gábor Kovács (2015): Soulful corporations - a values-based perspective on corporate social responsibility, *Journal of Management, Spirituality & Religion*, DOI: [10.1080/14766086.2014.992357](https://doi.org/10.1080/14766086.2014.992357)

To link to this article: <http://dx.doi.org/10.1080/14766086.2014.992357>

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BOOK REVIEW

Soulful corporations – a values-based perspective on corporate social responsibility, by S. Shah and V.E. Ramamoorthy, New Delhi, Heidelberg, New York, Dordrecht, London, Springer, 2015, 608 pp., €85.59 (hardback), ISBN 978-81-322-1274-4; ISBN 978-81-322-1275-1 (eBook)

Soulful corporations is part of the Springer series *India Studies in Business and Economics* co-authored by Shah and Ramamoorthy. The book includes a foreword, a preface, a table of contents, lists of boxes, figures, images and tables, an introduction, a prolog, an epilog, an afterword, and six appendices. *Soulful corporations* is dedicated to Sri Sathya Sai Baba (1926–2011), a spiritual leader, a teacher, and the founder of many social welfare institutions in India. Both authors are members of the Sri Sathya Sai Institute of Higher Learning, a university established by Sai Baba. Shashank Shah is a post-doctoral fellow at the Department of Management Studies. He published more than 70 research papers and case studies in the fields of corporate social responsibility (CSR), stakeholder management, and values-based management. Vaidyanathan Easwaran Ramamoorthy was a former Honorable Professor at the Faculty of Management and Commerce, and culminated his earthly sojourn in 2013, when the manuscript of the book was in print. *Soulful corporations* is a comprehensive description of CSR in general, including its global development from corporate philanthropy towards corporate citizenship, and the practical implementations of CSR in India presented through nine case studies.

As the authors assert, they present the findings of a multilayer research project in the form of a reference book for academics, researchers, policy-makers, business leaders, and CSR practitioners. The book attempts to cater to the needs of international readership, but is rooted in the Indian experience spanning many millennia of wisdom and scholarship, practice and preaching, processes and procedures worthy of emulation by business executives.

As the preface of the book highlights, *Soulful corporations* is a “book with a difference,” not just because this volume provides the entire journey of CSR from ancient India, and contextualizes it in the current era of globalization, but because it contains a more comprehensive and holistic approach to CSR. According to the authors, CSR as a means can transcend wealth creation for the shareholders to a much more universal concept of contributing to global prosperity, and ultimately leading to the Indian ideal of *Vasudhaiva Kutumbakam* (the whole world is one family) if it is steeped in human values propounded by spiritual masters, men and women of eminence from different

regions and religions, across time and age. These fundamental human values provide the balance between corporate success and social well-being.

Although there are no sections in the book, the reviewer has grouped the 12 chapters into two main parts. The first four are establishing chapters, embracing a situation analysis in which the problems of globalization and modernity are outlined. The remaining eight chapters are dealing with the concrete subject of CSR, and giving a comprehensive, all-embracing picture of the subject.

The first part of the book deals with the paradoxes of modern world and proves that “growth can harm too.” The first chapter presents the dark side of globalization, the results and further threats of exclusive technological development. The second chapter gives the starting point of the CSR-discussion with the well-known words of Friedman, “the business of business is business.” It deals with corporate misdemeanors and unethical corporate practices presented by the cases of Nestlé and Union Carbide. The third chapter deals with the perspectives of globalization: (i) the physical perspective, which leads to flux because of its value-neutrality; and (ii) the spiritual perspective, which could lead to compassion. The starting point of the further discussion is that corporations should have to play a significant role in the implementation of compassion by acting responsibly. The fourth chapter deals with 18 international initiatives on corporate responsibility and sustainability from the Montreal Protocol in 1987 through the Global Reporting Initiative and Global Compact to the ISO Guidelines for Social Responsibility. All of them are criticized because instead of policies and central initiatives, a changing mindset is needed to realize genuine responsibility in business.

After the establishment of the foundation of the main subject, the second part of the book deals with responsible corporate behavior. The fifth chapter of the book depicts giving and charity, two of the most important Indian values of spirituality. Giving is an inherent practice not just in Indian, but in every spiritual traditions of the world, and charity is a noble virtue in the spirit of generosity. By these two spiritual values, CSR and responsible corporate behavior is inherent in traditional Indian corporations. The sixth and the seventh chapters deal with CSR as a theory and an Indian practice. From the history of spiritual giving in India through the story of CSR to the management of responsibility, an all-encompassing CSR analysis is incorporated, and a full CSR circle is finally established by case studies of Indian companies. The eighth chapter of the book describes the notion of corporate citizenship as the full-fledged CSR, an active social involvement. It contains the comprehensive history of the notion, the description of its framework and the components of corporate citizenship. The ninth chapter describes socially responsible investing (SRI), which gives due consideration to the social and environmental consequences of the investment. It deals with ethical investors and SRI strategy. The tenth chapter contains eight Indian case studies in research conducted by multiple case studies approach. The research revealed that social responsibility is indeed part of traditional Indian business. The results contributed to

formulate the Society and Local Community Welfare Framework that gives an indicative structure, which would assist corporate organizations desirous of contributing towards the society and local community in their own unique and customized fashion and suited to time, place, and circumstances that organizations find themselves in. The framework is based on the existing practices of eminent Indian corporate organizations across industry categories and sectors. The eleventh chapter deals with the integration of individual responsibility into the corporate framework, the triple transformation of the SAI way. Corporate leaders have to combine the qualities of the heart (compassion) with the qualities of the head (intellect) in order to establish genuine social responsibility. The last chapter uncovers the corporate soul and the 12-point Proactive Agenda for Corporate Action, an agenda for genuine CSR and business-transformation, which is the manifestation of corporate soul and can contribute to build a harmonious world in the spirit of *Vasudhaiva Kutumbakam*.

The epilog of the book and the afterword by Peter Pruzan both emphasize the important role of management education in molding the value system of budding managers by integrating human values and ethics in the curriculum of education, because – according to the authors – CSR is a function of the CEO. As Peter Pruzan emphasizes, the major challenge facing the field of CSR is to help transform the mindset of our leaders, which is a reorientation or a shift in consciousness. He also warns us that unless we are able to complement the almost exclusively rational approaches to the field with approaches that emancipate and empower the individual's inner guidance, we will experience skepticism and malfunctions with respect to CSR.

To summarize it, the book – as the authors declared – has not attempted to present a new definition of CSR, but to redefine the approach that companies take towards it. It should be a development process, a transition from the concept of globalization to the realization of global harmony. The basis of this process is the commitment to the values of charity and giving, which stems from compassion. Although faith-based giving is a duty and a responsibility in Indian spirituality, charity has its spiritual roots in each and every religious and spiritual traditions. The outlined SAI way of triple transformation integrates three dimensions of life. SAI is the acronym for the spiritual (S), the associational (A), and the individual (I) dimensions. Its aims are the integration of individual social responsibility into the corporate framework, and the realization of values-influenced work by building the material quest on a firm spiritual base. According to the teachings of Sai Baba, five universal values makes us humans: truth, non-violence, right conduct, love, and peace. Based on these five values, the spiritual transformation of the SAI way deals with giving up negative qualities and realizing oneness. Associational transformation deals with individuals' social relations and the transition from the level of the individual towards the level of society. Individual transformation deals with the realization of the individuals' own inherent potentials. The SAI way is contributing to the realization of genuine CSR by a values-based approach. Its

aim is the fundamental transformation of the leaders' behavior, because the SAI way of CSR links CSR with individual social responsibility.

The approach of *Soulful corporations* lays emphasis on the need to combine the material quest with a spiritual base: the qualities of the head and the heart, because the spiritual dimension of work can not be ignored. Only those companies can claim to have a corporate soul, that are driven by a set of positive core values regardless of the applied religious or spiritual tradition (e.g. trust, integrity, empathy, compassion, caring, and sharing). These values-driven companies realize a strong, committed CSR practice inherently. The value-commitment of the top management can be reflected in the corporate vision and employed in their work practice. A soulful corporation is built on core human values (regardless of the spiritual tradition involved), the anchors of organizations. They have to pervade all processes and thus implement a genuine CSR practice. In this way, CSR can be merged into each business process instead of being a standalone division of the company. *Soulful corporations* describes a journey from the pure business approach of responsibility towards the spirit of oneness, which – regardless of the spiritual background of the companies' leaders – aims at the realization of global harmony.

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<http://dx.doi.org/10.1080/14766086.2014.992357>