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Content

VOL. 12, NO. 3 (SPECIAL ISSUE) SEPTEMBER-DECEMBER, 2021

- Special Issue with Focus the 8th International Sustainability Conference (SUSCON) of IIM Shillong covering Selected Papers Presented at the Conference 131-132
- Zoroastrian Ethics in Business 133-143
–Anindo Bhattacharjee and Sandeep Singh
- Process Views of Peer Mechanism in Joint Group Lending through the Theoretical Lens of Agency Theory : A Systematic Review of Literature 144-162
–Nishi Malhotra and Pankaj Baag
- New Earth Sastra for Harmonic Globalization and Sustainable Development 163-170
–Subhash Sharma
- The Potential Role of Irrationality and Behavioural Nudges in Entrepreneurship Development Policies in India 171-187
–Arnab Banerjee and Pradeep K. Jain

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Zoroastrian Ethics in Business

Anindo Bhattacharjee and Sandeep Singh

ABSTRACT

Almost every religious tradition has provided some highly pertinent and useful moral and ethical tenets that if embraced in business thinking and action can contribute to sustainable business practices focusing not only on the financial aspects of business organisations but also benefit the society and the community at large. This article attempts to dig deep into some of the salient values of Zoroastrianism that could contribute to the field of business ethics and it is proposed that the wider application of these values could be beneficial for business leaders and professionals regardless of their religious affiliations. Tenets of Zoroastrianism ethics that have wide applicability to various business contexts have been presented in the article by first developing a normative framework of Zoroastrian ethics for business followed by an explanation of the desirable virtues of a leader or manager. The virtue and normative frameworks are mutually dependent on each other for developing a more responsible and practical view of business where morality and ethicality is never compromised but rather seen as a means towards creating a meaningful and profitable business. This article attempts to create an illustrative framework that might be useful for future research in Zoroastrian ethics as it still remains a less understood and under-researched area in the context of business ethics.

Keywords: Ethics, Golden triad of Zarathustra, Moral irrationality, Virtues, Zoroastrianism

JEL Classification: M1

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Process Views of Peer Mechanism in Joint Group Lending through the Theoretical Lens of Agency Theory : A Systematic Review of Literature

Nishi Malhotra and Pankaj Baag

ABSTRACT

Formal institutions are unwilling to lend to the micro poor due to information asymmetry and lack of physical collateral, (*Rai & Sjöström, 2010*), (*Angelucci, Karlan et al., 2015*). However, group lending helps to address this problem by leveraging social capital, (*Harriss & de Renzio, 1997*). The goal of this study is to see how Peer Monitoring, Selection and Enforcement might help formal financial institutions to overcome Moral Hazard and Adverse Selection issues that come with working with disadvantaged borrowers in an agency relationship. The systematic literature review method was used to conduct the analysis. This study examines the growth of literature in the field of joint liability via the theoretical lens of agency theory, as well as a process view of literature in the field of Peer monitoring, selection and enforcement. According to the study, adverse selection in a Joint Liability Group is mitigated by Peer Selection which is motivated by social ties and borrower risk type and moral hazard is mitigated by Peer monitoring and enforcement. In a group, Peer mechanism is a major factor that mitigates agency problems and default in repayment of loans, (*Noglo & Androuais, 2015*). There is scope for further research in the domain of impact of risk diversification and random matching on the sustainability of Joint Liability Group.

Keywords: Adverse selection, Information symmetry, Joint liability, Monitoring, Moral hazard, Peer pressure

JEL Classification: D82, G20, G21, G28

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New Earth Sastra for Harmonic Globalization and Sustainable Development

Subhash Sharma

ABSTRACT

The evolution of societies and management thought can be viewed in terms of emergence of four forces that are now influencing our nations, corporations, social institutions and individuals. These forces are (1) Force of Market, (2) Force of State, (3) Force of People and (4) Force of Self. There is a dynamic interaction between these four forces and thereby influencing human future rooted in Harmonic Globalization and Sustainable Development. This also necessitates the need for a new corporate model based on Profit, CSR and Good Governance in consonance with Market, Society and Self leading us towards New Earth Sastra.

Keywords: Harmonic Globalization, Four Forces Model, New earth Sastra, Global Village, Multi-variables dialectics

JEL Classification: Q01

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The Potential Role of Irrationality and Behavioural Nudges in Entrepreneurship Development Policies in India

Arnab Banerjee and Pradeep K. Jain

ABSTRACT

Entrepreneurship Development Programs have received a lot of socio-political thrust in India especially of late. This is not unexpected for a country that is entering its maturity, in terms of economic stature; where entrepreneurship is one of the primary means of attaining nationwide financial and social growth for all sectors of society. The current article proposes to understand whether India as a nation has reached equilibrium or is still in a state of flux, when it comes to choosing a career between entrepreneurship and job-seeking. The study also looks into the underlying forces and policy implications for sustained progress in Indian Entrepreneurial scenario. The article first looks to validate the claim that there is a need for advocacy of entrepreneurship. Subsequently, it uses the notions of irrationality and behavioural economics to suggest more effective and sustainable policy framework, by explaining entrepreneurship as a process such as the Transtheoretical Model.

Keywords: Behavioural economics, Entrepreneurship, Irrationality, Nudging, Policy implications

JEL Classification: Z13

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