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International Journal of Conscious Business Management Studies

International Publication

Conscious Leadership and Employee Flourishing: A Strategic Framework for Purpose-Driven, Ethical and Sustainable Organisational Performance

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Abstract

Contemporary organisations increasingly recognise that financial performance alone cannot define long-term success. Employees, customers, communities and investors now expect organisations to demonstrate ethical consistency, human responsibility and a credible social purpose. Although ethical, authentic, servant and spiritual leadership theories explain important aspects of responsible leadership, these approaches are often studied separately and do not fully clarify how leaders can convert organisational purpose into conditions that enable employees to flourish. This exploratory conceptual paper proposes a Conscious Leadership for Employee Flourishing (CLEF) framework that connects leadership awareness, ethical reflexivity, stakeholder sensitivity and sustainable human resource practices with meaningful and healthy work. Conscious leadership is defined as the disciplined capacity of leaders to remain aware of their motives, values, power, stakeholder effects and long-term consequences while making decisions that protect human dignity and contribute to shared well-being. Drawing on stakeholder theory, self-determination theory, ethical and authentic leadership, workplace spirituality, psychological safety, meaningful-work research and sustainable human resource management, the paper develops six dimensions of conscious leadership: higher purpose and values congruence; self-awareness and ethical reflexivity; empathic stakeholder orientation; psychological safety and employee voice; meaningful work and capability development; and responsible performance with regenerative accountability. A five-stage maturity model is proposed, ranging from compliance-centred management to conscious ecosystem stewardship. Seven research propositions explain how conscious leadership may influence trust, autonomy, meaningfulness, employee flourishing, innovation, resilience and sustainable organisational performance. The framework contributes to conscious business management by shifting leadership assessment from personal intention or short-term results toward the quality of human, relational and societal outcomes created through managerial decisions. It also offers a research agenda for scale development, case studies, longitudinal analysis and structural equation modelling.

Keywords: *Conscious leadership; employee flourishing; ethical leadership; meaningful work; psychological safety; workplace spirituality; stakeholder value; sustainable human resource management.*

1 Introduction

Leadership is commonly evaluated through organisational growth, efficiency, innovation and financial results. These outcomes are important, but they do not reveal whether organisational success has been created through fair, dignified and sustainable working conditions. A firm may increase productivity while normalising excessive workloads, silence, insecurity or value conflict. It may communicate a social purpose while managerial incentives continue to reward only short-term targets. Such tensions have increased interest in business models that treat employees and other stakeholders as participants in value creation rather than as resources to be optimised.

Conscious business management responds to this concern by asking leaders to examine not only what the organisation achieves but also why it exists, how decisions are made, whose interests are affected and what long-term consequences are created. Conscious capitalism emphasises higher purpose, stakeholder orientation, conscious leadership and conscious culture (Mackey & Sisodia, 2013). Stakeholder theory similarly rejects the assumption that management responsibility is limited to shareholder wealth and argues that organisations must consider groups that affect or are affected by corporate activity (Freeman, 1984). These perspectives widen the purpose of leadership, but the mechanism through which conscious intention becomes an employee experience requires further conceptual development.

Employees encounter organisational purpose through everyday decisions regarding workload, autonomy, reward, participation, learning, fairness, technology and job security. A purpose statement has limited value when employees cannot question unsafe practices, understand automated decisions or connect their work with a worthwhile contribution.

The quality of leadership is therefore reflected in the social and psychological conditions created around work. Ethical leadership research shows that leaders influence employee conduct through personal example, communication, reinforcement and decision-making (Brown et al., 2005). Authentic leadership highlights self-awareness, balanced processing, relational transparency and an internalised moral perspective (Walumbwa et al., 2008). Spiritual leadership and workplace-spirituality research emphasise meaning, calling, membership and community (Fry, 2003; Ashmos & Duchon, 2000). Each stream offers valuable insight, yet their concepts are not always integrated into a practical model of conscious management.

Employee flourishing provides an appropriate outcome for such integration. Flourishing is broader than temporary satisfaction or the absence of stress. It concerns whether people are functioning well across emotional, psychological, relational and purposeful dimensions (VanderWeele, 2017). In the work context, thriving has been described through vitality and learning, while recent worker-well-being research treats thriving from work as positive mental, physical and social functioning enabled by work and working conditions (Spreitzer et al., 2005; Weziak-Bialowolska et al., 2021). This perspective recognises that organisational practices can strengthen or weaken a person's life beyond immediate job performance. A conscious approach does not suggest that organisations abandon discipline, accountability or profitability. Rather, it reframes performance as the capacity to create durable economic value without degrading the people, relationships and social systems on which that value depends.

Sustainable human resource management has made a similar argument by extending HR responsibility beyond short-term productivity toward long-term human, social and environmental consequences (Kramar, 2014). Common-good HRM further proposes that organisations should orient employment systems toward wider societal value rather than treating sustainability only as a means of competitive advantage (Aust et al., 2020).

2 Literature Review and Conceptual Foundations

2.1 Conscious Business and the Purpose of Leadership

Conscious leadership begins with a wider interpretation of organisational purpose. Conventional strategic management frequently treats purpose as a statement that aligns employees and differentiates the brand. In a conscious business, purpose must also guide resource allocation, product choices, employment practices and stakeholder relationships. A leader cannot credibly claim a higher purpose while allowing incentive structures that reward conduct inconsistent with that purpose. Purpose becomes managerial only when it influences difficult choices, including choices that may reduce immediate advantage to avoid unacceptable harm.

Conscious capitalism presents leadership as stewardship of an interdependent stakeholder system (Mackey & Sisodia, 2013). Its contribution lies in connecting profitability with higher purpose and relational value creation. However, purpose can become symbolic when it is communicated more strongly than it is governed. Conscious leadership therefore requires a method of examining whether strategic decisions, organisational routines and leadership behaviour remain congruent with declared values.

This paper develops a Conscious Leadership for Employee Flourishing (CLEF) framework. It defines conscious leadership, integrates relevant theories, identifies six dimensions, proposes a five-stage maturity model and develops seven research propositions. The framework is intended for conscious business management studies, organisational behaviour, leadership, human resource management and business ethics. Its central argument is that employee flourishing should be treated as a strategic and ethical indicator of organisational quality, not as a peripheral wellness initiative.

The emphasis is not on moral perfection but on deliberate awareness, transparent reasoning and willingness to correct inconsistency. Responsible leadership adds a relational perspective by viewing leadership as an ethical process among leaders and stakeholders rather than a one-directional influence over followers (Maak & Pless, 2006). This orientation is important because managerial decisions affect people who may not possess equal voice or power, including contract workers, suppliers, local communities and future employees. A conscious leader recognises these asymmetries and creates mechanisms through which affected groups can participate, question and seek remedy.

2.2 Ethical, Authentic and Spiritually Informed Leadership

Ethical leadership is commonly defined through normatively appropriate conduct and the promotion of such conduct through communication, reinforcement and decision-making (Brown et al., 2005). Social learning theory explains why employees observe leaders for signals about acceptable behaviour.

When leaders apply rules selectively, ignore harmful conduct by high performers or remain silent during ethical ambiguity, employees learn that stated values are conditional. Conversely, consistent decisions, fair processes and open ethical dialogue strengthen trust and behavioural clarity.

Authentic leadership contributes the dimensions of self-awareness, relational transparency, balanced processing and internalised moral perspective (Walumbwa et al., 2008). Self-awareness is particularly relevant to conscious leadership because authority can narrow the information leaders receive. Employees may filter concerns, stakeholders may avoid confrontation and performance systems may privilege indicators that confirm existing strategy. Balanced processing requires leaders to seek disconfirming evidence and consider viewpoints that challenge their preferred interpretation. Workplace spirituality does not require a religious workplace. It concerns employees' experience of inner life, meaningful work and community (Ashmos & Duchon, 2000). Spiritual leadership theory proposes that vision, hope or faith, altruistic concern, calling and membership can support intrinsic motivation and organisational commitment (Fry, 2003). These ideas strengthen conscious leadership by clarifying that people seek more than contractual exchange. However, spirituality can become coercive when leaders prescribe personal beliefs or use purpose language to demand sacrifice. A conscious framework must therefore protect pluralism, voluntary meaning and individual boundaries.

2.3 Employee Flourishing, Thriving and Meaningful Work

Flourishing refers to a broad condition in which people experience positive functioning across important areas of life.

VanderWeele (2017) conceptualised flourishing through domains such as happiness and life satisfaction, mental and physical health, meaning and purpose, character and virtue, and close social relationships. Within organisations, flourishing should not be reduced to employee happiness scores. Employees may report positive emotion while lacking autonomy, security, learning or a meaningful voice in decisions that affect them.

Thriving at work has been conceptualised as the joint experience of vitality and learning (Spreitzer et al., 2005). Vitality reflects energy and aliveness, while learning reflects development and increasing capability. This combination is strategically useful because it avoids treating well-being and performance as opposites. Employees who are energetic but not learning may stagnate, whereas employees who are learning under chronic exhaustion may not sustain performance. Thriving from work further recognises that working conditions influence functioning at work, home and in the community (Weziak-Bialowolska et al., 2021).

Meaningful work is another essential component. Research identifies multiple sources of work meaning, including the self, relationships, the work context and connection with a wider purpose (Rosso et al., 2010). Conscious leaders cannot manufacture meaning through slogans. They can, however, design roles that provide task significance, visible contribution, autonomy, craftsmanship, social connection and opportunities for reflection. Meaning also requires moral coherence. Employees may lose meaning when they are expected to promote products, targets or practices that conflict with their values.

2.4 Self-Determination, Psychological Safety and Employee Voice

Self-determination theory proposes that autonomy, competence and relatedness are basic psychological needs that support intrinsic motivation and well-being (Ryan & Deci, 2000).

These needs offer a clear explanation of how leadership practices affect flourishing. Autonomy is strengthened when employees have meaningful discretion and understand the reasons behind decisions. Competence grows through feedback, resources, learning and achievable challenge. Relatedness develops through respect, belonging and trustworthy relationships. Control, humiliation, isolation and arbitrary decision-making frustrate these needs even when financial rewards are attractive.

Psychological safety is the shared belief that interpersonal risk-taking is acceptable within a team (Edmondson, 1999). It enables employees to ask questions, report errors, challenge assumptions and admit uncertainty. This is central to conscious leadership because leaders cannot remain aware of organisational consequences when employees conceal information. Psychological safety is not the absence of accountability. It is the condition that allows problems to be identified before they become failures and allows disagreement without retaliation.

Employee voice converts awareness into organisational learning. Ethical leadership has been associated with employee identification, voice and performance because trustworthy leaders reduce the perceived risk of speaking up. A conscious leader treats dissent as information rather than disloyalty. Formal channels such as surveys and grievance systems are insufficient when employees believe outcomes are predetermined. Voice requires visible listening, reasoned response and protection for those who raise inconvenient concerns.

2.5 Sustainable Human Resource Management and the Human Factor

Sustainable human resource management extends the time horizon and stakeholder scope of HR decisions.

Kramar (2014) argued that HRM should consider outcomes beyond financial performance, including the reproduction and development of human and social resources. Pfeffer (2010) similarly highlighted the neglected human dimension of organisational sustainability, noting that employment decisions can affect health, dignity and long-term social outcomes. These perspectives challenge practices that generate short-term productivity by exhausting the workforce or transferring risk to vulnerable workers.

Common-good HRM moves further by asking whether employment systems contribute to societal well-being and ecological sustainability (Aust et al., 2020). Recruitment, performance management, reward, learning and workforce restructuring are not neutral administrative systems. They distribute opportunity, security, recognition and power. Conscious leadership provides the governing awareness through which these systems can be aligned with human flourishing. Sustainable HRM provides the institutional mechanisms needed to make leadership intention consistent and durable.

The integration of leadership and HR systems is essential. A compassionate individual leader cannot compensate for targets that encourage burnout, opaque promotion processes or insecure work design. Equally, a well-written policy cannot create flourishing when senior leaders reward fear, silence or internal competition. Conscious business management therefore requires alignment among leadership conduct, organisational culture, governance, HR practices and performance indicators.

2.6 Research Gap

The reviewed literature offers strong but fragmented foundations. Ethical leadership explains moral modelling and reinforcement; authentic leadership explains self-awareness and transparency;

spiritual leadership and workplace spirituality explain meaning and community; self-determination theory explains psychological need fulfilment; psychological safety explains voice and learning; and sustainable HRM explains long-term human consequences. However, these streams rarely converge into a single conscious business framework in which leadership awareness is connected with employee flourishing and sustainable organisational performance.

Three gaps are particularly visible. First, conscious leadership is often described normatively without specifying dimensions that can be operationalised and measured. Second, employee well-being is frequently treated as an outcome separate from purpose, ethics and stakeholder governance, which limits understanding of how flourishing is produced through organisational systems.

3 Research Objectives and Questions

The study has the following objectives:

1. To integrate conscious business, ethical leadership, authentic leadership, workplace spirituality, self-determination theory, psychological safety and sustainable human resource management into a coherent leadership framework.
2. To define the dimensions through which conscious leadership may create conditions for employee flourishing.
3. To propose a maturity model that distinguishes compliance-oriented, people-aware and fully conscious leadership systems.

4 Research Methodology

The study follows an exploratory conceptual research design. This approach is appropriate because the purpose is to construct an integrative framework rather than statistically test an established model.

Third, existing leadership models do not always address the possibility that purpose, spirituality or empowerment language may be used symbolically while workload, reward and power structures remain unchanged.

The present paper addresses these gaps by proposing the CLEF framework. It treats conscious leadership as a multidimensional organisational capability, positions employee flourishing as a mediating and outcome construct, and includes maturity levels that distinguish symbolic awareness from embedded institutional practice.

4. To develop research propositions for future empirical examination of conscious leadership, employee flourishing and sustainable organisational performance.

The paper addresses the following research questions:

- RQ1: What distinguishes conscious leadership from ethical, authentic, spiritual and responsible leadership when examined within a conscious business context?
- RQ2: Through which organisational and psychological mechanisms can conscious leadership influence employee flourishing?
- RQ3: How can conscious leadership be operationalised, assessed and developed across organisations?

The conceptual base was developed through an integrative review of literature on conscious business, stakeholder theory, ethical and authentic leadership, responsible and spiritual leadership, workplace spirituality, self-determination theory, psychological safety, meaningful work, thriving and sustainable human resource management. The analysis involved four stages. First, the major assumptions and focal constructs of the selected theoretical streams were identified. Second, overlapping concepts were compared to distinguish common elements from unique contributions.

Third, the concepts were synthesised around a central causal logic in which conscious leadership shapes relational and work-design conditions that influence employee flourishing.

5 Proposed Concept of Conscious Leadership for Employee Flourishing

Conscious leadership is defined in this paper as the disciplined capacity of leaders to remain aware of their motives, values, power, stakeholder effects and long-term consequences, and to translate that awareness into decisions and organisational systems that protect dignity, enable meaningful contribution and support shared flourishing.

The definition contains four important elements. First, consciousness is disciplined rather than merely intuitive. Leaders require reflective routines, evidence, dialogue and feedback that help them examine assumptions. Second, consciousness includes awareness of power. A leader's interpretation is shaped by position, incentives and the information that subordinates feel safe to provide. Third, conscious leadership is judged through translation into systems. Personal empathy is insufficient when policies, targets and rewards reproduce harm. Fourth, the expected result is shared flourishing, not leader popularity or employee comfort alone.

Fourth, dimensions, maturity stages and research propositions were developed to support future operationalisation.

The paper does not claim statistical generalisation. Its contribution is analytical generalisation through a logically connected framework that can be examined using qualitative case studies, Delphi studies, scale development, multilevel surveys, longitudinal research and structural equation modelling. The framework is intended to be refined across cultural, industrial and ownership contexts before standardised measurement is attempted.

The CLEF framework proposes that higher purpose and ethical reflexivity shape leadership intention. Empathic stakeholder orientation and psychological safety shape relational quality. Meaningful work, capability development and responsible performance systems shape the employee experience. Together, these conditions influence employee flourishing, which is expected to strengthen trust, learning, innovation, retention, resilience and sustainable organisational performance.

The framework also distinguishes conscious leadership from paternalism. Leaders should not decide what flourishing means for employees without participation. Employees differ in values, identities, life stages and preferred forms of contribution. Conscious leadership therefore creates enabling conditions—autonomy, fairness, safety, development, meaning and voice—while respecting individual choice and pluralism.

Conscious leadership must also recognise trade-offs. Employment security may conflict with rapid restructuring; flexibility may conflict with coordination; stakeholder consultation may slow decisions; and well-being investments may create short-term cost. The conscious response is not to deny these tensions but to make them visible, consider affected groups, explain reasoning and provide fair transition support. Awareness becomes credible when it changes how trade-offs are governed.

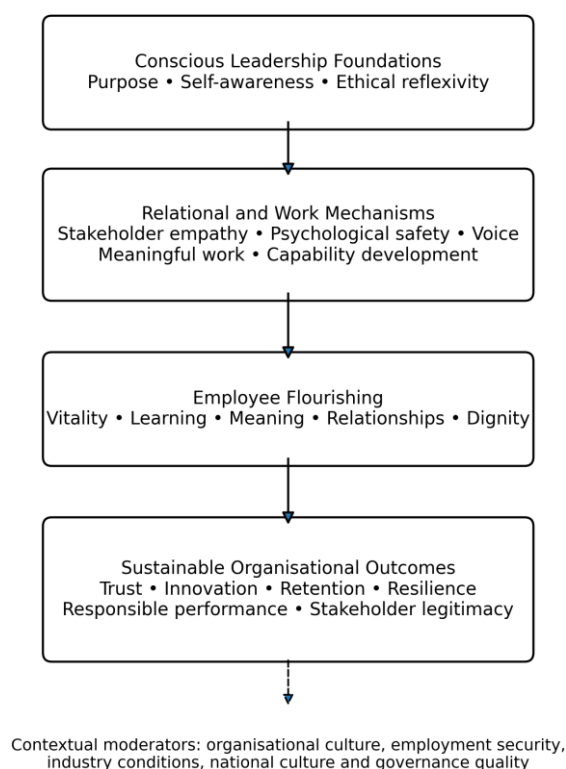


Fig. 1: Proposed CLEF Conceptual Framework

6 Dimensions of the CLEF Framework

6.1 Higher Purpose and Values Congruence

The first dimension concerns the organisation's reason for existence and the consistency between stated values and actual decisions. Higher purpose gives economic activity a wider contribution, but it must be specific enough to guide choices. A purpose such as improving community health, enabling dignified livelihoods or developing responsible technology should influence what the organisation sells, how it treats people and what it refuses to do.

Values congruence requires alignment among purpose, strategy, incentives and leadership behaviour. Employees closely observe exceptions. When a high-performing manager is protected despite abusive conduct, or when a social mission is suspended during commercial pressure, the organisation teaches that values are conditional. Conscious leaders therefore include ethical and human indicators in executive review, investment decisions and performance management.

Purpose should not be used to demand unlimited commitment. Mission-driven organisations may unintentionally normalise overwork by suggesting that sacrifice is evidence of dedication. Conscious purpose respects boundaries and recognises that long-term contribution depends on sustainable energy, fair reward and personal life. Higher purpose should enlarge human dignity, not become a substitute for it.

6.2 Self-Awareness and Ethical Reflexivity

Self-awareness is the leader's capacity to recognise personal motives, emotions, assumptions, strengths, limitations and patterns of influence. Ethical reflexivity extends this awareness to the consequences of decisions and the values used to justify them. Leaders need to examine not only whether a decision complies with rules but also who benefits, who bears risk, what alternatives were excluded and whether the reasoning would remain acceptable under public scrutiny.

Reflection must be supported by organisational routines. These may include decision pre-mortems, ethics reviews, stakeholder-impact assessments, coaching, 360-degree feedback, protected dissent and post-decision learning reviews. The objective is not to delay every decision but to prevent authority and urgency from eliminating moral attention.

Ethical reflexivity also includes willingness to revise. Conscious leaders do not equate consistency with refusing to change their view. New evidence, employee experience or unintended harm may require correction. Public acknowledgement of error can strengthen credibility when accompanied by remedy and institutional learning.

6.3 Empathic Stakeholder Orientation

Empathic stakeholder orientation is the capacity to understand how organisational decisions are experienced by different groups and to include those perspectives in value creation. Empathy is not agreement with every demand. It is informed attention to the realities, vulnerabilities and legitimate interests of those affected.

Within the workplace, stakeholder orientation includes permanent employees, contract workers, trainees, outsourced service providers and workers in lower-tier suppliers. Outside the organisation, it includes customers, communities, regulators, investors and ecological systems represented through scientific and community knowledge. Conscious leaders map both direct and displaced consequences so that improvement in one area is not achieved by transferring harm elsewhere.

Participation should be proportionate to impact. Routine decisions may require consultation, while high-impact restructuring, surveillance technology or community disruption requires deeper engagement and remedy mechanisms. Equitable value distribution does not imply identical outcomes, but it requires justification when one stakeholder group repeatedly absorbs costs while another captures benefits.

6.4 Psychological Safety and Employee Voice

Psychological safety allows employees to raise concerns, admit mistakes, ask for help and challenge assumptions without fear of humiliation or retaliation. It is a foundational information system for conscious leadership. Leaders cannot be aware of operational, ethical or human consequences when employees remain silent.

Creating safety requires more than inviting feedback. Leaders must respond constructively when feedback is uncomfortable, distinguish error reporting from blame, and demonstrate that speaking up can influence action. Confidential mechanisms are useful, but everyday interpersonal behaviour is decisive. Interrupting, defensiveness, ridicule or career penalties quickly undermine formal voice systems.

Employee voice should also influence strategy and work design. Participation in technology implementation, workload standards, scheduling and performance metrics improves both legitimacy and practical quality. Conscious leaders explain decisions when suggestions cannot be adopted and document how concerns were considered. This closes the feedback loop and prevents consultation from becoming symbolic.

6.5 Meaningful Work and Capability Development

Meaningful work connects individual effort with a worthwhile contribution, coherent identity and valued relationships. Leaders strengthen meaning by clarifying task significance, enabling employees to see beneficiaries, reducing unnecessary work and allowing appropriate job crafting. Meaning is weakened when employees cannot understand how targets relate to purpose or when they are required to act against personal and professional values.

Capability development includes autonomy, competence, learning and employability. Conscious organisations invest in skills not only for current productivity but also for employees' long-term capacity to adapt. Technology should remove hazardous and repetitive tasks while expanding judgement, creativity and learning. When automation displaces roles, conscious leadership includes reskilling, transition time, transparent criteria and fair support.

Development must be inclusive. High-potential programmes that repeatedly favour already visible employees may widen opportunity gaps. Conscious leaders monitor access to mentoring, challenging assignments, training and promotion. Flourishing requires the realistic possibility of growth, not only encouragement to be positive about static conditions.

6.6 Responsible Performance and Regenerative

Accountability

The final dimension concerns how performance is defined, measured and rewarded. Conscious leadership does not reject targets; it broadens them. Financial and operational indicators should be considered alongside employee health, learning, fairness, stakeholder trust and environmental effects. Balanced indicators reduce the risk that leaders achieve one target by creating hidden costs elsewhere.

Responsible performance includes workload sustainability, fair reward, safe work, inclusion, ethical technology use and credible grievance processes. Regenerative accountability goes beyond avoiding harm by asking whether organisational activity strengthens human and social capacity. Examples include improving employability, restoring trust after restructuring, building supplier capability and contributing to community resilience.

Accountability requires data and transparency, but metrics should not replace judgement. Well-being scores can be manipulated or interpreted without context. Conscious leaders combine quantitative indicators with employee narratives, stakeholder feedback and independent review. They disclose tensions and incomplete progress rather than presenting purpose or sustainability as an accomplished identity.

7 Conscious Leadership Maturity Model

The proposed maturity model contains five stages. The stages are cumulative but not perfectly linear; an organisation may be advanced in employee participation and weak in supply-chain responsibility, or strong in purpose and weak in performance-system alignment.

Stage 1: Compliance-Centred Management. Leadership focuses on legal compliance, productivity and managerial control. Ethics and well-being are treated as policies owned by specialist departments. Employee voice is largely reactive, and organisational purpose has limited influence on incentives or investment.

Stage 2: People-Aware Leadership. The organisation introduces engagement surveys, wellness programmes, diversity initiatives and leadership training. Managers become more attentive to employee experience, but programmes remain fragmented and are often secondary to short-term targets. Consultation occurs, yet employees have limited influence over major decisions.

Stage 3: Ethical and Participative Leadership. Ethical conduct, psychological safety, transparent decision-making and employee voice become formal expectations. Leaders are evaluated on people outcomes, and HR systems begin to support autonomy, fairness and development. Stakeholder impact is considered, although mainly within organisational boundaries. **Stage 4: Purpose-Integrated Flourishing Organisation.** Higher purpose directly shapes strategy, job design, technology adoption and performance systems.

Employee flourishing is assessed through multidimensional indicators, and leaders are accountable for workload sustainability, capability development, inclusion and trust. Purpose and values influence decisions even under commercial pressure.

Stage 5: Conscious Stakeholder Ecosystem. The organisation collaborates with employees, suppliers, communities, investors and public institutions to improve the wider system in which work occurs. Leadership responsibility extends to contract work, supply chains, community well-being and future capability. Knowledge, opportunity and value are distributed more fairly, and the organisation contributes to collective resilience.

Maturity should be assessed at both organisational and dimensional levels. A single overall score can conceal serious weaknesses. Future instruments should therefore measure the six CLEF dimensions independently and examine whether gaps between declared purpose and experienced practice predict employee trust and flourishing.



8 Research Propositions

The conceptual synthesis leads to seven propositions for future empirical examination.

P1: Higher-purpose and values congruence is positively associated with employee trust in leadership and perceived organisational authenticity.

P2: Leader self-awareness and ethical reflexivity positively influence the consistency and fairness of organisational decision-making.

P3: Empathic stakeholder orientation positively influences perceived inclusion, relational trust and equitable value distribution.

P4: Psychological safety and employee voice mediate the relationship between conscious leadership and organisational learning.

P5: Meaningful work and capability development positively influence employee flourishing through the fulfilment of autonomy, competence and relatedness needs.

P6: Employee flourishing positively influences engagement, innovation, retention and adaptive resilience.

P7: Responsible performance and regenerative accountability strengthen the relationship between conscious leadership and sustainable organisational performance.

9 Theoretical and Managerial Implications

The CLEF framework contributes theoretically by connecting conscious business management with employee flourishing. Conscious business literature explains why organisations should pursue higher purpose and stakeholder value, but it often provides limited detail on the employee-level mechanisms through which these commitments become credible. The framework positions psychological safety, meaningful work, capability development and responsible performance systems as the bridge between leadership awareness and flourishing.

A future empirical model may treat conscious leadership as a higher-order construct represented by the six dimensions. Psychological safety, meaningful work, values congruence and psychological-need fulfilment may operate as mediators. Employee flourishing may be examined as both a multidimensional outcome and a mediator between leadership and organisational outcomes. Organisational culture, national culture, employment security, industry type, workforce diversity and leadership tenure may function as moderators.

Scale development should begin with qualitative interviews and expert review to ensure that items distinguish conscious leadership from adjacent constructs. Possible indicators include purpose-based decision consistency, openness to disconfirming evidence, stakeholder impact awareness, response to employee voice, fair access to development, workload sustainability and transparency regarding trade-offs. Multi-source data would reduce common-method bias by combining leader self-reports, employee perceptions, HR indicators and stakeholder evidence.

The framework also clarifies the relationship between conscious leadership and established leadership theories. Ethical leadership contributes moral modelling and reinforcement; authentic leadership contributes self-awareness and balanced processing; spiritual leadership contributes meaning and membership; responsible leadership contributes stakeholder relations; and sustainable HRM contributes institutional consistency. Conscious leadership does not replace these theories. It integrates them around deliberate awareness of power, consequences and shared flourishing.

A further contribution is the treatment of flourishing as a strategic indicator. Organisations commonly measure engagement, satisfaction and turnover intentions, but these indicators may not reveal whether work supports long-term functioning. Flourishing requires attention to energy, learning, meaning, relationships, autonomy, health and security. This broader outcome supports a more valid interpretation of human sustainability.

For managers, the framework provides a practical sequence. First, leaders should clarify the organisation's higher purpose and identify values that must guide difficult decisions. Second, they should map stakeholders and examine where power or information asymmetries may hide consequences. Third, leadership teams should assess the six dimensions and identify gaps between formal policy and employee experience.

Fourth, organisations should redesign voice systems so that concerns receive visible response and protection. Fifth, job design and HR practices should support autonomy, competence, relatedness, fair reward and long-term employability. Sixth, leadership evaluation should include human and stakeholder outcomes rather than relying only on commercial targets. Finally, boards should review major decisions for consistency with purpose, workforce sustainability and wider stakeholder effects.

The framework has particular relevance for technology governance. Artificial intelligence and digital monitoring can improve coordination while also affecting privacy, autonomy, bias and job security. Conscious leaders involve employees early, explain the purpose and limitations of systems, maintain meaningful human review and establish appeal mechanisms. Technology success should be judged not only through efficiency but also through capability, trust and dignity.

For human resource leaders, CLEF suggests that well-being should be integrated into core systems rather than separated into optional wellness activities. Recruitment should communicate realistic work conditions; performance systems should avoid rewarding harmful competition; learning should build transferable capability; and restructuring should include fair process and transition support. Sustainable HRM becomes the institutional expression of conscious leadership.

For boards and investors, the framework implies that leadership quality should be assessed through evidence of purpose consistency, stakeholder trust, workforce flourishing and responsible performance. Executive incentives that ignore human outcomes can undermine conscious strategy. Governance committees may therefore include indicators such as psychological safety, internal mobility, workload risk, ethical concerns, pay fairness, employee voice resolution and supplier labour conditions.

For policymakers and professional bodies, the framework supports standards that encourage transparent reporting of workforce and stakeholder outcomes. Regulation alone cannot create consciousness, but disclosure, worker participation, grievance protection and responsible technology requirements can reduce the space for symbolic purpose claims. Education programmes for managers should combine strategic analysis with ethical reasoning, self-awareness and stakeholder dialogue.

10 Conclusion

Business leadership is increasingly expected to create economic value while protecting human dignity, stakeholder trust and long-term social capacity. Existing theories provide important elements of this responsibility, but organisations require an integrated model that connects purpose and ethical awareness with the lived conditions of work. The CLEF framework responds to this need.

The paper defines conscious leadership as disciplined awareness of motives, values, power, stakeholder effects and long-term consequences translated into systems that enable meaningful contribution and shared flourishing. Its six dimensions—higher purpose and values congruence; self-awareness and ethical reflexivity; empathic stakeholder orientation; psychological safety and employee voice; meaningful work and capability development; and responsible performance with regenerative accountability—provide a foundation for research and practice.

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