
THE REFLECTION OF SPIRITUAL CAPITAL IN E-BUSINESS

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Abstract

Spiritual capital is a concept that has been debated in the last decades from several points of view as it appears to interfere in certain fields of research like religion, psychology, economy and philosophy. In the literature of review spiritual capital has received many definitions in all domains mentioned above, but so far its origin hasn't been established in a domain or another. The purpose of this article is to analyse the way spiritual capital reflects in the digital age, as this concept has been debated in the area of businesses in the last years. Moreover, it will be determined why it is so important to consider spiritual capital an essential element for doing business on Internet. Its applicability in business is needed mostly to create transparency between digital consumer and virtual businesses focused on great turnovers and not on the human factor when it comes to virtual distance..

Keywords: spiritual capital, consumer, experience, business

JEL Classification: L81, M14

Introduction

The notion of 'spiritual capital' appears in the early 2000s, being treated either religiously, psychologically or economically. In theory the concept receives definitions which didn't position it in one area or another, not having so far a certain origin. Donah Zohar (2004) is the first author who theorize the concept in terms of the individual and the organization. In general, this type of capital is associated with the vision, mission and values of a company, referring to the fact that this concept has not religious origins. Analyzing the meaning of the adjective 'spiritual', it derives from the Latin 'spiritus', the basic meaning highlighting the synonymous with the human intellect. Indeed that a secondary meaning for 'spiritual' is related to the religious appurtenance by associating with an immaterial being, spirit or deity. Linguistically, 'spirit' or its derivative 'spiritual', are from a grammatical point of view, lexical homonyms, from hence the confusion regarding the acceptance of a sense or another for theorists from related fields. In this paper the concept is treated from the perspective of the interested field, namely business administration, but the positioning of it in other fields of interest, such as the history of religion, philosophy or psychology, is not deniable.

Literature review

Finke (2002) calls it religious capital. Meanwhile, Iannaccone (1990) says that the function of own production in a household and human capital is based on economic doctrines. This links to human satisfaction of producing for themselves or for the family, in the sense that it takes time, know-how and raw material. From another's perspective, the spiritual capital is part of economic development, explaining the role of the people's contribution to the development by using the resources they have. Actually it's about the responsibility to create and preserve. In fact, the spiritual capital is a theoretical improvement for other forms of material, intellectual, cultural, social capitals. It is rather understandable from Donah Zohar's theory that an individual relates to a motivational value system, which stimulates creativity and positions them towards morality.

Palmer and Wong (2013) give the following definition about the spiritual capital: 'individual and collective capacities generated by affirming and nurturing intrinsic spiritual value of each human being'. From here, their association with human perspective, nowise religiosity. Their arguments for this definition are based on the fact that their theorization is an independent form of capital without being a subcategory for social, cultural or religious capital. The spiritual capital is assigned to each individual, and this customization of it is to reveal the meaning of the concept. Inter-human relationships are born and evolve through this type of capital. In Gillett's (2008) view about spiritual capital, the organization presume internal and external factors that contribute to business development. Besides the specification of several directions in the external area to develop a business, in the description of resources specifies the financial, physical, technological and human resources. Regarding the internal dimension, it would be interpreted in the sphere of spiritual because of the term 'inner', which is used frequently, and linked to the medieval period when spirituality crystallized towards man's perception in terms of inner life through each individual's perceptions, desires and motivation. He identifies a series of qualities for the prosperity of a business that would define precisely the concept of spiritual capital proposed by Donah Zohar. He correlates the inner dimension of the company with 'soft stuff'. In terms of delicate sense of things, actually this is attributable to the usual phrase of corporate language 'soft skills' or 'hard skills', in terms of employees. In the area of 'soft skills', are the abilities of a person to act in certain situations, through the fact that they have a number of positive qualities that can be used for that conjectures. Like Zohar, he reminds of personality, attitude, values and enthusiasm. Also by approaching morality through the motivation of having a noble purpose, 'the sense of noble purpose' of moral values which have an impact on inter-human relationships, are respect, empathy, trust, cooperation as being the core. As Thierry Magnin says, spirituality is transdisciplinary and is manifested by the connection between the scientific research and religion and is given by the mystery of attaining knowledge.

The spiritual capital is a modern concept that has been generated by other sources of capital. The most relevant are: social, human, intellectual and religious capitals. The social capital has two meanings, on the one hand it has been theorized in terms of sociology, by reflecting the established human relationships, and on the other hand is an accountancy term, namely a patrimonial active, totalizing the associates' contributions. In other train of thoughts, in the spiritual capital area the meaning of sociology is applied. In Bordieu's view, the social capital defines a set of present or future resources that contribute to the sustainable development of the connections between people, the expression being shortly an appurtenance at a group. The Organization for Economic, Co-operation and

Development (OECD) defines social capital as ‘one body networks with shared norms, values and understandings that facilitate co-operation within or among groups’. This means that the focus is on the social networks which share values, norms and common interests to cooperate. Putnam emphasizes the collective value and believes that there are several means by from which the social capital is derived, such as: the flow of information that circulates among humans, reciprocity, the collective action of individuals and groups, mentalities.

Baker supports that this type of capital is specific to some social categories in which each individual uses to pursue its interests. Lesser believes that if the economic capital is related to material things, human capital to human minds, then the social capital cannot exist for individuals if they do not interact and do not create relationships with those around them. The social capital comes from human connections and the words that defines it, are the contact network of an individual and values such as, reciprocity, belonging, and collaboration. Also in the context of digital revolution, specific to the contemporary society, when technology has become an indispensable part of all life, social media has become a part of everyone's life, because social networks define the behavior of modern humans. This means that networking on the internet reflects the social capital in its classical form. Although the main purpose of social media is for users to connect and make new friends, social networks can help people to get information and educate themselves, contributing to human capital development. Danah Zohar (2005) proposes, interprets the social capital as the wealth that makes communities and organizations function effectively for prosperity. It can be defined as the ability of people to work together for common purposes in groups and organizations.

In *The Principles of Marketing*, Kotler (2012) focuses on socially responsible and business environmental marketing, including for the online environment, namely satisfying present needs of consumers and businesses, while preserving and developing the ability of future generations to fulfill their needs. Starting from the idea that in the digital era, businesses are made on the internet, Kotler proposes that through a societal marketing, businesses to deliver value to customers through a middle way: to improve and maintain both consumer and society welfare. A simple interpretation says that social responsibility is not good only for the planet, but also for business.

In the *Marketing Management*, Kotler (2012) reveals that the digital age is a societal force that created new opportunities, challenges and business behaviors. Also, he does not deny the fact that the internet is a powerful information and sales channel. Companies can collect comprehensive and wealthy data from customers, prospects, marketplaces and competition. In the analysis of *Marketing 3.0 - From products to customers, to the human spirit*, Kotler (2010) identifies *Marketing 3.0* as based on values. Examining the business environment in the emergence of *Marketing 3.0*, it does no longer treat people as mere consumers, but as human beings with lofty minds, hearts and souls. Organizations address to a consumer as a human being perceived as a whole that has four components: a body, a mind able to think and analyze independently, a heart that feels emotions, and a spirit which is the soul or human philosophy center. *Marketing 3.0* may be associated with the third stage of knowledge (*Learning Three*) which corresponds to a highly intuitive, spiritual knowledge, and beyond limits. A growing number of organizations use social media as a lever to trigger a viral chain reaction, to arouse the interest for the social responsible work they do. More and more companies have tried to create online connections with customers and stakeholders to find out their interest causes and how they can work together to have a

positive effect on the world. Social networks can significantly improve a company's image abroad, boosting the morale of the organization. Social media is a tool that propels the businesses towards a socially responsible and sustainable level. Integration of the spiritual capital is a new source of competitive advantage for a sustainable business.

The spiritual capital analysis in business area

The spiritual capital offers many competitive advantages besides the external and internal sources related below which are standard.

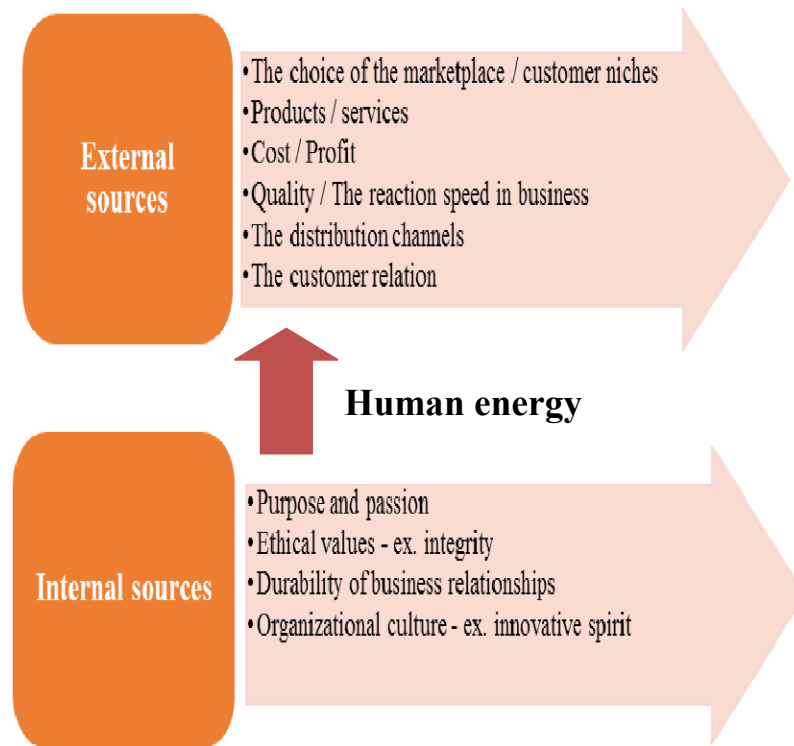


Figure no. 1: Sources of Competitive Advantage

Source: Darwin Gillett, Noble Enterprise: The commonsense guide to uplifting people and profits, p.31

Other advantages are related to the human capital. And as Gillett affirms, traditional business are based on two sources of energy, resulting of the body and the mind. The first type of energy is related to physical effort, the association of the action with human hands. The other type of energy that he describes is the mind, whose energy, according to Gillett's model, is moving towards cognitive emotions, involving logical thinking, and the affective emotions related to the body's states, feelings and experiences that we live. The brain's power is integrated in knowledge, intellect, analysis, decision making, innovation,

unconventional thinking. By analyzing, all these are elements in building a business. But Gillett has kept three more types of energy, which he attributes in his modern business model, which, in his vision, will shape the spiritual capital of a business: the emotions that were mentioned above, using the power of the mind, heart and the human will. Regarding emotions, he specifies that emotional energy is closely related to emotional intelligence. The heart energy is equalized with the ethical values: honesty, trust, respect, connectivity and unity. He also puts emphasis on the human connectivity. All approaches of the spiritual capital of the business area, contain the part of collaboration, connectivity, connection etc. The way that this energy manifests in a business links to principles, such as leadership. Regarding the size of will in a business, it is associated towards the mission of the organization. In this area it would be manifested the goodness for itself and for the company, through organization, discipline and focus. These three together form the spirit's energy with the body and the mind, and it is the third type of energy that revitalizes the traditional business model, treated in terms of integration of the spiritual capital as a new source of competitive advantage for a sustainable business. In the view of Gillett, the three types of energies emanating from the body, mind and spirit creates the new business model of contemporary society through he understands that man contributes thus fully, utilizing their capacity for a good business environment. Finally, these remarks form Gillett's concept, which is the factor of nobility, his proposed model is the noble business and is based on five factors: the purpose to promote the culture of a work ethic specific to the respective business, ethical values, commitment to what means the human factor, and here is reminding the spirit, innovation and not least, the unit that requires collaboration and connectivity between involved parties. Also, he refers to the noble entrepreneur, who he sees as a leader with physical, mental, and spiritual energy, that inspires, and here must be put focus on inspiration ability to provide required sustainability in a business, as well as his character should inspire these energies to achieve the purpose.

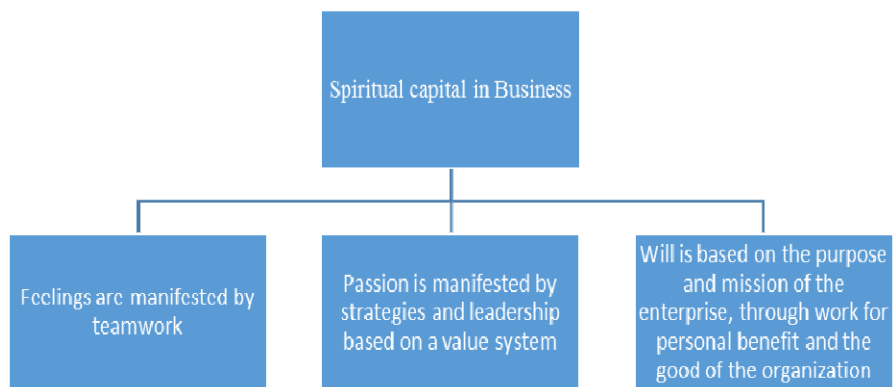


Figure no. 2: Gillett's model for spiritual capital in a business

Source: Darwin Gillett, *Noble Enterprise: The Commonsense Guide to Uplifting People and Profits*, pp. 43-47

SPES is the acronym of The Spiritual European Institute in economy and society which is focused on how the spiritual aspect occurs on an economic and social level. In 2014 this organization published a special number, dedicated to how spirituality is reflected in business for activating guidelines, to call it ‘the malleable area of entrepreneurship’ including spiritual entrepreneurship. SPES interprets spirituality as a multiform research for getting in contact with those around them, with God or the ‘ultimate reality’. Bouckaert proposes a reinterpretation of the SPES definition, spirituality becoming synonymous with ‘the way of thinking and lifestyle that comes from deep and personal experiences of interconnectivity’. Another vision in the spirituality of business could be proposed in purchasing decisions of man, by Jesuit Loyola, the middle age author of spiritual exercises, who said that man’s discernment has two sides: the rational one, by comparing the advantages and disadvantages of the alternatives in the economy, being a cost-benefit and a spiritual calculation, which the individual analyzes in his or her imagination, the options that would give a positive state of mind, one of these options will enhance his / her state of mind (dilatatio) and will give inner peace (consolation). Spirituality is viewed also in accordance with entrepreneurship through contemporary business practices that may adversely affect society, future generations by self-centered leaders who only care about their own business without caring about the environment. Zlosnai proposes spiritual orientation in business through organic business.

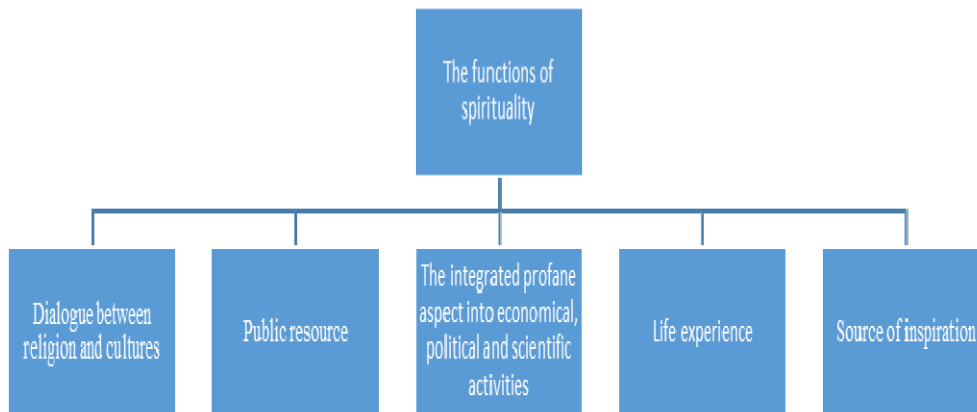


Figure no. 3: The functions of spirituality

Source: Zsolsnai L., 2014, Entrepreneurship guided by spirituality, pag.37, Year XXXII, pag. 88

Conclusions

In the specialized literature, the spiritual capital is approached at different levels, such as: management and leadership in terms of spiritual intelligence at a human / organizational level, operationalization of spirituality from an economic point of view and so on. By considering the spiritual capital interpreted from the model of will, emotions and passion, it creates the premise for the clotting of human relationships from which benefits the entire

generated business flow. As a conclusion, spiritual capital is an interdisciplinary concept which applied in business area gives the sense for entrepreneurs to take more into consideration the soft part of a business described through moral values and human factor.

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