‘BESTINATION’: AN ETHICAL Approach TO BUSINESS START-UPS

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ABSTRACT
It is the purpose of this paper to describe and explore how to start businesses ethically based on the Buddhist principles. We call this approach as ‘Bestination’ since it is the aim of this research study to achieve the best destination for entrepreneurs. Bestination is not only limited to maximum financial gains but also entrepreneurs’ different aims and outcomes of their businesses performances. Some entrepreneurs aim for maximum profit, while some aim for flexibility, some desire for autonomy and some aspire to achieve sustainable development of their businesses. Previous research studies have shown that Buddhism does not contradict capitalism and does not discourage Buddhists to perform business duties. Further, it was shown that Buddhist religious business practitioners are shown to be the most diligent and hard working. In fact, one of the founders of Apple Inc., Mr Steve Job, was a Buddhist. Hence, it is our aim to apply the Buddhist teachings to approach business start up processes. This study questions (a) What are some of the Buddhist teachings that shape the basic ethics in starting up businesses? (b) What can entrepreneurs do ethically to start up their businesses?; and (c) What approaches lead to favorable outcomes of business start ups? A strong foundation during the business start up process leads to a successful and a sustainable business outcome or the ‘Bestination’. In order to achieve the best destination, it is important for entrepreneurs to have a right mindset from the beginning, also appropriate business choices, and the positive attitudes to their businesses. According to Buddhist principles, there are a number of teachings that lead to successful business start-ups, and which will lead to successful and sustainable business operations and returns. This paper interviewed six interviewees on how they viewed themselves as the practicing Buddhists and how Buddhism influenced their choices of their businesses. This research suggests that if the Buddhism can help entrepreneurs start up their businesses ethically, there will be more entrepreneurs who can survive, succeed and enjoy the favorable outcomes of becoming entrepreneurs. This can be used as a platform to study different phases of entrepreneurship beyond their first start up year, from ongoing daily business operations to the achieve the ultimate goals of the businesses and communities.


INTRODUCTION
Business ownership is a significant opportunity for entrepreneurs in the business world. Entrepreneurship as a research field of study is receiving growing attention from researchers worldwide as ‘being an entrepreneur’ is considered as a practical option which provides a balance between personal and family commitment.

The literature on Buddhist entrepreneurship has hardly been discussed. This study investigated what the Buddhist teachings have told about the roles of entrepreneurs, what are some of the guidelines that shape ethical entrepreneurship especially during the start up processes including the business choices.

The central focus of this research paper is to apply the Buddhist teachings to approach business start up processes. It will attempt to answer the following questions:

(a) What are some of the Buddhist teachings that shape the basic ethics in starting up businesses?
[1] What can entrepreneurs do ethically to start up their businesses?
[2] What approaches lead to favorable outcomes of business start-ups? A strong foundation during the business start-up process leads to a successful and a sustainable business outcome or the ‘Bestination’.

There is still much research to be done on entrepreneurship, as it is significant in economic growth as they have untapped resources for the local
economy including job creation and diversified sets of knowledge and talents. However, very little is known about the influences of religions on entrepreneurs especially those with success stories to share.

In the developing countries like Thailand, this research study found that there is an element that the religion helps the entrepreneurs to be successful. It was, therefore, important to examine whether there are any existing teachings or theories in Buddhism that talk about the starting up of businesses and help reduce their failure rates.

In this research study, the author explored, investigated and identified the main fundamental Buddhist teachings, ‘The Noble Eightfold Path’, which help entrepreneurs in Thailand. Then, interviews were conducted with 6 successful entrepreneurs over a period of two months. Only successful entrepreneurs were interviewed and they were selected based on self-defined success. The first part of the data collected was analysed to understand the general personal characteristics of these entrepreneurs and their businesses background.

It is important to understand what role the Buddhist religion plays to assist the group of entrepreneurs through understanding of what is available already and what is hindering the progress of entrepreneurs starting up their businesses. According to Taormina and Lao (2007), business environment plays significant influence on entrepreneurial motivation and operation.

Previous entrepreneurship research has developed along two major spheres including the personal characteristics of entrepreneurs and the influence of socio-economic, culture and political contextual factors (Mazzarol, Volery, Doss and Thein, 1999). Culture, society and religion shape entrepreneurs (Dana, 2010).

This research is unique as it deals with the relationship between Buddhist teachings and the start-up process of a business including ethical choices of businesses and the moral path to doing businesses.

Sustainable growth and development are created through entrepreneurs’ innovation (Ramadani, Gerguri, Rexhepi, Abduli, 2013). In this paper, success in terms of career as an entrepreneur is defined based on the subjective and objective elements of achievement and progress of an individual through an organization or occupation (White, 2000). Many people place great emphasis on objective aspects such as quantitative measures including profits, sales, promotions, and so on. However, this research study emphasises on the personal measures of entrepreneurs’ success, which is being able to contribute their personal values to their businesses. Also, success is often self-defined as one who believes she can achieve intrinsic values such as flexibility, balance between work and family responsibilities and independence, and in which financial success would follow (Still and Timms, 2000). It is also perceived that increased confidence reduces the risk of entrepreneurial activity (Brindley, 2005).

Successful Buddhist entrepreneurs in this research are those located in Thailand and whose aspirations to earn their living through innovation in entrepreneurial activities, usually owning small to medium businesses; in which five out of six are women. Moreover, these independent business owners consider themselves as being successful as their businesses reap reasonable profits and they are satisfied with the rewards.

THEORETICAL FRAMEWORK

The Application of Buddhist teachings on Entrepreneurship:

According to Dana (1995), religions, which generate social values, can influence entrepreneurship. It can view entrepreneurs as achievers or even failures. For instance, achievers are those who are successful, earn excess money and contribute to the communities. On the other hand, failures are those who choose entrepreneurship as a way to make money based on their greed and selfishness.

As cited in Dana (2009):

Williams & Zinkin (2007) mentioned in their study that those entrepreneurs with their religious backgrounds tend to be more socially responsible than those who are not.

Guizo, Sapienza and Zingales (2003) discovered in their studies that Buddhists entrepreneurs were considered less lazy and more enthusiastic as compared to other entrepreneurs in other religions. Zingales (2006) also suggested that Buddhism complements and promotes best attitude towards capitalism.

Buddhism primarily focuses on Karma (which is you get what you give and/or do). In that essence, if you do good, you are reciprocated with good rewards and if you do something bad, you are returned with bad consequences. This is applicable at all levels of life.
starting from the individual levels through to families, businesses, work, peers, communities, countries, regions, and through to the world and the universe. Buddhists believe this as a fact of life. There are ‘The Noble Eightfold Path’ to achieve satisfactory outcomes of a Buddhist’s life, namely:

1) Right view and right understanding
2) Right thought
3) Right speech
4) Right action
5) Right livelihood
6) Right effort
7) Right mindfulness
8) Right concentration

It can be seen that if one follows the above 8 path, one can achieve nobility right from the start. Nowadays, things are different; human beings’ successes are judged by their wealth. Nevertheless, different people can define success differently. According to this research study, success is defined by the capacity of adding values to the entrepreneurs’ selves, families and communities through their business ventures. Accordingly, if there is a strong foundation during the business start-up process leads to a successful and a sustainable business outcome or the ‘Bestination’.

In order to achieve the best destination, it is important for entrepreneurs to have a right mindset from the beginning, also appropriate business choices, and the positive attitudes to their businesses.

Buddhism has no objection against the entrepreneurship and in fact Lord Buddha encourages his followers (since the Buddhist era) to earn money enough for the entrepreneurs themselves, their families and extra funding and/resources to be shared with the communities and the less fortunate people in their communities regardless of their demographic or socio economic backgrounds. According to the Vulnerable Dr. Somchai Dhannawutto (2012), Buddhism highly values honesty in any business operation and the religion does not approve of the following trading activities:

1. Trading of weapons
2. Trading of poisons
3. Trading of poisons
4. Trading of illicit drugs
5. Trading of farming animals for killing for instance raising pigs to sell it as pork


"While the materialist is mainly interested in goods, the Buddhist is mainly interested in liberation. But Buddhism is the Middle Way and therefore in no way antagonistic to physical well being. The keynote of Buddhist economics is simplicity and non-violence. From an economist's point of view, the marvel of the Buddhist way of life is the utter rationality of its pattern - amazingly small means leading to extraordinarily satisfying results.”

METHODOLOGICAL CONSIDERATION

This research is designed as a descriptive study using in-depth interviews with 6 successful entrepreneurs over a period of two months in Thailand. In Thailand, entrepreneurial activities are encouraged ranging from a sole trader to small to medium businesses to large corporations.

Thai entrepreneurs were selected to be the population for this research because the researcher could be termed an insider of this particular grouping, this facilitated access to these communities and it also enhances the originality of the research methodology.

This research focuses only on independent Thai entrepreneur who co-own or own their businesses with a fair amount of decision making power and authority.

The sample of successful Buddhist entrepreneurs was established through the author’s personal business networks in Thailand. Open-ended questions in the semi-structured interviews were used in the process of interviews. The interviews process started with general questions about the industries the respondents are operating their businesses in. The respondents come from various industries such as in real estate & property, health, retail and media industries. The interviewees were asked on the levels of their own Buddhist practices including 1) being Buddhists by names; 2) Medium Buddhist believers and practitioners. They are defined as regular temples visitors, do the basic religious rituals like merit making and food offerings to the monks, regularly pray; 3) Extensive Buddhist practitioners. They are
the ones who meditate, practice merit making, and follow all the teachings by heart. Five of six respondents categorised themselves as group 2 as the medium Buddhists practitioners; whereas the other one considers herself as a hardcore Buddhist in the last category.

Interview questions also covered the following issues in the discussion:

1) Whether the respondents applied the Buddhist teachings when they started their own businesses.

2) Any advice they could share with the new entrepreneurs.

**DISCUSSION OF FINDINGS**

From the questions above, the answers are illustrated as follow:

All of them agreed that they were not overly successful in terms of financial rewards but they were happy to do what they enjoyed especially their business choices are something to help other people. For instance, one business owner (the first business owner no. 1) owns a retail shop that sells products to be used for Buddhist religious ceremonies like the robes for the monks, the things that are used by the monks. These amenities and clothing are usually offered as part of the Buddhist ritual merit making. This business owner had a very good intention at a start to sell quality products to her customers and so that the monks receive high-grade offerings and also be the messenger of Buddhist teachings through her trades. (In Buddhism, monks have to be offered food and necessities for their consumption by the common people).

All six respondents said they chose their business because they wanted to do something good and something worthwhile for others. They believe in Karma (what goes around, comes around that is if you do good with rightful intention, you receive good and vice versa if you do bad things to other people). As such, they want to earn their living with good intention. Another retail business owner (no. 2) said:

*Buddhist teaching teaches me to have a good start in business and hence, a good business foundation. I always use good raw materials in my retailing business, I think good and I am honest. Even with my employees in my factory, I treat them well and try my best not to take advantages of anyone, I have compassion for my staff members, suppliers, and customers. And when my customers like my products, they tell others. The business is thereby successful because of word of mouth. Consequently, I do not need to rely on other marketing strategies’. She further believed that ‘her good merits are behind her success’. Once she receives her profits from her business, she donates some parts of her income to the less fortunate communities as well. This happens in her business cycle and finally achieves sustainable business.

The third interviewee (a ‘health products’ retail shop owner) said she has always been interested in health and therefore would like to promote good health among the communities. As such, she decided to start a shop that sells health related products and gadgets like organic produces and detox products. She likes to pray and meditates. She does not believe in hurting other people and/or animals. She strongly believes in honesty and strictly follows the five precepts. She said she is happy with her business because it helps promotes good health and profit is not a priority.

The fourth interviewee is an owner of a media company. It has been run successfully over 10 years. The owner herself is on a wheelchair but she has created this sustainable business based on the Eightfold Noble Path. She said her profit is not overly high but it is sustainable and it makes her independent despite being on a wheel chair. She said her business is well known and she earns enough money to keep herself satisfied. She said she was once a tricky businessperson but after being practising Buddhism like praying and merit making, she attempts to minimise all the capitalist tricks when doing her businesses. She finds herself successful in being honest with all her stakeholders including her business partners and her employees.

The fifth interviewee also owns a retail business. She believes in moderation especially in terms of profit. She said she ‘moderately wants profit – not too much, not too little to exploit herself or others’. Again, she considers herself honest and truthful when selling her products to her clients. She sells good quality products at reasonable prices which reflects the good quality of her products. She does not believe in cheating her stakeholders. She still wants her business to grow further and earns more income but based on happiness.

Finally, the last respondent, an owner of a real estate and property business which has been doing well and since 1986. He shared that he grew up in a family business of selling firearms, but he did not feel good selling them as it was against his Buddhist belief. Firearms’ trading is one of the six occupations that Buddhists must not pursue. In 1979, he started another
business in textiles. Along the way, he and his family collaborated and started a family venture in real estate business and in 1986. This business has proven to be successful even through the economic crisis in Thailand during 1997.

Another question dealt with the suggestion the six respondents could share to other entrepreneurs. The health shop owner suggests that businesses should start with good intention, the owner should think about good things and the business should be transparent with the aims of helping others. This kind of business should succeed. One of the retail business owner also said businesses could grow from good connection and through your circle of good friends and business associates, so ‘you know you are not alone’. The real estate and property owner advised that property investors are encouraged to establish a strong foundation in order for them to grow effectively and efficiently.

The application of ‘The Noble Eightfold Path’ to business start-ups:

1. Right view and right understanding
2. Right thought
3. Right speech
4. Right action
5. Right livelihood
6. Right effort
7. Right mindfulness
8. Right concentration

It can be concluded from the interviewees’ responses that having maximum financial gains from their businesses are not their ultimate goals, but rather they prefer to follow Buddhist teachings and lead a ‘Destination’ approach whereby there are rightful living, reasonable financial gains enough for them to lead modest lives and share their profits to help their communities. To apply the above path to the business start-up processes, this study suggest the following steps for the new entrepreneurs:

Step 1: Set up the rightful mindset

Step 2: Make a rightful business choices

Step 3: Regularly monitor your business goals and outcomes

Step 4: Operate business in an ethical path and a moral approach of ‘Bestination’ for entrepreneurs

To illustrate, ‘Bestination’ entrepreneurs would start with a rightful intention, for example, what are the outcomes they aspire to achieve, including reasonable financial gains for their businesses and the employees survival, adequate savings for future investments and/or business expansion, and left for helping the communities as well. It is important to remember that a strong ethical foundation leads to favorable business outcomes, at least an entrepreneur feels good and confident about it which minimises the risks of new business start ups.

‘Bestination’ entrepreneurs are forbidden to trade the following: weapons; humans; poisons; illicit drugs; farming animals for killing for instance raising pigs to sell it as pork.

In day-to-day business operations, such as pricing, ‘Bestination’ entrepreneurs would not unfairly set prices. So their pricing would be reflecting the true value of their products/services. They refrain from false advertisements. They do not steal their competitor’s clients. Indeed, they work hard to serve their own customers and eventually the clients spread their words of mouth to promote the businesses. One personal benefit of this approach is that the entrepreneurs maintain good household duties as well.

CONCLUSION

To sum up, we found out that Buddhism is well adopted and applied in the businesses owned by the six interviewed entrepreneurs. Buddhism and entrepreneurship could be the drive to improve society as a whole as well as improved business performances. Ideally, the sustainable businesses are achieved through the influences of Buddhist teachings.

The findings in this study are significant both in terms of theoretical and practical standpoints as they contribute to the existing literature of entrepreneurship; especially it is the pioneer study of such themes as Buddhism and entrepreneurs. Specifically, entrepreneurship is considered as one of the important economic growth mechanisms that creates wealth and generates growth through employment, invention and diversity. This research adds to academic knowledge in entrepreneurship, especially in terms of stronger literature and information that future research can be built upon.
There is scope to further expand this research by using Quantitative research methodology to generalize the results to other entrepreneurs elsewhere in broader industries as well. Also, the choice of sample in this study includes ‘successful’ entrepreneurs that have been defined based on self-definition. Further research could also involve comparisons among different religions to assist entrepreneurs in different countries.

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