DEVELOPING A SUPERIOR CORPORATE CULTURE
FOUNDED ON BUDDHIST WISDOM

Asoka N. Jinadasa
Cormarcom, Sri Lanka

ABSTRACT

Organisations continue to struggle with accelerating change while Buddhism considers change the only unchanging feature of the universe and helps people to transcend such impermanence by reaching higher levels of consciousness. This conceptual paper attempts to use Buddhist concepts to develop a superior corporate culture that can sustain organisational success under rapidly changing conditions. It introduces a Wisdom-Skills Matrix as the framework for proactively responding to change. It explains how Buddha’s proclamation that we are the result of all what we have thought can be used to change employees’ negative mindsets and create positive beliefs for exploiting even unfavourable changes. The underlying objective is to enhance employees’ mindfulness and motivation for sensing and responding to both opportunities and risks, while maintaining their daily focus on operational targets. Such an employee-driven corporate culture can produce learning organisations that can reinvent themselves under changing conditions by nurturing an everyday, organisation-wide, business innovation ideology.

JEL Classifications: M12, M14, M53, M54
Keywords: Buddhism, Change management, Corporate culture, Human potential development, Wisdom-Skills matrix, Employee engagement
Corresponding Author’s Email Address: asokajin@gmail.com

INTRODUCTION

Despite abundant literature theorising on what organisations should do to sustain success under turbulent conditions that are increasingly hard to predict, there is scant reference to how this could be practically achieved through their workforce (Wentz, 2012). What is required is new thinking for driving organisational performance, such as developing a superior corporate culture that energises, empowers and engages employees to sustain success under fast-changing conditions.

To succeed in turbulent operating environments, every organisation has to become increasingly innovative. This means enhancing the organisation’s ability to improve processes and methods, create new products and services, and even review their business models. Such organisational ability to innovate stems from its corporate culture, which can either cause an organisation to prosper through continuous adaptation and renewal, or to perish by sticking to obsolete concepts and methods that no longer work.

The close link between organisational performance and corporate culture became clear over the past decades, as operating conditions became increasingly turbulent. Corporate culture refers to deep-seated beliefs, values, processes and methods shared by people in an organisation. These were formed through past successes and therefore accepted as the preferred ways of doing things and solving problems. It is sustained by continuous human interactions within an organisation, and models the way things are done. The attributes of organisational culture are thus closely related to human mind-sets, attitudes and behaviours. Corporate culture can thus be defined as the collective consciousness of the entire workforce.

In the history of human thinking, breakthrough developments took place when two different lines of thought met from different cultural or religious traditions, as observed by Werner Heisenberg, a pioneering quantum physicist (Capra, 1983). This conceptual paper examines how corporate culture can be nourished and strengthened through Buddhist wisdom to meet the challenges posed by increasingly volatile operating environments.

LITERATURE REVIEW

While some published articles have covered workplace spirituality and organisational performance, no significant coverage was found on the relevance of Buddhist concepts to the corporate world. This could be due to a perceived incompatibility in associating spiritual Buddhism with the material corporate world. The practicality and non-
dogmatic nature of Buddhist thought are shown by Buddha’s saying that his teachings should not be accepted as truth unless and until they have been proved by application to daily experiences (Humphreys, 1987). He has also stated that the Buddhas are only teachers who show the way for people who are striving to reach higher levels of consciousness (Carter and Paliwawadana, 1987). None of the recent developments in areas as diverse as quantum physics, behavioural psychology and organisational theory have invalidated anything the Buddha has said over 2,500 years ago (Capra, 1983).

Relevance of Buddhist Thinking

As risks and opportunities continue to grow almost exponentially in most business sectors, organisations have to deal with situations they had previously considered improbable or even impossible (Crumpton, 2012). While organisational theory is attempting to guide organisations that are struggling to cope with accelerating change, Buddhist philosophy considers change the only unchanging feature of the universe, and urges people to transcend this state of impermanence by evolving to higher levels of consciousness (Narada, 1987). Both Buddhism and organisational theory thus relate to dealing with change. Sustaining corporate success under ever-changing conditions is parallel to striving for personal enlightenment (Nirvana) in an ever-changing universe. But, how relevant is over 2,500 year-old Buddhist thought to modern day corporate culture? Buddhist literature provides a philosophical framework that can accommodate our most advanced theories in the physical and mental realms.

Improving Mindfulness

Buddhism stresses the importance of mindfulness as the key to achieving higher levels of consciousness. In a modern-day corporate context, this means taking time out from stressful daily pressures to relax and meditate, and to ‘disconnect to connect’ as mindfulness advocates put it (Schumpeter, 2013). Many organisations have accepted the value of mindfulness. For example, Google has built a labyrinth for walking meditation; EBay has meditation rooms; Steve Jobs often talked about how Zen Buddhism influenced his product designs; many business schools are now covering mindfulness. Research suggests that in America, an hour of yoga every week reduces employees’ stress levels by a third and cuts health-care costs by an average of $2,000 per year (ibid).

A basic aim of Buddhist meditation is to develop mindfulness by silencing the thinking mind and shifting awareness from the rational to an intuitive mode of consciousness. This is typically achieved by focusing attention on a single item such as the incoming and outgoing breath (Narada, 1987), engaging in demanding sports such as skiing, or performing movements without the interference of conscious thought as in the meditative Chinese martial art, T’ai Chi Chuan, which combines slow, flowing movements with the total alertness of a warrior during combat (Jou, 1985).

Such techniques can produce mindfulness with higher levels of mental awareness and alertness. They enable employees and their managers to sense and respond to opportunities and risks quickly, while maintaining their normal daily focus on achieving targets and solving problems. However, their ability to contribute to organisational success depends heavily on the corporate culture within which they work.

Obsolete Organisational Structures

The origins of the present hierarchically structured governance model date back to Victorian times. A bureaucratic administrative system had to be set up to manage the worldwide British Empire at a time when there were no telephones, and information was handwritten and carried by ship. Despite modern communication systems operating in real-time, this old governance model is still used in most organisations (Mitra, 2013). It manifests as a hierarchical organisational structure, comprising of top and middle management, and supervisors and workers, with clearly demarcated responsibility and authority levels. Such a hierarchical organisational structure places barriers between different levels of staff. Its top-down governance model hinders the development of a dynamic, employee-driven corporate culture by slowing down decision-making and obstructing organisational ability to sense and respond quickly to fast-changing conditions (Tichy and Cohen, 2007). An employee-driven corporate culture is closely associated with the mental states of the entire workforce.

Higher Mental States

Table 1 shows our mental states associated with different brainwave frequencies. In our normally awake Beta state, the mind is bombarded with numerous stimuli such as thoughts, needs, desires, conflicts, pressures, stresses etc.
Consequently, it is not free to direct more than about 10 per cent of its attention to any one thing. At the slower Alpha state, the mind becomes more relaxed and focused, and becomes far more receptive to learning new things. This explains why children from about seven to fourteen years of age, functioning mainly at the Alpha state, learn things much faster than adults who are functioning mainly at the Beta state. In the relaxed Alpha state, creativity is increased, memory is improved, and the ability to solve problems is enhanced. (Silva and Miele, 1978).

**TABLE 1. MENTAL STATES ASSOCIATED WITH DIFFERENT BRAINWAVE FREQUENCIES**

<table>
<thead>
<tr>
<th>State</th>
<th>Brainwave Frequency</th>
<th>Associated Mental State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gamma</td>
<td>higher than 40 cps</td>
<td>Intense mental activity; fear.</td>
</tr>
<tr>
<td>Beta</td>
<td>14 – 40 cps</td>
<td>Awake state; awareness of five senses; perception of time and space.</td>
</tr>
<tr>
<td>Alpha</td>
<td>7 – 14 cps</td>
<td>Light sleep or deep relaxation; meditation; intuition; no time and space limitation.</td>
</tr>
<tr>
<td>Theta</td>
<td>4 – 7 cps</td>
<td>Deep sleep; deep meditation.</td>
</tr>
<tr>
<td>Delta</td>
<td>0 – 4 cps</td>
<td>Very deep sleep; unconsciousness.</td>
</tr>
</tbody>
</table>

cps = cycles per second or Hertz.

Simple Buddhist meditations such as relaxed, mindful breathing can quickly calm the mind (Narada, 1987). In this state of relaxed concentration, employees will be able to use their intuitive creativity while maintaining a rational perspective (Catmul, 2014). Consequently, the levels of employee creativity, engagement and productivity would be higher when they are operating in the relaxed, unstressed Alpha state characterised by high stress thresholds.

**Sustainable Employee Engagement**

A Global Workforce Study, covering over 32,000 full-time employees working in large and midsized organisations across a range of industries in 29 markets around the world, makes the most powerful case yet for the connection between higher organisational operating margins and a new and more robust definition of employee engagement called ‘sustainable engagement’ designed for the 21st-century workplace (Watson, 2012).

In its analysis of 50 global companies, those with low traditional employee engagement scores had an average one-year operating margin just under 10 per cent; those with high traditional employee engagement had a slightly higher margin of 14 per cent; those with the highest sustainable engagement scores had an average one-year operating margin almost three times higher at 27 per cent (Table 2).

**TABLE 2. LINK BETWEEN EMPLOYEE ENGAGEMENT AND AVERAGE ANNUAL OPERATING MARGINS**

<table>
<thead>
<tr>
<th>Companies with:</th>
<th>Average one-year operating margin:</th>
</tr>
</thead>
<tbody>
<tr>
<td>low traditional engagement scores</td>
<td>just under 10%</td>
</tr>
<tr>
<td>high traditional engagement scores</td>
<td>14%</td>
</tr>
<tr>
<td>highest sustainable engagement scores</td>
<td>27%</td>
</tr>
</tbody>
</table>


Closing the first gap in the engagement model identified by this study requires effectively enabling workers with internal support, resources and tools. Closing the second gap requires creating an energising environment by promoting physical, emotional and social well-being, embedded in a culture that focuses on workers’ health, safety and security, both physical and emotional (ibid). Schwartz (2012) suggests adding mental and spiritual wellbeing to the above list for the added energy derived from a capacity for absorbed focus and a stronger sense of purpose. However, a reluctance to change poses a barrier to the adoption of all such new concepts.

**Reluctance to Change**

Reluctance to change can be associated with Sloth and Torpor (i.e. laziness and lethargy), which collectively form one of the ten fetters that Buddhists have to overcome on their way to enlightenment (Daing, 1966). Such reluctance can arise from the cognitive dissonance commonly associated with change, which is the mental conflict people...
goals: empowering and engaging employees (the four E’s of organisational success) to their minds, attitudes and behaviours. This fundamental Buddhis possesses the ability to unleash the nothing but the product of our own mind (Goenka, 2000). This fundamental Buddhis manifests of the same reality (Capra, 1983) that can be moulded by higher mental states. 

Developing Employee Potential

The changing role of employees in the turbulent corporate world is summarised by McCann (n.d.) when he said that we no longer live in a world where one may look solely to the boss for answers or motivation, and that each individual must take responsibility for pursuing knowledge, insight and possibility, and muster motivation and courage to take risks in devising and implementing strategy. As Petty (2011) has suggested, the best business leaders fear the complacent after-effects of success, more than the struggles necessitated by failure.

METHODOLOGY

All such diverse insights into sustaining corporate success in a turbulent world must be embedded in a superior corporate culture that can satisfy evolving organisational needs under unpredictably volatile conditions. We are leaving the old way of thinking with its over-dependence on the logical mind; a new kind of thought is awakening, characterized by a balance between logical thinking and the intuitive wisdom needed for achieving success (Österberg, 2003).

However, due to the reluctance to change typically found in the bureaucratic corporate world, employees are discouraged from identifying significant trends and integrating new thinking and methods into their day-to-day work. Consequently, they function within their existing mental and operational frameworks, with no innovation, opportunity-seeking or risk-evaluation underlying their daily focus on problem-solving.

Strengthening the Corporate Culture

Instead of considering the workforce as individual entities that operate independently, Buddhist thinking can be used to mould their differences into a collective consciousness that constitutes a unified corporate culture. Such a unified corporate culture can focus on sustaining organisational success during difficult times, guided by Buddha’s saying that a disturbed mind produces multiplicity of things, but such multiplicity disappears when the mind is quietened (Ashvaghosha, 1900). When employees calmly and collectively accept every challenge as a potential opportunity, all the anxieties and fears associated with it will disappear, and their minds will be clear for planning and implementing the best possible response.

Buddha’s advice to lay people includes a comprehensive list of things that hinder personal development (Narada, 2013). These are equally applicable for building a superior corporate culture, and include: taking life, taking what belongs to others, excessive sensory indulgence, lying, addiction to strong drinks and gambling, keeping bad company, habitual idleness, haunting the streets at unfitting times, and not caring for parents, teachers, family, friends, servants and workers. Buddha has also explained how to treat workpeople by arranging work according to their strengths, supplying them with food and beverages, looking after them when they are ill, sharing delicacies with them, and letting them off work at the right time (Walshe, 1987).

Despite being treated well, typical employee behaviour during difficult times shows an inner conflict between the conscious efforts demanded by their responsibilities, and their subconscious fears and negative beliefs, mind-sets, attitudes and behaviours. This conflict can become aggravated when a workforce comprising of different ethnic, religious and social groups has to work closely together towards a common corporate goal. However, such diversities form integral parts of a strong corporate culture. In contrast to the conventional view that sees such diversities as a problem, the organic Buddhist view sees all such things as interrelated but different aspects or manifestations of the same reality (Capra, 1983) that can be moulded by higher mental states focused through human will.

Developing Employee Potential

Buddha proclaimed that the mind precedes everything else, and that everything we experience throughout life is nothing but the product of our own mind (Goenka, 2000). This fundamental Buddhist concept affirms that all people possess the ability to unleash their vast human potential, and evolve to higher levels of consciousness by developing their minds, attitudes and behaviours.

Buddhism thus provides valuable guidance for ‘future-proofing’ organisational success by energising, empowering and engaging employees (the four E’s of organisational success) to reach their personal and career goals even under challenging conditions. Guided by their mindfulness, such empowered employees can adapt to
changing conditions by unleashing and channelling the vast mental power lying mostly dormant within them into an everyday, organisation-wide, business innovation ideology.

I have observed that both individual and organisational success appears to depend on two decisive factors: Wisdom – knowing what to do next, and Skills – knowing how to do it (definitions by the American ichthyologist, David Starr Jordan).

**Wisdom-Skills Matrix of Success**

The Wisdom-Skills matrix depicted in Figure 1 broadly identifies the two essential requirements for achieving individual and organisational success (Jinadasa, 2012), and provides the foundation for building a superior corporate culture. Wisdom and Skills are presented here as the key ingredients for creating ‘learning organisations’ which require continuous knowledge acquisition and skill development, closely geared to changing conditions in operating environments (Pedler, Burgoyne and Boydell, 1991).

Having the right players determines 60 to 80 per cent of the success of any organisation (Biehl, 1989). The ‘right players’ have Hard Skills comprising of work-related knowledge, skills, tools and processes, plus Soft Skills comprising of intuitive, emotional, attitudinal, behavioural and interpersonal competencies. Soft Skills include mindfulness, which is the key requirement for developing intuitive wisdom for reaching the higher levels of consciousness advocated in Buddhism.

**FIGURE 1. THE WISDOM-SKILLS MATRIX OF SUCCESS**

In the Wisdom-Skills matrix depicted in Figure 1, ‘Wisdom’ stems mainly from intuitive Soft Skills that guide the deployment of work-related Hard Skills, while ‘Skills’ relate to such Hard Skills tempered with insights gained through Soft Skills.

Champions with well-developed Wisdom and Skills are the drivers of corporate success. Focusing on Champions is essential, because they are an invaluable organisational asset and also powerful change agents who can lift their colleagues to Champion level through their high levels of wisdom, skills, motivation and engagement (Whitaker, 2012).

Individuals who are high on Wisdom but low on Skills are typically older employees who need training in relevant Hard Skills (e.g. computer skills). Those who are low on Wisdom but high on Skills are typically technically qualified younger employees, who need training in Soft Skills and more work experience. People who are low on both Wisdom and Skills could either be novices who need extensive training in both Hard and Soft Skills, or disengaged employees whose interests lie outside their areas of work.

Without Wisdom, a person or organisation could strive to address wrong issues and solve irrelevant problems, or fail to harness superior attributes. For example, Sony did not have the wisdom to link up all of its digital devices to the Internet around 2003, when it had a product line-up that surpassed that of Apple (Seiichirō,
Without Skills, a person or organisation will not be able to do what needs to be done. For example, Japan’s electronics giants that are now struggling to survive show a huge mismatch between the corporate strategies needed and the abilities of executives to implement them (ibid).

The Wisdom-Skills Matrix explains how a corporate culture built on a combination of Wisdom and Skills can hold the key to organisational success in a fast-changing world.

Wisdom in Buddhism

Buddhist interpretation of wisdom is the intuitive ‘knowing’ that occurs through a right understanding of the laws of existence, when the limitations of analytical thought and the last traces of duality associated with polarised analytical thinking have been transcended. It is the result of raising one’s consciousness to the level that surpasses the duality associated with everyday existence. It makes the mind free and open to comprehend the true essence of life and all things (Humphreys, 1987), which is essential for developing the Wisdom needed for achieving and sustaining organisational success under changing conditions.

ANALYSIS AND DISCUSSION

The Wisdom-Skills matrix provides a conceptual model for developing a superior corporate culture that can sustain organisational success under changing conditions. It can be used to explain why companies such as Nokia and Motorola achieved global leadership in mobile telephony through their superior Wisdom (knowing what products to develop) and Skills (knowing how to develop them), but slipped subsequently due to weaknesses in their Wisdom resulting in incorrect policy decisions on product development and marketing.

Intuitive Wisdom

Rational knowledge and activities are essential components of corporate success. However, while these can consolidate the present, they do not have the power to create the future. Intuitive insights are needed to create the competitive edge organisations need. Such insights cannot be obtained only through analysis or wilful concentration. They tend to appear suddenly, not when one is working but when relaxing with an empty mind (Heider, 1986).

During periods of relaxation after concentrated intellectual activity, the intuitive mind seems to take over and produce sudden flashes of clarifying insights into what needs to be done to achieve a desired goal (Capra, 1983). When the rational mind is silenced, the intuitive mode produces an extraordinary awareness where fragmented perceptions of reality fade into an undifferentiated unity. In this heightened state of awareness, one is neither tense nor hurried, but filled with mental energy that can be channelled to reach any desired goal, no matter how daunting (ibid).

Gladwell (2005) explores those moments when we ‘know’ something without knowing why. This phenomenon called ‘blink’ produces snap judgements that can be far more effective than a cautious, rational decision. He calls it the power of ‘thinking without thinking’ by the adaptive unconscious, which is like a giant computer that quickly and quietly processes a lot of data for sizing up complex situations, warning us of danger, and initiating necessary action in a simple manner.

This ability of our unconscious to find patterns in situations and behaviour, based on very narrow slices of experience is called ‘thin-slicing’. Our unconscious appears to have the ability to sift through any situation, throw out all that is irrelevant, and zero-in on what really matters to the point that thin-slicing can often deliver a better answer than more deliberate and exhaustive ways of thinking. However, despite all its power, our unconsciousness is fallible. Our instinctive reactions can be thrown off, distracted or disabled as a result of having to compete with many other interests, emotions and sentiments (ibid).

Kahneman (2011) explains the two systems that drive the way we think and make choices. One system is fast, intuitive and emotional, while the other is slower, more deliberate and more logical. He explores the extraordinary capabilities and also the faults and biases associated with fast thinking, and reveals the pervasive influence of intuitive impressions on our thoughts and behaviour.

Most impressions and thoughts arise in our conscious mind without us knowing how they got there. The mental work that produces intuitions, impressions and decisions happens unobtrusively in our mind. There is nothing magical about intuition since we all perform feats of intuitive expertise many times each day. The confidence we have in our intuitive beliefs and preferences is usually justified, but not always, since we are often confident even when we are wrong. The accurate intuitions of experts are better explained by their prolonged practice than by heuristics (i.e. solving problems by finding practical ways of dealing with them and learning from
past experience). We now see that skill and heuristics are alternative sources of intuitive judgements and choices (ibid).

Del Pe (2006) refers to our intuition as our cosmic connection to the universe, through which we receive flashes of inspiration and intuitional insights. We can learn to strengthen our cosmic connection and increase its ‘bandwidth’ to ‘download’ creative ideas and innovative solutions to any complex problem. This is the concept underlying SQ (Spiritual intelligence Quotient), which is the central and most fundamental of our intelligences (Covey, 2004), because it guides both IQ (rational Intelligence Quotient) and EQ (Emotional intelligence Quotient) popularised by Goleman (1995). Wisdom can be interpreted as a holistic blend of spiritual, emotional and rational intelligences.

Relevance of Intuitive Wisdom

Media reports suggest that many businesses and industries are finding it difficult to stay competitive in an increasingly turbulent world. According to Dean and Mihalasky (1974), one of the underlying reasons could be that too much reliance is being placed on short-term rational thinking. With more data generated through more computers, there has been a tendency to slip into managing by numbers. The emphasis has been on the application of rationality and logic to problem-solving and decision-making, using tools such as operational research and modelling by computers that ‘think’.

According to Professor Mihalasky, what all this has given us is more incorrect, invalid or unreliable data for making decisions, whose outcomes have been correct about as many times as when they were based on blind guessing. He attributes this to people focusing all their attention on logical and analytical thinking, without investigating the benefits of non-logical, intuitive thinking under rapidly changing conditions whose outcomes are hard to predict (ibid).

His observations are substantiated by the fact that many top companies hit by the 2008 global financial crisis were managed by people with the highest academic and professional qualifications (Hard Skills), backed by sophisticated management information systems. In the relatively stable years leading up to the 2008 crisis, academic and HRD (human resource development) programs were typically geared to the old paradigm of corporate wealth based on financial assets derived from productivity and profit, which focused on the short-term utilization of employees’ skills without developing their intuitive, attitudinal and behavioural competencies (Maynard and Mehrtens, 1996).

In over 20 years of research on wealthy people, Napoleon Hill concluded that intuition was one attribute common to all such successful people (Hill, 1960). A later study also found that top CEOs who performed best in intuition tests tended to be the most successful in running their businesses (Dean and Mihalasky, 1974), despite the commonly held belief that business is unrelated to abstract concepts such as intuition.

For example, former General Motors president Alfred Sloan, commenting on the company's founder William C. Durant, characterized him as a man who was guided solely by some intuitive flashes of brilliance to make astonishingly correct judgments, and proceed on a course of action without an engineering hunt for the facts (ibid). Sir Richard Branson, as keynote speaker at the 2009 Engage Today Conference, also explained how he followed his intuition to launch the subsequently successful Virgin Atlantic airline in 1984, despite media criticism and ridicule, the patent office refusing to register the brand name for three years as they felt it was ‘too rude’, and a survey by Britain’s leading marketing magazine claiming that only 10 per cent of the British public would ever fly an airline called Virgin.

The lack of such intuitive wisdom led to the collapse of many renowned companies during the 2008 global financial crisis, which was caused by the poor judgements by highly-educated and experienced individuals in decision-making positions. They probably had well-developed Skills (rational Hard skills), but lacked Wisdom (intuitive Soft Skills) to sense impending dangers and initiate timely responses, despite prior warnings by astute rating agencies such as Weiss Ratings.

Hard and Soft Skills

As Klaus (2007) argues, it is rarely a shortfall in technical expertise (Hard Skills) that limits people’s career success, but rather a shortcoming in their social, communication and self-management behaviours (Soft Skills). Hard Skills comprise of work-related knowledge, skills, tools and processes. These are well developed in most organisations because they are the focus of our education and certification system, and employees are hired mostly on their Hard Skills. However, there is little focus on evaluating and developing employees’ Soft Skills, comprising of their intuitive, emotional, attitudinal, behavioural and interpersonal competencies. Developing such Soft Skills increases
their confidence, widens mindfulness, sharpens intuition, strengthens motivation, and integrates new thinking into their daily work – essential elements for developing the Wisdom needed to navigate their organisations safely through turbulent times.

The 2012 HR Competency Model presented by the Society for Human Resource Management (SHRM, 2012) has identified nine competencies out of which eight are behavioural, as summarised by:

Knowledge (i.e. Hard skills) + Behaviour (i.e. Soft skills) = Success.

Despite the importance of Soft Skills for achieving organisational success under volatile conditions, they remain undeveloped in the workforce of most organisations. Consequently, their daily focus is on conventional problem-solving. They pay almost no attention to process/product/service improvement, opportunity-seeking and risk-evaluation, which are essential for developing the organisational Wisdom needed for adapting quickly to changes that often demand rapid responses.

**Developing Wisdom and Skills**

Soft skills provide the foundation for developing organisational Wisdom (knowing what to do next) through a combination of self-confidence and intuitive insights (inner Soft Skills), and interpersonal competencies for communicating with and influencing others (outer Soft Skills). Wisdom is acquired not only through heightened awareness of organisational capability, changes in the operating environment, competitive offerings, new technologies etc., but also from sensing the attitudes and behaviours of people (colleagues, customers, suppliers etc.). Insights gained through well-developed Soft Skills of employees at all levels should guide the acquisition, adaptation and deployment of Hard Skills, especially under fast-changing conditions.

Such an employee-based, on-going feedback mechanism will enable organisations to continuously outpace changes in internal and external conditions. This mechanism will sustain organisational success through the parallel development and deployment of both dimensions of the Wisdom-Skills Matrix. However, organisational Wisdom, which requires a corporate culture nourished by empowered employees, is directly affected by organisational structures and governance models.

**Developing a New Governance Model**

Innovative organisations have a governance model that gives their employees the freedom to achieve their goals in an autonomous and creative way, within specified operational guidelines. In similar vein, Buddhism advocates the complete equality of all people, since every individual is capable of reaching perfection (Nirvana) solely through his or her own efforts. Buddhists are allowed to follow diverse approaches in pursuit of their common goal of enlightenment, within the broad guidelines provided by the precepts. Consequently, Buddhist organisational structures are mostly flat, autonomous and cooperative. Innovative organisations also have flat structures and governance models that can respond quickly to challenges posed by ever-present change. They encourage people to develop their vast human potential to sense and respond to rapid change.

**Buddhist Framework for a Superior Corporate Culture**

A superior corporate culture can be described as one that can drive organisational success under favourable and unfavourable conditions. A practical framework for building such a corporate culture can be found in the four noble states of conduct (*Brahmavihara*) advocated in Buddhism (Narada, 1987), which are summarised below:

a) Loving-kindness (*Metta*) is the wish for the good and happiness of all, resulting from identifying oneself with all beings and empathising with their sorrows;

b) Compassion (*Karuna*) is the desire and commitment to help sorrow-stricken beings eliminate their suffering;

c) Appreciative joy (*Mudita*) is appreciation of the prosperity and happiness of others through a congratulatory attitude towards them; and

d) Equanimity (*Upekkha*) is a balanced state of mind, which is acquired through a deep understanding of the eight unceasing cyclic fluctuations in the wheel of life: praise and blame, joy and sorrow, gain and loss, and repute and disrepute.

When all managers and employees in an organisation embrace the above four noble states of conduct, they will collectively focus on corporate success, without disruptive internal conflicts that afflict many organisations. This will provide the fertile breeding ground needed for innovation.
Buddhist Model for Nurturing Innovation

Developing mindfulness as advocated by Buddha is essential for developing the creative insights needed for innovation. Instead of clinging to what produced past successes, organisational innovation demands constant review and renewal of all related attributes. Buddhists also see the futility of clinging to things in an ever-changing world. This attitude cultivates mental qualities that nurture innovation such as non-judgemental awareness, relaxed concentration, and equanimity.

The resulting mindfulness, flexibility and focus facilitate the on-going renewal of products, services and business processes to suit changing conditions. Similarly, to reach the first milestone (Sovan) on the path to enlightenment in a changing world, a Buddhist must eliminate the following three shackles (Walshe, 1987), which are also relevant to the corporate world (as shown within brackets below):

- **Sukkhaya-ditthi**: The illusion of individualism (a preconceived corporate identity);
- **Vichikiccha**: Doubts relating to enlightenment (doubts about achieving and sustaining success);
- **Silabbhataparamasa**: Adherence to rites and ceremonies (rituals that typically subjugate lower levels of staff).

There is a close parallel between the Buddhist attempts to eradicate the above fetters on the path to perfection, and organisational efforts to sustain success by overcoming rigid thinking, negative beliefs, outmoded practices and reluctance to adapt to change.

Organisational Innovation

Innovative organisations survive and prosper by changing faster than their operating environments. In today’s fiercely competitive business world, employee creativity and innovation hold the key to corporate success (Gupta, 2011). Workforce skills, mind-sets, attitudes and behaviours must be aligned to recognise and respond to change by reviewing products, services and operating procedures. Innovative organisations reinvent themselves by continuously adapting to significant changes in their operating environments. Similar efforts by Buddhists to let go of their preconceived egos in a changing world provide a model for such organisational behaviour for responding to change.

Organisations with a visionary focus on high performance provide a fertile breeding ground for innovation. As Doz and Wilson (2012) have argued, globalising innovation is becoming one of the best ways for global companies to gain a competitive advantage in the fiercely competitive commercial and financial markets. Many successful companies are putting the globalisation of innovation at the centre of their strategic agendas. However, the twentieth-century corporate model for innovation is no longer optimal here, since the range of knowledge needed for global innovation is becoming much wider and far more varied. This requires combining knowledge and capabilities from many different places and sources, from within and outside the organisation. Very few companies have succeeded in internationalizing their innovation strategies to draw on the complex, globally dispersed knowledge needed for developing leading-edge products and services (ibid).

Building a global innovation network poses a difficult strategic challenge requiring radical and systemic changes. This needs new structures, processes, tools, capabilities, and most importantly, new mind-sets and corporate cultures. It requires the adoption of the four noble states of conduct advocated in Buddhism (Brahmavihara, as explained earlier) for creating a higher collective mental state and a supportive environment for nurturing innovation, without conflicts between people with different mind-sets.

Eliminating Negative Thoughts and Beliefs

Negative feelings such as fear, anger, resentment, envy, guilt and anxiety arise from a person’s pessimistic interpretation of past events, or perceived outcomes of impending events. All such negative emotions are founded primarily on fear – fear of change, failure, rejection, ridicule, etc. (Goleman, 1995).

The collective thoughts and beliefs of the workforce directly influence organisational success every day, in every way. During good times, their enthusiasm can drive corporate performance to great heights. Conversely, during bad times when maximum effort is most needed for survival their fears and anxieties can create a vicious downward cycle. Buddhist philosophy provides a simple and effective way to change people’s negative perceptions into positive commitments. The Noble Eightfold Path to enlightenment also provides a practical framework for changing people’s mind-sets, attitudes and behaviours, especially during difficult times.
The Noble Eightfold Path

This is the path that leads to the highest level of consciousness called enlightenment or Nirvana. It involves not only the right understanding of basic principles and the right motive for treading the path, but also the right morality and right mental training. Every person has the ability to reach Nirvana by following the Noble Eightfold Path, which is the noblest course of spiritual training yet presented in such a simple and elegant form (Humphreys, 1987).

The first step in this path to enlightenment (Nirvana) is Right Understanding (Samma Ditthi), which means acquiring a profound knowledge of the nature of the ever-changing world (e.g. seeing every problem as an opportunity for self-improvement). This leads to Right Thoughts (Samma Samkappa) of non-attachment and loving-kindness (as opposed to selfishness, ill will and cruelty), which progressively lead to Right Speech (Samma Vaca) meaning kind words, Right Action (Samma Kamantha) meaning ethical deeds, and Right Livelihood (Samma Ajiva) meaning righteous business practices. The sixth step of Right Effort (Samma Vayama) deals with virtuous actions arising from the development of pure mental states through self-purification and introspection. The seventh step of Right Mindfulness (Samma Sati) is about heightened awareness of oneself and the changing world we live in. Right Concentration (Samma Samadhi) or mental focus is the eighth and final step on the path to enlightenment (Narada, 1987).

The Noble Eightfold Path thus provides a holistic framework for overcoming any negative thoughts and beliefs triggered by setbacks, for enhancing mindfulness, for nurturing loving kindness towards all living beings, and for developing the Wisdom and Skills that govern success, both at individual and organisational levels.

A Pilot Project

With the 5-star hotel industry in Colombo becoming fiercely competitive with many new global entrants, the Taj Samudra Hotel needed novel strategies for its survival and growth after reopening on 1st November 2013 after refurbishment. Its employee morale was quite low due to the stressful pressures of completing refurbishment work in six months, while catering to the on-going needs of hotel guests. The Indian-owned Colombo Taj Samudra Hotel adopted the concept of building a superior corporate culture for enhancing its guest service by energising, empowering and engaging its entire workforce.

Unlike conventional training programs limited to a select few, over 600 Taj employees at unskilled, skilled, supervisory and managerial levels jointly underwent the identical training, aimed at collectively unleashing their physical and mental powers for building a superior corporate culture. These empowered employees collectively decided to deliver a world-class experience to every guest, based on their new service-oriented corporate culture symbolised by Love and Care – two concepts derived from Buddhist thinking. As a result, their Guest Satisfaction Tracking Index shot up by 40.4 per cent within five months after reopening. This pilot project bears ample testimony to the benefits of developing a superior corporate culture founded on Buddhist wisdom and nurtured by equality, fairness, respect, love and care for its entire workforce as well as guests.

CONCLUSIONS

Buddhist wisdom provides a holistic foundation for empowering employees to boost organisational performance through higher levels of mindfulness and focus. Instead of considering the workforce as individual and separate entities that operate independently, Buddhist thinking suggests integrating their differences into a collective consciousness founded on equality, fairness, respect, love and care. Such a collective consciousness produces a superior corporate culture that can sustain organisational success by optimising employee decisions and activities every day, in every department, at every level. The resulting improvement in individual and organisational Wisdom and Skills creates learning organisations that can sustain success in the challenging years looming ahead.

RECOMMENDATIONS

No significant coverage was found in published articles on the relevance and application of Buddhist concepts to the corporate world. The results of the pilot project at the Colombo Taj Samudra Hotel suggests that developing a superior corporate culture founded on Buddhist wisdom can produce significant improvements in organisational performance. Therefore, the key concepts and methodologies presented in this conceptual paper should be further studied and validated through qualitative research using tools such as case studies, in-depth interviews and open-ended questionnaires.
REFERENCES


Independent Publishing Platform.
Whitaker T. (2012). “Shifting the Monkey: The art of protecting good people from liars, criers, and other slackers”,
Indiana: Triple Nickel Press.