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The Goal of Business-A Review Paper

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Introduction of the Study- The main aim of business is to fulfill the need of the human beings to create a harmony. Though this aim is debatable right since its origin. The scholars defines the goals of business in their studies differently. A numerous studies evaluated the concept of sustainable business and its social responsibility towards society and the nature. *Wheeler & McKague (2002)* evaluates the role of the business in development and evaluates the function and responsibility of the NGOs, development agencies and government in the same. The study also evaluates the Social-Global Economic Trends. *Nelson & Prescott (2003)* inspects the role of Business and its role in the Millennium development of the world society. Study attempts the questions that what are the business goals how are they relevant and how the business can achieve them. *Fitzgerald KBE & Mandy Cormak (2005)*, *Modesto & Oliveira (2006)* & *Terziev (2012)*, attempts to investigate the role of the business organizations in the society and their social responsibility towards.

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The Goal of Business-A Review Paper

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I. INTRODUCTION OF THE STUDY

The main aim of business is to fulfill the need of the human beings to create a harmony. Though this aim is debatable right since its origin. The scholars defines the goals of business in their studies differently. A numerous studies evaluated the concept of sustainable business and its social responsibility towards society and the nature. *Wheeler & McKague (2002)* evaluates the role of the business in development and evaluates the function and responsibility of the NGOs, development agencies and government in the same. The study also evaluates the Social-Global Economic Trends. *Nelson & Prescott (2003)* inspects the role of Business and its role in the Millennium development of the world society. Study attempts the questions that what are the business goals how are they relevant and how the business can achieve them. *Fitzgerald KBE & Mandy Cormak (2005)*, *Modesto & Oliveira (2006)* & *Terziev (2012)*, attempts to investigate the role of the business organizations in the society and their social responsibility towards. *Henderson (2005)* investigates the role of the business in the present era with the justified definition of profit oriented organization. The study also attempts to find that how a business can contribute to the social welfare of the society. *Goodwin et.al (2008)* studies the Goals of Economic Activities and the recent trends in the economy. *Pirson (2010)* studies the concept of common wealth to shareholder value maximization and the changing role of the business organizations in the present era. *Porter (2011)* investigated the Role of Business in Society for Creating Shared Value and sustainability. The study attempts to find out the reason behind the disconnection between the Business and Society. *Schaltegger et.al (2011)* evaluates the business models and the drivers which make a business long term sustainable in the society. Study further evaluates the role of radical innovations in the sustainable business. *Aakhus (2012)* evaluates the concept of share value to classify its precincts and limits as an agenda for understanding the role of benevolence and CSR relative to the role of business in society. *Kaur (2013)* investigates the role of agriculture business in building sustainable society and studies the concept of sustainable agriculture with changes occur in it over the

time. *Sangeet et.al (2013)* explores the role of Agriculture in Sustainable economic development in India and India's current position in world agriculture. *Pal & Sahay (2014)* evaluates the role of the private schools in creating a sustainable society.

II. GEOGRAPHICAL BOUNDARY AND METHODOLOGY

Scholars have done their studies in the difference parts of the world. *Fitzgerald KBE & Mandy Cormak (2005)* selected the data of the major countries of the world. *Porter (2011)* has done his study in Costa Rica, Guatemala, Colombia, and Ghana, Kenya. *Kaur (2013)* has done the study in the major agriculture states of Punjab. *Sangeet et.al (2013)* has done her study in the major agricultural states of India i.e., Punjab, Haryana, U.P etc. *Pal & Sahay (2014)* has done their study in the schools of Nepal. Researchers used different methodologies to investigate and evaluate the variables and data for the purpose of the research. *Wheeler & McKague (2002)* selects the Private capital Flow, Foreign Investment Flow, and GDP data as the variables and uses Bar and Charts to show the trends. *Nelson & Prescott (2003)* selects the Education, Health, Food & Manufacturing industry for the purpose of study and selected Poverty, Health, Employment & Business as the research variables. *Henderson (2005)* uses Economic Progress, Business role & Society as the variables for the study. *Modesto & Oliveira (2006)* selects the exploratory method for the study and selects Society, business organization, societal marketing & strategic marketing as major variables for the research. *Porter (2011)* used Food Chain industry, Kenya's Cut Flower Cluster, Nestle, Nespresso, Sports Industry, Whole food markets as sample and Shared Value, Social Dimension as the variables for the research. *Schaltegger et.al (2011)* selects cases for business sustainability; business case drivers; business model; business model innovation & radical innovation for the evaluation purpose. *Aakhus (2012)* used the case study method for the research and selected shared value model, Business, Society and CSR as the variables for the study. *Terziev (2012)* selects Social Responsibility, Transparency, Society and Employees as the variables to evaluate. He selects Education, Health & Service industry as the sample for the study. *Kaur (2013)* uses climate change, crop rotation, organic farming and sustainable development as the factors to study. *Sangeet et.al (2013)* selected Agriculture, Plan Outlay in Agriculture, Population, and Employment across Various

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Sectors in India, Share of Different Sectors in GDP, India's Imports and Exports of Agricultural Commodities as the variable for the purpose of study. The data has been defined with the help of graphs and tables. *Pal & Sahay (2014)* uses empirical method for the purpose of research and selected School heterogeneity, Efficiency, Private school premium, Social objectives and Rural-urban dichotomy as the variable for the study and used Mean, Standard Deviation and Inverse Mill's ratios for the evaluation of the data.

III. FINDINGS OF THE STUDIES

Different findings have been reveal by the scholars in their respective research studies about the sustainable business and its role in the society. *Wheeler & McKague (2002)* address the vital role of the NGOs and government agencies in the development of the society and states that these organizations should take the responsibility to built a sustainable society. Further, study depicts that by supporting new mindsets and new assumptions on business and development, and learning from a myriad of new experiments, we need to prepare to take new chances on our future. *Nelson & Prescott (2003)* argued that the business must make the basic need products and services such as water, energy, nutrition, health-care, housing and education to the society at affordable price at the same time the business can create the employment for the society and help the economic development. Study also insists on the role of business to save environment as well by using eco-environment resources. At the end the research stated that there is a need for the First World (Develop Countries) to understand that they can get sustainable development only when the Third World (Developing Countries) get develop. *Fitzgerald KBE & Mandy Cormak (2005)* finds that the citizen in the society we impact through the way we run our business operations. If we not seen to be committed to the community within which we are allowed to operate, they will make their consumer choices in the favor of others. *Henderson (2005)* indicates in his study that most of the private organizations are still driven by the market-directed economy and do not think about the society and welfare. *Modesto & Oliveira (2006)* uncovers that the company managers should make a connection with the society and understand the need of the customers properly. Research also reveals that the companies who dominate the customers cannot sustain for long term. *Goodwin et.al (2008)* reveals in the study that both extrinsic and intrinsic motivation is required for the balance the economic activities. Study also reveals that the four economic activities named as resource maintenance, production, distribution and consumption are basically related with the three basic questions which are: which products need to produce and how much quantity needs to be produced and how much need to be store; Which kind of process and techniques

used by whom and which ethics and principle should use while the production and distribution system. *Pirson (2010)* unearth in his study that it is important to impart business education and knowledge in students and it is vital to make them aware about the role of the business in the society. Study also reveals that in the present era the shareholders value maximization is related more with the technical skills whether it need to management education oriented. *Porter (2011)* argued that the transformation in the thinking and practice of the corporations in the society is highly needed. The study further reveals that the concept of shared value will be better for the corporation because it leads to sustainable innovation, productivity and economic growth. *Schaltegger et.al (2011)* reveals in his study that to understand the case of business sustainability one has to understand the drivers i.e, costs and cost reduction, sales and profit margin, risk and risk reduction, reputation and brand value, attractiveness as employer, and innovative capabilities of the business, which influenced the societal and environmental activities of the business. Study also argued that the sustainable business model is requisite for create the customer loyal and to fulfill the shared value concept. *Aakhus (2012)* unearth in the study that Shared Value Method is the most practical method for regain the public trust in the corporations and make the business long time sustainable. Study also defines that the connotations for the industries are clear, SVM poses a challenge to NGOs, governments and, in particular, to those who educate future leaders. *Terziev (2012)* depicts in his study that the business is responsible towards the society as long as it is responsible to increase the wealth of the shareholders who all are the part of the society. Further the study indicates that apart from this every business has some natural responsibilities towards the society and the environment and the organizations must comply with these responsibilities. *Kaur (2013)* reveals that there is a need for devising new policies encouraging green farming as an alternative to farming coupled with use of chemical fertilizers, investment in water harvesting, endorsing small farm mechanization, competent water use technologies and using a balanced fertilizer in crop production. Study further explains that improvement in agriculture has to look into the aspects of social equity, environmental sustainability and people's participation. Sustainable enlargement is not only about preserving our resources but also altering our culture to make preservation our way of life. *Sangeet et.al (2013)* reveals in their research that the agriculture is a vital part of the economy and the importance of it cannot be ignored at any cost. Research further indicates that agriculture is still an important source of employment and source of income for a huge population of India. Study suggests the revitalization of corporative institutions, agriculture research and export promotion to develop the Indian

agriculture in a sustainable way. The findings of the research indicates that by sustainable development of agriculture in India scarce and restricted resources can be used optimally and proficiently which will help save the corrosion of environment for the future generations. Pal & Sahay (2014) unearth in the study that socially motivated schools perform farm better than the government and the private schools whether the company run schools are expensive and students score more marks in these schools. The study also suggests that education is vital for creating peace building through social inclusion and cohesiveness.

IV. DISCUSSION

Though a number of scholars have define the role of business and evaluate the influence of various aspect of society on it. But there is a gap visible in all the studies that none of the study is covering all the aspects or level on which human is living which are Individual, Family Society or Nature. The studies are mainly focusing on the smaller goals such as profit, CSR, Environmental concern or society alone. In his study Terziev (2012) argued that the business is mainly responsible towards society but there are other aspects too which a business should deal with. In other study Sangeet et.al (2013) portrays agriculture as the main concern of the business. Though these are the concern of the business but we cannot define these as the goal of the business. There are other scholars too who evaluation business in isolation and argued that the business should be sustainable. The scholars also defined business as a competitive opportunity for providing the customers a better product. Bassiry & Jones (1993) described by giving the reference of Adam Smith's capitalism in their study that a business should be competitive where a number of people compete with each other to fulfill the needs of the buyer. Though it may give the choice to buyer but it also encourage the sellers to manipulate things to get more profit or to win over the competitors. Scholars also reveal business as tool to utilize the human resource for the development of the organization. Florida (2003) gave a theory of creative capitalism. The theory indicates that the firm has to identify a specific group of people with the skills which may benefit the growth for the firm and use the resource properly to lead the race in this knowledge-based economy. It gives an indication that the business is not made for human being but the human exists for fulfilling the business needs. In the other case the researchers discussed that the primary goal of business is to become sustainable. Schaltegger et.al (2011) discussed in his study that to make a business sustainable the business should reduce cost, risk and increase brand value. The study reveals some major issues which are vital for business but not discussed that how to make a business sustainable. Only the risk reduction or cost cutting cannot make a business sustainable but the business have to define its goals properly and then to

fulfill the goals in process to become sustainable. After the depth evaluation of the studies it may be conclude that the business model or the main goal of the business is broader than just mere profit or to concentrate on any one part but the main goal of the business is to create a harmony at all the levels where human society is living.

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