

# Junzi virtues: a Confucian foundation for harmony within organizations

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#### Abstract

The classical literature on Confucianism exhorted leaders to practice five core virtues as the basis for becoming a noble person (Junzi) and for sustaining harmonious communities built on trust and good example. We present a theory about how the senior management in modern corporations, by enacting the five Junzi virtues through virtuous environmental, social, and governance (ESG) policies and practices, might inspire virtue-based relationships between superiors and subordinates and between employees. We argue that if middle managers and employees observe and experience that their firm's ESG policies and practices are virtuous, they would feel encouraged to practice those virtues in their own behavior, and thus embody and promote interpersonal harmony. We provide three types of illustration for our theory. First, we map the five Junzi virtues to the content of a specimen ESG report. Second, we map seven subtypes of servant leadership behavior of middle managers to the five Junzi virtues. Third, we map seven types of employee organizational citizenship behavior to the five Junzi virtues.

**Keywords** Junzi virtues · Servant leadership · Organizational citizenship behavior

#### Introduction

Confucianism (儒教) developed as a philosophy in the Zhou dynasty (1046–256 BCE). Its themes primarily relate to inner virtue, morality, and respect for individuals and the community. Confucianism remains a moral foundation for virtues in Asia (Kwong et al., 2015), where it can influence companies' business management practices (Tian et al., 2020) by providing guidelines for proper behavior and practices (Hofstede et al., 2010).

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The term Junzi (君子) signifies a model of human excellence. It is an honorable appellation given to noble-spirited people, who seek continuously to live up to five core virtues featuring in traditional Confucian literature. The "five Junzi virtues" comprise of the following: (1) benevolence/humaneness as "Ren" (1), (2) righteousness/appropriateness" as "Yi" (義), (3) propriety/harmonious differentiation as "Li" (禮), (4) wisdom/knowledge management as "Zhi" (智), and (5) "trustworthiness/integrity" as "Xin" (信) (Wuchang, 2009). These five Confucian virtues are commonly used to understand management practices (Rarick, 2007). Likewise, the terms "Junzi orientation" (Tian et al., 2020) and "Junzi Corporation" (Kwong et al., 2015, 2016) have been applied to corporations that closely adhere to the five core virtues in their daily operations. For example, Tian et al., (2020, p. 399) explained how two Hong Kong-based corporations have served as exemplars of "Ren." One is Vitasoy, whose founder set up the firm to produce high-protein soymilk as a more affordable source of nutrition than milk. The other is Sun Hung Kai Real Estate Agency, a firm that acted responsibly to provide compensation when customers suffered adverse physical or financial consequences.

Theories about organizational foundations for ethical business behavior have typically drawn on western perspectives. For example, Snell (2001) referred to Aristotle and Kant when envisaging moral foundations for learning organizations, while Snell and Tseng (2002) drew on the Kohlberg stages of moral development to characterize different levels of moral atmosphere in organization. Different models of corporate moral development created by Reidenbach and Robin (1991) and by Lavoie and Culbert (1978) were also inspired by the work of Kohlberg. Scholars have argued, nonetheless, that a Chinese philosophy-based perspective such as Junzi orientation could also be a robust resource for tackling ethical challenges (Liu & Stening, 2016; Tian et al., 2020). There are already some studies on the application of Junzi virtues in business (Cheung & King, 2004; Ip, 2009; Kwong et al., 2015, 2016; Romar, 2002; Tian et al., 2020, 2021). However, to the best of our knowledge, there has been relatively little discussion of how the manifestation of the Junzi virtues in a firm's environmental, social, and governance (ESG) policies may, through emulation and empowerment, induce pro-social behavior and harmony within modern corporations.

Traditional Confucianism holds that by adhering to the five Junzi virtues, rulers can induce harmony among the populace and govern in peace. In this paper, we set out a corresponding theory of how harmony within a firm can be induced through good governance underpinned by the five Junzi virtues, mediated by servant leadership by managers and organizational citizenship behavior (OCB) by employees.

We shall make the following assumptions about a modern Junzi-oriented firm. First, ethical leadership is openly practiced by senior managers, who seek to embed the five Junzi virtues into the culture of the firm (Ip, 2011). Second, a Junzi-oriented firm aligns its goals, strategies, and principles with these core virtues, which are also embedded in the firm's structures, procedures, rules, and regulations, thereby supporting virtuous decisions (Ip, 2011; Kwong et al., 2015). Third, organization members within a Junzi-oriented firm are motivated to act consistently with these virtues. Fourth, harmony is thereby fostered and maintained within the firm. Chou and Cheng (2020) provided an illustrative case study



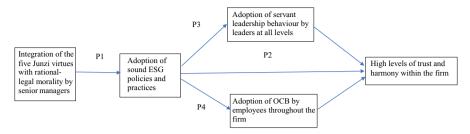


Fig. 1 Envisaged relationships between responsible ESG policies and practices, servant leadership, OCB, and harmony

of "Company S," a real estate firm based in Taiwan, whose founder, "Mr. C," sought to instill "Ren," "Yi," "Li," "Zhi," and "Xin" throughout the firm as a source of harmony and the common good. He pursued this noble agenda by putting people first, prioritizing righteousness over profitability, setting ethical regulations, leading by example, cultivating virtues and competence, and insisting on integrity and honesty in all dealings by the firm.

This review-cum-research paper has three aims. First, we seek to clarify the meaning of the Junzi corporation and the associated framework of five Junzi virtues. Second, we provide practical examples of the expression of Junzi virtues at the level of corporate policy and practice, and in managerial and employee behavior. Third, we argue that social harmony can be improved by aligning ESG practices with Junzi virtues and by fostering adoption of Junzi virtues in human interactions between managers and employees within companies.

In the rest of this paper, there are five main sections, plus a conclusion. First, we explain the five Junzi virtues, summarize prior studies on their role in business, and explain the importance of integrating them with rational-legal morality. Second, in a section on Junzi virtues and environmental, social, and governance (ESG) practices, we argue toward Proposition 1, that the five core Junzi virtues provide a strong foundation for ESG policies and practices, and we provide a worked example of how they can be mapped to the content of an ESG report. Third, in a section on Junzi virtues and human relations, we argue toward Proposition 2, that an ESG culture permeated by the five Junzi virtues induces harmony by encouraging middle managers and employees to adopt Junzi virtues in their human interactions. Fourth, in a section on Junzi virtues and servant leadership (Liden et al., 2008), we explain and illustrate types of servant leader behavior, map them against the Junzi virtues, and develop Proposition 3, about the impact of a Junzi-oriented culture on the adoption of servant leadership behaviors. Fifth, in a section on Junzi virtues and organizational citizenship behavior (OCB) (Organ, 1997), we explain and illustrate some common types of OCB, map them against Junzi virtues, and arrive at Proposition 4 about the impact of a Junzioriented culture on the adoption of OCBs. In our conclusion, we acknowledge the limitations of the analyses provided in this paper and propose further research. The inter-relationships among the key factors and variables associated with the four propositions are represented in Fig. 1.



#### Confucianism and the five Junzi virtues

The philosophy of Confucianism was first developed in the sixth century in China, based on the teachings of Confucius, also known as Kongzi (孔子). These emphasized the importance of kindness, respect, honesty, education, and close family bonds (Van, 2020). The story of Confucius can be found in the famous book, *Chronicles of Sima Qian* (Kim, 2003). There is general agreement that Confucius was born in 551 B.C. in Qufu, China, and died in 479 B.C. (Kim, 2003). He received his education at schools for commoners (Van, 2020), where he studied under the guardianship of Lao Dan and another Daoist Master (Zhang, 2003).

Confucius' "Five Books" (also referred to as the "Five Classics") constitute his signature works, namely, *Shi Jing*, *Classic of History*, *Yi Jing*, *Lin Jing*, and *Classic of Rites* (Zhang, 2003). Confucianism has been interpreted from various angles as a secular-humanist belief system, religion, social code, system of ethics, and way of life (Mark, 2020). During the Han Dynasty, Han Wu De commanded that the country should treat Confucianism as the state religion, and as a basis for ideology. Subsequently, Confucius became the main subject of worship. Confucianism continued to flourish throughout the Tang and Sung Dynasties, and during this period, applicants for the civil service were required to pass examinations based on the fundamental texts of Confucianism. Furthermore, displaying Confucius' writings in one's home was considered a hallmark of an educated person (Van, 2020).

Confucius and his followers, including Mencius (Mengzi 孟子) and Xunzi (Hsun Tzu 荀子), believed that the difference between humans and other animals was based on the sense of morality and justice, and that treating others with respect and taking care of people in need are the fundamental factors that underpin a harmonious society. Confucianism has been a deep-rooted source of influence on politics, religion, education, and family life not only in China, but also across Asia (Kim et al., 2017). Li et al. (2016) argued that macro-factors, such as philosophy and religion strongly, impact organizational patterns and management styles in China. Although Confucianism was condemned as a retrogressive ideology that stunted economic and political advancement in China in the late middle part of the twentieth century (Fetzer & Soper, 2014; Shin, 2011), a subsequent surge in economic growth in East Asia challenged this negative perspective on Confucianism as a cultural root (Hofstede & Bond, 1988). Tian et al. (2021) argued that the Junzi orientation significantly enhances a firm's reputation and business performance.

Confucianism regained the respect of Chinese authorities when its beneficial effects were observed in the growth of neighboring nations' economic and political power (Bell, 2010; Paramore, 2016). Since its revival in China, Confucianism has made a major contribution to economic growth there (Bell, 2010), and remains a basis for developing appropriate social values in China and other Asian societies, such as Korea, Japan, and Vietnam (Van, 2020). We consider that an emic framework such as Junzi orientation may offer useful insights into the relationship between socially responsible governance, and pro-social leadership and organizational behavior in Asian firms (Tian et al., 2020; Woods & Lamond, 2011), and perhaps even globally.



In Confucianism, the five Junzi virtues, i.e., "Ren" (仁), "Yi" (義), "Li" (禮), "Zhi" (智), and "Xin" (信) are considered to underpin harmony in society, and correspond to the five Chinese elements, comprising earth, wood, fire, metal, and water (Van, 2020). As explained by Koehn (1995), virtues refer to the attributes that an individual ought to have but do not specify the actions that an individual ought to take. Whetstone (2001) stated that virtues are akin to the internal values of an individual because they form individual character.

"Ren" ((=) refers to benevolence, humaneness, consideration, sympathy, and compassion (Cua, 2007). People with "Ren" show "affectionate concern for the wellbeing of humanity" (Cua, 2007). When Fan Chi asked about the meaning of "Ren," Confucius characterized it is as the inclination "to love all men" (Analects, 12.22; Legge, 1981). Commitment to "Ren" involves seeking to embed benevolent conduct and moral sentiment in all one's social interactions and relationships with others (Ip, 2009).

Beyond being good *to* others, people with "Ren" also try to promote the good *in* others (Cua, 2007). This is illustrated by Confucius's saying "The superior man seeks to perfect the admirable qualities of noble men (美), and does not seek to perfect their bad qualities (惡). The mean man does the opposite of this" (Analects, 12.16).

"Yi" (義) refers to righteousness, which means taking actions that are considered as correct by nature. It also refers to people's internal disposition to do things that are morally correct and to their temperament and sensibility for doing so in a competent manner. People with "Yi" concern themselves with engaging in right conduct that is fitting or appropriate for a particular situation (Cua, 2007). Confucius emphasized the importance of following the right conduct of "Yi" with repeated sayings that a man when in situations of obtaining personal gains, he should instead think of righteousness (Analects, 14.13, 16.10).

"Li" (禮) is described as the observance of rites. "Li," according to the Encyclopedia Britannica (2021), was originally construed as the court liturgy or set of rites that were followed as means to maintain cosmic harmony in the community. Cua (2007) argued that "Li" is "fundamentally a code of formal rules of proper conduct." Ip (2009, p. 464) suggested that the virtue of observing "Li" means adhering to legitimate (i.e., consistent with "Yi") social etiquette, norms, and protocols, and we infer that this entails refraining from actions that might constitute social abrasiveness and seeking instead to build up harmonious relationships. Ruangkanjanases et al., (2014, p. 355) defined "Li" as "doing everything properly," i.e., in an appropriate manner. In the Analects, the essential function of "Li" is to achieve harmony and unity; as the philosopher You Zi in the Analects (1.12) said, "In practicing the rules of propriety, a natural ease is to be prized." From Romar (2002), we may draw the implication that "Li" entails polite and respectful cooperation with others in operating organizational routines, while Poon et al. (2021) extrapolated from this

<sup>&</sup>lt;sup>1</sup> All the direct utterances in the Analects are translated by James Legge in "The Chinese Classics, volume 1: Confucian Analects" in 1861. Available online in 2009 at https://www.gutenberg.org/files/4094/4094-h/4094-h.htm



that a corporation with "Li" would seek to maintain harmony by creating all-win situations and mutual benefits vis-a-via all stakeholders.

"Zhi" (智) refers to moral wisdom, i.e., the ability to acquire knowledge and, armed with such knowledge, to analyze, judge, create, and think wisely. It has been argued that only people with "Zhi" can apply morality to benefit others. Confucius said of the Junzi, "The wise are free from perplexities" (Analects, 14.28; Legge, 1981). People with "Zhi" can make right decisions among alternatives (Woods & Lamond, 2011). Wisdom entails having the ability to assess complex and uncertain situations, analyze and judge the changing circumstances, and arrive at appropriate and effective responses (Thompson, 2007).

"Xin" (信) entails good faith. Wang et al. (2020) explained that the construction of the Chinese word (信), is a compound of "Ren" (人), i.e., human being / person, and "speech" (言), and therefore alludes to coherence and consistency between one's talk and actions. The Western expression is "walking the talk." The most fundamental meaning of "Xin" (信) is "being true to one's word." Sung (2020) stated that "Xin" (信) is closely connected to "Zhong" (忠), i.e., loyalty, and "Cheng" (誠), i.e., sincerity/wholeheartedness. Chen (2018) considered that the concept of "Xin" (信) encompasses the associated values of honesty, sincerity, integrity, trustworthiness, and faithfulness.

#### Interrelationships between Junzi virtues

Regarding the relationship between "Ren" (仁) and "Yi" (義), Mencius (孟子) once said, "Ren is the heart and Yi is the path" (Ruangkanjanases et al., 2014), which means that "Yi" (義) is the correct course of action developed from a benevolent heart. Ruangkanjanases et al. (2014) suggested that the relationship between "Ren" (仁) and "Li" (禮) is that "Ren" is the foundation for developing "Li," and that abiding by "Li" (禮) is an appropriate means for expressing "Ren." "Zhi" (智) is related with "Yi" as people need intelligence if they want to make a wise judgment on right or wrong (Liu & Stening, 2016). "Zhi" is also required to ensure that people develop shared understandings on "Yi and Li" (Ruangkanjanases et al., 2014).

#### Prior studies on Junzi virtues in business

Previous papers involving conceptual work, case studies, and instrument development and correlational studies on Junzi virtues in business are summarized in Table 1. These papers are discussed below.

Conceptual papers Romar (2002) argued that Confucianism is a good source of moral standards to guide hierarchical and cooperative relationships and that embracing Confucian values and virtues would be highly conducive to corporate social responsibility, regardless of the location of the firm and irrespective of the ethnicity of its managers. Four other conceptual papers on Junzi virtues have focused, instead, on Asia-based firms. Among these other papers, Tian et al (2020) argued that a "Junzi Corporation," i.e., a firm with strong adherence to the five Junzi virtues,



Table 1         Prior studies on Junzi virtues in business	ınzi virtues in business			
Authors and dates	Organizational levels, functions Focal firms, individuals, locations, industries	Focal firms, individuals, locations, industries	Methodology, data sources	Arguments/findings
Cheung and King (2004)	Cheung and King (2004) Owners of small to medium sized Entrepreneurs in miscellanebusiness firms ous industries: Subscribing traditional Confucian value located in Mainland China, Hong Kong, Taiwan, Singa and Malaysia	Entrepreneurs in miscellaneous industries: Subscribing to traditional Confucian values, located in Mainland China, Hong Kong, Taiwan, Singapore, and Malaysia	Interviews focusing on the values Provided rich illustrations of the of 41 individuals, along with document analysis and stake- holder testimonials of "Yi" in the face of pressures for instrumental rationality. The entrepreneurs tended to adhere to "Yi" even in contexts where competitors or officials were exploiting weaknesses in the ru of law	Provided rich illustrations of the entrepreneurs' determination to uphold the Confucian virtue of "YI" in the face of pressures for instrumental rationality. The entrepreneurs tended to adhere to "YI" even in contexts where competitors or officials were exploiting weaknesses in the rule of law



Table 1 (continued)				
Authors and dates	Organizational levels, functions	Focal firms, individuals, locations, industries	Methodology, data sources	Arguments/findings
Chou and Cheng (2020)	Leadership by the founder-CE, customer service, internal auditing, human resource management, and human resource development	"Company S," prominent in the real estate industry in Taiwan, and led by "Mr. C."	Case study. Data sources comprised: interviews with the founder, ten managers, and two customers; consultant observations; and archival data, including company documents, magazine articles, case reports and biographies of Mr. C	Developed and illustrated the concept of Confucian humanistic leadership and distinguished this from paternalistic leadership.  Confucian humanistic leadership entails authentically caring about the interests of all stakeholders and cultivating employees as humanistic agents. This was shown in Mr. C's leadership and its impact on employees, customers, and the industry.  Mr. C is portrayed as seeking to embrace "Ren," "Y1," "Li," "Zhi," and "Xin," and Company S as seeking to help build a harmonious society. The paper provided specific examples of the adoption of the five virtues. Mr. C has adopted two strategies for cultivating humanistic behavior by employees. First, socialization though role modeling, mentorship, training, and seminars; second, through symbolic activities such as ceremonies recognizing heroes, and storytelling



Table 1 (continued)				
Authors and dates	Organizational levels, functions	Focal firms, individuals, locations, industries	Methodology, data sources	Arguments/findings
Ip (2002)	Leadership by the founder-CEO, corporate culture development, human resource management, and human resource development	Weizhi Group, an apparel manufacturer and wholesaler with several side businesses, headquartered in Xi'an, China, with operations in multiple provinces, and with over 2400 employees	Case study. Data sources comprised: interviews with the CEO and heads of department; a survey completed by 49 employees at the HQ; along with analysis of documents, including the company newsletter and the CEO's autobiography	Referred to Weizhi as a "virtuous corporation" and considered that the founder-CEO's leadership has played a signature role in the development of the company culture, through nurturance and role modeling. The core beliefs of the founder-CEO are rooted in Confucianism, and among them, three correspond to "Ren," "Xin," and "Zhi." Confucian values form the "software" component of the corporate culture. Institutional rules, regulations and procedures that embody the Legalist tradition in Chinese morality form the "hardware" component of the culture. Weizhi's department of corporate culture manages the processes of employee selection, socialization, and training. Employees indicated favorable perceptions of the firm's ideals and culture



Table 1 (continued)				
Authors and dates	Organizational levels, functions	Focal firms, individuals, locations, industries	Methodology, data sources	Arguments/findings
Ip (2003a)	Leadership by the CEO; structures to support effective human resource management	Double Star Group, a state-owned case study. Data sources shoe manufacturing enter- comprised: interviews v prise with 35,000 employees, CEO Wan Hai and othe managers; an employee shandong province, China of company documents publications	Case study. Data sources comprised: interviews with CEO Wan Hai and other senior managers; an employee survey with 229 replies; and analysis of company documents and publications	Analyzed the managerial methods of the CEO and their impact on the moral and economic development of the firm. The CEO has identified "Ren," "Li," and "Zhi" as guiding virtues. There is a management committee for corporate democracy, comprising full-time elected employee members. That committee has initiated managerial promotions and demotions, and most middle managers have been selected by workers. The committee has also endorsed new company rules developed through consultation. The survey indicated considerable support for the company's adoption of ethical principles and for the strong moral approach of the CEO



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Ip (2003b)	Leadership at the most senior level and its impact on corporate culture and business ethics	Vantone Group, based in Beijing, the main businesses of which are real estate and financial services. The firm also has operations in retail, consultancy, entertainment, hotels, and restaurants. There are branches in various provinces of China, plus some overseas	Case study. Data sources comprised: an interview with the Chairman, Feng Lun; a survey of employees from three subsidiary companies with 107 replies; and analysis of the company's newsletter and annual reports	Analyzed the values of the company, which draw from both Confucianism and Taoism, as instilled by the Chairman, and their impact on the firm's corporate culture and business ethics, as perceived by employees. While the article uses English terms to refer to salient Confucian values, these include "Ren," "Xin," and "Zhi." It appears that the firm also requires adherence to internal rule of law and the associated rules and principles. The employee survey indicated that the overall leadership culture was perceived as ethical, and that this was regarded as conducive to building trust, cooperation, harmony, loyalty, and morale

Table 1 (continued)				
Ip (2009)	Leadership at senior levels; human resource management	Considers primarily Mainland China, extending to Taiwan, Hong Kong, Singapore, and other places influenced by Confucianism	Conceptual analysis	The first part of the paper identified "Ren," "Yi," and "Li," and Junzi-oriented leadership as ideal properties of Confucian firms. The second part explained that nepotism, corruption, and authoritarianism constitute the "shadow side" of Confucian firms. The third part argued that avoiding the shadow side requires institutionalization of global norms and protections for corporate social responsibility and human rights
Jp (2011)	Leadership at senior levels, dealing with issues of environmental protection and labor rights	Considers primarily Mainland China, extending to Taiwan, Hong Kong, and Macau	Conceptual analysis	Explained the role of "Ren" "Yi," "Li," and the Golden Rule in Junzi-oriented leadership. Identi- fied limitations of relying on vir- tues alone for ethical leadership, because of traditional authori- tarianism and biases against out- groups. Pointed to statements of universal principles developed by global organizations as reference points for policies on labor rights, environmental protection, and anti-corruption



Table 1         (continued)				
Kwong et al. (2015)	Marketing for customer loyalty	Covered Hong Kong firms in transportation, public service, supermarket and other retailing, food and catering, and recreation and travel service	Instrument development and a questionnaire survey of the perceptions of 276 Chinese customers about 16 locally headquartered firms	Invoked the concept of the Junzi corporation, where managers and employees strive to develop noble character. Also argued that the application of rules and regulations complements adherence to the Junzi virtues. After providing detailed definitions of the Junzi virtues of "Ren," "Yi," and "Li," the authors report the development and testing of scales for measuring their incidence as perceived by customers. Survey findings suggested that these perceived virtues are drivers of customer loyalty
Kwong et al. (2016)	Marketing: customers and other stakeholders	Covered Hong Kong firms in food, catering, supermarkets, and other retail	Instrument validation based on the perceptions of 289 custom- ers about 13 locally headquar- tered firms	Gave definitions and illustrations of the Junzi virtues of "Ren," "Yi," and "Li." Provided further evidence of the validity of measurement scales (Kwong et al., 2015) that operationalize Junzi into these three related yet independent factors, as perceived by customers



lable I (continued)				
Liu and Stening (2016)	Leadership at senior levels; structures for internal corporate regulations, management education	Firms in China	Conceptual analysis	Gave definitions of the five Junzi virtues, "Ren," "Yi," "Li," "Zhi," and "Xin," Argued that the "dark side" of Confucian morality can only be turned into a source of enlightenment if the virtues are combined with the introduction of codified ethics, as in Legalism, and if there is a clear focus on individual responsibility
Poon et al. (2021)	Harnessing innovations to serve and retain customers	Hang Seng Bank, a Hong Kong listed firm	Interview with a senior manager plus document analysis	The authors provided illustrations of the use of "Zhi" to improve customer service. These included being the first bank in Hong Kong to adopt e-ticketing and e-appointment service, and launching web-enabled services to facilitate money management and investment
Romar (2002)	Leadership responsibilities at senior levels, channel management and product development	H. B. Fuller, a U.S-headquartered multinational with glue manu- facturing operations in South America	Conceptual analysis. This is augmented by a document-based case study of a firm, whose product has been implicated in substance abuse by vulnerable children	The author argued that application of the Confucian precepts such as the Golden Rule and the virtue of "Li" should guide responsible corporate management and would help prevent harm to affected stakeholders



lable (continued)				
Tang and Xie (2021)	Corporate branding for consumer marketing	Hong Kong-based corporations across seven service industries	Interview-based surveys conducted as street interviews with thousands of members of the public as consumers over a tenyear period	The authors summarized survey findings indicating that from the consumer's perspective, a firm's perceived adoption of the five Junzi virtues was conducive to product/service evaluation, satisfaction, repurchase intention, and reference likelihood. In addition, firms that were perceived by customers as being high on the virtue of "Zhi" were also perceived by them as charging prices that are fair and as offering good value for money
Tian et al. (2020)	General management	Hong Kong, Mainland China, and USA	Conceptual and textual analysis and case study	The authors proposed the concept of Junzi orientation, involving a firm's adoption of the virtues of "Ren," "Yi," "Li," "Zhi," and "Xin," as a culturally appropriate market orientation for firms based in East Asia. They defined the virtues with reference to classical texts, and modern scholars' interpretations thereof, and suggested some contemporary corporate examples and counterexamples. They proposed the causal model tested in Tian et al (2021)



Table 1 (continued)				
Tian et al. (2021)	Junzi orientation for corporate	Covered various industries in	Instrument development and	The authors developed and
	branding and strategic market-	Hong Kong	questionnaire survey with 423	validated an 18-item scale,
	ing		respondents in senior manage-	in Chinese and English, with
			ment positions in various	subscales measuring "Ren," "Yi,"
			industries in Hong Kong	"Li," "Zhi," and "Xin." This was
				administered as part of a wider
				survey, which also measured
				stakeholder orientation, corporate
				reputation, and perceptions of
				business performance, as per-
				ceived by senior managers. The
				rated aspects of business perfor-
				mance comprised: performance
				relative to strongest competitors,
				employee satisfaction, customer
				satisfaction, market performance,
				financial performance, and inves-
				tor satisfaction. Survey findings
				suggested that Junzi orientation
				has a substantial association,
				mediated by corporate brand
				reputation, with the above-
				mentioned aspects of business
				performance



would not only create greater satisfaction for customers, employees, and investors, but would also achieve superior market and financial performance. They contrasted this ideal set-up with the lack of "Yi" manifested in the 2008 Chinese infant formula scandal that involved the now-defunct Sanlu Group, a milk producer. To pursue profits, managers in that firm colluded in adding Cyromazine (a melamine derivative) to the milk, which adversely affected the health of around 300,000 infants, six of whom died.

Ip (2009, 2011) argued that although the Junzi virtues are potentially benign sources of corporate ethics, in order to have positive effects they must be augmented by universally accepted, codified norms of corporate social responsibility, and human rights, such as the Caux Roundtable Principles of Business, and principles developed by the United Nations. Liu and Stening (2016) regarded codified norms and principles as essential institutions for strengthening "Yi" and like Ip (2009), they warned that if these are not adequately institutionalized, the consequence would be that authoritarianism, nepotism, disregard for human equality, and neglect of basic human rights would ensue and would likely diminish a firm's adherence to "Yi."

Case studies of individuals and corporations Cheung and King (2004) focusing on a sample of 41 individual "Confucian entrepreneurs," operating in the PRC, Taiwan, Hong Kong, Singapore, and Kuala Lumpur, analyzed how the entrepreneurs were struggling to apply the virtue of "Yi" so as to align their business activities with a life course that they felt was meaningful and righteous. These individuals espoused that even when facing temptations or extortion, they attempted to resist the domination of instrumental rationality, and to uphold high moral standards.

In three articles, Ip (2002, 2003a, b) presented single case studies of virtuous Chinese corporations, whose founders had sought to cultivate Junzi virtues among employees and embed them into the respective corporate cultures. Besides acting as role models, the founders had, between them, instituted various supporting structures. These included a department of corporate culture (Ip, 2002), a management committee for corporate democracy (Ip, 2003a), and a substantial body of rules and principles (Ip, 2003b). We may regard such institutions as means for strengthening "Li" and "Yi."

Chou and Cheng (2020) undertook a case study of "Company S," mentioned earlier in this paper, whose founder, "Mr. C," sought, through socialization and symbolic activities, to instill all five Junzi virtues into the normative fabric of the firm. Like the firms studied by Ip (2002, 2003a, b), Company S has not depended on character virtues alone, but has also embraced strict ethical regulations to ensure fairness and prevent harm. Also, Poon et al. (2021) analyzed how Hang Seng Bank in Hong Kong has applied "Zhi" in adopting innovations to serve and retain customers.

Instrument development and correlational studies Kwong et al. (2015, 2016) developed scales to measure customer perceptions of a corporation's adoption of three Junzi virtues, i.e., "Ren" (仁), "Yi" (義), and "Li" (禮) in dealings with customers, and they reported on the findings of two surveys that were conducted to validate the scales. Kwong et al. (2015) found that customers' loyalty was based not only on their



perceptions of high quality and good value products or services, but also on their perceptions of the degree to which corporations are perceived to adhere to "Ren," "Yi," and "Li." Tang and Xie (2021) reported that extensive consumer surveys indicated that perceptions of Hong Kong firms' adoption of the five Junzi virtues were positively correlated with favorable perceptions about those firms' products/services and the prices and value for money thereof. Tian et al. (2021) administered a different set of measurement scales for all five Junzi virtues to senior managers about their perceptions of their own firms. They found that Junzi orientation was perceived to have generally favorable impacts on employee satisfaction, customer satisfaction, and a range of other indicators of business performance.

#### **Humanizing the modern corporation**

The studies summarized above indicate that the five Junzi virtues are likely to be a strong source of corporate ethics and social responsibility, so long as these virtues are exercised in conjunction with adherence to universally accepted norms and standards that seek to protect human rights and stakeholders' legitimate interests. In this brief section, we shall address a potential concern, arising from the neo-liberal conception of the nature of the modern corporation.

According to neo-liberal ideology, a corporation is nothing other than an asset owned by individual shareholders, whose economic interests take primacy over the needs and interests of other stakeholders. If this neo-liberal conception is assumed to be legitimate, it would present a challenge to the virtue of "Ren," which entails benevolence toward all stakeholders. The neo-liberal conception of a modern corporation has, however, been strongly criticized on the grounds that it is a political ploy that ignores moral claims of other stakeholders, such as suppliers, creditors, and employees, who have made substantial contributions and investments of resources in co-creating and maintaining assets that are ascribed to the corporation (Paranque & Willmott, 2014; Veldman & Willmott, 2013). This criticism of the neo-liberal conception reflects an alternative definition of the modern corporation as "a network of social and productive relationships" (Ireland, 1999), which we regard as more compatible with the humanistic commitments of the Junzi corporation, one that is honor-bound to respect the interests of multiple stakeholders, who have contributed to and are dependent upon the corporation's development.

We shall now go on to argue that both this humanistic conception of the modern corporation, and the combined moral power of the Junzi virtues and universal ethical norms and standards, are well-aligned with recent developments in corporate governance.

## Junzi virtues and ESG reporting

Corporate governance has been defined as the set of rules and practices that direct and control a corporation toward its goals and objectives, while encompassing a broad web of relationships between the focal corporation and its diverse



stakeholders (Solomon, 2007). The traditional conception of corporate governance was that of ensuring that the firm continually targeted profit maximization, reflecting the neo-liberal ideology. More recently, corporate governance has come to be redefined as ensuring that the interests of other stakeholders such as employees, customers, and the community are also fully respected (Yung, 2021). Reflecting this development, we use the term environmental, social, and corporate governance (ESG), which is not only about legal compliance, but also entails the adoption of arrangements that are conducive to the common good, such as accountability, transparency (Bain & Band, 2016) and sustainability (Elkington, 2006).

The environmental component of ESG casts companies as stewards of nature, responsible for reducing environmental risks through their daily operations across all supply chains. Associated responsibilities include preserving scarce natural resources and habitats, reducing greenhouse gas emissions from energy use and industrial processes, and humane treatment of animals. The social component of ESG requires that companies commit to responsible management of relationships with multiple stakeholders such as employees, customers, suppliers, and members of the communities where they operate. For example, responsible management of employee relations includes emphasis on cooperation and mutual benefit, safe and healthy working environments, and respect for employee diversity and gender equality. The governance component of ESG emphasizes the need for fairness and transparency regarding matters such as executive pay, senior leadership appointments, and prevention of bribery and corruption (Plan A Academy, 2021).

Responsible ESG has gained recognition as a corporate imperative for several reasons. First, companies are facing increasing pressure in that direction from legislators, investors, consumers, and media. Second, responsible ESG has become an attractive branding factor for companies and employers. Third, evidence has indicated that companies implementing responsible ESG practices have better financial performance, higher employee productivity, and fewer legal fines and sanctions. Fourth, conversely, companies that do not effectively engage in ESG practices have higher costs of capital and higher business volatility arising from skepticism about the authenticity of their financial reports, and concerns about the risk of labor strikes or other types of governance irregularity. Fifth, it has been inferred from the above that responsible ESG accounts for why some companies outperform others and how investors make their decisions (Plan A Academy, 2021). In addition, prior literature indicates that effective corporate governance results in distinctive human resource capabilities (Pelayo-Maciel et al., 2012), and that there is a positive relationship between employees' empowerment, as a reflection of the social component of ESG, and the strategic success of corporations (Abuzaid, 2018).

Conventional approaches to corporate governance are based exclusively on the neo-liberal conception of the firm, with a narrow focus on aligning the interests of agents with principals (shareholders) (Turnbull, 2011). Considering this to be an inadequate basis for ESG, Young (2010) developed a framework for corporate governance that incorporated Confucian virtues. Lam (2016), Low and Ang (2013), and Miles and Goo (2013) argued, similarly, that Confucian ethics, firmly and sincerely embraced, can raise the standard of ESG. Accordingly, we infer the following:



*Proposition 1*: The five Junzi virtues can play a meaningful role in underpinning a firm's ESG policies and practices.

#### Worked example: mapping CLP's ESG report to the five Junzi virtues

China Light & Power (CLP) was incorporated in 1901 in Hong Kong and has been operating and investing in the energy sector in the Asia–Pacific for 120 years, with subsidiaries in Mainland China, Australia, Thailand, Taiwan, and India. As illustrations of how ESG reporting may convey the five Junzi virtues, we shall analyze extracts from the firm's ESG report (CLP, 2020c) along with references to related documents, namely, CLP's (2019) climate vision for 2050, CLP's (2020a) value framework, and CLP's (2020b) code of conduct, focusing on the Hong Kong entity.

Our methodology for the thematic coding of CLP's (2020c) ESG report was informed by Fereday and Muir-Cochrane (2006), and is explained next. At the outset, the authors read and re-read that ESG report to get familiar with the contents. The initial coding was then undertaken by the second author, who used the concepts of the five Junzi virtues as reference points for categorization. The second author began with the "winnow" process (Guest et al., 2012) by identifying passages in the text (i.e., first order quotes) that relate to CLP's good ESG practices, and disregarding unrelated passages in the text. The second author then developed a set of second order themes based on the first order quotes, and mapped the second order themes to specific Junzi virtues, which constituted the third order themes. Following this, the first author conducted a round of checking on the second and third order codings, proposed minor modifications to the wording of some of the second order themes, and sought feedback from the other two authors about the proposed modifications. Thereafter, all three authors engaged in an additional round of discussion, through which they reviewed the alignment between first order quotes, the second order themes and the third order themes, and finally confirmed all the codings. Table 2 gives examples of our thematic coding of CLP'S reported ESG practices, and these are further explained below.

#### "Ren"(仁)

Possible signs of "Ren" are reports of supporting the community and employees (Tian et al., 2021). In the ESG report, CLP (2020c) expresses a desire to support employees, customers, and those in the wider community as they face contemporary challenges.

**Supporting the community** In 2020, CLP spent more than HK\$200 million on community support programs and set aside another HK\$160 million in 2021 (CLP, 2020c, p.4).

Supporting and helping employees in challenging times Amid the COVID-19 crisis, as soon as in January 2020, the firm embraced measures to safeguard employees' health and well-being, such as flexible working arrangements, equipment for remote



 Table 2
 Examples of the thematic coding of CLP's reported ESG practices

Example first order quotes	Second order themes	Third order themes-Junzi virtues
"Throughout the year, we not only demonstrated care to our workforce, but also to our customers and the communities in which we operate. In Hong Kong, we have rolled out a range of relief measures and community support programs, totalling more than HK\$200 million in 2020, with another HK \$160 million set aside for 2021." (CLP, 2020c, p.4)	Supporting the community	"Ren"
"The Group's focus on the health, safety and wellbeing of its people continued to increase over 2020, primarily guided by progressing its Health, Safety and Environment Improvement Strategy and associated plans." (CLP, 2020c, p.84) "Starting in January 2020, country- and site-specific pandemic plans were enacted encompassing special access controls to ensure business continuity and special work arrangements, including work-from-home, flexible working hours and reduction of non-essential work" (CLP, 2020c, p.84) "CLP continued to help employees in Hong Kong to address housing affordability issues through its Home Loan scheme, which provides additional financial support for employees	Supporting and helping employees in challenging times	
seeking to buy a first home" (CLP, 2020c, p.93)  "The Sustainability Committee oversees positions and practices on sustainability issues, principally in relation to social, environmental and ethical matters that affect shareholders and other key stakeholders" (CLP, 2020c, p.28)	Embedding sustainability advocacy	"Łi"
<ul> <li>"Climate Vision 2050 is CLP's foundation to guide the overall business strategy, providing clear direction to manage climate-related risks and opportunities CLP's key pledges include:</li> <li>Not adding new coal-fired generation assets;</li> <li>Progressively phasing out the remaining coal-based assets before 2050; and</li> <li>Revisiting and strengthening the Company's decarbonization targets at least every five years." (CLP, 2020c. p. 42)</li> </ul>	Combatting climate change	
"CLP monitors pay carefully to ensure that it is competitive and rewards employees for individual and company performance Following certification of CLP's Hong Kong operations as a Fair Wage Employer in 2018, a follow-up assessment was conducted in 2020." (CLP, 2020c, p.94)	Upholding fair compensation, employee rights, and equal opportunity	

Table 2   (continued)			
Example first order quotes		Second order themes	Third order themes-Junzi virtues
"CLP's Investment & Ventures portfolio investments and partnerships that aim to ate opportunities in growth markets, and	CLP's Investment & Ventures portfolio serves as a catalyst for growth through the pursuit of investments and partnerships that aim to enhance the Company's energy businesses, generate opportunities in growth markets, and deliver strategic value." (CLP, 2020c, p.72)	Building collaborative partnerships with external parties	"LI"
"In 2020, CLP's Value Framework was re recognized human rights relevant to CL human rights in the promises made to st (CLP, 2020c, p.82)	"In 2020, CLP's Value Framework was refreshed, expressing respect for all internationally recognized human rights relevant to CLP's operations as a core belief, and embedding human rights in the promises made to stakeholders about how CLP upholds its values." (CLP, 2020c, p.82)	Promoting mutual respect	
"By collaborating with, and disciplined in the Company is able to harness cutting. Co-developing new products and servic geographies." (CLP, 2020c, p.72)	"By collaborating with, and disciplined investment in promising entrepreneurs and start-ups, the Company is able to harness cutting-edge technology, agility and digital capabilities. Co-developing new products and services can then be scaled via CLP's presence in various geographies." (CLP, 2020c, p.72)	Harnessing technological innovations	"Zhi"
"Drawing on security professionals from industry, the Group Security team deliv to CLP by offering physical, personnel 2020c, p.77)	"Drawing on security professionals from across the Company and recruiting from wider industry, the Group Security team delivers a holistic and complementary security service to CLP by offering physical, personnel and cyber security capability and expertise." (CLP, 2020c, p.77)	Building cyber resilience	
"CLP continued to enhance its disclosure Throughout 2020, focus was placed on developing bespoke climate scenarios f 2020c, p.41)	"CLP continued to enhance its disclosure by following the recommendations from the TCFD. Throughout 2020, focus was placed on enhancing climate-related risk assessment and developing bespoke climate scenarios for the markets where the Group is present." (CLP, 2020c, p.41)	Enhanced disclosures	"Xin"
"The CLP Privacy Principles set out the (ing personal data. The accompanying C provides guidance to business units with mean in practice. Both documents are u regulatory requirements and continue to (CLP, 2020c, p.80)	"The CLP Privacy Principles set out the Company's commitment and approach to protecting personal data. The accompanying CLP Personal Data Protection Compliance Manual provides guidance to business units with operations in Hong Kong on what these principles mean in practice. Both documents are updated periodically to ensure they meet the latest regulatory requirements and continue to reflect the expectations of CLP stakeholders." (CLP, 2020c, p.80)	Protecting personal data	



working, and special leave for employees for purposes of self-isolation, care, and family reunion (CLP, 2020c, p.84). CLP addressed stressors arising from COVID-19 through its "Boost Health and Wellbeing" training program (CLP, 2020c, p.93), and rolled out its Home Loan scheme, under which employees receive financial support to buy a first home (CLP, 2020c, p.93).

#### "Yi"(義)

A corporation with "Yi" engages in righteous business practices while requiring employees to do likewise. In the ESG report, CLP (2020c) claimed to be embedding sustainability advocacy, combatting climate change, and promoting fair work practices and equal opportunity.

**Embedding sustainability advocacy** At board level, CLP has a Sustainability Committee and an Audit and Risk Committee to address sustainability issues (CLP, 2020c, p.28). At the management level, CLP has a director-led Group Sustainability Department, with input into strategic management (CLP, 2020c, p.29).

Combatting climate change CLP made a set of pledges regarding decarbonization in its policy document on Climate Vision 2050 (CLP, 2019). Pledges include the following: "not adding new coal-fired generation assets" and "progressively phasing out the remaining coal-based assets before 2050" (CLP, 2020c, p.42). CLP provides online assessment and benchmarking tools to customers to help them improve energy usage management (CLP, 2020c, p.195). As a contribution to electric vehicle infrastructure, CLP provides "free charging facilities to the public and is helping individual and commercial organizations install relevant facilities" (CLP, 2020c, p.57).

**Upholding fair compensation, employee rights, and equal opportunity** In 2018, CLP earned certification as a Fair Wage Employer (CLP, 2020c, p.94). The firm claimed to have adopted rigorous measures to prevent child or forced labor in its operations and to provide related "training for key contractors who provide manpower or services to operations" (CLP, 2020c, p.94). Regarding gender diversity, CLP recognized the need to address the problem of "significant underrepresentation of women in operational professional and leadership roles" (CLP, 2020c, p.82).

#### "Li"(禮)

A corporation with "Li" is expected to have morally acceptable norms, rites, and rules (Kwong et al., 2015), to interact with stakeholders modestly and respectfully, and to seek a harmonious and win–win resolution to conflicts (Cua, 2007). In the ESG report, CLP (2020c) claimed to have built collaborative partnerships with external parties and to promote mutual respect.



**Building collaborative partnerships with external parties** CLP seeks collaboration with entrepreneurs to enhance the Group's energy businesses and generate opportunities in growth markets (CLP, 2020c, p.72). To that end, the firm sponsors outside accelerator programs on smart and clean technologies (CLP, 2020c, p.72).

Promoting mutual respect In its Value Framework (CLP, 2020a), the firm committed to the following: "trust(ing) and respect(ing) colleagues ... respect(ing) differences and communicat(ing) with each other openly, honestly and frequently and fostering open, two-way communication, encouraging participation and discussing issues and concerns raised by anyone" (CLP, 2020a, p.4). CLP also committed to "treating every customer with courtesy and respect" (CLP, 2020a, p.3). Furthermore, the firm claimed to have embedded "human rights in the promises made to stakeholders about how CLP upholds its values" (CLP, 2020c, p.82), and stated that it requires "business partners and suppliers to do the same" (CLP, 2020a, p.3). A key principle within the firm's Code of Conduct (CLP, 2020b) is "Respect for People." Refresher training regarding this and other principles in the Code is provided for all CLP employees every 4 years (CLP, 2020c, p.105).

#### "Zhi"(智)

"Zhi" constitutes a body of knowledge and capabilities that equip the organization and its managers to be sensitive to the changing circumstances, and to formulate effective judgments and responses (Thompson, 2007). The need for "Zhi" requires firms to engage in continuous learning, and for CLP, this is reflected in a quest to harness innovations to tackle external challenges and defend against cyber-attacks.

Harnessing technological innovations Arising from the accelerator programs mentioned above under "Li," CLP has aggregated some third-party services on its Smart Energy Connect consultancy platform, as resources for helping business clients find energy-saving solutions (CLP, 2020c, p.72). Besides, CLP is using robots for inspecting underwater cooling structures at power plants, reducing the need for life endangering diving activities (CLP, 2020c, p.68).

**Building cyber resilience** In 2020, CLP set up a Group Cyber Security team, composed of security professionals recruited from the industry, tasked with providing "physical, personnel and cyber security capability and expertise" (CLP, 2020c, p.77). CLP has sought to establish a cyber risk-aware culture by delivering security awareness and training programs for employees, who are all expected to join in cyber defense (CLP, 2020c, p.77).

#### "Xin"(信)

A company can demonstrate "Xin" by providing full disclosures, and subjecting these disclosures to external verification. CLP's enhanced disclosures, and the firm's



reporting on personal data protection may indicate responsible operations and honesty to stakeholders.

**Enhanced disclosures** CLP has followed the recommendations of the G20 championed Task Force on Climate-related Financial Disclosure (CLP, 2020c, p.41). The corresponding data items are tabulated in a section on "Standard ESG Disclosures" with footnotes indicating how these were compiled (CLP, 2020c, pp. 96–102). Attached to the ESG report is an assurance report by auditors, PWC, listing the items that they could verify, and these items are also highlighted in the ESG report (CLP, 2020c, pp. 96–102).

**Protecting personal data** In 2020, although CLP Hong Kong reported that there had been no cases of customer data loss, there was one case where CLP's Group Cyber Security Team was alerted through standard reporting procedures about the fraudulent use of CLP's name. The firm promptly warned stakeholders about that scam (CLP, 2020c, p.80).

#### Alignment with the United Nations' Sustainable Development Goals (SDGs)

The ESG report (CLP, 2020c) refers in various places to the firm's policies in relation to four of the SDGs, i.e., Climate Action (SDG13), Affordable & Clean Energy (SDG7), Decent Work & Economic Growth (SDG8), and Industry, Innovation & Infrastructure (SDG9). This, along with the inclusion of data about key sustainability ratings and ESG recognitions by global institutions (see CLP, 2020c, pp. 32–33), is an indication that the firm has been seeking to address universal ethical norms and standards.

#### Junzi virtues and human relations

In the above analysis, we have sought to demonstrate that the content of a firm's ESG documentation can be mapped to the five Junzi virtues, and that it can thus convey the firms' strategic commitment to the Junzi virtues, as well as to universal ethical norms and standards. Additional channels for conveying such commitment to employees may include in-company presentations, and arranging for employee participation in specific ESG projects. Studies have indicated that the value system of an organization influences member's interpretations of what is desirable in terms of their own and others' behaviors (Erdogan et al., 2006; Hofmann et al., 2003). Koehn (2020, p.211) argues that.

In the ideal Confucian administration, the ruler ... by setting an example and through the charismatic influence of his virtue ... [leads] the people ... into conformity with the all-pervading moral standards.

We consider that if employees are favorably impressed by their firm's ESG performance and regard this as an authentic expression of the Junzi virtues, they are



likely to internalize these virtues and express them in their own workplace conduct. Prior studies, summarized in Table 1, have hinted at this. Among these studies, Ip (2003a) provided a case study of Double Star, a state-owned enterprise headquartered in Qingdao, China, where Wang Hai, the President, sought to build a strong corporate culture based on Junzi virtues. Ip (2003a) found that Double Star employees appreciated the firm's commitment to corporate ethics and social responsibility, and that there appeared to be a climate of mutual trust among employees and between superiors and subordinates. Ip (2002, 2003b) arrived at similar findings in his case studies of the Weizhi Group of Xi'an, a privately held apparel company (Ip, 2002) and the Vantone Group, a listed corporation in Beijing (Ip, 2003b).

Good leader-follower relationships are "characterized by high trust, mutual influence, reciprocal liking, mutual disclosure of privileged information, responsiveness, synchronized plans and goals, the provision of various kinds of support, and an appreciation of the uniqueness of the relationship" (Thomas et al., 2013, p. S64). We anticipate that corporations where the senior management is perceived to be committed to the Junzi virtues would foster good leader-follower relationships. Thus, we propose the following:

*Proposition 2*: Middle managers and other employees, who perceive that the ESG culture of their firm is permeated by the five Junzi virtues, internalize these virtues and express them in their working relationships.

In the next two sections, we go on to explain and to illustrate how organizational members may express the Junzi virtues through servant leadership and OCB.

### Junzi virtues and servant leadership

There has been growing interest in servant leadership as a value-based approach to leadership (Eva et al., 2019). Servant leadership emphasizes leaders' unselfish orientation toward serving and developing followers (Greenleaf, 1977). Servant leaders prioritize followers' needs, and servant leadership is unique among leadership models in setting out a role for leaders as helping followers to achieve the goals of the latter (Greenleaf, 1977).

Aspiring servant leaders may nonetheless face role and resource conflicts, if there is pressure on them to address goals that are independent of, or even go against the goals of their followers (Liden et al., 2014). Liden et al. (2014) thus argued that organizational context influences whether servant leadership behaviors can be sustained. We consider that the moral atmosphere within a Junzi-oriented corporation can support and sustain servant leadership behaviors because managers in an ideal Junzi-oriented corporation would be encouraged and expected to embrace the five Junzi virtues (Tian et al., 2020). Below, we shall argue that the five Junzi virtues may be conducive to the adoption of some specific types of servant leader behaviors (Liden et al., 2008).

In conjunction with our arguments, below, we provide illustrations of servant leadership behaviors. These illustrations are mostly drawn from a qualitative study



of servant leadership by Wu (2019), who conducted critical incident-based semistructured interviews (Merriam & Tisdell, 2016), which were audio-recorded and transcribed verbatim, with 20 Hong Kong employees from various service industry firms. Wu (2019) used prefigured coding (Crabtree & Miller, 1999) to match the critical incidents to categories of servant leadership identified by Liden et al. (2008). We also quote an illustration from a study by Snell et al. (2019), who used a similar critical incident-based qualitative methodology that included analysis on how the development of interns was supported by servant leadership.

In the respective source texts, neither Wu (2019) nor Snell et al. (2019) made any mention of the Junzi virtues. For the content analysis, the first author inspected the 31 critical incidents of servant leadership behavior presented in Wu (2019) and 15 critical incidents presented in Snell et al. (2019) and mapped the servant leadership behaviors to the specific Junzi virtue(s) that apparently was/were expressed. These mappings were reviewed by the second and third authors, who indicated their agreement. Below, we seek to show that servant leadership behaviors are congruent with the Junzi virtues and thereby support our arguments toward Proposition 3, given later. Chou and Cheng (2020) sought to distinguish Confucian humanistic leadership from other forms of leadership, including servant leadership. We consider that their stance may be unnecessarily particularistic. Whether a Junzi-oriented ESG culture fosters and supports servant leadership is a matter for further research to investigate. The first part of our analysis is summarized in Table 3, where, as further support, we have also mapped 20 items from the servant leadership scale developed by Liden et al. (2008) to the Junzi virtues.

#### Emotional healing, "Li," and "Ren"

According to Liden et al. (2008), emotional healing involves sensitivity and responsiveness to followers' personal concerns. Below is an illustrative quote from Wu (2019):

He encourages me if he feels that I am down. He considers my emotions. He considers this aspect. I think he is a good leader. He knows how to exert employees' strength. He uses this way to give you confidence if things have not gone well for you and he does not want to discourage you. He will not directly mention your weaknesses. (Wu, 2019, p. 57).

We consider it possible that in such cases, "Li" and "Ren" may, in combination, support emotional healing. "Li" entails "following the social norms of polite conduct when interacting with others" (Woods & Lamond, 2011, p.673). The civility arising from the adoption of "Li" may be conducive to authentic, interactions between leaders and followers that enable the latter to share their feelings and problems (Lu & Wang, 2017; Tian et al., 2020). "Ren" vis-à-vis followers "should involve an altruistic concern ... and should reflect the tender aspect of human feelings" (Woods & Lamond, 2011, p.673). Leaders' benevolent concern would also be conducive to high-quality leader-member exchanges (Erdogan et al., 2006) that can soothe bad feelings.



Corresponding Junzi Virtues Li (propriety, civility) Xin (trustworthiness) Ren (benevolence) Yi (righteousness) Zhi (wisdom) My supervisor provides me with work experiences that enable me to develop new skills My supervisor would not compromise ethical principles in order to achieve success My supervisor has a thorough understanding of our organization and its goals My supervisor emphasizes the importance of giving back to the community My supervisor is interested in making sure that I achieve my career goals My supervisor is always interested in helping people in our community My supervisor seems to care more about my success than his/her own My supervisor is able to effectively think through complex problems My supervisor can solve work problems with new or creative ideas would seek help from my supervisor if I had a personal problem I am encouraged by my supervisor to volunteer in the community My supervisor can recognize when I'm down without asking me My supervisor sacrifices his/her own interests to meet my needs My supervisor does what she/he can do to make my job easier My supervisor puts my best interests ahead of his/her own My supervisor takes time to talk to me on a personal level My supervisor makes my career development a priority My supervisor wants to know about my career goals My supervisor can tell if something is going wrong My supervisor cares about my personal well-being My supervisor is involved in community activities My supervisor values honesty more than profits My supervisor holds high ethical standards My supervisor is always honest Servant Leadership Items Fable 3 Servant leadership (Liden et al., 2008) and Junzi virtues Helping subordinates grow and succeed Creating value for the community Servant leadership labels Putting subordinates first Emotional healing Behaving ethically Conceptual skills



#### Creating value for the community and "Ren"

Creating value for the community is a form of servant leadership that extends beyond working relations to addressing community needs (Liden et al., 2008). Northouse (2019, p.237) explained that creating value for the community involves conscious and intentional efforts to "give back," while encouraging followers to do likewise. He cited the example of Mercedes Urbanez, principal of an alternative high school for those students, who have failed in other schools, and who, as "have-nots" require special support services. We consider that that the human-heartedness of "Ren" may support this type of servant leader behavior.

#### Helping subordinates grow and succeed and "Ren"

Helping subordinates grow and succeed entails seeking to promote the success of their followers (Ehrhart, 2004), by giving support and guidance for their career growth and skill development (Liden et al., 2008). Wu (2019) gave an example:

I talk with him [superior] about my career plans or my future choices. I would like to apply for a particular master's program. I communicate with him about my ideas. And he supports me to go for further study. He gave me feedback about the quality and design of that program. He also shared his experiences of master's studies. We discussed whether the program is useful or not. Is it helpful to the work? Or whether I can apply for extra scholarship or financial aid. (Wu, 2019, p. 60).

In this case, we consider that "Ren" may be given expression in helping subordinates grow and succeed, by providing them informal career guidance.

#### Putting subordinates first and "Ren"

Putting subordinates first (Liden et al., 2008) involves prioritizing followers' needs and interests over one's own self-interests (Graham, 1991; Liden et al., 2008). Wu (2019) provided this illustration:

I heard from colleagues in another team that their leader would, like my leader, go to meet clients with them but, unlike my leader, they would take a share of their commission. Then I went to ask my leader about whether he would share the commission from my sales. He felt surprised and wondered why he would take a share of my commissions. Then I was happy. (Wu, 2019, p. 61).

In this example, the leader was characterized as selflessly supporting the interests of the subordinate, who appeared to need his help. We consider that "Ren" may support this type of servant leader behavior.



#### Conceptual skills and "Zhi"

Conceptual skills for servant leadership entail drawing on the ability to provide effective support and assistance to others, made possible because of the leader's comprehensive knowledge of the organization and expertise in salient tasks (Liden et al., 2008). Servant leaders with conceptual skills can understand specific situations, and provide guidance and coaching for members (Hu & Liden, 2011). For example,

He [the leader] has rich law knowledge, and experiences of compliance and all other aspects. He is always ready to give timely and satisfactory answers to the CEO's questions. This has been a big inspiration to me. This is because after I studied law, I forgot many things. But when I encounter some problems at work and he finds out about them, he can immediately grasp the main points and knowledge to apply. (Wu, 2019, p. 58).

We consider that "Zhi" may provide the foundation for the use of conceptual skills as portrayed above. "Zhi" involves "ability to perceive situations accurately and make correct judgments" (Woods & Lamond, 2011, p.673). "Zhi" applies both to job performance and to the maintenance of interpersonal relationships through the development of mutual understanding (Poon et al., 2021).

#### Behaving ethically, "Yi," and "Xin"

Behaving ethically by servant leaders involves interacting "openly, fairly, and honestly with others" (Liden et al., 2008). We provide an illustration from a study by Snell et al. (2019)<sup>2</sup>:

A co-worker in another department complained to my supervisor that my behavior on one occasion had been improper. My superior brought me to a corner and told me the details of what the co-worker had said. I almost cried and my supervisor patted my shoulder and consoled me. She advised me to be more careful next time. She said that regardless of whether I had acted improperly or whether the complaint might not have been justified, the co-worker had a right to express her view. Afterwards, I kept communicating with my supervisor about this issue and she understood my situation.

According to Mencius (孟子), "Yi" constitutes correct actions. The supervisor in the situation described above, faced with a disputed accusation about a subordinate, appears to express a commitment to righteousness by encouraging the subordinate to learn from the episode. "Yi" thus provides a foundation for "living and behaving according to moral principles" (Woods & Lamond, 2011, p.673).

<sup>&</sup>lt;sup>2</sup> This illustration appeared in a pre-publication draft of the cited paper but was edited out of the shortened published version.



Although not demonstrated in the illustration above, we consider also that behaving ethically as a servant leader can also involve "Xin," i.e., abiding by one's word, and being a dependable source of support for others (Woods & Lamond, 2011, p.673). With "Xin" a leader "walks the talk" and acts authentically. "Yi" and "Xin" together may provide a strong foundation for behaving ethically as a form of servant leadership.

#### Empowerment as a means for promulgating the five Junzi virtues

In Table 3, we have mapped six servant leader behaviors (Liden et al., 2008) that can be mapped to the Junzi virtues. In addition, a seventh type of servant leadership behavior, empowering, in conjunction with role modeling, may be an effective means to enable employees to develop their own ways of putting the five Junzi virtues into practice. Koehn (2020, p.217) explained the importance of role modeling by leaders:

(In the Junzi firm) leadership is to a large extent a matter of setting a good example through self-development and self-control and sustained, civil engagement with others.

Koehn (2020, p.217) gave two contemporary corporate illustrations of how "wu wei" ("not-doing") by leaders represents a form of empowerment that can complement role modeling.

Tony Hsieh, the CEO of Zappos, ... expects Zappos employees to follow his example and to use their intelligence and judgment to discern what needs doing and then to set about realizing their self-identified objectives.

Ricardo Semler, the CEO of Semco, has articulated a similar approach, which empowers employees at all levels to set their own goals and workplace hours.

Empowering entails encouraging and facilitating others in identifying and solving problems (Liden et al., 2008). It includes getting followers involved in goal-setting processes, and assigning them autonomy on how to address issues. Wu (2019) found that providing opportunities and space for followers, aligning them appropriate tasks, and inviting and welcoming followers' suggestions and ideas were sources of empowerment perceptions by followers. Wu (2019) gave this example:

Recently, he [the leader] has given me greater flexibility. He lets me give suggestions. Or he drafts something and lets me go through it. One reason is to allow me to check the details. The other reason is to enable me to give some suggestions and to see whether I have other ideas. In the past several months, I have learned something. (Wu, 2019, p.59).

From the above analyses, we infer that the seven subcategories of servant leadership (Liden et al., 2008) are compatible with the five Junzi virtues. It is possible, therefore, that these virtues constitute the replicative thread through which the culture of a Junzi-oriented firm fosters servant leadership by its managers. We therefore propose the following:



*Proposition 3*: A firm that has firmly embraced the five Junzi virtues within its culture is likely to feature the adoption of servant leadership by its leaders at all levels.

#### Junzi orientation and organizational citizenship behavior

We now go on to analyze the relationship between the Junzi virtues and organizational citizenship behavior (OCB). Ever since the concept was introduced by Smith et al. (1983), OCB has been the subject of growing interest (Podsakoff et al., 2014). Organ (1997, p.95) subsequently defined OCB as a set of behaviors that "support the social and psychological environment in which task performance takes place." Whereas task performance concerns how employees undertake the core technical aspects of their jobs, OCB is concerned with their contextual performance (Borman & Motowidlo, 1997), i.e., how employees make contributions beyond their task to address interpersonal and organizational needs. Studies indicate that managers regard employees' OCB as a major factor contributing to their overall performance, and that employees' OCBs contribute to organizational effectiveness (Podsakoff et al., 2009).

In our following discussion of the relationship between the Junzi virtues and OCB, our overall argument is that a Junzi oriented firm can encourage employees to align their contextual performance with the five core Junzi virtues, expressing them through OCB. We shall focus our discussion on our content analysis of examples of seven types of OCB that were identified in a qualitative study of Hong Kong–based managers by Snell and Wong (2002, 2007), namely, altruism, conscientiousness, being a team player, harmoniousness, being courteous, stewardship, and being an informal leader. As explained in Snell and Wong (2007, p. 891), interviewees were invited to tell illustrative stories (Kvale, 1996; Weiss, 1994), about these seven types of OCB (Snell & Wong, 2007, p. 889), as practiced one or more of their co-workers.

In the respective source texts, Snell and Wong (2002, 2007) made no mention of the Junzi virtues. For our content analysis, the first author inspected the seven critical incidents of OCB that were presented in Snell and Wong (2002), one critical incident of OCB that was presented in Snell and Wong (2007), plus one previously unpublished critical incident of OCB that was obtained through personal communication from the archive of research conducted by Snell and Wong (2002, 2007). The first author mapped the OCBs to the specific Junzi virtue(s) that apparently was/were expressed. The second and third authors reviewed these mappings and indicated their agreement.

Below, we share the findings of the content analysis by defining and illustrating seven types of OCB, and by relating them to the five core Junzi virtues. We then assess how representative these types of OCB are of the OCBs found in prior literature (Podsakoff et al., 2014) and map them against a commonly used scale for measuring OCB (Fox et al., 2009).

As in our earlier discussions of servant leadership behavior, the illustrations of OCB that we provide below are intended to show that the Junzi virtues are *congruent with* the adoption of those behaviors. We do not claim to have established that



Junzi-oriented moral atmosphere gives rise to OCB, which is a matter for further research to investigate.

#### Altruism (helpfulness) and "Ren"

According to Snell and Wong (2007, p. 889), an altruistic employee is "other-centred, cares about colleagues, and is helpful to them if they have problems with their work." Snell and Wong (2007, p. 893) provided the following illustrative case of altruism, related by an interviewee (F3), about the help she received from a senior co-worker during the early days of her employment.

A female colleague coached me very patiently and unobtrusively ... On occasions when I didn't ask her for help, she would ask, quietly, whether I needed help or not. Once, I made a typing error, but I didn't realize it. I was supposed to submit a memo to the boss. She discovered it and told me to correct the mistake before I gave it to the boss. I told her I didn't know how to rectify the mistake. Then she took the memo and corrected the typo and other grammatical errors for me. She advised me to check the memo again before I submitted it to the boss.

We consider that the altruistic behavior of the female colleague as described in F3's account appears to be in alignment with the Junzi virtue of "Ren" (benevolence).

#### Conscientiousness and "Yi"

According to Snell and Wong (2007, p. 889), a conscientious employee "is careful in his/her work, dependable, punctual, willing to take on new duties, (and) adher(es) to company rules." Snell and Wong (2002, p. 10) shared a corresponding example of conscientiousness, given by an interviewee (JC), who, along with her five coworkers, appeared to have "gone the extra mile" in meeting organizational needs. JC was a member of a team of event organizers. Some of the events that they organized were held on weekends. Although these employees were not responsible for running the events in real time, they ensured that one member of their team would be present to deal with contingencies. Snell and Wong (2002, p. 10) quoted JC:

There was no rule that you had to work at weekends. The boss would not remind you to come to work ... Yet as a responsible person, you could not allow there to be nobody there to take care of the client. We regarded the duty shift as a viable solution because you just could not come to the office every Sunday.

We consider that the conscientious behavior of JC and her teammates, as described above, may be well-aligned with the Junzi virtue of "Yi" (righteousness), in that it appears that they voluntarily took appropriate action without direct incentives to do so.



#### Being a team player and "Li"

According to Snell and Wong (2007, p. 889), a team player,

Contributes positively to team spirit, tolerates inconvenience, does not whinge or complain about trivial problems ... has a positive attitude toward the work even when circumstances are difficult, [and] is sportsmanlike.

Snell and Wong (2002, p. 9) illustrated how JC (the interviewee already quoted in the previous example, above), along with her five other employees, each formally responsible for different client accounts, acted as team players in providing back-up support for one another, in order that all clients could be served in timely fashion. They quoted JC:

This was about team spirit and service attitude ... We were in the same situation; we understood each other and helped each other. If you helped someone today, she would help you in the future. It was a reciprocal relationship.

We consider that the team player behavior of JC and her teammates may be closely aligned with the Junzi virtue of "Li" (propriety), in that these members cooperated in respecting and protecting one another's legitimate needs and expectations.

#### Harmoniousness and "Li"

According to Snell and Wong (2002, p. 9), harmoniousness involves the following: "preserving or restoring social face, and entail(s) humility, interpersonal sensitivity and self-restraint." Snell and Wong (2002, p. 9) provided a corresponding account related by an interviewee (FL) of how a senior co-worker informally and voluntarily mediated in a dispute between colleagues in two different departments and "brought the episode to a successful conclusion by apologizing to each party on behalf of the other." They quote FL:

The people concerned recognised his good intentions. The issue was settled. He could have stayed away from the dispute because it was not related to him.

We consider that the harmoniousness of the senior co-worker, as described above, may be well-aligned with the Junzi virtue of "Li" (propriety), because of his apparently selfless efforts to diffuse conflict.

#### Being courteous and "Li"

According to Snell and Wong (2007, p.889), a courteous employee,

Avoids causing unnecessary inconvenience to colleagues and to internal or external customers, makes it easier for them to get things done, (and) gives them early warnings of potential problems.



A hitherto unpublished example of being courteous, obtained from the archive of research conducted by Snell and Wong (2002, 2007), featured a specialist serving internal clients, whose behavior was described by interviewee EC as follows:

His desk is next to mine. When he talks to people requesting our service over the phone, he is very polite and tries not to offend people if he disagrees with them. For example, when he was given some very last-minute work, he complained to me, privately, 'The work has just been given to me a few minutes ago. It is too rushed, and now I am being chased after for completion'. But on such occasions, he would try to explain the situation to the service recipient in a nice way, no matter whether he could or couldn't finish the work, trying not to upset colleagues from other departments.

We consider that the courteous behavior of EC's specialist co-worker, as described above, appears well-matched with the Junzi virtue of "Li" (propriety), because of his efforts to avoid and prevent social abrasiveness.

#### Stewardship and "Xin"

According to Snell and Wong (2007, p.889), stewardship means that an employee,

Uses company time, resources and benefits in a disciplined, economical, and honest manner ... in utilizing/protecting company resources.

Snell and Wong (2002, p.10) elaborated that stewardship can manifest in small acts relating to protection of resources. They provided a corresponding account, related by an interviewee (TL), whom they quoted as follows:

When some male co-workers arrive early or work overtime at night, they just switch on the lights of their work areas, not those of the whole office... One [of them] is the leader of a scout group and practices his discipline at work. They also print on both sides of the paper to avoid waste.

We consider that these small acts of stewardship match the Junzi virtue of "Xin," in that these co-workers of TL are described as habitually taking voluntary action for the common good, independently of the gaze of their superiors, and evidently can be relied upon to continue.

#### Informal leadership at one's level and "Zhi"

According to Snell and Wong (2007, p.889), an informal leader at one's level,

Keeps in touch with relevant developments and informs others about them; plays a constructive role in improving working arrangements and in helping to make changes effective; (and) freely shares knowledge, skills and expertise with others.

Snell and Wong (2002, p. 10) provided an example, related by an interviewee (AL):



At meetings, a co-worker at the same rank as the rest of us gets us to think how we can deal with impending workload reshuffling, and how we can better serve schools and support each other. She is outspoken, and very bright and quick in her thinking. She sees issues from different perspectives and does not jump to conclusions.

We consider that the co-worker's behavior, as described by AL, indicates some wisdom ("Zhi") regarding the demands of the changing circumstances faced by the team, and how to respond.

# How representative of the full spectrum of OCB are Snell and Wong's seven focal types?

We consider that the seven OCB subtypes from Snell and Wong (2002, 2007) account for a substantial proportion of the OCBs that have been observed in the empirical literature on OCB (Podsakoff et al., 2014). Table 4 maps them against all the items from the 20-item Organizational Citizenship Behavior Checklist (Fox et al., 2009). Table 4 also indicates that our focal OCB subtypes are mostly affiliation-oriented, emphasizing co-operation and interpersonal relationships, rather than challenge-oriented, emphasizing challenging the status quo through exercising voice and engaging in constructive controversy (Van Dyne et al., 1995). Thus, we cannot generalize from the above analysis to the relationship between the Junzi virtues and *all* types of OCBs. We nonetheless infer that in Hong Kong, the Junzi virtues may be expressed through affiliation-oriented OCBs and thus may be conducive to organizational harmony (Mak et al., 2020).

Hence,

*Proposition 4*: A firm that has firmly embraced the five Junzi virtues is likely to feature the adoption of affiliation-oriented OCBs by its employees.

#### **Conclusions**

We have worked through the organizational implications of classical Confucian ideas concerning the unifying power of five Junzi virtues as the basis for harmonious relationships within the modern "Junzi corporation." We have argued, first, that the five Junzi virtues can underpin ESG policies and practices as represented in an ESG report. Second, to the extent that managers and employees consider that the firm they work for is committed to the five Junzi virtues, they would feel encouraged and inclined to practice those virtues in how they conduct their human relationships at work. Third, those in leadership positions in a firm where the Junzi virtues are strongly embraced would tend to adopt servant leadership behaviors. Fourth, employees in a firm where the Junzi virtues have been embedded into the culture would tend to adopt affiliation-oriented OCBs. In conjunction with our arguments, we have developed four propositions, and have given illustrations of how each of the



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Behavioral subtypes of OCB (Snell & Wong, 2002, 2007)	Items from the 20-item Organizational Citizenship Behavior Checklist (Fox et al, 2009). Scale available at https://paulspector.com/assessments/pauls-no-cost-assessments/organizational-citizenship-behavior-checklist-ocb-c/	Affiliation- or Challenge- oriented? Van Dyne et al. (1995)	Corresponding Junzi virtues
Altruism	Took time to advise, coach, or mentor a co-worker Helped co-worker learn new skills or shared job knowledge Helped new employees get oriented to the job Lent a compassionate ear when someone had a work problem Lent a compassionate ear when someone had a personal problem	Affiliation-oriented	Benevolence (Ren)
Conscientiousness	Volunteered for extra work assignments Gave up meal and other breaks to complete work	Neutral	Righteousness (Yi)
Team player	Picked up meal for others at work Changed vacation schedule, workdays, or shifts to accommodate co- worker's needs Finished something for co-worker who had to leave early Helped a less capable co-worker lift a heavy box or other object Helped a co-worker who had too much to do Took phone messages for absent or busy co-worker	Affilation-oriented	Ritual propriety or civility (Li)
Harmoniousness	Went out of the way to give co-worker encouragement or express appreciation  Defended a co-worker who was being "put-down" or spoken ill of by other co-workers or supervisor	Affiliation-oriented	
Being courteous Stewardship Informal leader	Said good things about your employer in front of others Decorated, straightened up, or otherwise beautified common workspace Offered suggestions to improve how work is done Offered suggestions for improving the work environment Volunteered to help a co-worker deal with a difficult customer, vendor, or co-worker	Affiliation-oriented Affiliation-oriented Challenge-oriented	Trustworthiness (Xin) Wisdom (Zhi)



five Junzi virtues can be expressed in ESG policies and practices, in servant leadership behavior, and in OCB.

#### Theoretical contributions

The theoretical contributions of this paper are threefold. First, we have coded a recent ESG report of a company (CLP) according to the five Junzi virtues. Even though we have mapped items onto the Junzi virtues, our coding method makes no assumptions about the cultural origins of the source text, so it could be used to analyze ESG reports of other companies, regardless of where they are headquartered. Second, we have developed arguments and provided illustrations of how Junzi virtues can be given expression through servant leadership and OCB. Third, we have provided a framework for empirically testing pathways through which the adoption of Junzi oriented corporate governance can improve the quality of intra-firm human relations. Thus, we have addressed a gap in prior explanations of how the adoption of Junzi virtues in governance by senior leaders could shape organizational behavior to become more human-oriented (Romar, 2002) and promote harmony in organizational operations and practices (Ip, 2011). Further propositions could be developed regarding the quality of relationships with external stakeholders such as long-standing customers and suppliers.

#### **Practical implications**

Although our model has not yet been empirically tested, we consider that it may inspire commitment among senior leaders to responsible ESG policies and human-oriented approaches for leadership and employee development. In Chinese societies, where there is some cultural familiarity with Confucian ideas, we consider that the Junzi virtues could be introduced in conjunction with general education and as part of the curriculum for undergraduate courses on leadership, interpersonal relationships, and responsible citizenship.

#### Directions for further research

Further research is required to investigate our four propositions. One approach for further research would be to follow the pattern of the current paper through a qualitative, instrumental case study of a single firm (Stake, 1995), featuring interviews with organizational members at various levels about the firm's ESG practices and socialization processes, and about the presence of servant leadership behaviors and OCBs. Documentary evidence, such as ESG reports, could also be analyzed, as demonstrated above.

Alternatively, multiple case studies (Stake, 2006) could be conducted, and besides collecting qualitative data, researchers could deploy instruments to measure salient variables. For example, a recently developed measurement scale (Tian et al., 2021) could be used to capture employees' perceptions of the extent of their own firm's Junzi orientation. Gabarro and Athos (1976) developed a 5-item scale for



measuring employees' trust in the firm (quoted in full in Starnes et al., 2010, p.10). There is also a degree of harmony scale (Chin & Mao, 2010), cited by Chin (2014). Other scales could include the following: the PRESOR (Singhapakdi et al., 1996) to measure the perceived importance of ethics and social responsibility; the SLQ (Liden et al., 2008) for the incidence of servant leadership behavior; and the 20-item OCB-C (Fox et al., 2009) for the incidence of OCB. The underlying concept of the Junzi corporation is the thread that ties these variables together.

#### Summary

We have presented a theory, along with illustrations, of how harmony within a firm can be fostered by using the five Junzi virtues as a foundation for good ESG practices, thereby encouraging servant leadership and OCB. We have introduced four propositions associated with the theory and have suggested qualitative and quantitative means for their investigation.

Availability of data and material Not applicable.

Code availability Not applicable.

#### **Declarations**

**Ethics approval** None required.

Consent to participate None required.

Consent for publication None required.

**Conflicts of interest** The authors declare no competing interests.

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