



## INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE AND MANAGEMENT

### CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	FINANCIAL LIBERALIZATION IN SINGAPORE, 1999-2003: THE EFFECT OF FIVE-YEAR LIBERALIZATION PROGRAM ON SINGAPORE'S BANKING SECTOR <i>SHAHZAD GHAFOOR &amp; UZAIR FAROOQ KHAN</i>	1
2.	DEVELOPING VALUES IN ORGANIZATION: A REFLECTION ON ORGANIZATIONAL VIRTUOUSNESS APPROACH <i>HAMIDEH SHEKARI, MOHAMAD ALI AFSHARI &amp; SAID MEHDI VEYSEH</i>	11
3.	INFLUENCE OF EDUCATIONAL LEVELS ON FERTILITY DECISIONS AMONGST FEMALES PARTICIPATING IN LABOUR FORCE IN ADO-ODO/OTA LOCAL GOVERNMENT AREA OF OGUN STATE NIGERIA <i>MOSES AYOKUNLE AKANBI &amp; OGBARI MERCY EJOVWOKEOGHENE</i>	16
4.	OCCUPATIONAL ROLE STRESS AMONG WOMEN EXECUTIVES IN UNITED ARAB EMIRATES <i>DR. SANGEETHA VINOD &amp; DR. IPSHITA BANSAL</i>	21
5.	SOCIAL RISK MANAGEMENT AS A POVERTY REDUCTION STRATEGY IN NIGERIA <i>ONAFALUJO AKINWUNMI KUNLE, PATRICK OMORUYI EKE, AKINLABI BABATUNDE HAMED &amp; ABASS OLUFEMI ADEBOWALE</i>	30
6.	A STUDY ON FACTORS INFLUENCING THE JOB SATISFACTION OF LECTURERS EMPLOYED IN SELF FINANCING ARTS COLLEGES, SOUTH INDIA <i>DR. S.KAYALVIZHI &amp; K.CHOKKANATHAN</i>	34
7.	AN ANALYSIS OF INVESTOR'S PERCEPTION REGARDING MUTUAL FUND <i>SONU V GUPTA, PRAKASH CHAWLA &amp; SANDHYA HARKAWAT</i>	38
8.	IMPACT OF BRAND IMAGE ON CUSTOMER COMMITMENT & LOYALTY IN INDIA <i>DR. MALHAR KOLHATKAR &amp; DR. NIRZAR KULKARNI</i>	42
9.	PROBLEMS OF FRUIT PROCESSING INDUSTRY IN ANDHRA PRADESH - A CASE STUDY OF SELECT UNITS IN CHITTOOR DISTRICT <i>K. SREENIVASA MURTHY &amp; HIMACHALAM DASARAJU</i>	46
10.	SHAREHOLDERS MARKET WEALTH EFFECT AROUND STOCK SPLIT ANNOUNCEMENTS –AN EMPIRICAL SECTORAL EVIDENCE FROM INDIAN STOCK MARKET <i>SURESHA B &amp; DR. GAJENDRA NAIDU</i>	53
11.	IDENTIFYING THE DIMENSIONS OF ORGANIZATIONAL CULTURE & THEIR PERCEIVED RELATIVE IMPORTANCE IN THE MIND OF THE MEMBERS OF THE ORGANIZATIONS – A CASE OF FOUR INDIAN ORGANIZATIONS <i>DR. SITANATH MAJUMDAR &amp; KAUSHIK KUNDU</i>	60
12.	STRESS - A CHALLENGE FOR MARKETING EXECUTIVES <i>DR. E. RAJA JUSTUS &amp; DR. C. SATHYA KUMAR</i>	69
13.	A STUDY ON FACTORS CRITICAL IN SELECTION OF HUMAN RESOURCE FOR NEW PRODUCT DEVELOPMENT IN ACHIEVING QUALITY, COST AND DELIVERY - WITH REFERENCE TO SELECTED AUTOMOBILE INDUSTRIES <i>DR. MU.SUBRAHMANIAN &amp; V. KUMAR</i>	73
14.	INDECISIVENESS IN DECISION MAKING: A PERSPECTIVE STUDY OF MANAGING INDECISIVENESS – A CLASSICAL INDIAN CASE STUDY <i>DR. S. P. RATH, DR. SHIVSHANKAR K. MISHRA, PROF. BISWAJIT DAS &amp; PROF. SATISH JAYARAM</i>	84
15.	A DEMOGRAPHIC STUDY OF PROBLEMS FACED BY INDIAN SHIPPING AGENTS (WITH SPECIAL REFERENCE TO LUDHIANA – PUNJAB) <i>SANJEET KAUR &amp; BHAGAT SINGH</i>	90
16.	HUMAN RESOURCE MANAGEMENT AND KNOWLEDGE MANAGEMENT: A SYNTHESIS OF RESEARCH AND MANAGERIAL IMPLICATIONS <i>AJAY SOLKHE</i>	98
17.	APPLICATION OF Z SCORE ANALYSIS IN EVALUATING THE FINANCIAL HEALTH OF PHARMACEUTICAL COMPANIES- A CASE STUDY <i>DR. D. MAHESWARA REDDY &amp; DR. C. R. REDDY</i>	104
18.	ENTREPRENEURSHIP & EMERGING FORM: A STUDY ON FINGERLING PRODUCTION OF SELECTED VILLAGES OF BARPETA DISTRICT OF ASSAM <i>BIDYUT JYOTI BHATTACHARJEE</i>	108
19.	COMPOSTING: A TOOL TO SAVE EARTH AND GO GREEN <i>YOGESH MEHTA, SRISHTI JOSHI &amp; ASHWINI MEHTA</i>	113
20.	RELEVANCE OF BRAND PERSONALITY TO TOURISM DESTINATIONS <i>RESHMA FARHAT &amp; DR. BILAL MUSTAFA KHAN</i>	116
21.	ANALYSIS OF FACTORS INFLUENCING EMPLOYEES' PRODUCTIVITY, IN RELATION TO WORKPLACE ENVIRONMENT <i>VIKAS CHADDHA &amp; RAVI PANDEY</i>	120
22.	EXPLORING THE IMPORTANCE OF EMOTIONAL INTELLIGENCE IN RETAILING <i>ABHIRUCHI SINGH</i>	126
23.	WOMEN ENTREPRENEUR- A NEW BEGINNING <i>NISHA RATHORE</i>	130
24.	A REVIEW ON PERSONALITY MAGNETISM LEADERSHIP BEHAVIOR <i>R. GOPINATH</i>	132
25.	VODAFONE TAX DISPUTE: A SAGA <i>SHASHWAT AGARWAL</i>	138
	REQUEST FOR FEEDBACK	141

## CHIEF PATRON

**PROF. K. K. AGGARWAL**

Chancellor, Lingaya's University, Delhi  
Founder Vice-Chancellor, Guru Gobind Singh Indraprastha University, Delhi  
Ex. Pro Vice-Chancellor, Guru Jambheshwar University, Hisar

## PATRON

**SH. RAM BHAJAN AGGARWAL**

Ex. State Minister for Home & Tourism, Government of Haryana  
Vice-President, Dadri Education Society, Charkhi Dadri  
President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

## CO-ORDINATOR

**DR. SAMBHAV GARG**

Faculty, M. M. Institute of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

## ADVISORS

**PROF. M. S. SENAM RAJU**

Director A. C. D., School of Management Studies, I.G.N.O.U., New Delhi

**PROF. M. N. SHARMA**

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

**PROF. S. L. MAHANDRU**

Principal (Retd.), Maharaja Agrasen College, Jagadhri

## EDITOR

**PROF. R. K. SHARMA**

Dean (Academics), Tecnia Institute of Advanced Studies, Delhi

## CO-EDITOR

**DR. BHAVET**

Faculty, M. M. Institute of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

## EDITORIAL ADVISORY BOARD

**DR. AMBIKA ZUTSHI**

Faculty, School of Management & Marketing, Deakin University, Australia

**DR. VIVEK NATRAJAN**

Faculty, Lomar University, U.S.A.

**DR. RAJESH MODI**

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

**PROF. SANJIV MITTAL**

University School of Management Studies, Guru Gobind Singh I. P. University, Delhi

**PROF. SATISH KUMAR**

Director, Vidya School of Business, Meerut, U.P.

**PROF. ROSHAN LAL**

Head & Convener Ph. D. Programme, M. M. Institute of Management, M. M. University, Mullana

**PROF. ANIL K. SAINI**

Chairperson (CRC), Guru Gobind Singh I. P. University, Delhi

**DR. ASHOK KHURANA**

Associate Professor, G. N. Khalsa College, Yamunanagar

**DR. TEJINDER SHARMA**

Reader, Kurukshetra University, Kurukshetra

**DR. SAMBHAVNA**

Faculty, I.I.T.M., Delhi

**DR. MOHENDER KUMAR GUPTA**

Associate Professor, P. J. L. N. Government College, Faridabad

**DR. SHIVAKUMAR DEENE**

Asst. Professor, Government F. G. College Chitguppa, Bidar, Karnataka

**MOHITA**

Faculty, Yamuna Institute of Engineering & Technology, Village Gadholi, P. O. Gadholi, Yamunanagar

**ASSOCIATE EDITORS**

**PROF. NAWAB ALI KHAN**

Department of Commerce, Aligarh Muslim University, Aligarh, U.P.

**PROF. ABHAY BANSAL**

Head, Department of Information Technology, Amity School of Engineering & Technology, Amity University, Noida

**DR. V. SELVAM**

Divisional Leader – Commerce SSL, VIT University, Vellore

**DR. PARDEEP AHLAWAT**

Reader, Institute of Management Studies & Research, Maharshi Dayanand University, Rohtak

**S. TABASSUM SULTANA**

Asst. Professor, Department of Business Management, Matrusr Institute of P.G. Studies, Hyderabad

**TECHNICAL ADVISOR**

**AMITA**

Lecturer, E.C.C., Safidon, Jind

**FINANCIAL ADVISORS**

**DICKIN GOYAL**

Advocate & Tax Adviser, Panchkula

**NEENA**

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

**LEGAL ADVISORS**

**JITENDER S. CHAHAL**

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

**CHANDER BHUSHAN SHARMA**

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

# CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to recent developments & practices in the area of Computer, Business, Finance, Marketing, Human Resource Management, General Management, Banking, Insurance, Corporate Governance and emerging paradigms in allied subjects. The above mentioned tracks are only indicative, and not exhaustive.

Anybody can submit the soft copy of his/her manuscript **anytime** in M.S. Word format after preparing the same as per our submission guidelines duly available on our website under the heading guidelines for submission, at the email addresses, **info@ijrcm.org.in** or **infoijrcm@gmail.com**.

## GUIDELINES FOR SUBMISSION OF MANUSCRIPT

### 1. **COVERING LETTER FOR SUBMISSION:**

Dated: \_\_\_\_\_

The Editor

IJRCM

Subject: **Submission of Manuscript in the Area of** \_\_\_\_\_ **(Computer/Finance/Marketing/HRM/General Management/other, please specify).**

Dear Sir/Madam,

Please find my submission of manuscript titled ' \_\_\_\_\_ ' for possible publication in your journal.

I hereby affirm that the contents of this manuscript are original. Furthermore It has neither been published elsewhere in any language fully or partly, nor is it under review for publication anywhere.

I affirm that all author (s) have seen and agreed to the submitted version of the manuscript and their inclusion of name(s) as co-author(s).

Also, if our/my manuscript is accepted, I/We agree to comply with the formalities as given on the website of journal & you are free to publish our contribution to any of your journals.

**Name of Corresponding Author:**

Designation:

Affiliation:

Mailing address:

Mobile & Landline Number (s):

E-mail Address (s):

2. **INTRODUCTION:** Manuscript must be in English prepared on a standard A4 size paper setting. It must be prepared on a single space and single column with 1" margin set for top, bottom, left and right. It should be typed in 12 point Calibri Font with page numbers at the bottom and centre of the every page.
3. **MANUSCRIPT TITLE:** The title of the paper should be in a 12 point Calibri Font. It should be bold typed, centered and fully capitalised.
4. **AUTHOR NAME(S) & AFFILIATIONS:** The author (s) full name, designation, affiliation (s), address, mobile/landline numbers, and email/alternate email address should be in 12-point Calibri Font. It must be centered underneath the title.
5. **ABSTRACT:** Abstract should be in fully italicized text, not exceeding 250 words. The abstract must be informative and explain background, aims, methods, results and conclusion.
6. **KEYWORDS:** Abstract must be followed by list of keywords, subject to the maximum of five. These should be arranged in alphabetic order separated by commas and full stops at the end.

7. **HEADINGS:** All the headings should be in a 10 point Calibri Font. These must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
8. **SUB-HEADINGS:** All the sub-headings should be in a 8 point Calibri Font. These must be bold-faced, aligned left and fully capitalised.
9. **MAIN TEXT:** The main text should be in a 8 point Calibri Font, single spaced and justified.
10. **FIGURES & TABLES:** These should be simple, centered, separately numbered & self explained, and titles must be above the tables/figures. Sources of data should be mentioned below the table/figure. It should be ensured that the tables/figures are referred to from the main text.
11. **EQUATIONS:** These should be consecutively numbered in parentheses, horizontally centered with equation number placed at the right.
12. **REFERENCES:** The list of all references should be alphabetically arranged. It must be single spaced, and at the end of the manuscript. The author (s) should mention only the actually utilised references in the preparation of manuscript and they are supposed to follow **Harvard Style of Referencing**. The author (s) are supposed to follow the references as per following:

- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
- Use **(ed.)** for one editor, and **(ed.s)** for multiple editors.
- When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc, in chronologically ascending order.
- Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
- The title of books and journals should be in italics. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
- For titles in a language other than English, provide an English translation in parentheses.
- Use endnotes rather than footnotes.
- The location of endnotes within the text should be indicated by superscript numbers.

**PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:**

**Books**

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio," Ohio State University.

**Contributions to books**

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

**Journal and other articles**

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

**Conference papers**

- Chandel K.S. (2009): "Ethics in Commerce Education." Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–22 June.

**Unpublished dissertations and theses**

- Kumar S. (2006): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

**Online resources**

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

**Website**

- Kelkar V. (2009): Towards a New Natural Gas Policy, Economic and Political Weekly, Viewed on February 17, 2011 <http://epw.in/epw/user/viewabstract.jsp>

**DEVELOPING VALUES IN ORGANIZATION: A REFLECTION ON ORGANIZATIONAL VIRTUOUSNESS APPROACH****HAMIDEH SHEKARI**

LECTURER

MANAGEMENT DEPARTMENT

PAYAME NOOR UNIVERSITY

TAFT, YAZD, I. R. OF IRAN

**MOHAMAD ALI AFSHARI**

MASTER OF OPERATIONS MANAGEMENT

KAR UNIVERSITY

QAZVIN, I. R. OF IRAN

**SAID MEHDI VEYSEH**

RESEARCH SCHOLAR

PAYAME NOOR UNIVERSITY

TEHRAN, I. R. OF IRAN

**ABSTRACT**

*Until recently the concept of virtue has been out of favor in the scientific community. Virtues have been traditionally viewed as relativistic, culture-specific, and associated with social conservatism, religious or moral dogmatism, and scientific irrelevance. Scholarly research paid scant attention to virtue, especially in organizations. Much attention has been paid to values in organizations, of course, but the definition and roles played by virtues in organizations differ from values. Virtue has recently become a topic of serious examination among organizational researchers and progressive companies who are exploring their role in creating new, more holistic, healthy, and humane work environments. Corporations are becoming more sensitive to the needs of the community and virtuous concerns such as caring, compassion, integrity and wisdom, and less concerned about Concepts such as efficiency, return on investment and competitive advantage. The aim of this paper is developing literature on virtues and virtuous organizations. In this paper, we explain the concept of virtues in organizations and differentiate it from the concept of values with which it is sometimes confused. Then we discuss the Characteristics, Advantages and functions of a virtuous organization. We also discuss the stages of formation of a virtuous organization and give examples of some organizations that have developed virtues.*

**KEYWORDS**

Virtuous Organization, Virtues, Values.

**INTRODUCTION**

Until recently the concept of virtue has been out of favor in the scientific community. Virtues have been traditionally viewed as relativistic, culture-specific, and associated with social conservatism, religious or moral dogmatism, and scientific irrelevance. Scholarly research has not only paid scant attention to virtues, especially in organizations, but also has remained largely undiscussable among practicing managers faced with economic pressures and stakeholder demands (Manz et al., 2008).

There has been little systematic investigation of the expression and effects of virtue in organizations and the attributes of organizations "that move individuals toward better citizenship, responsibility, nurturance, altruism, civility, moderation, tolerance, and work ethic" have been largely absent from empirical investigations in organizational studies (Seligman and Csikszentmihalyi, 2000, p. 5).

Walsh et al. (2003), for example, surveyed the appearance of terms depicting virtue in the business press. They found that virtues are largely ignored as topics associated with business performance. In an analysis of word usage in the Wall Street Journal from 1984 through 2000, Walsh et al. reported that the appearance of terms such as "win," "advantage," and "beat" had risen more than fourfold over that 17-year period, whereas terms such as "virtue," "caring," and "compassion" seldom appeared at all. Moreover, their appearance had remained negligible across the 17-year period (Walsh et al., 2003).

But now a sea change is occurring in the corporate world. Many businesses are no longer seeing themselves as organizations that should only be concerned with profits but, instead, are now concerned about values (Kotler and Lee, 2005; Hindery, 2005). Corporations are becoming more sensitive to the needs of the community and less concerned about "profits at all costs." we are moving towards "conscious capitalism" a new kind of capitalism which not only focuses on profits but which considers factors such as social, environmental, and economic costs in business decision making (Aburdene, 2005; Lampman, 2005).

Firms in this era when societal expectations of business are rising can no longer focus solely on stockholder return. Companies that aim to prosper over the long term also emphasize good jobs for employees, environmental sustainability, healthy community relations, and great products for customers (Friedman and Friedman, 2009, p: 14). In conditions of turbulent change, virtuousness serves both as a fixed point, a benchmark for making sense of ambiguity, and as a source of resilience, protecting the system against harm.

**VIRTUES AND VALUES**

The concept of virtue has been defined in a variety of ways in the literature:

Virtues may be defined as the qualities that make anything a good thing of that kind (Schudt, 2000, 712). Virtue has been defined as an attribute of personal character, and it possesses cognitive, affective, volitional, and behavioral characteristics (Peterson, 2003). Organizational virtuousness refers to the attributes characterizing the best of a human resource (Nepean, 2007). Another view of virtue is a quality of psychological strength, moral muscle, or willpower that promotes stamina in the face of challenges (Manz et al., 2008). A virtue is a trait of character or intellect, which is morally laudable (Flynn, 2008, p: 361). At the aggregate level, virtue has been treated as embedded in communities, cultures, and organizations and being virtuous has meant adhering to the highest qualities of the social system of which one is a part (Manz et al., 2008). Human virtues are the qualities of character that allow us to regulate our appetites (Gowri, 2007, p: 392). Virtuousness is the internalization of moral rules that produces social harmony (Manz et al., 2008).

Because the concept of virtue captures the highest aspirations of human beings, the study of virtue is a study of the capacity, attributes, and reserve in organizations that facilitate the expression of positive deviance among organization members. Virtues in organizations appear to have at least five attributes (Cameron, 2003a):

1. Virtues foster a sense of meaning, well-being, and ennoblement in human beings.

2. Virtues are experienced cognitively, emotionally, and behaviorally.
3. Virtues foster harmony in relationships.
4. Virtues are self-reinforcing and positively deviation amplifying.
5. Virtues serve a buffering function and foster resilience.

These attributes differentiate virtues from the concept of values, which serve different functions in individuals and organizations. For better differentiation of virtues from values see continuum below with three points—one anchoring the left end, one in the middle, and one anchoring the right end (Cameron, 2003b).

<b>Physiological</b>	Illness	Health	Wellness
<b>Psychological</b>	Illness	Health	Flow
	----- -----		
	<b>Negative Deviance</b>	<b>Normal</b>	<b>Positive Deviance</b>
<b>Ethics</b>	Unethical	Ethical	Virtuous
<b>Integrity</b>	Dishonest	Trustworthy	Honoring

Think first of the human body. The large majority of medical research, and almost all of a physician's time, is spent trying to get people from the left point on the continuum (illness) to the middle (health). This middle point represents an absence of illness or injury. Very little is known about how to get people from the middle point to a state of wellness on the right. Psychologically the same thing occurs. More than 95 percent of psychological research in the last 50 years has focused on closing the gap between the left point and the middle point—overcoming depression, anxiety, stress, or emotional difficulties. Little is known about how to get people from a condition of health to a state of flourishing, vitality, or what's referred to as "flow" in psychology. Now look at ethics and integrity on the continuum. Unethical behavior is that which produces harm. It violates principles. It does damage. We spend a lot of time addressing unethical behavior. The large majority of our attention is spent reminding leaders and organizations to behave ethically, honestly, with integrity. That usually means an absence of harm—behaving consistently, being trustworthy, not damaging others or the system. Hardly any attention is given, however, to the right side of the continuum. That side is representing virtuousness. It is not only a condition of not producing harm, but it is a condition of doing good, honoring others, taking a positive stance, or behaving in ways where self-interest is not the driving motivation (Cameron, 2003b).

To better elucidate this idea of virtuousness in organizations, we contrast the concept of virtue with other more recurrently investigated concepts in organizational studies. For instance, virtuousness does not stand in antagonism to concepts such as ethics or moral reckoning, whereas these terms focus on what is necessary, sufficient, or instrumental, virtue embraces that which is good, transcendent, honorable, and that which is most human. Likewise, there is no required swapping between virtue and performance. While it is possible to be virtuous without producing profit and to be profitable without virtue, we reasonably expect that an affirmative connection may be present between virtue and organizational performance. As a matter of fact, modern organizations range from ineffective, inefficient, and error-prone performance, to effective, efficient, and reliable performance depending on the degree of virtuousness penetration in the organizational culture (Nepean, 2007).

## VIRTUOUS ORGANIZATION

It is impossible to separate the performance and well-being of organizations from the performance and well-being of their members. To provide people with meaningful work and rewards, organizations need to be successful. And to be successful, organizations need high-performing individuals. The challenge is to design organizations that perform at high levels and treat people in ways that are motivating and satisfying (Lawler, 2004).

Virtuous organization is a solution for this challenge. Virtuous organizations addresses virtues. Virtuous organization should possess attributes and demonstrate behaviors that extend beyond a consistent moral or ethical code; it should possess more than just a strong values-based culture. Virtuous organizations are distinctive, in other words, in their capacity to create positive "organizational deviance" (Nepean, 2007).

Moving toward virtuousness is something most organizations can do. Seven principles are key to organizations developing virtuousness. These seven principles are listed below (Lawler, 2004):

1. *Attraction and Retention*. Organizations must create a value proposition that defines the type of workplace they want to be so they can attract and retain the right people.
2. *Hiring Practices*. Organizations must hire people who fit with their values, core competencies, and strategic goals.
3. *Training and Development*. Organizations must continuously train employees to do their jobs and offer them opportunities to grow and develop.
4. *Work Design*. Organizations must design work so that it is meaningful for people and provides them with feedback, responsibility, and autonomy.
5. *Mission, Strategies, and Goals*. Organizations must develop and adhere to a specific organizational mission, with strategies, goals, and values that employees can understand, support, and believe in.
6. *Reward Systems*. Organizations must devise -and implement reward systems that reinforce their design, core values, and strategy.
7. *Leadership*. Organizations must hire and develop leaders who can create commitment, trust, success, and a motivating work environment.

Effective leadership is the most important principle and the one that provides the glue that holds the others together. So we should consider some points for effective leadership (Lawler, 2004):

- Lead People Right
- Developing a Leadership Brand
- Build Leadership Capability
- Identifying and Hiring Potential Leaders
- Regular Assessment of Managerial Performance and Behavior
- Rewards for Effective Leadership
- Focus on the Competitive Environment

## CHARACTERISTICS OF A VIRTUOUS ORGANIZATION

Critical success factors of a virtuous organization are listed below (Friedman and Friedman, 2009, p: 15):

1. **THE LOCAL COMMUNITY:** A virtuous firm should establish and maintain strong ties with the local community in which it conducts business. It should hire employees from the local community and do business with local companies. After all, many of a firm's customers will come from the surrounding areas.
2. **RESPECT FOR EMPLOYEES:** Employees should not be seen merely as factors of production that could be discarded like worn-out machinery. Seeing employees as partners is the way to build an organization with values. In the corporate world, many firms are recognizing that the ability of an organization to learn is the key to survival and growth and organizational learning has become the mantra of many companies. A learning organization requires empowered employees that work together and share knowledge. Learning organizations have an infrastructure that allows the free flow of knowledge, ideas, and information. And all these require respect for employees.
3. **HIRING THE DISABLED:** Disabled employees in the workforce can help the organization generate and develop ideas for new products and services. Firms that have employed Disabled individuals have found that they are hardworking, dedicated, and loyal employees (Friedman and Friedman, 2006).
4. **DIVERSITY IN THE WORKPLACE:** Workforce diversity helps create a work environment in which female, minority employees, the disabled feel welcome; even customers will feel more welcome in such an environment. Diversity may help an organization flourish but it is also the right thing to do. Furthermore, diversity is important if one wants to create a learning organization. It is also important to help promote supplier diversity by doing business with firms that are owned by women and minorities (Friedman and Amoo, 2002).

**5. ETHICS AND INTEGRITY:** Integrity and honesty must start at the top of the organization. Conflicts of interest have caused many of the serious ethical lapses that occurred in the last decade. Before a company can improve its ethical behavior, it must remove all conflicts of interest.

**6. SERVANT-LEADERSHIP:** Leaders of virtuous organizations must become servant leaders. Servant-leaders empower others and are facilitators; they are not concerned with personal aggrandizement. The servant-leader is the antithesis of the autocratic, authoritarian, leader who is primarily concerned with power and wealth; he cares about people and wants them all to be successful. Spears found ten characteristics in the servant-leader Spears (2004):

- Listening intently and receptively to what others say. This, of course, means that one has to be accessible.
- Having empathy for others and trying to understand them.
- Possessing the ability of healing the emotional hurts of others.
- Possessing awareness and self-awareness.
- Having the power of persuasion; influencing others by convincing them, not coercing them.
- Possessing the knack of being able to conceptualize and to communicate ideas.
- Having foresight; which also includes the ability to learn from the past and to have a vision of the future.
- Seeing themselves as stewards, i.e., as individuals whose main job is to serve others.
- Being firmly dedicated to the growth of every single employee.
- A commitment to building community in the institutions where people work.

ServiceMaster Company, Southwest Airlines, Toro Company, and Men's Wearhouse are examples of companies that either include the principle of servant-leadership in their mission statement or corporate philosophy.

**7. CUSTOMER SATISFACTION:** A virtuous organization truly cares about its customers and clients. Many firms today believe that customer satisfaction is the most important measure of business performance; it is even more important than profit and market share. Organizations that care about their customers also want to hear what they have to say. Listening to customers, especially customer complaints, is a good way of coming up with ideas to improve products.

**8. THE ENVIRONMENT:** There are several reasons that the corporate world is going green. These include improving its image and competitive advantage; Regardless of any marketing gains, a firm should be concerned about our planet. Planet Earth is all we have and we should take care of it.

**9. CORPORATE PHILANTHROPY:** A virtuous firm does not necessarily think about future benefits from philanthropy. They engage in philanthropic acts because humankind has an obligation to make the world a better place. Done correctly, this can also benefit the firm. For example, a firm could use its resources to improve education and the welfare of the area in which it operates.

**10. MISSION STATEMENT:** An organization that is interested in virtue must examine its mission statement. Mission statements should not only discuss profit and growth; maximizing shareholder wealth is not what it is all about. A firm must consider the long-term and its mission statement should therefore consider the needs of the environment, society, employees, customers, suppliers, and government. The mission statement of the firm should say something about a firm's moral and ethical values. The needs of customers, suppliers, society, employees, government, and the environment should be addressed in the statement.

#### FUNCTIONS OF VIRTUES IN ORGANIZATIONS

The findings validate the two major functions played by virtuousness in organizations.

**1. Amplifying function:** The virtuousness has an amplifying effect. It means that virtuousness is self-perpetuating. When people are exposed to virtuous acts, they are attracted to them. They are elevated by them. They tend to reproduce them. When we observe virtuousness, we are inspired by it. This is similar to something called the heliotropic effect. If you put a plant in the window, over time it will lean toward the light. All living systems are subject to the same phenomenon. They have a tendency towards the positive and away from the negative. Virtuousness has that same attractive quality, and it tends to produce self-perpetuating positive effects. Human systems tend to respond positively to virtuousness and goodness. Just as these dynamics occur in individuals, similar dynamics also occur in organizations. Organizational performance tends to improve when virtuousness is fostered and nurtured. When people see others behaving humanely, they tend to behave humanely as well. Integrity, compassion, and trust, for example, create an environment where people are encouraged to be their best, where innovativeness, loyalty, and quality are likely to be higher. That's the virtuous cycle. The amplifying nature of virtuousness causes it to reproduce itself and to improve organizational performance over time (Caza et al., 2004).

**2. Buffering function:** The virtuousness has an amplifying effect too. That is, virtuousness helps inoculate the organization against harm in the face of trauma. It is now well-established, for example, that downsizing leads to deteriorating performance in most organizations. This occurs, at least partly, because people are hurt or offended, relationships are destroyed, trust is battered, psychological contracts are broken, organizational memory is lost, secrecy escalates, and the threat-rigidity response occurs (threatened people and threatened organizations become rigid). Virtuous organizations do not suffer the same debilitating and deteriorating effects of downsizing. Plus, they bounce back quicker from any downturns (Cameron et al., 2008).

It shouldn't come as a surprise, that the hallmark of great leaders in the 21st century is that they demonstrate not only ethical behavior—the absence of harm—but they also demonstrate virtuousness—producing goodness. Ethics and virtues serve as fixed points in a sea of confusion. They enable self-reinforcing positive outcomes to occur, and they buffer individuals and organizations from the verities of a world in which harm, damage, violations of principles, selfishness, and greed are likely to be ubiquitous (Caza et al., 2004).

#### ADVANTAGES OF A VIRTUOUS ORGANIZATION

The findings of investigations of the impact of virtuousness on organization and organizational performance showed significant effectiveness and efficiency benefits from the developing and implementing of a virtue based organizational environment. The main findings can be summarized in the followings:

- Virtues provide important elements of a possible riposte to the serious financial scandals currently affecting business globally (Flynn, 2008, p: 359).
- Virtues provide interior strength for good behavior. Among human virtues, practical wisdom is particularly important. This virtue helps practical rationality to identify what is good in each situation (mele, 2009, p: 239).
- Virtues make moral reasoning and moral decision-making easier, helping us to make sound ethical judgments, considering both the singularity and complexity of each situation (mele, 2009, p: 239).
- Virtues provide a common basis for value assimilation and value convergence of the employees (Ip, 2002, p:21).
- Virtues function as strong normative forces to shape employee's attitudes and conduct (Alzola, 2008, p: 343).
- Virtue acts as a force that inspires employees to accept a common vision. It is also a force which motivates employees to work together under the common corporate mission as well as to develop themselves. By developing in staff a sense of responsibility, sense of honor, it helps to unleash the positive energies in employees for high performance. It also enhances employees a sense of self-respect, autonomy, and commitment (Ip, 2002, p: 22).
- Virtues provide workers with good or very good ethical problem solving ability (Ip, 2002, p: 22).
- Virtues increase workers' satisfaction and morality in their work (Ip, 2002).
- Virtues produce positive energy in systems, enable growth and vitality in people, and enhance the probability of extraordinarily positive performance (Nepean, 2007).
- A significantly, higher level of employees' acceptance and internalization of work place innovations; and higher level of profitability ratio due to enhanced employee innovation, expanded social capital development, increases in pro-social behavior and the development of resiliency (Nepean, 2007).
- A significantly, higher level of customer loyalty and retention due to enhanced quality customer service from motivated and empowered employees due to initiation of virtuousness improvement measures (Nepean, 2007).



- A significantly, higher level of quality decisions, information processing, team synergistic output and lower error rate due to exposure to virtuousness (Nepean, 2007).

### TOWARD A VIRTUOUS ORGANIZATION

The development of a virtuous culture spreads over three stages (Ip, 2002):

- 1) *The gestation stage*: The founder should address all in contact with the organization such as customers, employees, and suppliers and treat with them with kindness, respect and sincerity. The founder should build a culture that integrates all groups, empower people, enhance harmony and make people feel being a member of a family.
- 2) *The conscious stage*: As the company continued to grow, some major idea of corporate culture began to take root into the organization. The company began putting these ideas into practice by institutionalizing them into its procedures and policies. At this stage, the operations of the company and the management activities had begun to show some recognizable shape of a corporate culture, albeit in its embryonic form.
- 3) *The scientific management stage*: This stage includes systematic effort to integrate the ideas and values into the various subsystems of the company, including sales and marketing, production, personnel, public relations, staff development, franchising, and development of corporate image.

### EXAMPLES OF VIRTUOUS ORGANIZATIONS

Examples of organizations that have achieved impressive results due to their dedication to treating people right are listed below (Lawler, 2004):

First, Microsoft-which has profited from a virtuous relationship with its people for decades. Since the early 1980s, the company has had an environment in which its employees have done well and the company has done well. The employees have had challenging work and, of course, one of the most highly rewarding stock plans around. Microsoft has been an enormously attractive place to work, especially for high-performers. As a result it has attracted some of the country's top software engineers and marketing executives.

Southwest Airlines is a second example of a virtuous organization for decades. From its very beginning, Southwest was a people focused organization that sought a high quality relationship with its employees. Its founder stressed from day one that the company's competitive advantage is its people. The result has been excellent customer service and an absence of the hostile labor relationship that is characteristic of every other major airline. Southwest has no one secret to its success. The company has emphasized the careful selection of employees, building an employee-friendly work environment, giving employees freedom to control their jobs and work environment, profit sharing and stock ownership for all employees, and the opportunity for employees to grow, develop, and advance in the company.

Procter & Gamble is yet another example. Though the company is over 100 years old, the past 40 years of its existence have been marked by many forward-thinking efforts to establish a virtuous relationship with employees based on employee involvement and the development of leaders throughout the company. P&G was an early adopter of employee-involvement practices in its manufacturing plants. It also has a stock ownership plan that has placed over 30 percent of its stock in the hands of its employees.

Another example is Weizhi Corporate in China. Several special features of the Weizhi Corporate Culture are noticeable, like Sense of social responsibility, Pragmatism, Nationalism, Innovation and Embodiment of founder's values (Ip, 2002).

### DISCUSSION AND CONCLUSION

By promoting the virtues of organizational forgiveness, courage, compassion, altruism, humility and modesty as the platform of organizational values, virtuous organizations contribute to the paradigm shift away from financial capital toward human capital as a source of organizational performance. A healthy organization hence requires a balance of material and physical development, intellectual growth, and a deep concern for human issues.

Managing by virtues also requires the courage of rethinking the use of power, therefore prospective virtuous organizations, must be able to address power issues because most unethical behaviors in the workplace result in fact from power considerations. Indeed, global executives recognize nowadays the importance of virtuous and ethical governance but might be still unsure on how to take action on them as traditional discussions of business ethics have been overly academic. The organizational virtuousness approach should draw together rigorous, creative, and practical thinking on its intrinsic various dimensions – the effects of organizational structure and incentives, leadership and psychological factors that set the tone for the organization's manner of dealing internally and externally, the role of business and the corporation in society, and approaches to determining and securing responsibility and transparency. Done right, excellence in governance and ethics is not only compatible with profitability but is highly conducive to long-term sustainable profitability.

Maximizing profits while ignoring the needs of society may work in the short run but will be a disaster for both society and business in the long run. And, of course, while many of the ideas suggested in this paper may not only be costless to an organization but even produce additional profits in the long run, that is not the only reason to consider them. After all, *for the virtuous organization, virtue is indeed its own reward*.

In order to have a successful virtuousness policy formulation and implementation in organizations-compliant with commonly accepted ethics standards aiming towards organizational excellence, the following recommendations are suggested:

1. In order for organizations to reach excellence, leaders must first experience a personal transformation that enables them to see greater possibilities and to attract others through positive inspiration.
2. Organizations leaders who rely solely on managing people and change cannot achieve extraordinary results.
3. Organizations must be results-centered, willing to live by the values they profess, able to focus on serving others and open to external influences.
4. Organizations wanting to reach and sustain excellence in all aspects of performance, should not expect finding an easy set of solutions to pull off the shelf and implement.
5. The most important thing organizations ought to be aware of, is that there are wellsprings of human excellence everywhere, which we as individuals and groups can tap.

### REFERENCES

- Aburdene, P. (2005), *Megatrends 2010: The rise of conscious capitalism*, Hampton Roads Publishing, Charlottesville, VA.
- Alzola, Miguel (2008), Character and Environment: The Status of Virtues in Organizations, *Journal of Business Ethics* 78, 343–357.
- Cameron, Kim (2003a), Organizational virtuousness and performance, In *Positive Organizational Scholarship*, KS Cameron, JE Dutton and RE Quinn (eds.), San Francisco: Berrett-Koehler.
- Cameron, kim (2003b), Ethics, virtuousness and constant change, Tichy, Noel M. and McGill, Andrew R. (Eds.), San Francisco: Jossey Bass.
- Cameron, k., Caza A. and Bright D. (2008), Leading a virtuous organization in the midst of downsizing.
- Caza, A., Barker, B. A. and Cameron, K. S. (2004), Ethics and Ethos: The Buffering and Amplifying Effects of Ethical Behavior and Virtuousness, *Journal of Business Ethics* 52, 169–178.
- Flynn, Gabriel (2008), The Virtuous Manager: A Vision for Leadership in Business, *Journal of Business Ethics* 78, 359–372.
- Friedman, H.H. and Amoo, T. (2002), Workplace diversity: The key to survival and growth, *Business Quest*, Available <http://www.westga.edu/~bquest/2002/diversity.htm>.
- Friedman, Hershey H. and Friedman, Linda wiser (2009), How virtuous is your firm? A checklist, *Electronic Journal of Business Ethics and organization studies*, vol. 14, No. 1, PP. 14-20.

- Friedman, H.H., Lopez-Pumarejo, T. and Friedman, L.W. (2006), The largest minority group: The disabled, *Business Quest*, Available <http://www.westga.edu/~bquest/2006/disabled.pdf>.
- Gowri, Aditi (2007), On Corporate Virtue, *Journal of Business Ethics* 70, p:391–400.
- Hindery, L. (2005), *It takes a CEO: It's time to lead with integrity*, Free Press, New York.
- Ip, Po-keung (2002), the weizhi group of xian: A Chinese virtuous corporation, *Journal of Business Ethics* 35, 15-26.
- Kotler, P. and Lee, N. (2005), *Corporate social responsibility: Doing the most good for your company and cause*, John Wiley & Sons, New York.
- Lampman, J. (2005), Trend-watcher sees moral transformation of capitalism, *Christian Science Monitor*, October 3, p. 13.
- Lawler, Edward E. (2004), Leading a virtuous – spiral organization, *leader to leader*, No. 32, spring.
- Manz, Charles C. , Cameron, Kim S. (Editor), Manz, Karen P. (Editor), Marx, Robert D. (Editor) and Neal, Judi (Editor) (2008), *The Virtuous Organization: Insights from Some of the World Leading Management Thinkers*, World Scientific Publishing Company.
- Mele, Domenec (2009), Integrating persona list into virtue- based Business ethics: the persona list and the common good businciples, *journal of Business ethics* 88, 227-244.
- Nepean, Woodridge (2007), *Virtuous Firms Perform Better: An Empirical Investigation of Organizational Virtues and Performance*, *Business Post Comment*.
- Peterson, C (2003), Classification of positive traits in youth, *Promoting Positive Child, Adolescent, and Family Development*, RM Lerner, F Jacobs and D Wertlieb (eds.), Vol. 4, pp. 227–255.
- Schudt, K. (2000), Taming the Corporate Monster: An Aristotelian Approach to Corporate Virtue, *Business Ethics Quarterly* 10(3), pp. 711–723.
- Seligman, MEP and Csikszentmihalyi, M (2000), Positive psychology: an introduction, *American Psychologist*, 55, 5–14.
- Spears, L.C. (2004), Practicing servant-leadership, *Leader to Leader*, Vol. 34, pp. 7-11.
- Walsh, JP, Weber, K and Margolis, JD (2003), Social issues and management: Our lost cause found, *Journal of Management*, 29, 859–881.



## **REQUEST FOR FEEDBACK**

**Esteemed & Most Respected Reader,**

At the very outset, International Journal of Research in Commerce and Management (IJRCM) appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to take this opportunity to request to your good self to supply your critical comments & suggestions about the material published in this issue as well as on the journal as a whole, on our E-mails i.e. [info@ijrcm.org.in](mailto:info@ijrcm.org.in) or [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com) for further improvements in the interest of research.

If your good-self have any queries please feel free to contact us on our E-mail [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com).

Hoping an appropriate consideration.

With sincere regards

Thanking you profoundly

**Academically yours**

Sd/-

**Co-ordinator**