

available at www.sciencedirect.com

SciVerse ScienceDirect

journal homepage: www.elsevier.com/locate/iimb

INTERVIEW

Spirituality in business: Sparks from the Anvil

In conversation with Suresh Hundre, Chairman and MD, Polyhydron Pvt. Ltd.

B. Mahadevan*

*Production and Operations Management, Indian Institute of Management Bangalore, Bangalore, India***KEYWORDS**

Spirituality in business;
 Business ethics;
 Indian philosophy;
 Manufacturing competitiveness;
 Family owned businesses;
 Notion of spirituality;
 Workplace spirituality;
 Productivity

Abstract The economic crises in the recent past have led to a renewed interest in exploring the role of spirituality in business management. However there are several challenges in understanding what “spirituality” means in an operational sense of business management. This article first traces the research in the area of spirituality as applied to business and in the second part, reports on the beliefs of Suresh B. Hundre, Chairman and MD of Polyhydron Pvt. Ltd, Belgaum, India, as practised in Polyhydron, a company known for its ethical management, and where the concept of “Business Ashrama” integrates spirituality into business.

Concept note**Introduction**

Spirituality and ethics are core values that have shaped human life from time immemorial. However, as societies and their institutions progress and go through ebbs and

flows, so does the relevance of such core values. Currently business entities are going through challenging times. Post 2000, there has been a wave of scandals related to the information and communications technology (ICT) sector (the cases of Enron and WorldCom, for example). In recent times ethical issues were raised in the banking sector (London Interbank Offered Rate (LIBOR) scandal, for example). The Satyam episode in India also highlighted the consequences of the fraudulent and unethical practices of business leaders. The several global crises including the banking crisis, the debt crisis and economic recession have brought to light several issues arising out of bad leadership, personal greed, and unethical practices. This reminds one of the ancient Indian maxim laid out in *Manu Smruti*,¹

* Tel.: +91 80 26993275.

E-mail address: mahadev@iimb.ernet.in

Peer-review under responsibility of Indian Institute of Management Bangalore

¹ All Sanskrit words that appear in this write-up are in italics.

"Dharma protects those who protect it and destroys those who try to destroy it²".

This write up sets the stage for inquiring into the notion of spirituality and its contemporary relevance to business management. The motivation for exploring the role of spirituality in business is the repeated occurrence of events in recent business history that challenge the moral and ethical fabric of leadership. We provide a bird's eye view of various research studies pertaining to spirituality and management and alongside provide alternative perspectives on these issues from the Indian spiritual tradition. Finally, through the interview, we demonstrate a practical application of spirituality in business.

Among the many challenges in the business world, workers world-wide face increasing demands to work extended hours and consequently experience considerable work overload (Fry & Cohen, 2009). This invariably leads to mental stress and job burnout among managers. Arguably this is detrimental to improving the triple bottom line (employee well-being, organisational performance, and key environmental stakeholders). Marques (2011) reported that a growing number of dissatisfied employees complained that they felt deprived of meaning in their workplaces. The "Occupy Wall Street" and other anti-business movements clearly show the crisis of the materialistic management paradigm. (Materialistic management is based on the belief that the sole motivation of doing business is money-making and success should be measured only by the profit generated.)

Part of the problem lies in the current recruitment and promotion practices of corporates and the agenda of business schools (Marques, 2011). Corporations base their hiring practices largely on intellectual astuteness and charisma and their promotion criteria on short-term revenue boosts and smart corporate politics. Other aspects such as ethical decision making, emotional intelligence, and the skill of responsible and comprehensive visionary development are sidelined. Similarly, business schools seldom encourage faculty to focus on topics such as spirituality. Bouckaert and Zsolnai (2012) observed that ethics need a more spiritual foundation to solve the business ethics failure. This view is in contrast to that of ancient Indian wisdom, where ethical and moral values, and spirituality were seamlessly woven into a unifying framework that defined the basis of the desires that an individual needed to fulfil through materialistic pursuits in his/her own life. The defining framework for this comprised the four personal objectives, known as *purusharthas*³ (which includes *Dharma*, *Artha*, *Kama* and *Moksha*).

² This is laid out in Chapter 8 of Manu Smriti. See Manu Smriti 8.15 for details. For an English version refer to Bühler (2001).

³ Each of the four *purusharthas* was subjected to a process of examination and elaboration in the literary traditions of the Dharmasastras of various authors, most notably Manu, the epics Ramayana and Mahabharata, the Arthashastra of Kautilya, and the principle sutras of the six orthodox schools of philosophy or Darshanas, all of which are mainly concerned with the attainment of moksha. Readers are referred to the works of Radhakrishnan (2009) and Swami Prabhavananda (1981) for more details.

Leadership crunch

The unfolding business crises and scams have exposed the leadership crunch in organisations. The current practice of leadership seems unable to resolve the major issues facing businesses. Furthermore, this has once again brought to the forefront the role of spirituality and ethical and moral values in all domains of society including business. There is a growing interest in recent times among practitioners, educators, and researchers on the broad issue of spirituality and its role in business.

One of the issues that Lord Krishna emphasises to Arjuna through the teachings laid out in the *Bhagavad Gita* is the issue of leadership. In several chapters in the *Gita* there are interesting discussions pertaining to the quality of leadership.⁴ According to the *Gita*, leadership is at its best only when it becomes inspirational. Inspirational leaders have several attributes. These include:

- Outgrowing their own vision from the narrow perspective of "what is in it for me?" (Gita: 3.9) to an opportunity to make a difference to the people and the place that they associate with
- Unwavering commitment to lead by example (Gita: 3.21)
- Developing a high degree of equanimity (Gita: 2.14). No great leadership is possible without developing a sense of equanimity. Lord Krishna drives this point home in the *Gita* in several places (Chapters 2–14).
- Understanding and practising the principle of mutual dependence (Gita 3.11)
- Not being afraid of anyone and not generating any sense of fear in others (Gita: 12.15)
- An ability to dramatically transform people and entities that they come into contact with, in a sustained fashion. It is therefore not surprising that many entities and people in this country and elsewhere have been significantly influenced by a person like Mahatma Gandhi till date. This phenomenon will continue for a long time to come
- Leaving behind an impact that guides a large number of people and organisations for a long time to come.

Collins (2001) echoes these attributes through his definition of Level 5 leadership, one that transcends self-interest through a paradoxical mix of humility and professional will. In order to achieve such a level of leadership, a strong current of spirituality must run in an individual. Spirituality will broaden the vision of an individual, melt his/her heart, embolden him/her to take steps without fear of failure and significantly increase his/her leadership competence. This seems to be the underlying message in the *Gita* on matters pertaining to leadership.

⁴ Bhagavad Gita has been translated and commented upon by a wide array of spiritual leaders, scholars, professionals and other social leaders. Therefore, we do not intend providing detailed references to Gita in this writing. One useful resource could be Swami Ranganathananda's three part commentary on Gita, "Universal Message of Bhagavad Gita" published by Advaita Ashrama, Calcutta, 2001.

A number of scholars mention a paradigm shift in management theory, and practice in the last few years. These changes in management include a shift from an economic focus to quality of life, spirituality, and social responsibility (DeFoore & Renesch, 1995; Walsh, Weber, & Margolis, 2003), a shift from self-centeredness to interconnectedness (Capra, 1996), and a change from a materialistic to a spiritual orientation (Neal, 1997). Karakas (2010) reports that Anita Roddick, the founder of the Body Shop, invested a quarter of the company's net profits back to the community to "keep the soul of the company alive". Such traits are exhibited by an individual when she/he is able to imbibe spirituality.

Contrary to our expectation that managers would like to define success in materialistic—money, positional power, and status symbols—terms, a study by Ashar and Lane-Maher (2004) reported that the participants in their study used terms such as being connected, balance, and wholeness to define and describe success. They also mentioned that the participants linked the concept of success to spirituality and stated that to be successful one needs to embrace spirituality as well.

Meaning of spirituality

Spirituality is an individual's (*Jiva*) search for a deep meaning of life interconnecting it to the Universe (*Jagat*) and to God (*Ishwara*). The spiritual journey essentially involves unfolding the mystery surrounding *Jiva–Jagat–Ishwara*.⁵ This journey unravels several confusions and provides newer perspectives to life. Several definitions of spirituality have been proposed in the modern literature and they indeed seek to connect the dots pertaining to the *Jiva–Jagat–Ishwara* triangle. These definitions of spirituality share a number of common elements: reconnection to the inner self; a search for universal values that lifts the individual above egocentric strivings; deep empathy with all living beings; and finally, a desire to keep in touch with the source of life (Bouckaert and Zsolnai, 2012).

Houston and Cartwright (2007) defined spirituality using four components. The first is a belief in transcendence, something greater than oneself—such as a higher power. This is the engine that empowers spirituality as a force in people's lives as they search for meaningfulness and purpose. According to Chakraborty and Chakraborty (2004), transcendence provides the power to yield a more far-reaching, holistic view of ground level happenings, however complex they are. Second, interconnectedness, is the sense of unification with others that one experiences. According to Houston and Cartwright, interconnectedness as an axis of spirituality implies a certain level of awareness of the needs of others, which may well be the impetus for the development of a sense of compassion and a desire for justice for others. The third common component is a feeling of love and compassion for others and their life circumstances. The fourth is a sense of life purpose or meaning in the earthly world. Based on the above, workplace spirituality essentially

could mean employees experiencing self-transcendence, meaning, and community in the workplace (Pawar, 2008).

Spirituality: impact on business management

Benefiel (2003) identified three major approaches to the research in the area of spirituality. The "quantitative trail" pertains to demonstration of how spirituality in the workplace contributes to organisational performance using quantitative research methods. The second approach uses qualitative research methods to address "why should" and "how could" spirituality be integrated into organisations. The third approach again uses qualitative research methods to discover how spirituality gets manifested throughout an organisation and the impact a spiritual organisation has on individual and organisational performance.

The relevance of individual spirituality to the workplace has received a substantial amount of attention in such fields as business management, social work, and health care. Poole (2009) pointed to several special issues in journals such as the *Journal of Organizational Change Management* Vol. 12, No. 3 (1999) and Vol. 16, No. 4 (2003), and *The Leadership Quarterly* Vol. 16, No. 5 (2005). In 2001, the Academy of Management set up a special interest group for management spirituality and religion, with funding to encourage promising dissertations in the field. It has been argued that spirituality is important to employees and that cultivating a spiritually accommodating and supportive environment yields dividends for organisations (Eisler & Montuori, 2003).

Based on a series of studies Adhia, Nagendra, and Mahadevan (2010a, 2010b, 2010c) demonstrated how the yoga way of life can significantly improve organisational performance and reduce job burnout and improve the emotional intelligence of managers. Similar research studies suggest that spiritual leadership has a significant impact on employee life satisfaction, organisational commitment and productivity, and sales growth (Fry & Slocum, 2008). Karakas (2010) reviewed about 140 articles on workplace spirituality and its impact on organisational performance. Based on a study, Houston and Cartwright (2007) concluded that spirituality enjoys a greater prominence in the lives of public servants compared to their for-profit counterparts.

Need for this interview

While there is renewed interest in exploring the role of spirituality in business management, the business community and society at large face several challenges in understanding the subject matter. Firstly, many are not clear what "spirituality" means in an operational sense of business management. Due to a lack of understanding of this topic, there is a widespread misconception. Consequent to a general level of ignorance of the topic confounded by a misconception of it, it is widely felt that spirituality has no role in an area such as business management. Even if there is some scope for application of spirituality in business management, lack of knowledge on how it could be practised precludes it from consideration. Finally, if there are reports on how some firms have indeed made attempts on practising these ideas, it can greatly help others learn from their experiences.

⁵ As per the Advaitic vendantic traditions, the ultimate goal of spiritual journey is to destroy this triangle (known as Triputi) and realise the oneness of everything.

This interview seeks to address the aspects raised above and add useful literature for our readers. Developing the required conviction and faith in the importance of spirituality in conducting business is a crucial first step for leaders to move in this direction. By bringing out this interview we hope to generate sufficient interest among the leaders and motivate them to invest in spirituality based practices in their firms in a sustainable fashion.

In conversation with Suresh Hundre, Founder of Polyhydron Group, presently Chairman and MD, Polyhydron Pvt. Ltd.

Suresh B. Hundre is the Chairman and Managing Director of Polyhydron Pvt. Ltd (PPL), the flag ship company of the Polyhydron Group of Industries which includes Hyloc Hydrotechnic Pvt. Ltd. and Polyhydron System Pvt. Ltd. Formerly known as Oilgear Towler Polyhydron Pvt. Ltd. Polyhydron manufactures hydraulic radial piston pumps, industrial and mobile hydraulic valves, and accessories. The group had a turnover of Rs. 1450 million during the year 2011–12 and Polyhydron is known for the competitive pricing of its products and its ethical management. Polyhydron practices the concept of "Business Ashrama" which integrates spirituality into business.

Suresh B. Hundre, graduated in engineering from the Regional Engineering College at Surathkal, Karnataka, India. Along with his then colleagues D. S. Chitnis and V. K. Samant, he founded the Polyhydron Group in 1974.

Source: www.polyhydron.com.

Polyhydron group: founding, growth, and competition

B. Mahadevan (BM): Let me thank you on behalf of the Indian Institute of Management Bangalore and IIMB Management Review (IMR) for giving us this opportunity to speak to you. I must also thank you on a personal note because spirituality is my area of personal interest.

To give you a little background, whenever I give a talk on spirituality, on the Upanishads and ideas on ancient Indian wisdom to executives, I've always found a serious interest in the subject among the audience. I have discussed the subject with many people and several common issues have come up. I would like to discuss those with you. But, first of all I would like to understand more about Polyhydron and its history.

Suresh B. Hundre (SH): After my engineering I started working in an organisation with a salary of Rs. 200⁶ per month. I worked there for 15 months. Three of us, V. K. Samant, D. S. Chitnis, and myself were working together and it was at the back of our minds to start something on our own. Each of us invested Rs. 100 and started our

business with Rs. 300 as the initial contribution. We struggled initially until we decided on what we had to make—hydraulic fittings—and that we are still making today. We borrowed some money initially from the bank and we slowly started growing.

BM: What is the current turnover? What is the yearly growth?

SH: We achieved a group turnover of Rs. 1.45 billion last year. If we take the average, the annual growth is in excess of 20%. Polyhydron has been growing at an annual rate of 30% right from 1986. We learnt a very important lesson in this growth story. In the process of growing the business, we started doing some mischief. One such mischief was to save some tax on the basis of advice from a tax consultant. We were summoned to the court in 1986 by the income tax office through a criminal case for tax evasion. The sum involved was Rs. 11,340.

Since our spouses were partners of this company, they were summoned to the court. After this episode we decided to stop such practices. We three agreed to do business honestly and ethically. In the last 26 years, we have done an aggregate turnover of about Rs. 7.5 billion but we have not generated one rupee of black money through the business.

BM: I will come back to that issue a little later. Can you tell me more about the nature of competition in your line of business?

SH: Some international companies came into India, and could not continue their operations. We started this business based on our experience with one such company. We ended up making the component as the company closed down. Today Polyhydron has developed a brand name in India and is being copied by others. We are competing with international companies from Japan and the UK. As far as Indian brands are concerned, we are the number one. Our unique positioning is that we have priced our products very economically. Our price is about half that of a multinational company manufacturing a similar product. You may be surprised to know that today we are exporting our products to China at half the price that they were buying from elsewhere.

BM: In the product line that you are manufacturing, I presume that you are giving cost competition to your competitors...

SH: Yes. The manufacturing facility what we have established is very efficient. Other people may find it very difficult to manage that. For instance, last year, in Polyhydron we did a turnover of about Rs. 840 million.⁷ This amounted to a turnover of over Rs. 3.5 million per employee per year. I assume that such a per capita turnover may not be possible even in the software industry. To the extent I know, in the software sector the per capita annual turnover could be in the range of Rs. 2.0–2.5 million.

BM: Who are your main customers?

SH: Fifty percent of the business comes from three customers in the earth moving business. The customer from China is one of the big three. The balance comes from a number of small customers. Sometimes the companies may be big, but the business is very small. We have in all about 250 customers.

⁶ As of February 5, 2013 the conversion rate for Indian Rupee (INR) to US Dollar (USD) is 1 USD = 53.00 INR.

⁷ In the contemporary Indian system of measurements and numbers, one million is 10 lakhs and 10 million is one crore.

Unique operational elements: simplicity and efficiency

BM: When I heard about Polyhydron from an industry professional, he introduced it to me as a company that does not change its price as much as others do. So in the last 10 years how much have you increased your prices?

SH: Hardly anything.

BM: But your input cost would have gone up?

SH: Still, my volume too goes up. Fortunately I am making the same percentage of profit because I am able to add newer products that give me better margins. If you increase the volume although the percentage profit may come down, the total profit increases. You should be happy not with the percentage profit but the total profit. On another front, if you add products with better value addition, your percentage profits remain the same. The decreased margin in old products is compensated by greater margin from the newly introduced products. So the average becomes better.

BM: What other factors have contributed for holding on to the price?

SH: Almost 40% of our total turnover goes to China. They are buying from us at half the price at which they were buying elsewhere. Even at the current level of pricing we are able to manage a good bottom line on account of our manufacturing efficiency and productivity. My core belief is that we should not exploit people, nor should we burden our customers needlessly. As long as I am able to manage my bottom line and I am happy about it, why should I charge more?

Over the years we have understood that a few factors have mainly contributed to this. First is operational efficiency. The other factor is the 30% growth which seems to cover the overheads more than adequately. A team from Cummins once analysed our working and concluded that we were able to maintain our prices because we were growing at the rate of 30%.

Another thing that contributes to low costs is the fact that we have stopped borrowing money and instead started generating money internally through efficiency gains. So there is no risk of borrowing money, no liability. This has saved us a lot of time and it has allowed us to concentrate on the basic job of manufacturing. Further, we do not have a marketing department. This also brings down the costs of our operations.

Our cost of employment is hardly 5% of the turnover. The overheads are only 2% because our management system is very lean. We manage with a few people who multi-task. For instance, a similar organisation (with a turnover of over Rs. 800 million), would normally have a purchase department, a purchase head, purchase assistants, and a number of other people. We have three or four people who take care of the purchases in the organisation. The whole system of procurement, manufacturing or for that matter many processes in this organisation are so simplified that you don't really require expensive manpower.

BM: Incidentally, what is the size of your workforce?

SH: We have achieved a turnover of Rs. 840 million last year. We have currently 230 people, including me. There are 200 direct labourers and the balance are indirect

labourers that includes design office, administration, purchase, sales, and so on.

BM: No wonder that this is the first factory that I have visited in the last 25 years without security personnel at the gate! It appears you have cut security costs also in your organisation. What would be the workforce size in a normal company with a similar turnover?

SH: For a similar industry and with our scale of operations, it would be anywhere between 400 to 550 people. The annual per capita turnover would be around Rs. 1.5 to 2.0 million. Our annual per capita turnover would be double, mainly because of cutting down several expenses in the manner I explained above.

BM: Is the manner in which you have organised your manufacturing system also contributing to low cost of manufactured goods?

SH: Yes. It also plays a significant role. Let me explain it in some detail. We have organised factories within the factory. I have borrowed this concept from the Japanese. If you visit the factory, you'll find two or three people working in one place/unit and they've been given all the inputs required to manufacture the products. In some part of the factory, two people can do a turnover of Rs. 10 million. This has been possible because we have empowered these people to do the job.

BM: What exactly you mean by empowerment?

SH: One way to empower them is to give them total responsibility. The workers have at their disposal all the other resources required. We do not have the concept of stores, where the workers have to go and draw the material. Suppose one of the workers wants some cap screws, these are automatically ordered by an inventory management controlling system, and the material goes to his place. Normally nobody interferes with the work and nobody supervises.

Let me illustrate this with an example pertaining to dealing with the suppliers. If there is a shortage of material, the employees contact the supplier directly. Nobody coordinates or liaises between him and the supplier. If there is a problem of quality, or a shortage, the worker calls the supplier directly. The worker need not come to me and give me reasons, neither need the supplier. The worker is empowered to deal with the supplier. And the supplier has to oblige him. Essentially he is empowered to accept or reject the material.

BM: Many other companies I have visited also talk about empowerment, but there you have supervisors and managers who need to discuss and take decisions even when there is empowerment. Further a lot of coordination meetings happen. How about your company?

SH: We hardly have meetings in Polyhydron. We have other companies in our group, where they have meetings. But my system is different. In our company there may be one meeting in a year. Once the financial year is over and our balance sheet is ready, I talk to the employees and tell them what the performance of the company is, whether they are going to get 100% bonus or not. For the last five years we have declared 100% bonus.

BM: How do you discuss revisions, changes, problems and so on? There must be issues across functional areas, such as

design issues and process planning issues that require to be discussed.

SH: We have a system of regular communication. We go through the system. If there is a problem, people come together, sort out that problem and go away.

BM: So there isn't too much paper work. There seems to be a degree of informality which comes along with empowerment.

SH: We have about three layers of management—the fellow worker, the team leader and the key person. The team leader co-ordinates things in a particular area among the workers. The team leader is not a supervisor. He deals with common problems such as raw material shortage or manpower management, such as re-assigning workers when someone has taken leave. We have about seven such team leaders across both units. The key persons do whatever I was doing, as an entrepreneur. I used to take care of everything myself—finance, administration, labour, production, procurement, meeting customers everything. Now I take care only of some parts of it and I am beginning to work fewer hours. In about four years I may reach a half day schedule of working.

Also, we generally do not meet customers. That's our policy. They have to come to us.

BM: Does that mean that new business development happens from the customer side?

SH: Yes. We have no marketing department but only a sales department and sales people only coordinate things. If a customer wants to buy our product, we request him to come here so that we can show our product and explain many things in detail. If a customer has a problem with our product we request them to send it so that we can provide a replacement. As a policy, we don't travel. Since we don't travel outside, that is another overhead which is avoided.

BM: What do you do about after sales service?

SH: Since our product is very small, whenever we face a problem, we replace it, if it is within warranty. Or we ask the customer to send it to us and we repair it and send it back to them. If it is beyond the warranty period, we charge for it.

BM: How do you deal with your suppliers?

SH: We have a unique policy, based on a concept taken from the Japanese, which is that of a unique supplier, a single source supplier. We buy around 7000 items and we have about 60–70 suppliers. For a particular component, the supplier is fixed.

BM: How do you deal with purchase orders, goods received, goods inspection and so on? You don't have stores either. So, what will the supplier do?

SH: We do not have a Goods Received Note (GRN), we simply accept what the supplier gives us. If the material comes by road, we pick it up from the transporter or the transporter delivers it here. If material has to be delivered by us, we have a helper, a man who ships the material. He knows where to deliver it. We collect material from various suppliers. Our pick up vans go to the different places and the suppliers load material directly into our van. We do not even count. That is another saving of time.

BM: So how do you resolve discrepancies in quantity and quality? Let's say one delivery of 300 castings has come today and you had asked for 400 castings. Somebody has to first count and say there are 300. Then...

SH: With our computer system, everything can be located, traced. The supplier has to certify that there are 300 castings. He cannot say 400. We believe the supplier. If he says it is 100, it is 100. Occasionally we have found some discrepancies. Once we were dealing with a bearings company. At the end of the year we found a large number of bearings missing. On investigating we concluded that we had not received the material, but we had received an invoice and paid for it. We informed the supplier about the missing bearings as we were confident that the bearings could not have been stolen from our factory, though we have no store keeper or security. The issue was resolved as they could locate it. Within one hour we got a call from them informing us that the bearings were lying unclaimed with them for eight months.

BM: So you don't invest on security staff?

SH: No. No store keepers, security, peons, or personal assistants.

BM: So in order to run the business efficiently you need to be inherently simple. In order to achieve this simplicity you need to develop a high level of trust and faith among trading partners and employees.

SH: You have to trust people. There is no alternative. This is the secret behind Polyhydron's low cost and high efficiency. The moment you start distrusting people, the trouble starts and you end up with a complicated system. Then you start recruiting an army of supervisors, production managers, and so on.

BM: This is indeed an interesting observation and is in contrast to the modern management system. The contemporary management theory rests on a central idea called the agency theory, which envisages a principal—agent problem. As an MD you are the principal, and as an employee I am the agent. There is an assumption that the principal cannot trust the agent, which leads to an agency cost in terms of supervision, paper work, checks and balances. You say that all of them are not necessarily the right things.

SH: When we start believing in people, we can eliminate so many layers of management. Cost comes down and the productivity per person goes up. Another interesting point is that in our company, when you look at the proportion of the staff, the cost of the white collar staff is minor. The major portion is shared by the blue collar workers. I use a measure called wealth distribution ratio (see box) that I learnt about in Taiwan to manage the salary structure in my company. Based on this ratio the minimum wages are adjusted so that the ratio remains the same.

BM: You are saying that for a company it may be very useful to understand the wealth distribution ratio. What is Polyhydron's number?

SH: I have implemented this in my company and my salary is maximum 13 times the minimum salary in the company. That is fixed. If I want more salary I have to see that these people get more salary.

Wealth Distribution Ratio (WDR) @ Polyhydron

A means to address employee wage levels

The **Gini Coefficient*** is one way to measure how evenly the income (or wealth) is distributed throughout a country. The Gini Coefficient is calculated using the information pertaining to the ratio of cumulative percentage of people against the cumulative share of income earned. Polyhydron uses a modified version (rather, a simplified version) of the Gini coefficient to fix the wage levels using the following formula:

$$\text{WDR} = \frac{\text{Cumulative salary of top 20\% employees}}{\text{Cumulative salary of bottom 20\% employees}}$$

A high value of WDR indicates a greater disparity in earnings between the top management and the lower most employees and vice versa. According to Mr. Hundre, WDR in an organisation must be in single digits only. WDR ratio in Polyhydron is currently between 4 and 5. The MD's salary is 13 times the minimum salary paid in Polyhydron or 10 times the average salary of the bottom 20% in the company.

*For more details on Gini Coefficient please see http://en.wikipedia.org/wiki/Gini_coefficient.

The notion of spirituality in business

BM: Let me now move on to the main topic. First of all, people have very different notions about spirituality. For the purpose of this conversation I would like to know what your understanding of the term spirituality is.

SH: Spirituality in my understanding is nothing but an expression of purity. If a person wants to be spiritual I say you purify your actions, speech, and thought. Purify and align all the three and you will become spiritual. To begin with it may be difficult to purify your thoughts but you can purify your speech and your actions. The last thing is thought. If you keep trying, one day your thoughts will also become pure. It is so simple. Any human being can do it. On the other hand, if you talk about the *Bhagavad Gita*, or some *sloka*,⁸ or *mantra* many people may find it difficult to comprehend. But when I define it this way, people understand it and then begin to explore the possibility of applying it in business as well.

Business can also be made spiritual by purifying the leaders' actions, speech and thought and the philosophy and principles of doing business. For example the leader may have to resolve that he will do business not "somehow" but ethically. Over the last 26 years I have come to the conclusion that without being spiritual, no business or human being can lead a joyful life.

BM: So spirituality as an individual value is no different from spirituality as a business value?

SH: An organisation is also an organism like a human being. It has its own character, its own philosophy, its own thoughts, thinking process. So the same rule applies there also.

BM: How did you develop this interest in spirituality? Was it by accident or by a concerted effort? How does it actually help in business management?

SH: I was very reactive and at times an angry person. I used to take on everything, and confront government officers head on. I used to lead the average life of making money and enjoying myself with it. We unwittingly generated black money too in our business. In some sense, I was leading a fast life and was not really interested in spirituality or in religious programmes. At that time the *Brahma Kumari* sect⁹ started a unit in our city (Belgaum) and they wanted some prominent people of Belgaum to go to their centre in Mount Abu. They approached me and persuaded me to go.

With a lot of reluctance I agreed to go. I stayed in Mount Abu for five days during that trip and experienced a different way of life. I was impressed by their arrangements and their level of service. By the time I came back I felt I should change some of my living habits. That was the first step of purity and it started changing my views. I became calm. I started doing some social work. My journey towards purity started there.

The thought that purifying the business meant not generating black money and not evading taxes was growing in my mind. As mentioned before, the incident with the tax authorities in 1986–87 reinforced this thought in me. Saving Rs. 11,340 in income tax led me to the court in 1986. In contrast, during 2010–2011, I paid about Rs. 50,000 as income tax, per hour. Since I have decided to be honest, I pay one third of whatever I have earned as tax.

I consider spirituality to be a journey of higher magnitude. I say God is at 100% level of spirituality. According to me for an unspoiled man, the spirituality level is 20%. A man who is at the animal level is at 0%. A man who wants to tread on the path of spirituality starts growing and depending on how much purification he does, he may reach up to 25%, 30%, 40% and so on. If you have this picture in front of you, you can start your journey. Where you reach at the end of your life is your return for the good work you've done—*Karma yoga*.¹⁰

This journey had taught me some lessons and has provided me some perspectives about business. According to me, simplicity reduces one's worries and honesty reduces stress. If you believe that people are honest, that means you trust them and your stress comes down. Policing and cost of managing vanishes over time. People will become self-managed and self-empowered in the process, which eventually leads to very good productivity. Swami Vivekananda said that combining Western efficiency and dynamism with Indian values will be good for productivity.

BM: I see a lot of influence of Swami Vivekananda on you and your organisation. How did that happen?

SH: As I embarked on this journey, one day I heard that Swami Vivekananda had come to Belgaum and stayed for twelve days. I had earlier read Swami Vivekananda when I was

⁸ Sloka is a Sanskrit word. In the Indian tradition sloka refers to poetic verses set to pre-determined metres. They are often used in the spiritual and religious texts and literature.

⁹ For more details about Brahma Kumaris, readers may want to visit the website <http://www.brahmakumaris.com/>, last accessed on February 5, 2013.

¹⁰ Karma Yoga is one the cardinal principles laid out in the *Bhagavad Gita*.

in engineering college but had forgotten. I went to the place, saw the room that Swami Vivekananda had used and was introduced to his books. I started reading Swami Vivekananda's works and I found there was lot of strength in his thoughts.

During a train journey once from Belgaum to Bangalore a co-passenger gave me a book on Indian management by Swami Jitatmananda¹¹ where I came across Swami Vivekananda's thought particularly about combining Western dynamism and efficiency with Indian spirituality to attain the best management leadership in the world. I thought about it and conceptualised the idea of a business *ashrama*.¹² Later, by coincidence, I encountered this idea in a book by Prof S. K. Chakraborty.¹³ However, I dwelt upon this idea, started working on it and built the business *ashrama*. I believe that efficiency in a business *ashrama* is much higher than the normal.

Operationalising spirituality in business

BM: I went through your website. There is a mention of Polyhydron being a pilgrimage centre for the corporate world of India. Can you describe this in some detail?

SH: A pilgrimage centre is a pure place, a peaceful place and a silent place. A temple or an *ashrama* is one such example. People move around silently and peacefully. In an *ashrama*, you do not supervise the devotees. You have some guidelines for them and leave the rest to the devotees. You know that they will work from their heart, from their intrinsic desire. In this place also my effort is to see that people bring out their intrinsic desire to work and put in the efforts according to the requirements of the job. Here, they work silently, peacefully, and without any stress. There is no supervision, no policing. People enjoy working, as in a pilgrimage.



A view of the Business Ashrama at Polyhydron

¹¹ Indian Ethos in Management by Swami Jitatmananda, Ramakrishna Mission, Rajkot, 1992

¹² Ashrama is a Sanskrit word meaning hermitage or a place where spiritual and knowledge seekers congregate and learn under the guidance of a guru.

¹³ Ethics in Management—Vedantic Perspectives by S. K. Chakraborty, Oxford University Press, 1995.

BM: Is business *ashrama* just another way of organising the activities in the factory or is there something more to it? Is it the same concept as factory within a factory?

SH: In the concept of a factory within a factory, there are a number of units. Each unit works independently. There is a team leader for each unit. In the same manner we have constructed several small units. There are a lot of trees around and the place is very clean. The atmosphere resembles that of an *ashrama*. The creation of atmosphere is very important; creation of culture comes later.



Meditation hall in Polyhydron factory

BM: The atmosphere in your meditation hall is very serene.

SH: Several people have felt the same. There are many instances of people whose business dilemmas have been resolved after sitting in our meditation centre. It works. It gives me inspiration when I need it at a particular moment and the strength that I need to take a decision.

BM: Now I understand your definition of business *ashrama*. You are saying it is an *ashrama* in a business setting where people come and pour their heart without supervision and force.

SH: Yes, people take empowerment, rather, they assume it, I don't have to give it. They have to say I will do the job, instead of in normal management system where you give the job, where instructions are taken and the job is executed. People will take on their jobs saying it is my responsibility and my commitment to the organisation.

BM: There is often a misconception that the more you become spiritual it takes away one's urge towards engaging in the thick of action. What is your view this?

SH: Let me explain. What is the aim of life? To lead a joyful life. Generally if you ask a person what is the aim of life, he will say leading a happy life. There is a lot of difference between a joyful life and a happy life. It is generally believed that happiness comes from all materialistic things. According to me, in the so called happy life the spirituality level is close to zero. I believe that a joyful life is a combination of happiness and contentment.

I use an equation to describe the relationship between these two:

$$\text{Happiness} + \text{Contentment} = \text{Joyfulness}$$

People often think that as they keep fulfilling their needs they grow happy. In reality it works the other way, as you keep fulfilling your needs, the list of new needs to be fulfilled grows. As your unfulfilled needs keep on increasing, you become unhappy. One can use an index to understand this situation:

$$\text{Happiness Index (HI)} = \frac{\text{Fulfilled Needs}}{\text{Total Needs}}$$

We all strive for a HI of 100%. In this process, as we increase our total needs (which happens only when you add new unfulfilled needs in the denominator of the above equation), the HI value drops down significantly. It builds considerable pressure on individuals as the only way to restore HI to near 100% is to convert the unfulfilled needs to fulfilled ones. This demands more materialistic resources. Eventually, it encourages some to resort to unethical ways of making money. That means such a person is not going up (or evolving).

To improve HI, one way is to reduce one’s needs. As we move upwards, we go on reducing our needs. When we reduce our needs, which perhaps were unnecessary in the first place, we try to maintain the ratio close to one. In other words, the fulfilled needs and total needs are almost the same. We are happy and contented. That leads to joyfulness. This also means that to be joyful, we have to sacrifice happiness. This concept is hard for the people to accept. They have not realised the difference between joyfulness and happiness. In the process of becoming happy, people run the risk of getting into unethical ways.

This is how I look at it—simplicity, reducing your needs, leads to joyfulness. There is also another solution to it. If you really want to lead a joyful life, make others happy, fulfill their needs. For example, you can give food to a hungry man. But for that you need to sacrifice your money. A blind man wants to cross the road. You have to spend time to help him cross the road. You have sacrificed your time. Materialistic happiness is available in the market provided you have the money. But joyfulness is not. You have to sacrifice happiness to get joyfulness.

Spirituality in my mind is all about increasing the joy of life and taking such an approach will only make you more active, more sacrificing for others and working for a larger cause.

BM: Traditionally, we have a very rich literature on spirituality. The *Bhagavad Gita* for example is a rich text. Are there any specific examples that you are able to borrow, let’s say from the *Gita* or any other text, which you are able to implement and see for yourself?

SH: *Karma yoga* is one concept. It simply says do your job without expecting the fruits and this is what I have been doing.

BM: But how do you make others also do that?

SH: It is by practice. Occupying the position that I do, I become the role model. Instead of preaching spirituality, I practice it, and people try to follow it. It is not necessary for 100% people to follow. If I set such an expectation, then it is a mistake. Those who are interested should come forward and accept the ideas. For instance, I have a certain idea about the use of clothes. If people like my idea of wearing a blue shirt to work as a means of reducing my

needs, they may follow it. One should lead by example. Make your life simple. Make it disciplined. Make it transparent. Practice ethics and morality. Over time interested people will follow it. This is a more practical and sustainable way.

Another important concept is that the culture in the organisation is a reflection of the character of the leader. What a leader does gets reflected in his organisation. If the leader is pure, a pure atmosphere is created. If he is honest, honesty percolates into the organisation and people try to be honest. If I assume that all the people will be so inspired and if I try to make 100% people honest I’m making a mistake. I should let people follow it, understand it, accept it, and practice it. It is like the precipitation of an idea over time.

BM: You started by saying spirituality in business is all about purity. Then you used three words—simplify, transparent and trust. Can you explain it a little? How does it happen in your business?

SH: To be joyful, you necessarily have to be spiritual. But to be spiritual, you have to be moral. An immoral person cannot be spiritual. To be moral, you have to be ethical. To be ethical, you have to be honest. To be honest, you have to be transparent. To be transparent, you have to be simple. To be simple, you must be disciplined. These are the steps. Whenever I interact with engineering and MBA students they often ask “Where do we start to be joyful?” I tell them to first get disciplined. Then I introduce them to the ladder of joyfulness (See Fig. 1)

BM: Organisationally how do you look at this ladder?

SH: We are very particular about discipline, first of all. And then we have simple, transparent systems.

BM: What do you mean by transparent?

SH: Everybody has access to information in our organisation, which is atypical of a Rs. 850 million turnover organisation. For instance, if somebody wants to know what the profit made in the company is or what my salary is, he can find out. He has access to the information. That’s one aspect of practising transparency. We keep receipts for all transactions. I cannot take one rupee from this organisation without the knowledge of others or the accounting personnel. The accounts, information about



Figure 1 The ladder of joyfulness.

salaries and profits, are all available for people's scrutiny if they want.

BM: You mentioned that you are paying 100% bonus for the last few years. What is the basis for this?

SH: This is another concept, like that of the wealth distribution ratio. It is my personal belief that in any organisation, the cost of running the organisation should be less than 30% of the net income. We have a means of computing the ratio of cost of employment to wealth created and we work out the bonus on the basis of this ratio. Let me provide a brief illustration of this:

Profit after tax (PAT) : XXX
 Salaries, wages paid : YYY
 Net wealth created : WWW (Sum of the above)
 Total payable to employees : AAA (30% of WWW)
 Already paid as wages : YYY
 Balance payable as bonus : BBB (AAA – YYY)

Currently, in Polyhydron, YYY is less than 50% of AAA. Therefore we are able to pay 100% bonus. As you can see, the smaller the YYY as a percentage of AAA, the better for the organisation as well as for the employees. If the percentage is less than 50%, employees are sure to get 100% bonus and the organisation will be benefitted from greater productivity.

BM: How do your salaries compare with those of others? Are you a good pay master if you take bonus into consideration?

SH: The basic salary is nearly the same as what others pay in the area. Our employees will begin to see better earnings after two years. The first two years we keep the salary low. We want to find out whether people are really interested in staying here. Initially we put them through apprenticeship for a year and confirm them at the end of the year based on their performance. During this period we pay them a minimum salary. At the end of the first year after confirmation we give them 60% bonus. At the end of second year of confirmation we pay 80% and third year after confirmation we pay 100%. They really start earning well after that, but have to work at least for two years before realising this benefit. After two years, if they want a job with more salary, they have to leave the city.

BM: Another practice that I heard about in your organisation is that you don't believe in overtime. What is the logic behind it?

SH: A human being is supposed to work from sunrise to sunset for his stomach and for bare minimum necessities. This is my concept. If you accept this concept, then it is not possible to have overtime or shifts. This makes a lot of difference to the health of the employees as well. They can be truly productive, unlike in organisations which stretch their employees to their physical limits. Long, unnatural hours of work also disturb a person's peace of mind and often lead to unhealthy life styles and habits.

BM: One of your (ten) beliefs (see Table 1) is that an employee should earn wages and not be paid. What does that mean?

SH: As explained previously, what percentage of bonus employees want to earn depends upon the ratio of cost of

Table 1 Polyhydron's ten beliefs.

The purpose of business is creation of wealth (for the nation)
Business and ethics are a perfect match
Excellence and spirituality are related
Every customer is a "good paymaster" (provided you do not extend open credit facility)
Every government officer is honest (provided you are committed to clean business)
Profit includes income tax
The management system makes money, products don't
Employees should earn wages and not be paid
Corruption adds cost and reduces quality
Suppliers, society, and nature are not cows to be milked

Source: http://polyhydron.com/ppl_page/index_main_about.htm.

employment to wealth created. Eventually, the system makes the employees responsible for their returns and in turn improves wealth generated per employee. It is up to them to make the money and earn their salary. The management merely has put in a mechanism to distribute the money. That is why we believe that employees should earn their wages.

Leadership challenges in practising spirituality

BM: Your mission statement¹⁴ on your website says you will nurture an ethically managed organisation. Can you explain what ethics is in a business enterprise?

SH: The simple parameter of ethics is "do you generate black money?" By generation of black money I mean creation of wealth for self, siphoning off money for personal gains, enjoying personal life at the cost of the company etc. One of my friends said, if I were sitting in your place I would have bought a Mercedes. I replied to him that although I can buy several Mercedes without borrowing money, I don't need them. My needs have come down, so I use a Reva. My status does not depend on what car I drive. I am reminded of an episode in Swami Vivekananda's life. Vivekananda once said to an American who confronted him on the streets and admonished him on his dress code that he was not aware that tailors made personality in America; in his understanding, character made personality.

The second parameter is "Do you evade tax?" Do you try to plan tax? In my experience and understanding, there is a thin line separating tax planning and tax evasion. For example, a tax consultant may advise you on ways to save tax, which is on the border, but eventually you will have to face the music, not the person who gave the advice. These are occasions for the leadership to demonstrate how much they believe in purity of running the business.

BM: Let me play devil's advocate. A policy such as "I will not generate black money or evade tax" is a clear recipe for harassment by a host of authorities. How can one handle

¹⁴ For more details, please see http://polyhydron.com/ppl_page/index_main_about.htm. Last accessed on February 5, 2013.

these issues in a manner that does not take one's efficiency away?

SH: Very good question. You should be firm on not paying bribe and communicate the message across all departments when opportunities unfold. It requires a lot of patience and strong determination and you must not show any sign of flexibility or fear as far as corruption is concerned. Finally the message gets across. However, we have faced challenging situations in the past. In the first ten years, we faced a lot of trouble. Even now a criminal case is being filed against Polyhydron because we have refused to bribe. One must be financially strong also to handle these situations. Finance and spirituality can be complementary, they can help each other.

Moreover, the sacrifices you have made for so long will not go in vain. I have recently obtained credit from the government within the stipulated time limit on excise and sales tax for export to the tune of Rs. 66.5 million without paying anything. We have also established that kind of rapport and values with most government departments over time.

BM: One of your ten core beliefs is that growth requires lot of sacrifice on the part of management and renunciation of ownership mentality. What do you mean by renunciation of ownership mentality and how do you practice it?

SH: We should work as if we are trustees and not as owners. If I say I am an owner I can do anything with the wealth we create. And I would use it to acquire things and enjoy life. When you are a trustee, you accept that you are supposed to grow this organisation. You have to give up practices such as siphoning off money, creating black money, evasion of tax and so on. Then the money will remain in the business and that helps you to grow. All the money we have earned has remained in the business. I have realised over the years that such a free business is a fast growing business. Otherwise, half the wealth created is taken away by the financial institutes for servicing their debts and so on.

BM: How do you then define the managing director (MD) of this organisation? Do you own this company or not?

SH: I am the number one employee of this organisation. That's all. Incidentally I am called the MD. As an employee of this company, all rules and regulations are applicable to me as well. If I don't wear the approved uniform or shoes on the shop floor, I will be fined like anybody else. We have the second generation getting inducted into the business now. They are expected to follow our footsteps. Technically they are not the owners at the moment. They don't hold a single share. They are pure employees. We don't behave as if we are owners, we think of ourselves as employees. When I'm not there, it is up to them to follow in my footsteps or not. They have seen the results and the respect we have earned in society, so it is up to them.

BM: What are the long term implications of ethics and spirituality on the top management, on the employees, on the customers, on the suppliers, and on the government and other people around us?

SH: First thing is, you are respected in society. Secondly, as you become more spiritual, you become less attached. This enables you with a very balanced way of conducting business. When you get attached, you have a fear in your mind that you are going to lose something and your mind gets disturbed. A disturbed or fearful mind

has a greater propensity to make wrong decisions. When you become more spiritual, your mind becomes calm and quiet and the quality of decisions is better. Even if a mistake occurs, you are not worried about it and accept it as a part of the game. When you become spiritual, you don't judge people too much. Business is a transaction and you go your own way after it is finished. One of our beliefs is "All government officers are honest". When I don't pay a bribe, why should I call him dishonest? Similarly we believe that all customers are good pay masters. I don't give them any credit. So why should I call them bad pay masters? They pay me first and then take the materials. So, they are good pay masters.

BM: So you don't give any credit?

SH: No, except to three or four customers, we don't give any credit to anybody. People have to pay in advance, and take the material. If there is no money in a customer's account at the time of billing, we charge 1% extra. Alternatively, if there is more money in the account than the billing amount, we give 1% discount. If it is less than the billing amount, then we give 1% discount on the credit balance available in the account. Now almost 99% of my customers make sure that the money is there before the billing is made. No follow up is required. That is another problem in the industry. People spend money and time on travelling, telephoning, and correspondence. All these have been simplified in my business. There are no people assigned to follow up for payments.

BM: How challenging is succession planning for this enterprise given your background and spirituality based value systems?

SH: We have come up through hard work and sacrifice. All these have culminated into what the Polyhydron group is today. We feel we cannot hand over tomorrow and wash our hands of the company. We are trying to hand over the mantle very slowly. The process may take another three or four years. The next generation has enthusiasm. They have ideas which are different from our ideas. Their culture needs to imbibe the set-up here and it takes time. I am putting in an 8-hour day working on the process of hand over, ramping up, and passing the baton.

BM: This is where your spirituality comes into play. At some stage you take your hands off ...

SH: Yes. As I grow in my spirituality, I will get non-attached. Then if anything goes wrong, I will not be disturbed. I have started practising non-attachment. I am in a different level of spirituality. I don't get disturbed too much with many things now.

Imbibing spirituality in business: issues and implications

BM: So from what we have conversed so far, it appears that being pure, being simple and honest can actually make good business sense. Why is it that people are not getting into that?

SH: It is a choice between a Mercedes and Sumo or an Indica. Loans are available for all three. The simpler your choice, the lower your liability is. It finally boils down to a personal choice in life which either allows or does not allow progress towards spirituality.

BM: If one is in business and is interested in following ethics and spirituality, where should one start, how long does it take and what kind of things should one do?

SH: Some time back, an industrialist from Kolhapur came to me with similar questions. He came to me twice. The third time he came with his staff. Then I told him, before you bring your staff here, you have to change yourself first. You have to make your system transparent. First of all, stop generating black money. Stop evading tax. Make everything transparent. If this is possible, only then you start. You cannot say I will give my staff hundred percent bonus, but don't ask me how much money I make. That is not transparency.

You cannot pick a few features from here and mix it. That's not spiritual. You have to be hundred percent truly transparent. You cannot say the right to information is applicable up to a point, not beyond that. You cannot plead business compulsions or answerability to shareholders and other such reasons to compromise on transparency. If you cannot be totally transparent, it is better not to get into this. The first requirement is discipline, next is transparency.

BM: So you say there is a lot of personal investment of the leader, to begin with. The leader has to go through transformation first. Assuming somebody has passed that acid test and it has taken some time, what next?

SH: It depends on the rate at which you simplify your processes and make them transparent. If you can do it in two years you can get the results in two years. You have to change the mentality of your people, they have to accept the system. If that takes four years, then it will take four years to get the results. You have to be patient since you are in for the long haul. You have to trust each other.

BM: What does it mean to trust?

SH: Leave the job to him and believe that he will do it. Don't supervise. Allow him to fail. Trusting means allowing him to fail. Give that assurance. I'll give a simple example. Unlike other organisations where everything is referred to the higher ups, my employees have clear instructions to answer questions and tell the truth. If a government official comes and asks one of my employees for a particular piece of information, the employee has to tell the government officer the truth. If he tells the truth, and if there is a liability, the company pays for it. If he tells lies and if there is a liability, the employee pays for it. Now why should the employee tell a lie? When the owner or the leader, enforces a practice and a system like this, the employee gets confidence. I am ready to take on the liability if my employee speaks the truth.

BM: If an organisation tries to become spiritual which aspects will change? How can one know if that an organisation is on the path to spirituality?

SH: That is very simple. You can see it on the ladder—discipline, simplicity, transparency, and so on. You will start visualising differently. For instance, in our organisation, none of the five buildings have grills on the windows. We have also simplified our personnel requirements to a great extent. You will not find peons and personal secretaries here as in other organisations. One can see many such signs when there is practice of spirituality in a business environment.

BM: Do you think such ideas will be easier to practice in a small and family owned business since there is some control in the way of doing things?

SH: It depends upon your capacity and not upon the size of the company or ownership pattern. It has to do with the level of spirituality you've reached. Konosuke Matsushita, founded Panasonic which was the largest manufacturer of electrical goods at one time, and he was a spiritual man. As you increase your spiritual level, your capacity, capability increases. Matsushita talks about this. His life story is highly inspiring.¹⁵ He studied up to the fourth grade, had very poor health and worked in a cycle shop. He started with a single product, and built an empire over time. In my opinion he reached to the level of 50% of spirituality. When a businessman grows in his spirituality his empire starts growing. However, it does not mean all large companies are highly spiritual. Some large and apparently successful companies may be unethical and have no spirituality. These are exceptions and I will not be surprised if they die after a few decades.

Imparting spiritual values through educational institutions

BM: There is a dilemma that we go through in the academic circles. Is it really possible to teach a post-graduate student (at the age of 25) ideas pertaining to value systems, spirituality, moral and ethical behaviour? Since you have nurtured people who have become a little aligned to your thought process, what is your view on this?

SH: How many people will become spiritual? How many people will cross the barrier of 20% of spirituality that I mentioned? Perhaps very few will. Don't try to make 100% of people spiritual. All employees are at different levels. Leave them there. Let them decrease it or increase it on their own. We need to merely place the role model in front of them. Increase in spirituality makes your life joyful, that's all. You can't force people. We've got a meditation hall in the factory premises. We never force people to go there. Only five people go there in the morning. They come early before working hours because they are interested, they come out of their personal drive. You can make a similar attempt when it comes to teaching these topics.

BM: There is a widespread interest among business schools that formal courses must be offered on spirituality in business. Is it a worthwhile idea? If so, how can we go about teaching it?

SH: I find that there is a tendency in some educational institutions to view the educational process from a commercial angle. My frank opinion is such purely commercially minded organisations should not talk about it. Such schools may not have people with the required qualification. There may be several educational institutions which are genuine. They must expose students to the values such as simplicity, transparency. Even if 1% of the students catch on to the idea, the purpose will be served.

The other challenge is the resource person for teaching the course. If you have a subject on ethics and spirituality, who will teach it? There's no meaning if the course is taught

¹⁵ Further reading: Matsushita Leadership; 2010; John P. Kotter; Free Press.

by one who doesn't practice those values. Even in educational institutions it starts with practice, as much as it is in a business organisation.

These days students hear of only one path in the final year. It is mostly about fat salaries and CTC calculations. Everybody walks on that one path, runs on it. It is like a wheel from which there is no return once you enter. There is such a rush, so much competition, you have to keep running, whether you like it or not. Otherwise you are pushed or you will fall down and get trampled. The other path that I talk to students about is the path less travelled—*Raja Marga*, the spiritual path. There are very few people on this path. You can travel at your own pace. Enjoy the journey. The ratio of 5%–95% on the two paths will always remain. It is natural. Only the spiritual will take the path less travelled. Others will be forced to take the competitive path whether they like it or not on account of family background, their liability etc. Such courses could be used to show these alternative paths to the students.

BM: Thank you for a very good conversation. It has been interesting to know some of the unique aspects and perspectives of spirituality and their relevance to business management. At a time when there is a renewed interest in spirituality in business management, I am sure our readers will benefit from this conversation.

SH: I wish you all the best.

Announcement

We deeply regret to say that Mr. Suresh Hundre passed away on May 23, 2013.

References

- Adhia, H., Nagendra, H. R., & Mahadevan, B. (2010a). Impact of adoption of *yoga* way of life on organizational performance. *International Journal of Yoga*, 3(2), 55–66.
- Adhia, H., Nagendra, H. R., & Mahadevan, B. (2010b). Impact of adoption of *yoga* way of life on the reduction of job burnout of managers. *Vikalpa*, 35(2), 21–33.
- Adhia, H., Nagendra, H. R., & Mahadevan, B. (2010c). Impact of adoption of *yoga* way of life on the emotional intelligence of managers. *IIMB Management Review*, 22(1&2), 32–41.
- Ashar, H., & Lane-Maher, M. (2004). Success and spirituality in the new business paradigm. *Journal of Management Inquiry*, 13(3), 249–260.
- Benefiel, M. (2003). Mapping the terrain of spirituality in organizations research. *Journal of Organizational Change Management*, 16(4), 367–377.
- Bouckaert, L., & Zsolnai, L. (2012). Spirituality and business: an interdisciplinary overview. *Society and Economy*, 34(3), 489–514.
- Bühler, G. (2001) *Sacred books of the east: The laws of Manus*, Vol. XXV, New Delhi: Motilal Banarsidass.
- Capra, F. (1996). *The web of life: A new scientific understanding of living systems*. New York: Anchor Books.
- Chakraborty, S. K., & Chakraborty, D. (2004). The transformed leader and spiritual psychology: a few insights. *Journal of Organizational Change Management*, 17(2), 194–210.
- Collins, J. (2001). *Good to great* (pp. 17–40). London: Random House Business Books.
- DeFoore, B., & Renesch, I. (1995). *Rediscovering the soul of business*. San Francisco: New Leaders Press.
- Eisler, R., & Montuori, A. (2003). The human side of spirituality. In Robert A. Giacalone (Ed.), *Handbook of workplace spirituality and organizational performance*.
- Fry, L. W., & Cohen, M. P. (2009). Spiritual leadership as a paradigm for organizational transformation and recovery from extended work hours cultures. *Journal of Business Ethics*, 84, 265–278.
- Fry, L. W., & Slocum, J. (2008). Maximizing the triple bottom line through a strategic scorecard business model of spiritual leadership. *Organizational Dynamics*, 31(1), 86–96.
- Houston, D. J., & Cartwright, K. E. (Jan.–Feb. 2007). Spirituality and public service. *Public Administration Review*, 67(1), 88–102.
- Karakas, F. (2010). Spirituality and performance in organizations: a literature review. *Journal of Business Ethics*, 94, 89–106.
- Marques, J. (2011). Spirituality, meaning, interbeing, leadership, and empathy: SMILE. *Interbeing*, 4(2), 7–17.
- Neal, J. (1997). Spirituality in management education: a guide to resources. *Journal of Management Education*, 21, 121–140.
- Pawar, B. S. (2008). Two approaches to workplace spirituality facilitation: a comparison and implications. *Leadership & Organization Development Journal*, 29(6), 544–567.
- Prabhavananda, S. (1981). *Spiritual heritage of India*. Madras: Sri Ramakrishna Math.
- Poole, E. (2009). Organisational spirituality – a literature review. *Journal of Business Ethics*, 84, 577–588.
- Radhakrishnan, S. (2009) *Indian philosophy*, Vols. 1–2, Oxford University Press.
- Walsh, J. P., Weber, K., & Margolis, J. D. (2003). *Social issues and management: Our lost cause found*. Ann Arbor, MI: University of Michigan Business School.