The Impact of Buddhist Ethics on Employee Performmance at Enterprises in the Southern Vietnam

Anh Thi Tuyet Luong and Phuong Van Nguyen
School of Business, International University, VNU-HCMC, Vietnam

Abstract: This study aims to develop the conceptual framework to investigate the impact of Buddhist ethics on employee performance throughout individual behavior and ethical leadership in the Southern Vietnam. Based on 10 in-depth interviews with monks and managers we identified four main factors, including honesty, fairness and equality, humanity and cooperation which are appropriate representative for Buddhist ethics at the workplace. By analyzing a survey data conducted at 95 enterprises with 357 participants in the Southern Vietnam and implementing SEM techniques, we found that four main factors of Buddhist ethics have statistically significant positive impacts on individual behavior and ethical leadership. In turn, individual behavior and ethical leadership are positively associated with employee performance in enterprises. The findings also imply that with the mindsets of Buddhist perspectives, business leaders are able to generate attractive and credible models to manage the followers more effectively and efficiently. Moreover, employees with the positive attitude will devote more time and efforts to achieve their business goals in line with the good ethical system.

Key words: Buddhist ethics, honesty, fairness and equality, humanity, cooperation, employee performance

INTRODUCTION

The global challengeshave driven forces to encourage organizations more productive and effective. The sustainable development has been identified as the first priority business strategy all over the world. To do so, organizations have to improve and develop Human Resource Management (HRM). The managers often require employees to perform and accomplish their goals. Therefore, HRM playsan important role fororganizations to get more powerful, take competitive advantagesas well asachieve the sustainable development. The good HRM will bring more profitability and increase productivity together with adopting new technology and innovation or investing in research and development (R&D). Managing employees in different cultures, economies, religions and legal systems had to deal with more challenges.

The HRM includes a variety of activities, internal and external environmental factors that managers must continually monitor and adjust strategic plans. Furthermore, managers also have to understand each employee's attitude towards his/her work becoming a spiritual process. In other words, spirituality at the workplace has been attracted many researchers to investigate. The scope of spirituality has been enlarged and combined all of life, not only that which people generally think of as religious but also include activities at homes and at workplaces.

In many previous studies, the authors investigated the role of spirituality and religion at the workplace. Petchsawang and Duchon show that employees, who regularly practice meditation, have higher workplace spirituality scores than employees who do not regularly practice meditation. Mediation has attracted a great deal of concerns and studies in business setting. Particularly, Buddhist workplace practices such as participating vipsassna retreats and applying a variety of breathing and meditation practices implemented by Buddhist business practitioners have been explored. Marques illustrates that practicing insight meditation elevates mindfulness which is very adapting in observing things in perspective and solving problems in a delighting way. Since problem solving is the most essential part of organizational performance, insight meditation could lead to the focus and attention needed to make the right decisions. Besides, team performance, also considered a crucial requirement for accumulating good organizational performance can be well enhanced when employees get involved in insight meditation, since they will gain the mindfulness to stop holding selfish opinions and engage in constructive collaboration for the larger community.

Corresponding Author: Anh Thi Tuyet Luong, School of Business, International University, Quarter 6, Linh Trung Ward, Thu Duc District, VNU-HCMC, Vietnam

The faith and work organizational framework have emerged which is more likely to address the ways that organizations respond to the complex manifestations of religion and spirituality within the working environment. Mitroff and Denton demonstrate that overall organizational performance is indeed higher in organizations where organizational values and spiritual values coalesce. Based on management theory and conceptions of faith-friendly workplace which identify four distinct organizational methods to highlighting religion and spirituality at work, Miller and Ewest developed a new framework of the faith-at-work movement. This framework addresses organizational considerations and contexts in accompanying of increasing religious pluralism and the rising desire for the combination of faith and work.

In a brief review of Buddhism at work together with conducting a qualitative study, Marques shows that Buddhist practices are turning out to be broadly accepted. Indeed,many people want to practice Buddhism philosophy when they recognized as ethical values, make perfect sense and could help raise turnaround in general feelings about work and experiences at work. However, they are not more likely to be called Buddhist followers. In other words, there is still a barrier in massive acceptance of Buddhist practices at work in America.

The ethic is a key branch of philosophy, concerned with analyzing what is right or wrong in people behavior or conduct. Ethics and morality are common terms that are often used interchangeably in discussions of good and evil. The term ethic is usually applied to persons relating to or affirming a specified group (ethics come from the Greek ethos, meaning character). Meanwhile, morality concerns the distinction between right and wrong or good and bad behavior (moral comes from the Latin moral, meaning customs or manners). Deborah and Amanda identified four crucial factors whichimpact onethical conduct: moral awareness: recognition that a scenario becomes ethical issues; moral decision making: determining what course of action is ethically sound; moral intent: distinguish which values should take priority in the decision; moral action: pursuing through on ethical decisions.

Therefore, ethical conduct plays an essential role in working environment.Which behaviors of individuals in the business environment are wrong or right, ethical or unethical within the scope of certain rules. This is very important in the reliable operations of the working environment and the abilities of enterprises to establish trust-based relationships with stakeholders. Meanwhile, the employees have responsibilities for implementing in compliance with business ethics (Certo, 2012). Religion is

an integral part of the culture in each country which is considered as one of the important factors contributing into shaping conceptions, standards and ethical values in society. In Viet Nam, Buddhism is the religion with the most number of followers.

General speaking, most these previous studies have been used a qualitative method to invest the influences of religion on spirituality at the workplace in general and Buddhist practices at work in particular. There is a little quantitative study onthe influences of Buddhist ethics on employee performance. Specifically, to the best of our knowledge, this paper is the first empirical study on work performance-Buddhist ethics integration at enterprises in Vietnam.

Vietnam is one of the least religious countries in the world. According to official statistics from the government, as of 2014 there are 24 million people identified that having their owned religions, out of a population of 90 million. Buddhism is the predominant religion in Vietnam which is also the world's great religions. Although, not all of Vietnamese actively participate in Buddhist rituals at the pagoda but the great majority of them regard themselves as Buddhists and this religion has exerted a deep influence on Vietnamese culture and the Vietnamese concept of life. Religious (Buddhism) devotion and diversity are on the rise in the Vietnam and the combination of these trends is creating new challenges and new demands for employers. As a result, handling future requests for Buddhism accommodation may require HR professionals to demonstrate greater sensitivity, tolerance and understanding of various religious beliefs. Unfortunately, some employers may not be prepared to adapt the many forms that Buddhism principles can take place.

The study developed a comprehensive model to examine the relationship between work performance and Buddhist ethics at the workplace to better understand the nuances of work-faith integration and consider what could be learned from the specific belief system. We conducted five in-depth interviews with Buddhist monks and five managers at different enterprises. Based on these interviews, participants help us to identify key themes which appropriately represent Buddhist ethics that are easier understanding and undertaking at enterprises in Vietnam. These core themes involve Honesty, Fairness and Equality, Humanity and Cooperation which are modified and developed from Buddhist philosophical practices. The questionnaires were well-designed and distributed to 95 enterprises in Southern of Vietnam during five months from January to May in 2016. As a result, there were 357 reliable observations to conduct this study.

By implementing Structural Equation Modeling (SEM), the paper found out some key results that the four core values of Buddhist ethics had significant and positive effects on individuals as well as ethical leadership. In return, individuals and ethical leadership enhanced employee performance at the workplace. The discourses here discussed potential opportunities to promote Buddhist ethics at work environment in Vietnam.

Literature review and hypothesis development: It is a new era of modern technology and competitive business environment. Organizations are continuously changing. In order to maximize employee performance and to achieve optimal utilization of the resources, human capital must be managed properly. Although, the modern technology has demonstrated a greater role on economic and social development as well as improvement of working environment since the dawn of the industrial revolution, many dangerous of work, both physical and mental, exist at the workplace today. Understanding what motivates workers is important for the success of organizational goals. However, in many classical and most popular theories of HRM have not much paid attention to the critical importance of the ethical and spiritual dimensions of employee motivation (Guillen *et al.*, 2015). Employees have been moral or ethical and spiritual dimensions to their lives and these realities might influence the work of individuals and their performance in organizations.

Petchsawang and Duchon showed that workers who usually practice meditation performance better than who do not. Moreover, the practice of meditation has partially mediated the relationship between workplace spirituality and work performance. In another study, Dane and Brummel point out that workplace mindfulness has a positive and significant effect on job performance but has a negative and significant influence on turnover intention. Given the research findings, prior studies proposed that mindfulness drives greater benefit at workplace settings. However, empirical research on Buddhist ethics at the workplace is quite limited. Particularly, it is unclear whether or to what degree of each dimension of Buddhist ethics relates to job performance associated with the individuals and ethical leadership remains unanswered.

Numkanisorn demonstrates that an economy according to Buddhist ethics involves five fundamental principles: ownership, liberty, a market system of operations, competition and the government role. These principles are similar to the liberal economic system. This implies that Buddhist principles are not in contradict to Business operations in liberal economic system. Specifically, Ashtankar (2015) mentioned that Buddha

promulgated five precepts to be pursued by lay people. These are broad-based and provide the basis for the path to enlightenment. The five precepts of Buddhism are: Do not kill or destroy living creatures; Do not steal; Abstain from sexual misconduct; Do not tell lies and Do not take intoxicants. These precepts representing good behavior have been explained as building foundations to help oneself in the endeavor to manage oneself efficiently and peacefully leading to the social welfare.

Buddhist teaching and practices can help enterprises gain better outcomes. The key is that we all-as business and as people-acclimate to our issues and let them exist. The Buddhist principle is to bring awareness to these issues and quote, "this is suffering and there is a cure." Then we get to work together with a clear, directed and harmless way to fix issues, reduce conflicts and gain objectives. In Buddhist philosophical practices, Buddha pays attention to key themes involving action, anger, fear, health, life, love, mind, personal development, self-reliance, speech and truth. We bring these core themes to ask five buddhist monks and five entrepreneurs how people apply these themes in business operations and build organizational strategy implementation. Finally, all correspondents come up with the four crucial dimensions to undertake Buddhist practices in today's workplace which are honest, fairness and equality, humanity and cooperation. The clarity of the four themes enables organizations to eliminate business suffers from economic downturn business inefficiency business conflicts, tough competitors and to highlight corporate priorities effectively and make them easier to understand.

Bringing together research questions mentioned above, this paper focused on four key dimensions of Buddhist philosophical practices which are honesty, fairness and equality, humanity and cooperation, to investigate not only the fundamental relationship between each dimension individual behavior and ethical leadership respectively but also what occurs to these relationships when accounting for employee performance at enterprises in the southern of Vietnam. To do so, we need to overview the basic concept of each core theme and propose the research hypotheses as follows.

Ethical leadership: Ethical leadership is defined as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships and the promotion of such conduct to followers through two-way communication, reinforcement and decision-making" (Brown *et al.*, 2005). In conducting the theory of ethical leadership, Brown *et al.* (2005) proposed that ethical leadership behavior plays an essential role in encouraging employees to have a positive attitude. They conceptualized ethical leadership in two main aspects: the

moral person component, (e.g., integrity, concern for others, justice, trustworthiness) and the moral manager component, (e.g., communicating, rewarding, punishing, emphasizing ethical standards, role modeling ethical behavior). Thus, ethical leaders combine many positive personal characteristics and find many ways to motivate and influence employees by actively managing ethical conduct. In theoretical framework, Dickson *et al.* (2001) explained how leaders are critical in development an ethical climate. Leaders often set the ethical code for an organization by enacting practices, policies and procedures that help facilitate the display of ethical behavior and reduce the likelihood of misconduct.

Brown *et al.* (2005) affirmed that ethical leadership is considerable because of the outcomes it is supposed to influence. In line with a social learning perspective, employees emulate ethical leader's behavior because such leaders are attractive and credible models who model normatively suitable behavior. Moreover, ethical leaders communicate the noteworthiness of ethical criteria and use the performance management control to manage employees accountable for their work.

In an empirical study, Walumbwa found that ethical leadership was positively and significantly linked to employee performance within the context of social and psychological perspectives. Furthermore, in a recent research, Chen *et al.* (2014) adapted the theoretical framework of social exchange and found that while paternalistic leaderships are positively associated with both in-role and extra-role employee performance, the authoritarian paternalistic leadership dimension is negative related to subordinating performance.

Lately, some intelligent business leaders have begun to concentrate on the concept of workplace spirituality and some other endurances toward religion at enterprises based on the mindset that happy employees will work better. The author also mentioned the popular terms in promoting enhanced workers is that "If you give them what they want, they will give you what you want."The critical question is whether Buddhismshould be established as set of ethical rules toward improved leadership of the self and better interactions with others at a workplace. Marques noted that when Buddhist practices are not approached as a religion but rather as psychology and ethical system, they turn out to be broadly accepted since they create much sense in perpetual perspective.

Recently, ethical leadership has become prominent in the media in Vietnam because of public examples of corporate executives conducting corruption and wrongdoing. For examples, in the lending scandal on charges of breaching regulations the Penal Code at Ocean bank, the Asia Commercial Bank, Vietnam Construction Bank and others, police have arrested many key chief executives, including the founder, the chairman, members of the management board and several other key managers during the last 2 years. This increasing in many scandals in commercial banks, state-owned enterprises and public administration sectors in Vietnam, the ethical leadershiphave broadly generated considerable interest in the research topic in Vietnam workplaces. In addition, many people have thought whether business leaders who believe in religion could decrease selfish and greedy behavior and increase their awareness of interconnectedness with all living beings. Generating better ethical system plays as helpful resource workplaces and other settings where human beings interact. Therefore, we expect a positive relationship between ethical leadership and employee performance.

- H₁: Ethical leadership is positively related to employee performance

Individual behavior: Individual values have been one of the most important determinants of business ethics. Personal values are the foundation of preferences or modality of optional orientation. Stackman debate that values are neither attitudes nor behaviors but rather are building barriers of the behavior and the choices made by individuals. In addition, they also referenced that values are considered as a crucial basis for ethical behavior in various esteems. Consequently, they confirmed that honesty has a significant relationship with some other personal values, both instrumental and terminal. In their identification, instrumental values cover the values imaginative, capable and broad-minded, meanwhile terminal values include the value family security and comfortable life.

In a theory of value contents and structure, Schwartz (2012) mentioned that when people thought of their values, they thought of what was important to them in life. Each person held various values, (e.g., achievement, security, benevolence) with differing levels of importance. A particular value might be very essential to one person but inessential to another. The author also reviewed six main features of values including values are beliefs; values refer to desirable goals; values transcend specific actions and situations; values serve as standards or criteria; values are ordered by importance and the relative importance of multiple values guides action".

Brown *et al.* (2005) summarized propositions to strive to clarify the relationship between the ethical leadership construct and transformational, authentic and spiritual theories of leadership. In this framework, the individual characteristics which involve agreeableness, conscientiousness, neuroticism, machiavellianism, moral reasoning and locus of control have not only significant

influence on employee satisfaction, motivation and commitment but also on employee ethical decision-making throughout the ethical leadership. In their review, the individual characteristics enhance model attractiveness and credibility. Employees can learn about what is acceptable or unacceptable by observing to how other organizational members are rewarded or punishedand regulate their own behavior as a result. In general, the authors emphasized that the social learning theory was able to be used to explain the effect of ethical leadership on ethical climate. In this theory, individuals learn appropriate approaches to act through a role-modeling process by paying attention to the behaviors of others.

Vaske and Donnelly developed conceptual framework to investigate some concepts in the value attitude behavior causal sequence. Theory proposed that an individual's observation of the scenery where he or she lives can be organized into a cognitive hierarchy consisting of values, value orientations (it means patterns of basic beliefs), attitudes/norms, behavioral intention and behaviors. This process of causal sequence generated the Value-Attitude-Behavior Hierarchy Model which explains the influence of value, (i.e., patterns of basic beliefs) on people attitudes and behaviors toward a certain object. Furthermore, Schwartz (2012) described how values link to attitudes, beliefs, traits and norms. As attempting to explain why individual behavior as they did, the researchers often referred to attitudes, beliefs, traits or norms. A crucial approach in which each of these concepts distinguished from values was that it changed on another scale, thus it was measured differently. Schwartz (2012) also summarized each concept identified from previous studies as follows.

Attitudes are considered as evaluations of objects as good or bad, favorable or unfavorable. Attitudes can evaluate people, behaviors, events or any object whether specific (food) or abstract (progress). When people express a positive attitude towards attitude objects that satisfy individual demand and negative attitudes towards objects that frustrate their goals.

Beliefs are considered antecedent to attitude and are ideas about how true it is that things are connected to particular approaches.Unlike values, beliefs mention to the subjective probability that a relationship istrue, not to the essential of objectives as directing principles in life. Norms are rules or standards that inform members of a society or a group how theyshould behave. Norms change on a scale of how much people disagree or agree that people should perform in a particular approach. In general, norms are social expectations, so people are more or less inclined to accept them relying on whether how essential conformities versus self-direction values

are to them. Meanwhile, traits are tendencies to illustrate invariable patterns of actions, thoughts and feelingsacross time and scenarios.

Specifically, in this paper we only focused on individual behavior which are attitudes, beliefs, norms and traits. When employees have beliefs in religion (Buddhist ethics), they response a positive attitude towards the Buddhist ethics as well as feel more peaceful and happy to work better. From the above literature, we propose the following hypothesis:

- H_2: Individual behavior has a significant positive impact on employee performance

Honesty: Honesty refers to a facet of moral character and connotes positive and virtuous attributes such as integrity, truthfulness, straightforwardness, including straightforwardness of conduct, along with the absence of lying, cheating, theft, etc., Furthermore, honesty means being trustworthy, loyal, fair and sincere (Rogers, 1964). Brijesh and Mittal (2014) quoted that an honest person pursues the highest code of conduct and appreciates the interconnectedness of the world and its resources for optimum utilization for the welfare of all the members of the society.Honesty and self-appraisal are interconnected, for there cannot be any meaningful self-appraisal without an honest and truthful revelation of oneself. Many factors, for example, sincerity, frankness, fearlessness, trustworthiness is interrelated with honesty.

When people believe in Buddhism, they must have an honest spirit and work honestly with other people. However, people nowadays believe less in Buddhism and less in other religions also, since they only believe in what they see and they cannot see the future life. Buddhist ethics have much to deal with consequences of actions and hence morality can be gained through discipline. Based on an understanding of Buddhist practices, a person in a role of either an employer or an employee should not create harm, promote well-being through honesty and openness in the communication of information and possess an attitude of good behavior toward others. From the previous studies, we recognize that there is a certain level of relationship between honesty and individual values. Therefore, we propose the following hypothesis:

- H_3: Honesty has a positive relationship with individual behavior

Between honesty and ethical leadership has an intimate relationship. Ethical values in an organizational setting are emphasized and strengthened primarily through values-based leadership which can be defined as

a relationship between leaders and co-workers, based on shared, internalized values which are acted upon by the leader. Values are general principles that guide action (Ajzen, 1991; Kollmuss and Agyeman, 2002). Values are not actions; they are codes which underlie the sanctions or punishments for some choices of behavior and rewards for others. Moreover, honesty seems to be an important part of the expected traits or characteristics of several professions and various ethical leadership. In reality, many employees often feel threatened and unsatisfied by the process of assessment due to lack of honesty from the managers. Therefore, we developed the following hypothesis:

- H_4: Honesty is positively associated with ethical leadership

Fairness and equality: The core values of Buddhist ethics are that all persons, male and female and all classes are accepted as having the potential of enlightenment. In fact, Buddhism is a very simple ideology, holding that suffering is bad, effort to reduce suffering is good and the goal of life is to relieve all eliminable suffering. During the lifetime of the Buddha, persons were confirmed getting this goal. The Dalai Lama writes that "It is the inherent nature of all human beings to yearn for freedom, equality and dignity and they have an equal (right) to achieve". In terms of fairness, an Engaged Buddhist point of view is to mitigate human suffering (Kline, 2005).

Jones noted two broad views of fairness. The first one was considered as treating everyone the same regardless of their characteristics. Meanwhile, the second one was regardedas treating people differentially according to their characteristics but these were not mutually exclusive. The researchers also mentioned that equality was widely separated into equality of opportunity and equality of outcome. The first one was more likely to be desirable while the second one was considered as neither desirable nor achievable. In general, fairness and equality were often used interchangeably.

One of the roles of business ethic practitioners is to provide support for employees understanding the ethical value of justice. Translated into their daily work, this means fairness, a word seen in many enterprise's code of ethics (Mey *et al.*, 2014). In implementing, this value in daily business operations, the concepts of 'non-discrimination', 'equality of treatment' and 'respect' are usually used when providing guidance to staff on what conduct is expected and what is not. Besides, in line with the above describe of individual behavior we propose the following hypothesis:

- H_5: Fairness andequality have a significantly positive effect upon individual behavior

Workplace polices to promote equality of opportunity and to accommodate diversity play an important part in mobilizing the increasingly diverse labor supply and in enhancing the opportunities available to all current and potential labor market participants. The authors also found that the presence of a formal policy on equality at the workplace has a positive and significant impact on lower levels of work stress as well as on higher levels of both job satisfaction and organizational commitment.

Marques illustrates that Buddhist practices are becoming broadly accepted. Specifically, many people want to practice Buddhism philosophy when they recognized as ethical values, make perfect sense and could help raise turnaround in general feelings about work and experiences at work. Furthermore, believing in religion (Buddhism in our context) at the workplace is considered as the important factor contributing into shaping conceptions, standards and ethical values. Therefore, fairness and equality in Buddhist practice may have a certain level effect on ethical leadership. Hypothesis 6 was established:

- H_6: Fairness andequality have a significant positive effectupon ethical leadership

Humanity: Chang (2003) notes that humanistic Buddhism is Buddhism with focusing on today's human life, including humanity and social responsibility. It provides an excellent basis upon which this new set of business ethics can be established. With the improvement and betterment of human life and experience as its fundamental focus, Buddhism differentiates from most other spiritual practices in its method to human problems. It places the solutions for human problems back to human beings. Humanistic Buddhism with its main concern on spirituality and its relentless seek for universal knowledge and ultimate wisdom play an essential role in developing a comprehensive model of knowledge management. Chang (2003) also mentioned that the goals of life are "wholeness and freeness". Thus, the goals of knowledge management in an organization are similar to the goals of life. In business, wholeness is becoming integrated (full mind and body in Buddha nature, the structure and culture within an organization with nature and environment) and behaving in a best innate and excellent approach. Meanwhile, freeness is liberation from suffering and affliction for an individual and the prevention from internal or external failure of an organization.

An organization should develop spirituality in its workplace. Spiritual leadership is to generate an environment where humanistic values are integrated with
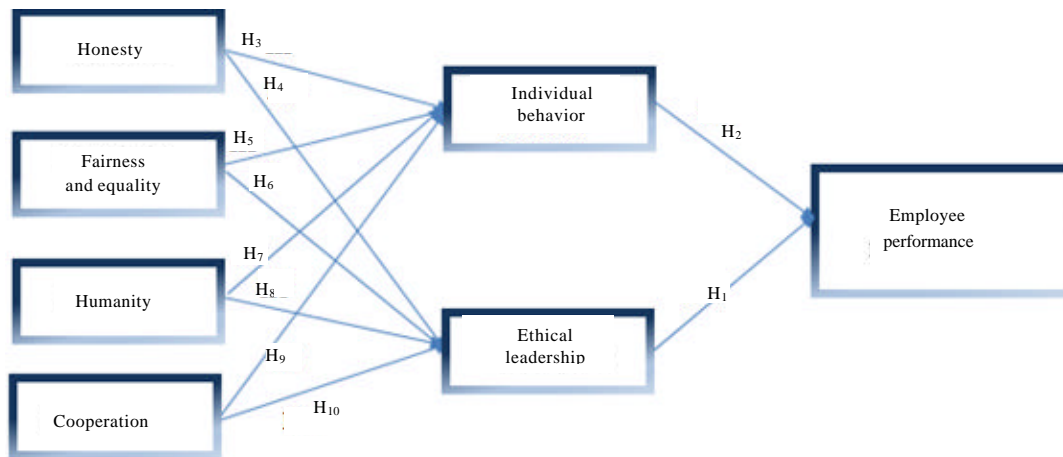
Fig. 1: Research framwork

sound business practice to supervise the approach in an organization to accomplish its business objectives. Leaders must commit to build up the organization's value system without compromising in the interest of short-term profit. Spiritual leadership concentrates kindness, compassion, equality and love as driven forces to explore other's demand as well as our own (Chang, 2003).

In a recent study on importance to human values for the society, Debbarma affirmed that the value of human life exceeded all other values. Therefore, all organizations and societies developed humanity to achieve the maximum value through learning, culture, physical health and economic plenty. In addition, the moral behavior of an individual or group of individuals could influence the society at great. From an engaged Buddhist perspective, in the modern world individual societies should be integrated in so many approaches-economic, political, social cultural, trade agreements-into the greater whole that any individual society's interest and prosperity would be highly harmonized with the interest and prosperity of others (Kline, 2005). Hence, humanity in Buddhism practices has a certain linkage with individual behavior and ethical leadership. We proposed two hypotheses:

- H_7: Humanity has a significant positive impact on individual behavior
- H_8: Humanity has a significant positive impact on ethical leadership

Cooperation: Kline (2005) mentioned that Dalai Lama wrote that "the challenge of the new millennium is surely to find ways to achieve international or better, intercommunity-cooperation wherein human diversity is acknowledged and the rights of all are respected". Cooperation is working together for a common purpose or benefit (Chang, 2003). Cooperation is essential

to long-term group effectiveness and is frequently associated with trust. When working in a group, our efforts are directed toward a common goal (Weerasinghe *et al.*, 2015).

Tyler and Blader (2003) distinguished three aspects of group-linked or social identify identification, pride and respect. Identification describes the level to which people cognitively merge their sense of self and their evaluation of self-worth with their judgments of their features and status of their own groups. Pride reflects the person's evaluation of the status of their groups. Meanwhile, respect reflects their evaluation of the status within the group. In particular, pride reflects the categorical self while respect describes the reputational self. Therefore, pride will be specifically related to mandatory-required behavior. Meanwhile, respect will be connected particularly strongly to discretionary-voluntary behavior. Consequently, the better cooperative behavior, the higher the job performance at the workplace.

Brown *et al.* (2005) emphasized that the social learning theory was able to be used to explain the effect of ethical leadership on ethical climate. In this theory, individuals learn appropriate approaches to act through a role-modeling process by paying attention to the behaviors of others. Therefore, the better cooperation will create the stronger ethical leadership as well as make individualshealthy, happy and fulfilled. Thus, based on the above literature we formulated the following hypotheses:

- H_9: Cooperation has a significant positive impact on individual behavior
- H_{10}: Cooperation has a significant positive impact on ethical leadership

Figure 1 presents the conceptual framework with denoting the above hypotheses.

MATERIALS AND METHODS

At first, based on 10 in-depth interviews in line with previous studies we have developed and improved the measurement scales with 36 items which are well adapted in Vietnamese context. After finishing a draft questionnaire design we conducted a pilot test with 162 interviewees. They were asked to fill in the questionnaire as well as give the comments about their difficulty understanding the questionnaire. The results from the pilot test enabled us to verify the questionnaire design for better layout and easier to understand and answer. The target population of this study is individual behaviors working on various enterprises in Southern of Vietnam.

The questionnaire included two parts: demographics of the respondents such as gender, age, educational attainment, working position and income and questions presenting aspects of the Buddhist ethics as honesty, fairness and equality, humanity and cooperation, individual behaviors, ethical leadership and employee performance following 5-point Likert scale from 1-strongly disagree to 5-strongly agree. Table 1 shows the variable names (items) and their sources of measurement scales.

The target population of this study was employees and leaders, who have been working on various enterprises in Southern of Vietnam. A total of 475 questionnaires was distributed to 95 enterprises located in 14 provinces of Vietnam: Da Nang, Quang Ngai, QuyNhon, KhanhHoa, Lam Dong, Dong Nai, Binh Duong, Ba Ria-Vung Tau, Ho Chi Minh City, Long A, Tien Giang, An Giang, KienGiang and Can Tho. After eliminating 130 unanswered or improperly filled out, the 357 valid questionnaires are used to conduct data analysis. It took more than four months to complete this survey from late January to May in 2016. The demographic profiles of respondents were summarized in Table 2.

From Table 2, 19% of participants were living in Ho Chi Minh City, Vietnam. The remaining participants were living across 13 provinces. Relating to education level, most correspondents had associate degrees with 27.73% and Bachelor degrees with 45.1%. Regarding to job position, normal staffs and managers accounted for 32.2 and 25.5% of total samples, respectively. The remaining participants were either vice directors or directors. In terms of monthly income, 74.8 % of participants had income under 20 million VND/month

Table 1: Variables and sources of scale for measurement

Factors	Code	Items	Sources
Honesty	Ho1	Openness to experience	Barrick and Mount (1991) and Hurtz and Donovan (2000)
(Ho)	Ho2	Conscientiousness of personality	Barrick and Mount (1991) and Hurtz and Donovan (2000)
	Ho3	Extraversion of personality	Barrick and Mount (1991) and Hurtz and Donovan (2000)
	Ho4	Agreeableness of personality	Barrick and Mount (1991) and Hurtz and Donovan (2000)
	Ho5	Neuroticism of personality	Barrick and Mount (1991) and Hurtz and Donovan (2000)
Fairness and equality	Fe1	Distributive justice	Mollick (2014) and Sirin (2016)
	Fe2	Procedural justice	Mollick (2014) and Sirin (2016)
	Fe3	Interpersonal justice	Mollick (2014) and Sirin (2016)
	Fe4	Informational justice	Mollick (2014) and Sirin (2016)
	Fe5	Faire of distribution of resources and oppotunities	Mollick (2014) and Sirin (2016)
	Fe6	Appraise employee performance fairly	Mollick (2014) and Sirin (2016)
	Fe7	Facilities to work comfortably	Mollick (2014); Sirin (2016)
Humanity (Hu)	Hu1	Loving-kindness	Koivula (2008); Dhammanada
	Hu2	Shared humanity of people	Kehinde (2011)
	Hu3	Respect for persons	Dhammanada
	Hu4	Reliability (Promise-Keeping)	Brijesh and Mittal (2013)
	Hu5	Caring for others	Keuzenkamp
	Hu6	Citizenship behavior	Podsakoff *et al.* (2000)
Cooperation (Co)	Co1	Enhancing a group's sense of efficacy	Chang (2003) and Ashtankar (2015).
	Co2	Resolve conflicts and perform effectively	Agwu (2013) and Kehinde (2011).
	Co3	Agreeable people	Mkoji and Sikalieh
	Co4	Positive relationships	Weerasinghe *et al.* (2015)
Individual behavior (In)	In1	Belief of individual	Ajzen (1991) Schwartz (2012)
	In2	Attitude/norms of individual	Schwartz (2012)
	In3	Behavior of individual	Ajzen (1991) and Schwartz (2012)
Ethical leadership (El)	El1	Character and integrity	Sabir *et al.* (2012)
	El2	Ethical awareness	Sabir *et al.* (2012)
	El3	Community/people-orientation	Phipps (2012)
	El4	Leadership motivation	Sabir *et al.* (2012)
	El5	Trustworthiness in leadership	Burke *et al.* (2007)
Employee performance (Ep)	Ep1	Controlling stress at work	Madan and Bajwa (2016).
	Ep2	Employee training	Madan and Bajwa (2016) and Mey *et al.* (2014)
	Ep3	Motivating employee	Sabir *et al.* (2012)
	Ep4	Leadership style	Resick *et al.* (2006) and Madan and Bajwa (2016)
	Ep5	Emotional intelligence	Madan and Bajwa, 2016.
	Ep6	Working environment	Sabir *et al.* (2012)

Table 2: Demographics

Factors/Items	Frequency	Percentage
Name of provinces		
Da Nang	21	5.9
Quang Ngai	15	4.2
QuyNhon	14	3.9
KhanhHoa	18	5.0
Lam Dong	16	4.5
Dong Nai	23	6.4
Binh Duong	30	8.4
Ba Ria-Vung Tau	28	7.8
Ho Chi Minh city	68	19.0
Long An	23	6.4
Tien Giang	25	7.0
An Giang	31	8.7
Can Tho	27	7.6
KienGiang	18	5.0
Gender		
Male	211	59
Female	146	41
Age group (years)		
Under 25	35	9.8
From 25-30	41	11.5
Over 30-35	48	13.4
Over 35-40	56	15.7
Over 40-45	70	19.6
Over 45-50	51	14.3
Over 50-55	35	9.8
Over 55	21	5.9
Highest educational attainment		
Secondary school	25	7.00
High school diploma	45	12.61
Associate degree	99	27.73
Bachelor's degree	161	45.10
Master's degree	21	5.88
Doctoral degree	6	1.68
Working position		
Staff	115	32.2
Managers	91	25.5
Vice-director	83	23.2
Director	68	19.0
Income (Million VND)		
Under 5	45	12.6
From 5-7	51	14.3
Over 7-10	68	19.0
Over 10-15	57	16.0
Over 15-20	46	12.9
Over 20-30	34	9.5
Over 30-50	30	8.4
Over 50	26	7.3
Total	357	100

Table 3: Assessment of convergent validity and reliability

Variables	Range of factor loadings	Average Variance Extracted*(AVE)	Composite Reliability**(CR)
Honesty (Ho)	0.753-0.802	0.594	0.880
Fairness and equality (Fe)	0.702 - 0.811	0.599	0.856
Humanity (Hu)	0.721- 0.802	0.590	0.878
Cooperation (Co)	0.730-0.823	.601	0857
Individual behavior (In)	0.708-0.831	0.553	0.787
Ethical leadership (El)	0.714-0.801	0.564	0.866
Employee performance (Ep)	0.703-0.872	0.609	0.861

Table 4: The correlation between the independent variables

Code	Ho	Fe	Hu	Co	In	El	Ep
Ho	**0.770**						
Fe	0.398	**0.773**					
Hu	0.421	0.331	**0.768**				
Co	0.416	0.368	0.433	**0.775**			
In	0.366	0.440	0.328	0.346	**0.743**		
El	0.348	0.478	0.388	0.352	0.432	**0.750**	
Ep	0.408	0.442	0.326	0.368	0.463	0.412	**0.780**

The square root of AVE is shown as bold at diagonal

conducted the reliability test again. The results show that all α values, ranging from 0.702-0.872 are above the benchmark level of 0.7 suggested by Nunally and Bernstein. After implementing the validity and reliability testing, the research model remains 30 variables extracted to seven factors including the honesty (five variables); the fairness and equality (four variables): the humanity (five variables): the cooperation (four variables): the individual behaviors (three variables): the ethical leadership (five variables) and the employee performance (four variables).

Secondly, we implemented convergent validity and reliability analysis. The Average Variance Extracted (AVE) and Composite Reliability (CR) should be used to test the convergent validity and reliability of the data with the requirements that the AVE must be >0.5 and CR >0.7 (Hair *et al.*, 2012). Furthermore, it was requested that the outer loadings of each item should be >0.7. The findings of values of AVE and CR satisfied the above criteria, as presented in Table 3.

Thirdly, we used the criteria developed by Fornell and Larcker to test discriminant validity. Thus, we built a matrix of correlations among all constructs and replaced the diagonal with the square root of the AVE of each corresponding construct. According to Table 4, all values on the diagonal are larger than the other values in the matrix, indicating a strong empirical evidence for the reliability and validity of the constructs.

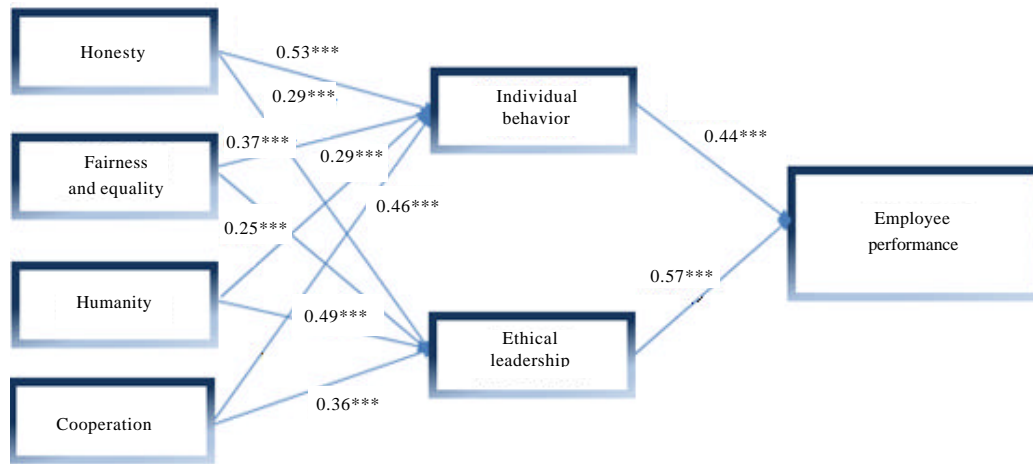**Confirmatory Factor Analysis (CFA):** CFA was conductedto assess the validity of the constructs. We

(around 880 USD/month). There were 25.2% of them earning over 20 million VND/month.

RESULTS AND DISCUSSION

Reliability analysis: Firstly, we conducted the reliability test. The results show that the six items (Fe3, Fe6, Fe7, Hu6, Ep4 and Ep5) do not meet the requirement because they are below the benchmark level of <0.3 suggested by Nunally and Bernstein. Therefore, these were removed from the research model. Then, we

Fig. 2: The results of hypothesis testing; all hypothesis were suppotted at asignificant level of 0.05 and 0.001 p<0.001 and **p<0.05

used AMOS 22 to implement CFA and Structural Equation Model (SEM). Based on the assessment criteria, the findings showed that χ^2 =1,112.86; df = 388; χ^2/df = 2.868 <3.0 are accepted (Kline, 2005; Schumacker and Lomax, 2004; Hair *et al.*, 2012). Moreover, CFI = 0.919>0.90; NFI = 0.907>0.90; TLI = 0.893 but MSEA = 0.032<0.05. Therefore, model was respecified (Schumacker and Lomax, 2004) and the measurement model was valid and fit the data.

The regression weights of all constructs are provided and the hypothesis testing, paths and effects are presented in Fig. 2. All hypotheses were supportedat a significant level of 0.05 or 0.001. This implied that all four main characteristics of Buddhist ethics are positively associated with individual behavior as well as with ethical leadership. In turn, ethical leadership and individual behavior have a positive impact on employee performance.

The results show that, ethical leadership has a quite strong influence to employee performance in enterprises of Southern Vietnam. This is also consistent with the previous studies (Chang, 2003; Resick *et al.*, 2006; Sabir *et al.*, 2012; Madan and Bajwa, 2016; Brown *et al.*, 2005). This means that ethical leaders are able to establish attractive and credible models to manage their followers more effectively and efficiently. In Buddhist practices at workplace business leaders can generate a peaceful and harmonious working environment to enhance job performance. The empirical findings are also consistent with previous studies in the context of social and psychological perspectives as well as in the terms of Buddhist practices. In general, when leaders have abilities

to establish the ethical system following the rules of Buddhism, employees will be happier and more productive to accomplish their business goals.

The result of the H_2 test showed thatemployee performance was also influenced by individual behaviors. This finding is also consistent with the propositions of Schwartz (2012) as well as the conceptual framework in the value attitude behavior causal sequence. This implies when employees believed in Buddhism, they would contribute more value added for the enterprises and worked with a positive attitude.

The H_3 was supported (i.e., honesty is positively associated with individual behavior). This empirical result also supported the previous theoretical framework of Chau and Brijesh and Mittal (2013). As believing in Buddhism, people must have an honest spirit and work honestly with others. Moreover, they need to promote well-being through honestly and openness in the communication of information and possess an attitude of good behavior toward others.

From the confirmation of testing H_4, honesty has proven an important role in creating values-based leadership. This result is also consistent with the proposed theories of Ajzen (1991) and Kollmuss and Agyeman (2002). Furthermore, this finding implies that when applying Buddhist practices at workplace, honesty has a certain level effect on generating ethical values of leaders.

The estimation results from SEM proved that fairness and equality were positivelyassociated with individual behavior (H_5). This finding was consistent with the previous theoretical studies from Kline (2005) and Mey

et al. (2014). It means that engaging Buddhism, individual has a good behavior to eliminate human suffering through generating fairness and equality at the workplace. To do so, the enterprises should formulate code of ethics to guide employees on what conduct is expected and what is not.

The H_6 is supported with a highly significant as p<0.001.This implies that as believing in Buddhism, leaders could establish a formal policy on fairness and equality at the workplace to reduce the stressful level of employees and enhance job performance. Besides, it also enabled leaders to construct conceptions, standards and ethical values.

Both H_7 and H_8 were supported from our data analysis by using SEM. This means that based on humanistic Buddhism leaders are able to establish enterprise's ethical code emphasizing on humanity as well as social responsibility. Almost business problems may find appropriate solutions based on human beings. The empirical results also confirmed the proposal theory of Debbarma that organizations should promote humanity to accomplish the maximum value. With mindset and humanistic Buddhism, leaders might develop a comprehensive model of knowledge management that its goals are similar to the goals of life which are "wholeness and freeness" (Chang, 2003). Specifically, from engaged Buddhist perspectives, individual societies should be integrated in either the regional economic community or the world trade organization. The interest and prosperity of individual in organization should be harmonized with those of others (Kline, 2005).

Figure 2 shows that H_9 and H_{10} are also confirmed with a highly significant level (p<0.001). The findings are also consistent with the previous theoretical studies. The higher level of cooperation lead to substantially increasing employee performance and job satisfaction. In other words, the better cooperative behavior leads to the higher the job performance and the lower turnover (Chang, 2003; Weerasinghe *et al.*, 2015; Tyler and Blader, 2003). Moreover, our finding also supported the role model process and the social learning theory proposed by Brown *et al.* (2005).

CONCLUSION

This study highlighted several previous studies on Buddhist perspectives and attempted to answer how Buddhist ethics influence on employee performance at the workplace throughout ethical leadership and individual behavior. We addressed shortcomings of existing relationship between Buddhist ethics and employee performance at the workplace. After conducting 10 in-depth interviews with managers and monks, the correspondents help us to identify four main factors, including honesty, fairness and equality, humanity and cooperation which are appropriate representative of Buddhist ethics. We developed the conceptual framework to test 10 hypotheses with 357 valid observations collected from 95 enterprises in the Southern Vietnam. By using SEM techniques, we found out some interest results. First, all four main factors representative for Buddhist ethics have positively significant effects on ethical leadership and individual performance. Moreover, in turn ethical leadership and individual behavior are positively associated with employee performance.

With the mindsets of Buddhist perspectives, business leaders are able to create attractive and credible models to manage the followers more effectively and efficiently. As a result, the working environment become more peaceful and harmonious to enhance job performance and eliminate turnover. Employees with positive attitude will devote more time and efforts to accomplish their business goals in the ethical system. The findings also substantially supported previous theoretical frameworks as discussed in the above section.

It seems that almost of Vietnamese enterprises more concerns about external factors rather than intrinsic factors as ethical and religious elements. However, our findings may change attitudes of business leaders towards Buddhist ethics. Therefore, when managers want to restructure HRM systems, they should pay more attention to utilizing not only external factors but also Buddhist ethics such as honesty, fairness and equality, humanity and cooperation for building strategic HR planning. Actually, to achieve such a strategic plan the managers have to find appropriate approaches to put ethical goals into mandatory rules within the organization and implement them seriously.

The study also revealed that, fairness and equality in distribution of benefits and in generation of equal opportunities for everyone have a significant influence to employee performance in an enterprise. Some employees leave from enterprises due to lack of fairness and equality in distribution of benefits and equal opportunities for everyone. In highly competitive industries, most employees are satisfied with fairness and equality. Therefore, enterprises should more concern about the fairness and equality and overcome the existing issues to retain and attract employees.

Ultimately, people have thought whether business leaders who believe in religion could decrease selfish and greedy behavior and increase their awareness of interconnectedness with all living beings. Generating better ethical system plays an essential role in providing helpful resource workplaces and other settings where human beings interact.

LIMITATIONS

The limitation in this study was only to explore four factors of Buddhist ethics based on the recommendations from participants during 10 in-depth interviews.Indeed, other factors have not explored to make this conceptual framework more meaningful.

SUGGESTIONS

Therefore, the future study should add other critical factors. For example, the joy and peace of higher consciousness throughout meditation or generosity can be involved in different ways of Buddhist ethics.

REFERENCES

Agwu, M.O., 2013. Conflict management and employees performance in julius berger Nigeria PLC. Int. J. Acad. Res. Manag., 2: 125-139.

Ajzen, I., 1991. The theory of planned behavior. Organiz. Behav. Hum. Decis. Process., 50: 179-211.

Ashtankar, O.M., 2015. Relevance of buddhism for business management. IJAR., 1: 17-20.

Barrick, M.R. and M.K. Mount, 1991. The big five personality dimensions and job performance: A meta-analysis. Personnel Psychol., 44: 1-26.

Brijesh, G. and V. Mittal, 2013. Honesty in self management. Int. J. Eng. Sci. Invention, 2: 31-34.

Brown, M.E., L.K. Trevino and D.A. Harrison, 2005. Ethical leadership: A social learning perspective for construct development and testing. Org. Behav. Hum. Decis. Process., 97: 117-134.

Burke, C.S., D.E. Sims, E.H. Lazzara and E. Salas, 2007. Trust in leadership: A multi-level review and integration. Leadership Q., 18: 606-632.

Certo, S.C., 2012. Modern Management Quality, Ethics and the Global Environemnt. Ally and Bacon, Boston, Massachusetts,.

Chang, O.H., 2003. Humanistic buddhism and business ethics. Hsi Lai J. Humanistic Buddhism, 4: 181-188.

Chen, X.P., M.B. Eberly, T.J. Chiang, J.L. Farh and B.S. Cheng, 2014. Affective trust in Chinese leaders linking paternalistic leadership to employee performance. J. Manage., 40: 796-819.

Dickson, M.W., D.B. Smith, M.W. Grojean and M. Ehrhart, 2001. An organizational climate regarding ethics: The outcome of leader values and the practices that reflect them. Leadership Q., 12: 197-217.

Fornell, C. and D.F. Larcker, 1981. Evaluating structural equation models with unobservable variables and measurement error. J. Market. Res., 18: 39-50.

Guillen, M., I. Ferrero and W.M. Hoffman, 2015. The neglected ethical and spiritual motivations at the workplace. J. Bus. Ethics, 128: 803-816.

Hair, J.F., M. Sarstedt, C.M. Ringle and J.A. Mena, 2012. An assessment of the use of partial least squares structural equation modeling in marketing research. J. Acad. Market. Sci., 40: 414-433.

Hurtz, G.M. and J.J. Donovan, 2000. Personality and job performance: The big five revisited. J. Appl. Psychol., 85: 869-879.

Kehinde, O., 2011. Impact of conflict management on corporate productivity: An evaluative study. Austr. J. Bus. Manag. Res., 1: 44-49.

Kline, R.B., 2005. Principles and Practice of Structural Equation Modeling. 2nd Edn., Guilford Press, New York.

Koivula, N., 2008. Basic human values in the workplace. Ph.D. Thesis, Department of Social Psychology, Faculty of Social Sciences, University of Helsinki.

Kollmuss, J. and J. Agyeman, 2002. Mind the gap: Why do people act environmentally and what are the barriers to pro-environmental behavior?. Environ. Educ. Res., 8: 239-260.

Madan, P. and J.K. Bajwa, 2016. Factors affecting employee job performance: With special reference to banking sector. Indian J. Appl. Res., 6: 114-117.

Mey, M., A. Werner and A. Theron, 2014. The influence of perceptions of organizational trust and fairness on employee citizenship. Prob. Perspectives Manag., 12: 99-105.

Mollick, J.S., 2014. Concern about fairness, ethical idealism and demand for information systems audit in organizations. Issues Inf. Syst., 15: 197-206.

Phipps, K.A., 2012. Spirituality and strategic leadership: The influence of spiritual beliefs on strategic decision making. J. Bus. Ethics, 106: 177-189.

Podsakoff, P.M., S.B. MacKenzie, J.B. Paine and D.G. Bachrach, 2000. Organizational citizenship behaviors: A critical review of the theoretical and empirical literature and suggestions for future research. J. Manage., 26: 513-563.

Resick, C.J., P.J. Hanges, M.W. Dickson and J.K. Mitchelson, 2006. A cross-cultural examination of the endorsement of ethical leadership. J. Bus. Ethics, 63: 345-359.

Rogers, C.R., 1964. Toward a modern approach to values: The valuing process in the mature person. J. Abnormal Social Psychol., 68: 160-167.

Sabir, M.S., J.J. Iqbal, K.U. Rehman, K.A. Shah and M. Yameen, 2012. Impact of corporate ethical vaulues on ethical leadership and employee performance. Int. J. Bus. Soc. Sci., 3: 163-171.

Schumacker, R.E. and R.G. Lomax, 2004. A Beginner's Guide to Structural Equation Modeling. 2nd Edn., Routledge Inc., London, UK., ISBN-13: 9780805840186, Pages: 498.

Schwartz, S.H., 2012. An overview of the Schwartz theory of basic values. Online Readings Psychol. Culture, 2: 11-11.

Sirin, Y., 2016. Organizational justice, organizational trust and organizational identification perceptions of physical education teachers. Int. J. Bus. Soc. Sci., 7: 126-133.

Tyler, T.R. and S.L. Blader, 2003. The group engagement model: Procedural justice, social identity and cooperative behavior. Personality Social Psychol. Rev., 7: 349-361.

Weerasinghe, T.D., T.J.R. Thisera and R.H.G.W.P. Kumara, 2015. Buddhism and organizational management: A review. Kelaniya J. Manag., 3: 93-112.