

# Well-being as a staged social responsibility process for business and society

Lance Richard Newey

## Abstract

**Purpose** – *This paper aims to conceptualize how business and society co-evolve their efforts to maximizing the greatest well-being of the greatest number following a conscious-unconscious, staged, dialectical process.*

**Design/methodology/approach** – *This study used a conceptual framework linking eight components of well-being (economic, environmental, social, cultural, psychological, spiritual, material and physical), with stages of consciousness and the co-evolution of business and society.*

**Findings** – *Stages of consciousness – traditionalist, modernist, post-modernist and integral – moderate both the pace and direction with which business and society co-evolve to the greatest well-being of the greatest number across eight components of well-being.*

**Research limitations/implications** – *This is a conceptual framework which integrates existing empirical relationships, but the overall framework itself is yet to be empirically tested.*

**Practical implications** – *The whole process of maximizing well-being can become more conscious for both business and society. This requires making unconscious components conscious and becoming conscious of the inseparability of the eight components of well-being as a counter-balanced set.*

**Social implications** – *Businesses and societies can maximize well-being across eight inseparable components. But implementing this is a staged process requiring progressing populations through stages of consciousness. Earlier stages lay the platform for a critical mass of people able to integrate the eight components.*

**Originality/value** – *Knowledge of well-being is dominated by disciplinary disconnection and bivariate studies; yet, current meta-crises and calls for post-conventional leaders indicate the importance of an integrated multidisciplinary well-being model which explains past efforts of business and society, diagnoses current problems and points towards more viable paths.*

**Keywords** *Well-being, Co-evolution, Business, Social responsibility, Consciousness, Society*

**Paper type** *Conceptual paper*

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The greatest well-being of the greatest number is one of the most important social responsibilities of both business and society. Businesses now pursue financial, social and environmental well-being (Glavas and Mish, 2015; Steurer *et al.*, 2005), while some also call for whole societies to adopt national indices of well-being (Cummins *et al.*, 2003; Diener and Seligman, 2004; Diener, Oishi and Lucas, 2015; Stiglitz *et al.*, 2010). Others critique the unbalanced depletionary development of advanced economies calling for more holistic models, which connect material and spiritual development (Bansal and Srivastava, 2008; Kraisornsuthasinee, 2012). There is substantial inter-disciplinary research along with multi-item scales to guide these efforts (see Cummins and Weinberg, 2003 for a review).

But well-being, despite great advances, remains elusive and at times poorly understood and mismanaged, as shown in the case examples of Fish and Wood's (2017) treatise on the negative consequences of win/lose thinking amongst leaders and the adverse social effects of rapid industrialization in emerging economies (Khan *et al.*, 2013). Within social responsibility literature, the concept of well-being is widely invoked but often ill-specified

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and conceptualized. Turning to the well-being literature itself can offer help, but it is dominated by too much differentiation in the form of extensive bi-variate relationships and/or knowledge developed within disciplinary boundaries and not enough cross-discipline integration. However, many well-being problems such as chronic disease, disempowerment, gross inequality, environmental degradation, poverty, terrorism and civil unrest involve multiple interlocking well-being components, which cut across disciplinary lines. The field of well-being lacks any such integrative theory. How societies progress their well-being over time has been studied, such as in the theory of human development and the progression from materialist to post-materialism (Welzel *et al.*, 2003). We build on these theories to consider a fuller range of well-being components and how their integration/disintegration drives an evolutionary pattern as to how societies go about trying to achieve the greatest well-being of the greatest number.

This paper conceptualizes the co-evolution of business and society as a search for such well-being. Our specific guiding question concerns: How can businesses and societies[1] co-evolve for the greatest well-being of the greatest number? Our definition of well-being is the capacity of an entity to resiliently flourish (Dodge *et al.*, 2012.). Flourishing is about meeting more than basic needs to also be about reaching highest aspirations (Gough, *et al.*, 2007; Huppert and So, 2013; Seligman, 2011). Flourishing resiliently refers to being able to sustain flourishing over the long term and despite obstacles, setbacks and crises. As such, well-being is a way to capture what business and society are ultimately trying to achieve.

What is unique about the concept of well-being within social responsibility is that it forces consideration of how multiple components must combine if societies are to flourish resiliently (cf. Bansal and Srivastava, 2008) including economic (OECD, 2013), social (Keyes, 1998), cultural (Torjman, 2004), environmental (Callicott, 1996), psychological (Ryff, 2014), spiritual (Peterman *et al.*, 2002), physical (WHOQOL Group, 1998) and material (Perry, 2009). As a concept, well-being calls for an understanding of the inter-relationship between these components rather than an isolated consideration of any one of them.

This paper systematically conceptualizes the pattern of how business and society co-evolve to greater well-being by connecting with constructive-developmental theory (Cook-Greuter, 2004; Kegan, 1982; Kohlberg, 1969; Loevinger, 1976; Maslow, 1968; McCauley *et al.*, 2006; Piaget, 1954; Torbert *et al.*, 2004). This literature posits, with empirical support, that consciousness (what people are aware of and can process) develops in stages where each succeeding stage transcends and includes the ability of previous stages to handle more and more complexity (Commons *et al.*, 1998; Gidley, 2007). These stages of consciousness represent distinct worldviews with coherent sets of underlying beliefs and here are studied four such worldviews including traditionalist, modernist, postmodernist and integral (McCauley *et al.*, 2006; McIntosh, 2007). Such worldviews also influence the way both businesses and societies are conceived.

When framed through a constructive-developmental lens, the societal pursuit of well-being is seen as a staged process of increasing consciousness of the need to harmonize the eight components. Each stage has been conscious of some components but not others and also not conscious of their integral, inseparable nature. The theoretical model charts this evolutionary progression. Unconscious components create symptoms driving the search for solutions which incorporate these neglected aspects into the next stage. But key to future well-being evolution is being conscious of the overall dynamic of the need to harmonize the eight components.

The contribution then of this evolutionary well-being view to social responsibility literature is that the whole process of creating well-being can become more conscious for both business and society. Shifting business and society to greater balance and harmony may be a staged process of consciousness development (Fish and Wood, 2017). Moreover, the

eight-component model advanced here offers a well-being-focused approach to social responsibility. The eight components form an integrated multidisciplinary approach to the areas which can suffer negative externalities in the course of business practice, complementing current dominant models such as [Schwartz and Carroll \(2008\)](#). A conceptual paper is needed in order to introduce and detail the conceptual apparatus for a research stream investigating the novel connections between social responsibility, well-being and constructive-developmental theory.

## Societal well-being

Our paper proceeds from the premise that well-being comprises eight inseparable components. These eight components form a unity and symptoms arise when this unity is breached. Economic well-being refers to the health of a society's economy including its ability to provide employment, income, growth, goods and services, innovation and business development ([OECD, 2013](#)). Material well-being concerns the creature comforts of life, the hard assets and facilities that money can buy such as houses, cars, furniture, goods and services, technologies, entertainments and comforts. Social well-being captures how well people live together and can include such things as intimate relationships, family, friends, community participation and empowerment, law and order, integration and safety (cf. [Keyes, 1998](#)). Physical well-being relates to the state of people's physical health including disease control, access to nutrition, water, sanitation and medical care ([WHOQOL Group, 1998](#)). Psychological well-being consists of mental health, positive feeling states, optimism, adjustment to life conditions, functionality, resilience and control/minimization of psychopathology ([Ryff, 2014](#); [Seligman, 2011](#)). Spiritual well-being is about connecting with deeper layers of reality as well as space and time to cultivate spiritual awareness beyond egoic (self-centered) states of existence ([Pargament and Sweeney, 2011](#); [Peterman et al., 2002](#); [Wilber, 2006](#)). Cultural well-being concerns ethnic belonging and identity ([Torjman, 2004](#)). Finally, environmental well-being refers to the state of the natural environment and the quality of the air, soil, biodiversity, carrying capacities, waste management and food security ([Steffen et al., 2011](#)).

Imbalance results from approaches to well-being based on assumptions of separability (the components can be separated and isolated), specialization (emphasizing just one or a few components) and stratification (unequal pursuit of well-being across a population). We see this from the study of current global crises and what they teach us about well-being. Economic growth has gone up in places, while environmental well-being has gone down in those same places ([Rockstrom et al, 2009](#); [Steffen et al., 2011](#)). Economic growth has gone up but so too has mental illness ([Prins et al., 2015](#)). Economic and social globalization can bring more of the world society together but also lead to cultural homogeneity rather than diversity. Other symptoms in societies such as diseases of affluence ([McKeown, 1988](#)), affluenza ([de Graaf et al., 2014](#)) and inequity are manifestations of over-emphasized or underemphasized components of well-being. Such symptoms are clues as to the nature of well-being.

## Societal well-being and stages of consciousness

Numerous researchers have proposed and studied stage approaches to adult development ([Cook-Greuter, 2004](#); [Kegan, 1982](#); [Kohlberg, 1969](#); [Loevinger, 1976](#); [Maslow, 1968](#); [McCauley et al., 2006](#); [Piaget, 1954](#); [Torbert et al., 2004](#); [Van Marrewijk, 2003](#)). Based on the foundational work of [Piaget \(1954\)](#) and [Loevinger \(1976\)](#), "constructive-developmental" theory is concerned with people's constructions about the meaning of their experiences and how these meanings develop more complex over time ([McCauley et al., 2006](#)). [Gidley \(2007, 2010\)](#) offers a review of the history of the notion of the evolution of consciousness in stages as well as an integration of some leading theorists.

What different-stage models have in common is that stages refer to the development of meaning and meaning-making – an evolution of consciousness (Cook-Greuter, 2004; Gidley, 2007; McCauley *et al.*, 2006). People are seen to actively make sense of their experiences rather than just “take it in,” and this sensemaking grows more complex over time in definable stages. Each stage is a way of seeing the world (subject), and the transition to another stage is seen as a process of making a previous subject an object where the viewer can now distance themselves from their previous way of seeing and adopt a more encompassing standpoint (Kegan, 1982). This is referred to as vertical development of societies described as “how we learn to see the world through new eyes, how we change our interpretations of experience and how we transform our views of reality” (Cook-Greuter, 2004, p. 276).

### **The co-evolution of well-being, stages of consciousness, society and business**

In the context of well-being, stages of consciousness each represent particular belief systems about the “good life”, the components of well-being that should be prioritized as well as those that are overlooked or under-emphasized. Stages of consciousness also contain beliefs about the best way to organize business and society for achieving well-being.

Following McIntosh (2007) (Cook-Greuter, 2004; Kegan, 1982), the four stages of consciousness focused on here are traditionalist, modernist, postmodernist and integral. The descriptions of stages of consciousness are generalized profiles. Any one society may be a mixture of those who:

- hold the prevailing stage of consciousness;
- are stuck in a previous stage; or
- on the frontier of change towards the next stage of consciousness needed to deal with the new existential crises emerging.

Each stage acts as a centre of gravity – a world-view shared in common by most members of a population.

A key driver of reaching the limits of one stage of consciousness and propelling the need for transition are the aspects of well-being that are rendered unconscious or less conscious by any one system. What is unconscious in one stage becomes a conscious priority in the next. But what is still left unconscious is that the whole system of behaviour is driven by the seeking of harmony among the eight components of well-being.

#### ***Traditionalist well-being system***

To understand Traditionalist consciousness, it is first necessary to understand the stage that preceded it – the Warrior stage. The Warrior stage, or what Graves (1970) calls the Egocentric level, describes that time in history of the emergence of a mentality which grows beyond the tribe or clan and gives expression to pent up self-assertiveness. Historically, these are early empires and early agrarian societies. But this consciousness also manifests in contemporary societies in the form of those who seek to dominate others through sheer physical force and where life is marked by as much hedonistic satisfaction as possible in this mortal life. Warrior consciousness corresponds to Piaget’s (1954) pre-operational cognitive stage which is largely driven by impulse (Loevinger, 1976).

Those in the warrior stage come to see the possibilities for individual gain through physical superiority. An extension of this privileging of physical superiority is the view that Mother Nature is to be dominated rather than revered. Warrior consciousness is strongly in the grip of a desire for immediate material gratification, believing that right now is all there is (Beck and Cowan, 2006). Here is the birth of a stark contrast between haves and have-nots as a

vertical pyramid power structure emerges through warlords driven to predatory expansion, empire and conquest. A social order contract is achieved though as the few that dared to be self-assertive come to dominate the many. This social contract inheres in the belief of the many to accept domination because their survival is assured through the feudal agricultural system that is established.

In well-being terms then the above picture suggests that those at the Warrior stage of consciousness are more likely to have high focus on material, physical, economic sources as the highest contributors to their well-being and less focus on psychological, spiritual, social, and environmental. This imbalance then eventually climaxes. Maintenance of the polarizing logic for social order eventually poses an existential crisis. Death still faces the haves and the have-nots begin to question why they must live such a miserable existence. This existential crisis persists to the point of triggering a new consciousness if social order is to be maintained. The belief develops that the social contrast between haves and have-nots is part of a directed design, a higher ordinance of the forces guiding humans. The one true religion surfaces as the equalizer and route to peace and everlasting life, thus displacing the focus off earthly fortunes.

It is in this context that the Traditionalist stage of consciousness emerges. Traditionalist consciousness corresponds with Kohlberg's "law and order" stage of moral development (Kohlberg, 1969) and Loevinger's (1976) "opportunistic and conformist" stages of ego development in adults. Traditionalist consciousness is dominated by Piaget's (1954) concrete operational cognitive thought. Traditionalist consciousness dominates in pre-democratic and pre-capitalist societies where systems of law and order are the main priority (refer Table II). Here traditionalist consciousness is seen as a necessary shift to quell the Warrior impulsiveness, the violent anarchy, brutality and chaos of the strong and unbridled hedonism (Beck and Cowan, 2006). The traditionalist stage comes to value law and order, chain of command and a higher authority. Importantly, social order is now maintained by belief in the "One True Way" – a dominant, fundamentalist ideology or religion – where the obedient receive future gratification, while the unlawful will be victims of higher wrath. Pleasure in life comes from allegiance to the "Truth". In the traditionalist stage of consciousness the world is perceived as evil, requiring salvation and law and order (McIntosh, 2007). There is identification with a transcendent higher purpose.

In terms of well-being, the strong spiritual frame of mind helps the many who suffer deprivation to find peace in an economically divided society. An after-life is promised where all injustices will be corrected and those that suffer in the name of the Truth will receive highest honour. Traditionalist consciousness is home to fundamentalism, the literal interpretation of scriptures and a belief in divine selection (DiPerna, 2014). The material and economic suffering of the majority then is counter-balanced by placing greater weight on spiritual, psychological and social sources of well-being. Psychological well-being and self-esteem is achieved through acceptance and approval by the revered group rather than hedonistic rewards. Social well-being rises in importance because the traditionalist stage emerges following a period of anarchy and lack of civil rights. Moreover, social well-being is important after the individual self-centredness of the Warrior stage (McIntosh, 2007). The judgment of others is all-important in defining self (Kegan, 1982).

Cultural well-being is important to galvanize consciousness around territory which can be defended by a sense of camaraderie. Prejudice and fear are directed to those in the out-group. Environmental well-being is also deemed significant as it is seen as God's creation which must be respected and adored for its beauty and divine qualities. Some within the traditionalist stage will place great weight on economic and material bounty and gratifications, a legacy of the Warrior stage. However, these are the few, and the consciousness of the majority is more placed within an overarching spiritual frame which compensates them for the misfortunes of this life.

According to [Laloux \(2014\)](#), some still find refuge in traditionalist consciousness within the contemporary world. The appeal is the sense of certainty, stability and return to traditional well-defined moral values. Such though ignores the considerable inequality which such a stratified and gender-prejudiced society creates. "It can be unpleasant, to say the least, to be a woman, a homosexual, an untouchable, or a free thinker" in a traditionalist society ([Laloux, 2014](#), p. 20).

*Traditionalist businesses.* As with the evolution of societies, the traditionalist stage of consciousness is a layer in the unfolding of organizational experience that gave us vertical structure, stability, chain of command, spans of control and authority by role. [Laloux \(2014\)](#) contends that, because of the emphasis on social stability, traditionalist consciousness brought us organizational breakthroughs such as medium and long-term planning, stable processes and organizational structures that can scale. But these qualities also brought resistance to change. Workers are also perceived as largely lazy, needing command and control systems of rules to extract compliance. The first large corporations of the industrial revolution were of this type and are present today in some public schools and religious institutions:

- P1.* On average, those at the traditionalist stage of consciousness are more likely to have highest focus on spiritual, psychological, environmental, cultural and social sources as the highest contributors to their well-being, while displaying less focus on economic and material.

### ***Modernist well-being system***

According to [McIntosh \(2007\)](#), for higher levels of civilization to be maintained the enduring contributions of the earlier stages must be in place and functioning. Maintaining the enduring contributions of earlier stages is necessary to make the transcendence to higher stages sustainable. Accordingly, Traditionalist consciousness lays an important foundation for economic growth of the next Modernist stage of consciousness. Without a stable base of Traditionalist consciousness in its history, attempts to evolve to higher stages often collapse back into the Warrior stage as a result of corruption and conflict between rival groups. Traditional societies must get regulation, law and order right to have strong regulatory regimes that are not vulnerable to corruption. Hence, the establishing of strong and fair political governance is seen as a pre-requisite to subsequent stages of consciousness. Otherwise, a vicious circle detrimental to well-being can ensue: misuse of proceeds from natural resources (corruption) engenders insurgency and terrorism (social well-being). Wars and insurgency create political instability further threatening sustainability.

Modernist consciousness is seen to emerge at the time of the Enlightenment after the Middle Ages. The emphasis of Traditionalist consciousness on law and order had led to rigid social structures and suppressed egocentrism, innovation and impulsiveness. The under-emphasis in the Traditionalist unconscious on economic and material expansion and hedonism in the present life eventually comes to the foreground for a shift in consciousness. The necessary stability laid down by Traditionalist thinking combined with new energy in the system in the form of new drives for individual expression set five forces into motion:

1. the market economy;
2. utilitarian political philosophy and the rise of the nation state;
3. science as objective and positivist thus supplanting myths;
4. popularization of technology to replace human labour; and
5. rise of the individual in terms of freedom, liberty, rights ([Beck and Cowan, 2006](#)).

The saintly, rigid, sacrificial lifestyle within Traditionalist consciousness begins to wear thin and there is a desire for freedom from constraints. The scientific method begins to call into

question longstanding dogma, thus progressively dismantling old belief systems which curbed hedonistic and material aspirations. With the articulation of the capitalist economic logic the ingredients for individual entrepreneurship are legitimized. The wave of entrepreneurship and innovation enables the rise of a middle class, thus reinforcing and confirming the belief in self-efficacy within this system. While the Warrior stage was egocentric and Traditionalism is ethnocentric, the technological and epistemological revolution that is Modernism opens towards a worldcentric perspective – people are able to take a greater scope into consideration.

A comparison of Traditionalist and Modernist perspectives shows that the central influence of science and capitalism cause a societal shift in consciousness away from a premium on spiritual and social sources of well-being as in Traditionalist consciousness towards economic and material. Indeed, this thing called “the economy” tends to dominate priorities over even that of “society”. The Universe is no longer governed by immutable rules but instead a complex clockwork whose inner workings can be understood systematically (Laloux, 2014). This is Piaget’s (1954) full formal operational cognitive development and the maturing of abstract cause – effect hypothetico-deductive reasoning. Achievement rather than morals becomes the basis for action; the climbing of social and professional ladders.

Traditionalist religious certainties are questioned seeing the spread of Modernist thinking through educated circles. The market economy, technological innovation and individual entrepreneurship put material prosperity into the reach of many; to a level historically unprecedented. Trickle-down economics promises returns will flow to all. More is better and money and asset acquisition become the reason for living and life’s report card (Beck and Cowan, 2006). Psychological well-being is less about institutional and religious acceptance as in Traditionalist consciousness and more to do with individual status as measured by position, power, economic and material wealth as well as hedonistic accumulation. This is Loevinger’s (1967) “conscientious” level of ego development driven by achievement. Individual success in a dog-eat-dog world replaces social and community consciousness. Modernist consciousness still dominates leaders in business and politics (Laloux, 2014).

Loss of faith in spiritual systems leaves a vacancy that is attempted to be fulfilled through material gain on Earth now and in this lifetime. The empirical agenda of science is seen to be a superior epistemology and basis for worldviews underpinned by liberation from group ideologies towards independent rational thinking (McIntosh, 2007). There is a shift away from religion to scepticism, atheism, agnosticism, secular humanism and widespread questioning occurs in the face of growth in critical thinking and access to the findings of science (DiPerna, 2014). Environmental well-being is less a concern relative to environmental domination as science and technology are seen as vehicles to subordinate nature to satisfy limitless human desire for the good life (Pepper, 1996). Cultural well-being is also diminished in significance as the imperative for profit-maximization drives economic globalization and isomorphism in consumer markets and institutions. There is a tension between ethnocentrism and national pride on the one hand and the alluring value of being part of a larger international economy and its networks. However, nationalism is asserted due to the pressure to find a place of advantage in the world system and economy. Science too seems to impart seemingly universal knowledge which transcends national boundaries and unite a larger knowledge community.

Advances in scientific medicine, modern technological conveniences, business model innovations around easing the pains of the consumer, the increase in leisure time and the shift to sedentary knowledge-based work in an information economy reduce the attentional importance given to physical well-being. An ideology of convenience takes over and the reduction in the need for physical exertion perceived as progress.

*Modernist businesses.* Building on the stability of traditionalist organization processes, Modernist businesses leverage scientific discoveries to explore what new worlds are possible. Innovation and entrepreneurship fuel incredible growth and material variation.

According to [Laloux \(2014\)](#), traditionalist organizations are process driven, while modernist businesses are process and project-driven. We see here the rise of R&D departments and marketing and the need to manage their conflicts and tensions. Command and control gives way to greater internal participation in idea generation as fuel for innovation. Also, change management becomes a key consulting industry. The split between senior-level strategic decision-making and lower-level execution takes shape. The achievement motive of employees plus a system of incentives combine to drive higher performance and output. Individuals are not forever destined to remain at lower rungs but have the option to move up the ladder. Individuals can express themselves by forfeiting mainstream organizations and creating one of their own. With the primary importance placed on the health of the economy, Modernist businesses come to possess considerable societal power and influence:

*P2.* On average, those at the modernist stage of consciousness are more likely to have high focus on economic and material sources as the highest contributors to their well-being, less focus on psychological, cultural and physical and lowest focus on spiritual, social and environmental well-being.

### *Post-modern well-being system*

The main contributions of Modernist consciousness are problem resolution through scientific method, pragmatism that lets go of myths, an unquenchable thirst to discover and the release of competitiveness ([Beck and Cowan, 2006](#)). Modernism has brought liberation of individuals, new ground-breaking technologies and the exploration of new ideas and entrepreneurship. But also new existential problems emerge after sustained modernism including unsustainable consumption, global environmental degradation ([MacNeill, 1988](#)), stark inequalities among classes but also minorities and indigenous communities who have been marginalized and who question the whole “development” agenda ([Gudynas, 2011](#)).

Feelings of loneliness and lack of community-mindedness are experienced by many and brought on by constant competition. [McIntosh \(2007\)](#) sees postmodernism as characterized by a high degree of sensitivity – sensitivity to those who have been marginalized or exploited, sensitivity to the natural environment, sensitivity to feminism. Collective guilt begins to appear at the wane of modernism; guilt over excesses and the neglect of those at the bottom of the pyramid ([McIntosh, 2007](#)). [Beck and Cowan \(2006\)](#) identify the main features of the postmodern consciousness as being about exploring inner being of self and others after a period of materialism, the promotion of a sense of community and unity, the fair sharing of resources across the sectors of society, consensual decision-making and the refreshing of spirituality.

As an expression of the Modernist unconscious, postmodern consciousness is expected to place highest priority on environmental, social, physical and psychological well-being. These four are seen to strongly define postmodern consciousness and suffer less countervailing views. This is because these are deemed to be most affected by the excesses of modernism and so become the focus for an antithetical reaction. The excessive resource consumption and pollution of modernism gives strength to environmental sustainability as a primary concern. The excessive and indulgent self-centredness of modernist economics triggers a return to social well-being and a focus on community, egalitarianism, social justice and gender equality ([Wright, 2010](#)). At a lower level of priority, but still important are economic, cultural, spiritual and material well-being. These four either suffer antithetic reactions from the modernist era (e.g. economic, cultural, material) or are on the rise but have not yet become mainstream in consciousness (e.g. spiritual). Though there is some community reaction against an over-focus on economics as the source of all life fulfilment, it remains an important well-being focus in postmodernism as not everyone is prepared to leave the modernist consciousness and many still want to preserve, not lose, the standard of quality of life they have come to enjoy.

A key feature of postmodernism is the breaking out of spiritual and cultural heritages and the embracing of pluralism (DiPerna, 2014). Individuals become more aware of the cultural embeddedness of their worldviews in the face of globalization. There is a spiritual expansion where tolerance is surpassed by the desire to study other systems and achieve hybrids, such as in East and West. Although cultural relativism becomes a dominant ideology in postmodernism, there is the search for universal truth underlying the world's spiritual systems – a perennial philosophy (Huxley, 2009).

Although postmodernism sees the birth of a spiritual renaissance (Huss, 2014), still many are cautious. New spiritual insights need to embrace science and find a harmonious co-existence with them as postmodernist consciousness is grounded in science and not naive to misguided beliefs (McIntosh, 2007). There is much energy and interest in the reconciliation, even new cross-fertilizations, of science and spirituality, but this has not yet quite hit the highest priority.

Cultural well-being is still important to many but it now experiences the countervailing rise of global consciousness as the economic globalization of modernism creates problems of a global nature which require global solutions. Cultural ethnocentrism is seen as not helpful to developing global solutions which require a more cosmopolitan (humanity is a community of common fate) mentality (Held, 2010). Each person is a citizen of the world and owes a duty above all to the worldwide community of human beings rather than just those within an arbitrary political boundary, ethnicity or class (Nussbaum, 1996).

Finally, material well-being is perhaps seen as a cause of much social injustice and loss of spirituality in society and so postmodern consciousness, while valuing modernism's lift out of material need and retaining some material focus, exercises a new restraint where inner capacities become more important than outer things (Beck and Cowan, 2006).

*Postmodern businesses.* Postmodern critiques are the source for organizational innovations such as corporate social responsibility (CSR), sustainability, equal opportunity, affirmative action and social entrepreneurship (Nicholls, 2006). Each of these are a corrective mechanism to the imbalances of modernist organizations. CSR is an outgrowth of the recognition that stakeholders, not just shareholders, are important (Jones and Felps, 2013). The concentration of wealth and power at the top ushers in decentralization, democratic decision-making, empowerment and employee development. The turn to the rights of minorities renders organization culture as equally important as strategy. There is a growing body of research which suggests that leaders operating at the post-modern stage of consciousness are more likely to execute leadership in ways deemed effective for modern corporations (McCauley *et al.*, 2006):

- P3. On average, those at the postmodern stage of consciousness are more likely to have high focus on social, environmental, physical and psychological sources as the highest contributors to their SWB, with moderate focus on spiritual, cultural, economic and material sources.

### *Integral well-being system*

Numerous writers then see the integral stage of consciousness as a leap into a second tier of stages of consciousness (Beck and Cowan, 2006; Graves, 1970). This second tier is the birth of consciousness about the pattern underlying the first tier of evolution from traditionalism to modernism and postmodernism. Torbert *et al.* (2004) argue that transformational change involving systemic reconstruction is only possible by those at later stages of consciousness. Integral consciousness is beyond Piaget's (1954) "formal operational stage" of rational thought into postformal operations which Wilber characterizes as "vision-logic" (Wilber, 2000). Vision-logic includes more both/and as

well as dialectical reasoning which embraces paradox and holding the tension of opposites.

From a well-being systems perspective, Integral consciousness is the start of well-being being recognized as the superordinate goal and the need for harmonization and equal attention to all eight components. According to [McIntosh \(2007\)](#), while each of the previous worldviews takes as their point of departure the problematic life conditions arising from the preceding stage, the life conditions for the emergence of integral consciousness can be found in the set of problems created by all of the previous levels at once. Systemic metacognitive awareness increases which holds all preceding stages as objects of consciousness rather than any one stage alone. There is a stepping outside of the system which has held previous generations unconsciously captive to its logic of well-being.

[McIntosh \(2007\)](#) sees the key push factors towards integral consciousness as residing in the culture war between traditionalism, modernism and post-modernism. More pointedly, he argues that the battle lines are more about a tug-of-war between traditionalism and postmodernism for “the soul of the modernist majority” ([McIntosh, 2007](#), p. 74). Integral consciousness thus sees the strengths and weaknesses of each stage of consciousness. Traditional consciousness brings law and order to unrestrained violence but also creates oppression. Modernist consciousness spurs economic globalization but creates gross inequality and negative externalities in the process. Postmodernist consciousness gives voice to the neglected within modernism as well as the need for better harmony between economic and non-economic goals of life. But postmodernism focuses more on debates rather than real solutions. The fragmentation and pluralism of postmodernism pushes integration into the background unconscious.

Integral consciousness recognizes that within and across populations people are likely to be at different stages of consciousness. However, there is an evolutionary order to the emergence of stages of consciousness, in that each stage represents the well-being system needed for particular existential conditions. While traditionalist, modernist and postmodern stages of consciousness see themselves as the one-right-way, they lack the consciousness of the evolutionary order to their emergence. Integral consciousness is conscious of this evolutionary order. Moreover, this consciousness better understands the role of each stage of consciousness and its associated well-being system in an evolutionary pathway. So, here in the second tier of consciousness, is the dawn of the consciousness of the evolutionary order to stages of consciousness.

Those at Traditionalist, Modernist and Postmodern stages of consciousness are more likely to hold views about well-being that have the following assumptions in common:

- well-being is a place to be arrived at;
- their view is the one best way for human well-being;
- well-being problems are created by other worldviews; and
- other views are inherently flawed and must be avoided.

By contrast, those at the integral stage of consciousness are more likely to hold views about well-being that have the following assumptions in common:

- well-being is an ongoing evolutionary process rather than a final place to be arrived at;
- each well-being system has value for particular life conditions;
- well-being problems are the result of the problems accumulating from all worldviews;

- long run well-being of human populations requires the conscious management of the evolutionary emergence of matches between life conditions, well-being systems and stages of consciousness.

Therefore:

- P4.* On average, those at the integral stage of consciousness are more likely to prioritize the evolution within and between well-being systems linked to a superordinate well-being goal rather than attach to or arrest at any one well-being system profile.

This proposition means that Integralists:

- are conscious of the unity of the eight components of well-being;
- recognize the need for a staged approach to the co-evolution of business and society towards this unity; and
- recognize the role played by each well-being system for particular life conditions.

*Integral businesses.* Integral well-being businesses are likely yet to emerge, however, our framework indicates that they would adopt well-being as their primary value within and outside the organization and adhere to principles of the inseparability, holism, counterbalance, harmony, developmentalism and evolution of the eight components. Modernist critiques of the possibility of integral well-being organizations would question whether businesses should seek to take all eight components into account. Postmodernists would contend that such an aim would be overcome with cognitive complexity and an inability to do justice to all eight components. However, an integral stage of consciousness is both desirous and capable of taking all eight into account. Integralists see each preceding stage as a necessary building block in the building of consciousness to handle more and more complexity, more and more components of well-being.

Integral businesses would create well-being mindfulness, cultures and policies within their organizations. These organizations would consciously seek to counterbalance the components of well-being, staying aware of when they tend too far or too little among the components. Integral businesses would see their people as well-being seekers not as mere economic agents. Organizations are here redefined as structures and processes designed to create well-being value for society. Society would be conceptualized as consisting of individuals who need to pursue their own well-being counterbalance and value creation. Such though can be undone if, while they are doing this at an individual level, they have to work in organizations which, through their very conceptualization, are well-being imbalanced.

The theoretical framework contends then that stages of consciousness play a central role in governing both how quickly business and society can co-evolve to maximizing well-being across the eight components as well as the evolutionary path towards this outcome.

Therefore:

- P5.* Stages of consciousness moderate both the pace and direction with which business and society can co-evolve to the greatest well-being of the greatest number across the eight components of well-being.

## Discussion & implications

Connecting well-being and constructive-developmental theory leads to the proposition that the achievement of multi-dimensional well-being by both business and society is a staged process, correlated with stages of consciousness. Stages of consciousness then become a key leverage point for advancing the contribution of business and society to well-being (Boiral *et al.*, 2014). The arguments above contain testable propositions. Stages of consciousness can be tested using established scales such as the Washington Sentence

Completion Test (Loevinger, 1985). Research can then test if such stages do in fact have corresponding conscious and unconscious components of well-being as per the patterns described above.

### *Implications for the social responsibility field*

Our conceptual analysis recasts the normative role of business and society as agents of eight components of well-being. We are advocating social responsibility researchers who invoke the concept of well-being to be more explicit about its definition, boundaries and components. Our analysis indicates that just looking at the triple bottom line (Elkington, 1997), while a post-modern step in the right direction, still misses consciousness of the dynamics of the eight-component model of well-being as an overarching normative goal. Businesses and societies can more consciously work with the integrated, holistic and counter-balanced dynamics of the eight components. Businesses and societies then become more conscious agents within national and international regimes and indices measuring the well-being of people who are their key stakeholders.

### *Implications for leader development*

Advocating a shift from three to eight components also often raises the critique that managers can often struggle to cope with three components let alone eight and that cognitive parsimony is better for goal setting. However, constructive-developmental theory has been studied extensively at the level of leaders (Brown, 2012; Boiral *et al.*, 2014; Cook-Greuter, 2004; McCauley *et al.*, 2006; Rooke and Torbert, 2005; Vincent *et al.*, 2015). Within leadership research the stages of consciousness are commonly called pre-conventional (traditionalist), conventional (modernist), post-conventional (post-modern) and integral. Leaders at post-conventional stages of consciousness are marked by, among other things, the ability to handle larger systems complexity and skilfully screen the noise to focus on key system parameters such as how the eight components of well-being interact. Moreover, post-conventional leaders recognize paradox requires new thinking that incorporates counter-balance, harmony, shared value (Fish and Wood, 2017). Moving leaders to post-conventional and beyond stages of consciousness is known as vertical development and may form a key pathway for shifting businesses and societies to greater well-being.

## **Conclusion**

In conclusion then, this paper opens new doors for the conceptualization and operationalization of societal well-being as well as understanding how it behaves over time through stages of consciousness. By studying stages of consciousness researchers and practitioners are also able to study underlying well-being systems and how they have evolved to meet different existential conditions. A key hypothesis then is that changes to well-being systems follow a predictable dialectical pattern, which helps us to understand how to build well-being systems for different existential conditions but also consciously guide well-being systems to other stages of consciousness. The latter enables effective problem solving to know how to assist societies whose well-being has arrested. Knowing the stage of consciousness they are at as a society and/or business, the existential conditions and the associated well-being system allows for assessment of values conflict and what is the next stage of consciousness and well-being system they can aspire to. When made conscious as theorized, well-being thus becomes the centrepiece of efforts to build better societies and businesses.

## Note

1. In this paper, "business" refers to profit-maximizing businesses. As far as society goes, we are interested in societal worldviews.

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