BUILDING SPIRITUAL CAPABILITIES TO SUSTAIN SUSTAINABILITY-BASED COMPETITIVE ADVANTAGES*

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ABSTRACT

There is a rapidly growing global sustainability movement afoot putting significant pressures on business organizations for greater social and ecological responsibility. As a result of these environmental pressures, firms are now faced with the task of integrating sustainability into their core strategic management processes. Such integration is an upwardly spiraling coevolutionary process that leads organizations to a higher level of existence based on the sacredness of humankind and nature. Firms operating at this level are prepared to develop intangible spiritual capabilities that contribute to the development of sustainability-based core competencies that are valuable, rare, and difficult to imitate, thus providing them with sustainable sustainability-based competitive advantages.
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There is a rapidly growing global movement afoot that is putting real pressure on business organizations to function in sustainable ways (Edwards, 2005; Hawken, 2007). As a result, the business environment today is rife with demands for greater social and ecological responsibility on the part of organizations. These demands add further complexity to the already highly complex and turbulent web of resource scarcities, competitive dynamics, institutional requirements, customer demands, investor demands, and so forth that business organizations currently face.

Sustainability, meeting the needs of human beings now and for posterity, is an idea that is simple to state but highly complex to understand and practice. Its complexity comes from many factors. It is global, it looks deeply into the future because of its focus on future generations, it has both short-term and long-term economic, ecological and social dimensions, and it has many of its own contradictions, conundrums, and tradeoffs. To complicate matters further, sustainability has deep spiritual roots in the transcendent value of nature and humankind forever.

Given the complexity of sustainability, it should come as no surprise that integrating it into the strategic processes of business organizations is highly complex. Doing so will require a total strategic transformation for most firms (Laszlo and Zhexembayeva, 2011; Stead and Stead, 2009). They must find new ways of meeting customer demands while using less resources and energy, generating no non-reusable, non-renewable, and/or non-recyclable wastes, having a minimal carbon footprint, and
contributing to global social and economic equity (Winston, 2009). Making this strategic transformation requires firms to develop sustainability-based capabilities that can be tied together in ways that build the core competencies that provide firms with the competitive advantages necessary to earn short-term and long-term profits in ecologically and socially responsible ways (Laszlo and Zhexembayeva, 2011; Lovins and Cohen, 2011; Stead and Stead, 2009).

Capabilities are “tangible and intangible assets that enable a firm to take full advantage of the other resources it controls” (Barney and Hesterly, 2010: 66). Capabilities are specific skill sets that can be creatively composed in various and sundry ways to build unique core competencies that provide the firm with sustainable competitive advantages (Prahalad and Hamel, 1990). Thus, firms generally have numerous capabilities that can be arranged into a few core competencies that provide them with sustained competitive advantages.

Capabilities useful for building sustainability-based core competencies are numerous and complex. Tangible capabilities such as life cycle analysis, pollution prevention, full-cost accounting, and effective change management processes, and intangible capabilities, such as a good sustainability reputation, positive economic, social, and ecological community relationships, and an ethical system grounded in sustainability, are some examples. These tangible and intangible capabilities range from scientific to technological to organizational to spiritual (Laszlo and Zhexembayeva, 2011, Stead and Stead, 2009).

According to Laszlo and Zhexembayeva (2011: 217), even though there are many questions that must be answered about humankind’s pursuit of sustainability, “a
collective spiritual transformation that de-emphasizes acquisition and domination over nature [is]…dictated by the stark realities of 7 (soon 9) billion people living on a small planet.” Many now say that while short-term profitability can be temporarily enhanced by developing only tangible sustainability capabilities, the ability of firms to survive and thrive in the long term will require developing intangible capabilities that support a deep spiritual commitment to the land and its people (Laszlo and Zhexembayeva, 2011; *MIT Sloan Management Review* and The Boston Consulting Group, 2011; Stead and Stead, 2009). Whereas the tangible capabilities may together provide firms with cost-saving and revenue-generating benefits, they are unlikely to support the development of the ‘disruptive innovations’ necessary for long-term survival during the sustainability revolution (Laszlo and Zhexembayeva, 2011).

Thus, in a nutshell spiritual capabilities are necessary for sustaining sustainability. In this paper we will explore the idea that spiritual capabilities, including spiritual intelligence and spiritual capital (Aburdene, 2005; Malloch, 2008; Zohar and Marshall, 2000; Zohar and Marshall, 2004), provide organizations with valuable, rare, difficult to imitate competitive advantages that help organizations develop and embed sustainability into their strategic management processes.

**The Sustainability Movement and Rising Levels of Consciousness**

Numerous scholars have noted that there is a fundamental shift taking place in human consciousness today. Regardless of whether it is called the ‘great emergence’ (Tickle 2008; McLaren 2007), the ‘blessed unrest’ (Hawken, 2007), the ‘sustainability
revolution’ (Edwards, 2007), or the ‘rebirth of the soul’ (Chopra, 2001), there is definitely a rise in consciousness happening regarding the relationship between the health of the planet and the people who inhabit it. The new consciousness involves a complex network of social, ecological, economic, cultural, political, and intellectual dimensions with sustainability at its heart. Hawken (2007:12) expresses it this way: “The movement expresses the needs of the majority of people on Earth to sustain the environment, wage peace, democratize decision making and policy, rejuvenate public governance…and improve their lives…”

In researching the movement, Hawken (2007) began with the idea that there are at least 100,000 environmental and social justice organizations globally committed to achieving some aspect of sustainability, but he soon discovered that the number is closer to a million. He found these organizations to be quite diverse, focusing on a wide variety of global, regional, and local issues.

Edwards (2005) describes the movement as a transformation from the industrial revolution to the sustainability revolution. He says that the sustainability revolution is currently following the developmental path typical of all social revolutions: genesis, critical mass, and diffusion. He says that the revolution had its beginnings (its genesis) in the 1970s and 1980s, and that it is currently in the process of building the necessary critical mass and worldwide diffusion. Speth (2008) agrees with both Hawken and Edwards that there is a revolutionary new sustainability-based consciousness arising that focuses on concerns for the Earth and its people. Aburdene (2008) describes this rising consciousness as a new ‘megatrend’ that is bottom-up, participative, and spiritually charged.
Chopra (2001) comments extensively on the spiritual nature of the new consciousness. He believes that the rising new consciousness is humanity’s yearning to reconnect with its soul, and he believes this idea is consistent with the tenets of quantum theory. Quantum theory has led to the understanding that all reality is interrelated; the world is essentially a seamless whole with all life interdependent and coevolving. According to Chopra (2001), if the theory of the cosmos is ultimately the theory of how God’s mind works, as Einstein believed, then this holistic, integrated view of the world provides the framework to connect humanity’s mind, body, and spirit into one.

Thus the sustainability movement, with its rising spiritual consciousness and its worldwide cries for economic equity, fair trade, social justice, local preservation, clean air and water, safe food, safe consumer products, and so forth, has become a major force permeating virtually all aspects of society and nature, including the business arena. Further, sustainability is now laying down deep roots in the global business environment. A recent survey of 3000 business executives around the globe found that the responding organizations actually increased their financial investments in sustainability during the recent recession, and it found that 70% of the respondents planned to continue to increase their sustainability investments in 2011 and beyond (MIT Sloan Management Review and The Boston Consulting Group, 2011). Statistics like these show that commitment to sustainability is rising very rapidly; and as it does, the survival of business organizations will be increasingly influenced by how well firms can develop the capabilities that allow them to adapt to this sustainability-infused business environment.
Integrating Sustainability into Management Is a Coevolutionary Process

Coevolution is a biologically rooted theory demonstrating that interdependent entities evolve and change in concert with one another over time (Ehrlich and Raven, 1964; Lovelock, 1979, 1988; Margulis and Hinkle, 1991). Since its inception, coevolution theory has crossed its biological boundaries into the organizational sciences (Flier, Van Den Bosch, and Volberda, 2003; Lampel and Shamsie, 2003; Lewin, Long, and Carroll, 1999; Lewin and Volberda, 2003a; Lewin and Volberda, 2003b; Porter, 2006; Volberda and Lewin, 2003). Porter (2006) identified six characteristics of coevolutionary change processes gleaned from the biological, geological, and organizational literature: specificity, reciprocity, simultaneity, adaptability, boundary spanning, and permanence. She demonstrated that the relationships between business organizations and their environments exhibit all six of these characteristics.

Pfeffer (1993) referred to contemporary management theories as a ‘weed patch’ of contradictory frameworks because, despite their sound intuitive logic and solid research support, management theories often provide divergent explanations of organizational survival. Some, such as strategic choice and resource-based theories, explain how organizational survival is a function of organizational adaptation. Others, such as population ecology and institutional theories, explain how organizational survival is determined via environmental selection. Thus, some management theories suggest that good management is very important for organizational survival, while
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others marginalize its importance (Lewin and Volberda, 2003b; Volberda and Lewin, 2003).

Coevolution theory is now recognized as an overarching theoretical umbrella that unites these seemingly dichotomous explanations of organizational survival. From a coevolutionary perspective, there is a perpetual selection-adaptation cycle at work in which changes in environmental selection criteria are met with organizational efforts to develop the capabilities to adapt to these environmental changes (Lewin and Volberda, 2003b; Porter, 2006). Over time, the increasingly complex and rapidly changing gaggle of selection criteria results in the emergence of new organizational forms that are more flexible, more change oriented, more innovative, and less bureaucratically controlled (Flier, Van Den Bosch, and Volberda, 2003; Lewin and Volberda, 1999; Volberda and Lewin, 2003).

As discussed above, sustainability is a primary contributing factor in today’s increasingly complex, increasingly turbulent business environment. This means that sustainability plays a critical role in today’s coevolutionary environmental selection-organizational adaptation cycles. The message that organizations must be ecologically and socially responsible in pursuit of economic success is resonating from all corners of the business environment today, and these calls for improved sustainability performance mean that today’s organizations must incorporate sustainability values, strategies, and capabilities into their adaptation efforts if they want to survive.

**Coevolution Is a Spiraling Process**
Of the six characteristics of coevolution identified by Porter (2006), the dynamics between reciprocity and permanence seem particularly important for understanding the true nature of the current environmental selection-organizational adaptation cycle. By itself, reciprocity portrays the cycle as a circular process in which environmental changes lead to organizational adaptations, which lead to environmental changes, which leads to organizational adaptations, and so on. However, while the two-dimensional circle of reciprocity may be a reasonable approximation of this relationship, it does not fully portray the fact that the coevolutionary dance between organizations and their environments is a process of perpetual change that leaves each entity permanently changed.

By shifting the image of the coevolutionary relationship between environmental selection and organizational adaptation from a two-dimensional circle to a three-dimensional spiral, we can more thoroughly understand the perpetual nature of coevolutionary change processes. Whereas circular dynamics imply that organizational selection-adaptation cycles may eventually lead back to the same place, spiral dynamics (Graves, 1970, 1974; Beck and Cowen, 1996; Wilber 1996, 2000) demonstrates that the reciprocal environment-organization change process results in both continuously morphing into something different over time.

Spiral dynamics, developed by Graves (1970, 1974) and further expanded by Beck and Cowan (1996) and Wilber (1996, 2000), says that changes in human consciousness result from spiraling coevolutionary processes. According to the theory, life conditions are always getting more complex. These increasing complexities of life create new cultural, psychological, cognitive, and biophysical problems that cannot be
solved at the current level of human consciousness. Thus, a higher level of consciousness emerges to deal with these new problems. According to spiral dynamics, higher levels of consciousness naturally emerge in order to help humans adapt and survive life’s changes. Human consciousness coevolves as humans develop more complex mental models of the world that allow them to handle new problems. This means that the spirals are open systems where new ways of thinking will emerge as life conditions get more complex. In this regard, the spiraling process is virtually infinite in nature.

According to the theory, each coevolving shift in human consciousness is accompanied by a shift in core value systems. Each of these value systems represents a specific biophysical-psychological-spiritual-cultural relationship that responds to changing, complex environmental conditions. These value systems shape the decision making of individuals, organizations, and cultures. They are organized in hierarchical tiers along the rising spiral, with each new value system including and transcending the ones below. The lower tier value systems (tier one) reflect fundamental human needs, and the upper tier value systems (tier two) reflect the wholeness of existence. Whereas tier one value systems are somewhat static in nature, tier two value systems represent a flow of transformational spirituality that is holistic and integral. After the humanistic needs of the first tier values are met, humans begin to question the fundamental assumptions about how they see the world. According to Beck and Wilber (2008), the first 100,000 years of human existence have been spent in tier one value systems, but they believe the cutting edge of humanity today is taking the ‘momentum leap’ to second tier values that Graves (1974) predicted years ago. In a
coevolutionary shift of this magnitude, past success will not guarantee future success. Rather, the new life conditions warranting such a shift will require new ways of thinking, paradigm shifts on the part of individuals, organizations, and societies in order to adapt and survive.

As demonstrated above: (1) sustainability is at the heart of the current transcendence of humankind from tier one to tier two in the spiral, and (2) organizations that survive this transcendence will do so because they have the capabilities to adopt the new values, new ways of thinking, and new ways of doing things that are necessary for them to make the fundamental economic, social, and ecological transformation to a tier two value system. Further, the spiraling dynamics of coevolutionary change strongly suggest that the transcendence to a more sustainable tier two state of being for organizations will result in the emergence of more complex, flexible organizational forms capable of facilitating this transformation.

Spiraling Toward Sustainability-Based Management Is a Spiritual Journey

Thus, organizational survival in today’s sustainability rich, spiraling coevolutionary business environment will require organizations to make the deep paradigmatic shifts necessary for transforming themselves into sustainable organizations. Such shifts will need to be based on a core belief in the sanctity of nature and humankind, including future generations. Research by Bansal and Roth (2000) and Egri and Herman (2000) suggest that when strategic leaders in organizations hold deep core beliefs such as
these, their organizations are more likely to institute shared sustainability-centered ethical systems.

Many have suggested over the years that sustainability-based ethical systems are spiritual in nature. Spiritual fulfillment is a higher-level (tier two) aspiration (Wilber (1996, 2000) that is a uniquely human characteristic. Spirituality is generally defined in the literature as relating to the search for meaning in people’s lives (Driver, 2007; Gull and Doh, 2004). When people speak of being spiritually fulfilled, they use terms like purpose, joy, happiness, love, peace, creativity, and beauty. Pruzan and Mikkelsen (2007) interviewed 31 spiritually motivated executives and found that things like love, caring for others, purpose, compassion, divinity, and service were primary motivators for these executives.

As mentioned earlier, Arburdeen (2008) and Chopra (2001) both describe the rising sustainability consciousness as a spiritual phenomenon. Naturalist and conservationist Aldo Leopold (1949) said over 60 years ago that adopting the ‘land ethic’ would require humans to take a more spiritual view of their relationships to each other and to nature. Pioneer ecological economist E. F. Schumacher (1973, 1977) echoed this sentiment, saying that a societal shift toward sustainability represents a shift to a higher (tier two) level of human consciousness that is more organic, more inwardly focused, more heartfelt, and more spiritual. In the same vein, ecological economist Herman Daly (1977) said that pursuing sustainability requires realizing that a belief in a high quality of life for posterity is the highest of humankind’s ethical and spiritual aspirations (its ‘ultimate ends’). Thus, we contend the upward transformation to more
sustainable management systems requires that organizations develop sustainability-based spiritual capabilities.

The development of spiritual capabilities involves the development of both ‘spiritual intelligence’ and ‘spiritual capital’. Gardner (1993) said that human intelligence is multifaceted, with each person having different intelligences that coexist and develop relatively independent of one another. Most common among these human intelligences is rational intelligence, generally referred to as IQ (intelligence quotient).

Theoretically, a high IQ reflects a high ability to solve logical problems. Goldman (1996) demonstrated that emotional intelligence (EQ) is as important as IQ. EQ is a measure of people’s awareness of other people’s feelings as well as their own. As such, it is the source of human compassion, empathy, and motivation. EQ has been shown to be especially important within the business context. For example, Walter, Cole, and Humphrey (2011) report that a strong research link has been established between EQ and effective leadership attitudes and behaviors.

In the past decade or so, spiritual intelligence (SQ) (Zohar and Marshall, 2000; 2004) has gained attention. This is the intelligence that humans use to solve problems of value and meaning. It is a means of integrating internal and external experiences, which facilitates this problem solving (Hyde, 2004; Vaughan, 2002), and it enables humans to adapt to coevolving life conditions (Beck and Wilber, 2008). SQ helps put human behaviors and lives within a larger context of meaning, and thus it serves as the foundation of both IQ and EQ. Unlike other species, human beings search for meaning and value in what they do because they are driven by questions regarding why they exist and what their lives mean. Humans have a longing to feel a part of a larger
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purpose, something toward which they can aspire. SQ allows them to be creative, to
use their imaginations, and to change their rules. It allows them to think out of the box
and to play with the boundaries of their existence. It is this transformative
characteristic that distinguishes SQ from IQ and EQ. Whereas both IQ and EQ work
within the boundaries of the situation, SQ allows individuals to question whether or
not they want to be in the situation in the first place. SQ facilitates the dialogue
between reason and emotion, between mind and body. It provides the ability to
integrate all the intelligences. Thus, it is a transcendent intelligence (Sisk and Torrance
(2001) that enables the paradigm shift from tier one to tier two values (Graves, 1970,
1974; Beck and Cowan, 1996; Wilber, 2000).

As managers within the organization increase their levels of SQ, this becomes
transformative for the organization. This transformative process is a critical adaptive
mechanism for coevolving to tier two values according to Beck and Wilber (2008).
The result of the transformation is the creation of spiritual capital, a kind of wealth
earned by acting not out of short-term bottom-line gain, but by serving fundamental
human needs. This facilitates the creation of shared values that serve both
organizational and societal needs (Porter and Kramer, 2011). This type of wealth helps
to create a sustainable world while nourishing and sustaining the human spirit. In
essence it exists in the soul of an organization, defining its fundamental core values
and purpose (Zohar and Marshall, 2004), and thus it provides the foundation for
implementing an organizational vision of sustainability.

As managers develop high levels of spiritual intelligence and spiritual capital, they
learn to nurture, renew, and sustain the core purpose of the whole human enterprise.
The spiritual capabilities they glean from this become the glue, the cultural foundation that binds people together. They provide organizational members with a moral and a motivational framework, an ethos, a *spirit*. This spirit transcends, sustains, and enriches both material capital and social capital. In other words, it embeds the organizational culture with *spirit* (Zohar and Marshall, 2004). Further, this spirit can enhance managers’ understanding and commitment to a core value of sustainability. The transformative powers of spiritual capabilities can give managers the deeper insights they need to understand why contributing to humanity’s efforts to “meet the needs of the present without compromising the ability of the future generations to meet their own needs” (World Commission on Environment and Development 1987:8) is critical for their organizations’ survival.

**Spiritual Capabilities and Sustained Competitive Advantage**

Let us briefly review. There is a rising global consciousness that centers on creating an ecologically, socially, and economically sustainable world for current and future generations. This rising sustainability consciousness with its tier two value systems that support environmental and social responsibility is deeply penetrating the business environment, meaning that business organizations are now faced with the need to craft efficient and effective sustainability-based strategic management systems that support their efforts to earn profits in socially and ecologically sensitive ways. Sustainability is a concept with deeply spiritual roots. Thus, integrating sustainability into strategic management systems requires that organizations develop spiritual capabilities (spiritual
intelligence and spiritual capital) that support and enhance their ability to achieve competitive advantages.

According to the resource-based view (RBV) of the firm (Barney, 1986; Barney, 1991; Wernerfelt, 1984), organizational competitive advantages are achieved through the effective management of internal resources. Firm performance is a function of the types of resources (tangible and intangible capabilities) developed and exploited by managers through strategies that accomplish organizational goals. Resources that provide a competitive advantage to the firm, known as core competencies, must be valuable, rare, and difficult to imitate, and they must be strategically combined and deployed to build competitive advantages. Hart (1995) contends that the RBV should be expanded to include natural resources as sources of sustained cost and differentiation competitive advantages, and the research of Russo and Fouts (1997) supports Hart’s contentions. They found that natural resource capabilities can improve both organizational performance and profitability.

As noted earlier, the spiritual capabilities that support sustainability are intangible. The aesthetic value of nature and humankind cannot be touched or displayed. However, it can certainly be experienced, and it can certainly stir the spirit when it is. Researchers from the *MIT Sloan Management Review* and The Boston Consulting Group (2011) found that leading firms in the sustainability revolution, such as Unilever, Johnson and Johnson, New Belgium Brewing, and Proctor and Gamble, place a very high value on sustainability-based intangibles like these. They found these firms to have deep values for the conservation of natural resources, and they found that the firms strongly believe that valuing such intangibles improves their long-term competitiveness. These firms develop
ways to measure these intangibles, even though such measurements are fraught with problems that render their accuracy suspect. However, to these firms the measurements, despite their potential inaccuracies, show that they place a high value on these intangible capabilities.

Colbert (2004) has extended the RBV framework by examining it through the lens of complexity theory. He contends that reframing RBV in terms of complex adaptive systems allows for a more holistic, less reductive examination of some of the most strategic, yet difficult, aspects of RBV, including causal ambiguity, social complexity, and system-level resources. Thus, according to RBV, the more causally ambiguous, socially complex, and holistic the resources, the more difficult it is for competitors to imitate them, thus offering a sustained competitive advantage to the firm (Barney, 1986; Barney, 1991; Colbert, 2004; Grant 1991; Reed and DeFillippi, 1990; Schoemaker, 1990).

We contend that spiritual capabilities underpinning sustainability-based core competencies meet the established criteria for creating sustained competitive advantages for organizations operating in today’s sustainability-rich business environment. First of all, they are valuable to the firm. As mentioned above, leaders with deeply held beliefs that nature and humankind are sacred are more likely to develop sustainability-based ethical systems to undergird their strategic processes and actions (Bansal and Roth, 2000; Egri and Herman, 2000). Such organizations will be inclined to recognize and assign power to stakeholders that represent the interests of the planet and its people (Freeman, 1984; Freeman and Gilbert, 1988; Hart and Sharma, 2004; Starik, 1995; Stead and Stead, 2000), and organizations that respond to sustainability stakeholder concerns
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will consciously work to develop and improve their sustainability-based capabilities
(Sharma and Vredenburg, 1998).

Secondly, spiritual capabilities supporting sustainability-based core competencies are
currently rare. Organizations today seem to understand well that performing in more
ecologically and socially responsible ways can improve their profitability. Cutting energy
and materials use and creating less pollution and wastes are widely recognized
sustainability-based ways to achieve lower-cost competitive advantages in today’s
business environment, and creating and promoting ecologically and socially responsible
products and services is widely understood to create differentiation-based competitive
advantages for firms. However, few organizations seem to have made the fundamental
transformation from traditional profit-oriented ethical systems to systems driven by
deeply held values for the sacredness of the land and its people. Whereas the profit
motive by itself can allow organizations to save money and sell goods and services by
being more ecologically and socially aware, those rare organizations with a deep
understanding of and commitment to sustainability are more capable of seeing beyond the
current low hanging fruit strategies to a future where fundamental transformational
change at the deepest level of organizational cultures will be required. The respondents to
the survey conducted by the MIT Sloan Management Review and The Boston Consulting
Group (2011) reported that picking the low hanging sustainability fruit (such as energy
improvements) can take organizations only so far. Tying sustainability efforts to short-
term profits is a good entrée into a broader sustainability commitment, but firms that
never go beyond short-term commitments (called ‚laggards‘ by the survey researchers)
will eventually lose their competitive edge to those who make a deep long-term commitment to sustainability (called ‘embracers’).

Thirdly, imitating spiritual capabilities is very difficult to do because they are holistic, socially complex, and causally ambiguous. The holistic nature of spirituality and spiritual fulfillment is well established. Recall the earlier discussion that spirituality is a tier two aspiration that is more holistic and integral than the tier one aspirations below it (Beck and Wilber, 2008). Driver (2007) refers to spirituality as a ‘developmental gestalt’ centered on humans’ search for lifelong meaning. It is not about seeking temporary thrills. It is about seeking lasting joy and deep fulfillment from the whole of one’s life. The search for meaning permeates one’s religious life, organizational life, family life, social life, recreational life, and so forth. It is an eternal search for one’s soul and true nature. Although spirituality and religion are not synonymous, many see it as a search for God, which they see as the ultimate wholeness.

Spirituality is also socially complex. Social complexity generally refers to the fact that human relationships are highly complex phenomena that are difficult to understand and systematically manage with any real certainty. Barney and Hesterly (2010) give interpersonal relationships among managers, the dynamics of an organization’s culture, and the reputation of a firm with its customers as examples of socially complex factors in business organizations. As mentioned earlier, spirituality is a human concept that can touch virtually every aspect of one’s life, and as such it has broad, complex social dimensions. For example, Judge and Kammeyer-Mueller (2011) demonstrate that happiness (one of the key outcomes of spiritual fulfillment) is a complex societal value that manifests itself in numerous ways in most all cultures across the globe.
Finally, spirituality is clearly causally ambiguous. Causal ambiguity has its base in bounded rationality, the idea that the ability to make rational decisions is limited because of imperfect information systems. As the term causal ambiguity suggests, the cause-effect nature of situations is obfuscated, making them hard to understand and evaluate rationally. Causal ambiguity exists because problems, ideas, processes, and so forth, are ill defined and complicated. According to Reed and DeFillippi (1990), causal ambiguity is a legitimate barrier to imitation of sustainable core competencies. The holistic, socially complex nature of spirituality renders it causally ambiguous by definition. The meaning of life is very personal, and yet it is pursued in a world with others who are pursuing their own meaning. Senge (1990) seemed to understand this when he said that the way to establish a spiritual relationship between employees and their organizations is to tie employee visions directly to the shared vision of the organization, allowing employees to pursue their own spiritual fulfillment via the long-term success of the organizations.

Conclusions

In sum, we know that the rapidly growing global movement to sustainability is putting pressures on business organizations to earn their profits in ways that contribute to the greater social and ecological good. It is widely accepted in both academe and industry that organizational survival now and in the future will depend on firms being able to efficiently and effectively integrate sustainability into their strategic cores. We along with others contend that such integration requires that organizations transform to a higher level of existence based on the belief in the sacredness of humankind and nature. We contend
that firms operating at this level are prepared to develop intangible spiritual capabilities that can contribute to the development of sustainability-based core competencies that are valuable, rare, and difficult to imitate.

Given these contentions, we make the following propositions:

Proposition 1: Intangible sustainability-based spiritual capabilities can contribute significantly to the development and maintenance of organizational core competencies that provide sustained competitive advantages that help the firm meet its economic needs while serving the needs of society and protecting the natural environment.

According to the RBV, proposition 1 can be true only if sustainability-based spiritual capabilities have value, are rare, and are difficult to imitate. Thus we make the following propositions:

Proposition 2: Intangible sustainability-based spiritual capabilities are valuable.

Proposition 3: Intangible sustainability-based spiritual capabilities are rare.

Proposition 4: Intangible sustainability-based spiritual capabilities are difficult to imitate.

Further, according to the RBV, proposition 4 can be true only if sustainability-based spiritual capabilities are holistic, socially complex, and causally ambiguous. Thus we make the follow propositions:

Proposition 5: Intangible sustainability-based spiritual capabilities are holistic.
Proposition 6: Intangible sustainability-based spiritual capabilities are socially complex.

Proposition 7: Intangible sustainability-based spiritual capabilities are causally ambiguous.

As we believe we have demonstrated in the discussion above, the logic and content of these propositions has a solid foundation in the literature. On the other hand, none of these propositions have been fully empirically tested. Thus, the next step is to do so. The answers received should provide important insights in the search for ways to make sure that sustainability-based core strategic competencies can be sustained in business organizations.

References


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