



INDIAN KNOWLEDGE SYSTEMS AND MANAGEMENT: INTEGRATING ANCIENT WISDOM WITH CONTEMPORARY BUSINESS PRACTICE

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ABSTRACT

Indian Knowledge Systems, with its millennia of philosophy, spirituality and practice, provide deep insights for the modern management theory and practice. This paper explores the confluence of ancient Indian knowledge systems (Vedas, Upanishads, Arthashastra, Bhagavad Gita and others like Yoga and Ayurveda) and contemporary organisational management. Making use of an integrative and conceptual approach, this study examines the possibility of integrating core principles of IKS into the domains of business strategy, leadership development, HRM and organizational ethics, in a meaningful way. The paper also reviews documented cases of IKS-informed management practices in Indian companies and proposes a hybridisation of IKS and western management paradigms as a way to create more sustainable, humane and culturally appropriate organizational forms. The study adds to the ongoing debate on decolonizing management education and suggests a proposed framework called DHARMA-LEAD which means Indian wisdom in organizational leadership for 21st-century.

KEYWORDS - Indian Knowledge Systems, Management Philosophy, Arthashastra, Leadership, DHARMA-LEAD Framework

1. INTRODUCTION

Today, the world is experiencing a convergence of cultures, epistemologies and paradigms like never before. For decades, management theory has been based on western approaches that have been developed in business schools in the USA and Europe, which reflect the socio-economic realities of industrial capitalism. With the rise of India as one of the largest and fastest developing economies in the world and one of the largest business ecosystems in the world, the Indian ancient knowledge traditions are being increasingly studied for their relevance and contributions to organizational theory and practice.

Indian Knowledge Systems (IKS) comprise a very rich intellectual heritage that has been in existence for over 5000 years. They include philosophy, statecraft, ethics, medicine, mathematics, linguistics, and the arts. Some of the texts like the Rigveda, Arthashastra, Bhagavad Gita, Upanishads, Mahabharata, Manusmriti and economic treatises by Kautilya contain mature thought on leadership, governance, strategy, human motivation, resources allocation, ethics and organizational behaviour, which are concepts that are still strikingly relevant to the challenges of the 21st century in the context of management.

The National Education Policy (NEP) 2020 has clearly stated that the Indian Knowledge Systems (IKS) should be incorporated into the higher education curricula, including management education, in the country. The creation of specialized IKS cells in the universities and Business Schools represents a policy commitment to the use of indigenous epistemologies in developing the Indian management identity grounded in culture and a world-class standard.

2. LITERATURE REVIEW AND METHODOLOGY

2.1 Indian Knowledge Systems in Management Scholarship

Scholarly involvement in IKS in management is not novel. Chakraborty was one of the first Indian management scholars to systematically state the applicability of Vedantic wisdom in the organizational context, especially in terms of values-based leadership and self-mastery [5]. Chatterjee and Nandy examined Indian philosophical traditions as counter-narratives to rationalist western philosophy. Raghuramaraju reviewed the possibility of Arthashastra, a work of Kautilya, as a complete theory of political economy and strategic management [17].

As a document on duty, action and detachment, the Bhagavad Gita has caught the attention of management scholars all over the world [6,7]. The concepts of Nishkama Karma (action without attachment to the result), Svadharma (one's own duty), and the three Gunas (modes of nature)—Tamas, Rajas, and Sattva—have been correlated with leadership styles, motivation theories, and organizational culture typologies. The capability approach of Amartya Sen, though grounded in modern economics, resonates strongly with the conceptions of human flourishing found in IKS [8].

2.2 Emerging Research on Indigenous Management Models

The broader indigenous management studies literature argues that management knowledge should be contextually grounded and that postcolonial nations require management theories aligned with their historical, cultural, and ethical heritage [9,10]. This aligns with the global movement toward decolonizing the academy [11]. In India, Sinha conceptualized the 'Nurturant-Task' model of leadership, integrating Indian relational values with task effectiveness and demonstrating the influence of cultural context on management behaviour [12].

Despite this growing body of literature, a systematic framework for translating IKS principles into actionable management models for business education and practice remains lacking. This paper seeks to address that gap.

2.3 Methodology

This study adopts a conceptual and integrative research methodology. Conceptual research aims to build upon existing theoretical knowledge to generate and present new conceptual frameworks or models [13]. The research question involves the relationship between ancient philosophical concepts and modern management theory, making empirical quantitative methods less appropriate. Therefore, this paper employs systematic literature review, philosophical hermeneutics, and conceptual analysis.

3. KEY INDIAN KNOWLEDGE SYSTEMS ONEPTS AND THEIR MANAGEMENT RELEVANE

3.1 Dharma: Ethics and Purposeful Conduct

Among all IKS concepts, Dharma is perhaps the most fundamental. Derived from the Sanskrit root Dhri, meaning "to sustain," Dharma refers to right conduct, duty, ethical behaviour, and the principles that sustain cosmic and social order. In management, Dharma parallels corporate ethics and purpose-driven business. The Bhagavad Gita's message of Svadharma the right action consistent with one's role, station, and capabilities offers a powerful perspective on professional responsibility that extends beyond contractual obligations.

Corporate Social Responsibility (CSR) and stakeholder theory are closely aligned with the Dharmic principle that organizational actions should contribute to the welfare of society [14]. An organization guided by Dharma prioritizes long-term value creation for society rather than short-term gains for shareholders.

3.2 Nishkama Karma: Action Without Attachment to Outcomes

Nishkama Karma, a concept from the Bhagavad Gita, encourages individuals to perform their duties wholeheartedly without attachment to outcomes. This concept has important implications for human motivation. Traditional Western motivational theories, such as Maslow's hierarchy of needs and Herzberg's two-factor theory, primarily focus on external rewards and individual satisfaction. In contrast, Nishkama Karma promotes an intrinsic orientation centered on the quality of effort rather than the outcome.

Csikszentmihalyi's concept of "Flow," in which individuals become fully immersed in an activity, closely resembles the Bhagavad Gita's notion of "Yoga in action" [15]. Organizations that foster Nishkama Karma may experience greater creativity, lower burnout, and increased innovation.

3.3 Arthashastra: Strategy, Governance, and Political Economy

The Arthashastra, attributed to Kautilya, is a comprehensive treatise on statecraft, economic policy, military strategy, and administration [16]. Modern translations and interpretations have made this text increasingly accessible to contemporary readers [17].

From a managerial perspective, the Arthashastra offers principles relating to executive leadership, competitive strategy, risk management, information asymmetry, and governance systems. Its emphasis on the Rajarshi ideal a ruler who combines wisdom with administrative competence provides a compelling model of transformational leadership.

3.4 The Three Gunas: A Typology of Organizational Culture and Leadership

Organizational culture and leadership come in three varieties: the Three Gunas. Organizational culture and leadership can be typologized – there are three varieties of culture and leadership: the Three Gunas.

The three Gunas (Tamas (inertia, lethargy, darkness), Rajas (passion, activity, restlessness), Sattva (clarity, balance, wisdom)) are at the heart of the Samkhya philosophy which underlies the Bhagavad Gita and many

traditions within the IKS. These can be correlated with typologies of organizational cultures and leadership styles. A Tamasic organization is one that is stagnant, denies any problems, has poor communication, and has disengagement. A Rajasic organization is very active and competitive, but may be ethically questionable, aggressive and chaotic. A Sattvic organization is clear of purpose, ethical in action, collaborative in culture and thinking in the long term.

This three-part model can be used for the diagnosis of an organization and cultural change. Empirical research may be undertaken to determine whether the Guna typology is related to measurable organizational outcomes such as employee engagement, innovativeness, ethical compliance, etc. to test, in an empirical manner, the organizational theory derived from the IKS.

3.5 Pancha Kosha: A Holistic Model of Human Development

The Taittiriya Upanishad describes five dimensions of human existence: Annamaya Kosha (physical body), Pranamaya Kosha (vital energy), Manomaya Kosha (mind and emotions), Vijnanamaya Kosha (intellect and discernment), and Anandamaya Kosha (bliss or transcendence). This framework aligns closely with modern concepts of holistic human development and has significant implications for HRM, learning, development, and employee wellbeing.

Organizations inspired by the Pancha Kosha framework would invest not only in physical health but also in emotional intelligence, intellectual growth, reflection, and meaning-making. Such an approach aligns with the principles of positive organizational scholarship [18].

3.6 Yoga and Mindfulness in Organizational Settings

The Yoga Sutras of Patanjali provide a systematic science of mind management with direct applications to leadership and organizational effectiveness. The Ashtanga Yoga system begins with ethical foundations Yama and Niyama before progressing to physical practices and meditation.

Research indicates that mindfulness practices rooted in the yoga tradition improve attention regulation, emotional self-regulation, decision-making quality, and interpersonal sensitivity, all of which are essential managerial competencies [19,20]. These insights have increasingly influenced leadership development initiatives in major Indian organizations.

4. THE DHARMA-LEAD FRAMEWORK: AN INTEGRATIVE MODEL

This paper takes the concepts of the IKS discussed above and suggests an integrative model for Indian management practice known as DHARMA-LEAD Framework. The framework is built around an acronym of the eight principles of IKS and the eight management competencies:

D – Dharma-Driven Purpose: Organizational mission in the context of ethical duty and societal good.

H – Holistic Human Development: HRM based on the Pancha Kosha integral human flourishing model.

A – Action Without Attachment (Nishkama Karma): Cultures of intrinsic motivation, creative engagement and process excellence.

R – Rajrishi Leadership: The Arthashastra concept of wise-executive with a blend of moral sagacity and strategic acumen.

M – Mindful Decision-Making: Yoga-approaches for contemplative practices to improve managerial cognition and ethical discernment.

A – Adaptive Strategy (Mandala Thinking): Dynamic, Relational Competitive Intelligence using Mandala model from Arthashastra.

L – Long-Term Value Creation: Sattvic organizational culture focusing on sustainability, trust and society value instead of short term thinking.

E – Ecological Consciousness: The recognition of the interdependence and connectedness of human, organizational and natural systems, which is inspired by the Indigenous Knowledge System.

The DHARMA-LEAD Framework is not a substitute for the existing management frameworks, but is a complementary integrative framework that provides a deeper ethic and anthropologic understanding of organizational life. It can be implemented at individual, team and organisational levels (e.g. leadership competency development; team culture and norms; strategy, structure and governance).

4.1. Discussion: Implications for practice and education

The DHARMA-LEAD model serves as a true cultural foundation of management without the need of an importation of foreign models in full by the Indian business leaders. The Tata Group, having over a hundred years of Dharmic business ethics, and newer organizations like Narayana Health, which is an example of exceptional

healthcare delivery innovation that is values-based (IKS) show in practice how life can be managed in a values way.

IKS frameworks will be especially beneficial for family businesses, which make up a large part of the corporate landscape in India, and which value and follow the rule-based governance of successful family businesses that are long-term oriented, relationship-based and ethically driven (Sharma et al., 2012).

Presently, there's a special opportunity and responsibility for the business schools in India to improve its curriculum to include both IKS and western management theory. To transcend the dichotomy of rigor and romanticism is not the same as to broaden the horizons of management education epistemology. It would be a great addition to the management education to have case studies based on the Indian organizational experience in the past and present, courses on the strategy of Arthashastra and Vedic economics, and contemplative pedagogy from the traditions of Yoga.

The introduction of the IKS aspects in the curriculum of the IIM system, XLRI, IMT and other top-flight Indian institutes is starting. Important forums for furthering this academic program are scholarly journals addressing this nexus and the GRRBE with its wide range of topics that include management.

5. CONCLUSION

Indian Knowledge Systems are a massive knowledge pool, which can be tapped for contemporary management theory and practice. In the present paper, it has been shown that these key concepts of the IKS are able to provide a well-supported, intellectually sound, and practically useful contribution to the field of management knowledge, particularly in the areas of Dharma, Nishkama Karma, the strategic frameworks of the Arthashastra, the Guna typology, the Pancha Kosha model, and the Yoga tradition. The proposed DHARMA-LEAD Framework offers a conceptual tool that integrates these ancient insights with a set of organizational principles that can be implemented.

The introduction of IKS into management is no escapist revisionism, but a sensible answer to the real weaknesses of management approaches which are exclusively Western in origin, especially with regard to the lack of attention to ethics, the development of the human being and long-term sustainability. Being an economic powerhouse today, it has become an intellectual challenge and opportunity to develop an indigenous, culturally rich and globally relevant management tradition.

The future research is needed to test empirically the framework elements of the DHARMA-LEAD in various organizational settings, to establish psychometric validated instruments to measure the constructs derived from IKS, and to study the cross-cultural transferability of IKS management principles in multinationals.

6. LIMITATIONS

It is a conceptual study and does not provide any empirical evidence supporting the framework suggested in the study. The scope of traditions in IKS means that in some sense all traditions must be treated at a superficial level. Moreover, it is not possible to avoid a certain degree of interpretation when translating the Sanskrit philosophical ideas into the management constructs. The category of 'Indian Knowledge Systems' is also contested and heterogeneous because of cultural diversity within India itself, both regional and as well as caste, religious and linguistic.

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