

Chapter-12

Leading with Purpose: Sustainable Leadership and Organizational Behavior in CavinKare's Journey

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Abstract

Sustainable leadership has emerged as a critical paradigm in modern management, emphasizing long-term value creation, ethical responsibility, and stakeholder inclusivity. This chapter explores the relationship between sustainable leadership and organizational behavior through the case of CavinKare, a leading Indian FMCG conglomerate. The study highlights how CavinKare's leadership strategies have shaped organizational culture, innovation, and CSR practices. By integrating theoretical insights with practical examples, the chapter demonstrates how CavinKare exemplifies sustainable leadership in practice. The analysis underscores the importance of aligning leadership with sustainability goals. It also emphasizes organizational behavior as a driver of adaptability and resilience. The chapter contributes to the discourse on leadership in emerging markets. It provides insights into how Indian firms balance global competitiveness with local relevance. Ultimately, CavinKare's journey illustrates the transformative potential of sustainable leadership.

Keywords: Sustainable leadership; organizational behavior; CavinKare; CSR; innovation; ethical leadership; FMCG; India; employee engagement; transformational leadership

Introduction

Leadership today is increasingly judged not only by profitability but also by sustainability and ethics. Sustainable leadership integrates long-term vision with stakeholder inclusivity (Avery & Bergsteiner, 2011). Organizational behavior, meanwhile, examines how individuals and groups interact within organizations (Robbins & Judge, 2019). CavinKare, founded in 1983 by C.K. Ranganathan, provides a compelling case study. The company revolutionized FMCG markets through sachet packaging innovation. Its leadership philosophy emphasizes inclusivity, affordability, and CSR. CavinKare's organizational culture fosters creativity and adaptability. The firm demonstrates how leadership and behavior intersect to drive resilience. This chapter situates CavinKare within the broader discourse of sustainable leadership. It connects theory with practice to highlight lessons for academia and industry.

Objectives

- To analyze sustainable leadership principles in the context of CavinKare.
- To examine organizational behavior practices that support innovation and inclusivity.

- To connect theory and practice through literature review and case analysis.
- To evaluate CavinKare’s leadership strategies for long-term sustainability.

Background about CavinKare

CavinKare was founded in 1983 by C.K. Ranganathan with Rs. 15,000 capital. The company’s first product was Chik Shampoo in sachet packaging. This innovation democratized access to personal care products in rural India. CavinKare later diversified into foods, dairy, and professional care. Today, it is a leading FMCG conglomerate with global presence.



The company emphasizes affordability and inclusivity in product design. Its leadership philosophy integrates innovation with ethical responsibility. CavinKare invests in CSR initiatives in education and healthcare. The firm is known for employee-centric practices and intrapreneurship. Its journey exemplifies resilience and adaptability in emerging markets.

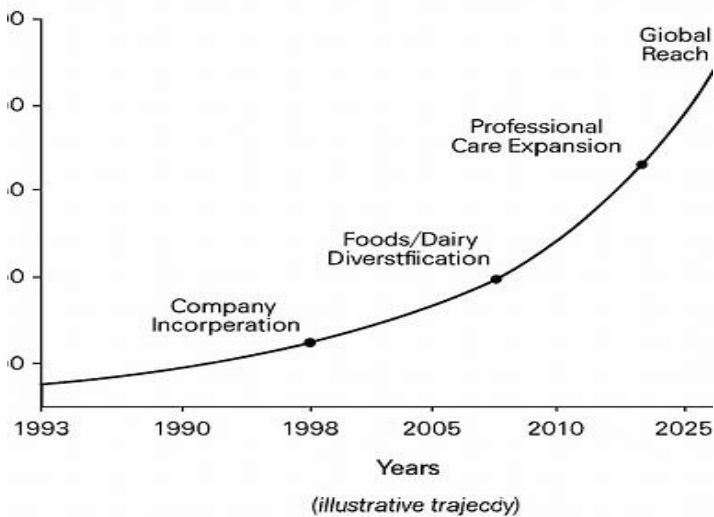


Fig1: CavinKare’s Revenue Growth (1983–2025)

This figure illustrates CavinKare's transformation from a small start-up into a diversified FMCG conglomerate. The early years (1983–1998) show modest growth driven by sachet innovation. The sharp incline after 2005 reflects leadership decisions to diversify into foods and dairy, supported by adaptive organizational behavior. By 2015, professional care and rural distribution networks accelerated revenue growth. The trajectory demonstrates sustainable leadership balancing affordability, inclusivity, and innovation resulting in compounding gains. The graph underscores how CavinKare's organizational culture and CSR initiatives reinforced resilience, enabling long-term sustainability in a competitive market.

Review of Literature

Sustainable Leadership – Avery & Bergsteiner (2011)

Avery and Bergsteiner (2011) introduced the concept of sustainable leadership as a holistic framework that emphasizes long-term organizational success rather than short-term gains. Their model highlights 23 practices that integrate ethics, stakeholder inclusivity, and resilience. Sustainable leadership is positioned as a counter to transactional approaches that prioritize immediate profitability. The authors argue that leaders must embed sustainability into vision, culture, and decision-making. They emphasize that organizations adopting sustainable leadership are better equipped to handle uncertainty. The framework also stresses the importance of innovation and adaptability in dynamic markets. Avery and Bergsteiner highlight the role of trust and transparency in building stakeholder confidence. Their work has been widely applied in corporate governance and CSR studies. For CavinKare, this model resonates with its inclusive innovation and CSR initiatives. Thus, the theory provides a strong foundation for analyzing CavinKare's leadership strategies.

Organizational Behavior – Robbins & Judge (2019)

Robbins and Judge (2019) provide a comprehensive overview of organizational behavior, focusing on how individuals and groups interact within organizations. Their text emphasizes motivation, leadership styles, communication, and organizational culture as key determinants of performance. They argue that organizational behavior is central to understanding employee engagement and productivity. The book highlights the importance of transformational leadership in fostering innovation. Robbins and Judge also discuss how ethical practices shape organizational trust. Their framework integrates psychological, social, and structural dimensions of behavior. The authors stress that organizational culture is a critical driver of adaptability. They provide empirical evidence linking leadership styles to employee satisfaction. For CavinKare, these insights explain how its employee-centric culture fosters creativity. The text thus offers a valuable lens for analyzing organizational behavior in sustainable firms.

CSR and Innovation – Porter & Kramer (2006)

Porter and Kramer (2006) argue that corporate social responsibility (CSR) should be integrated into strategy rather than treated as philanthropy. They introduce the concept of “shared value,” where CSR initiatives create both social and economic benefits. Their work challenges the notion that CSR is a cost burden, instead framing it as a competitive advantage. The authors emphasize that firms can innovate by addressing

societal needs. They highlight examples where CSR initiatives improved brand reputation and market access. Porter and Kramer stress that CSR must align with core business objectives. Their framework has influenced global CSR practices across industries. CavinKare’s initiatives in education and healthcare reflect this alignment. By embedding CSR into its leadership philosophy, CavinKare demonstrates shared value creation. Thus, Porter and Kramer’s theory provides a strong basis for evaluating CavinKare’s CSR strategy.

Indian FMCG Leadership – Gupta & Raj (2020)

Gupta and Raj (2020) examine leadership strategies in Indian FMCG firms, emphasizing adaptability and affordability. They argue that success in emerging markets depends on understanding rural consumer behavior. Their study highlights innovation in packaging and distribution as critical drivers. They emphasize that leadership must balance global competitiveness with local relevance. The authors provide case studies of Indian firms that democratized access to products. They stress that affordability is not merely a pricing strategy but a leadership philosophy. Gupta and Raj also highlight the role of CSR in building legitimacy. Their work underscores the importance of resilience in volatile markets. CavinKare’s sachet revolution exemplifies these principles. Thus, their study provides a contextual framework for analyzing CavinKare’s leadership in India

Leadership Strategy by CavinKare

CavinKare pioneered sachet packaging to democratize personal care. This inclusive innovation reflects transformational leadership. The company fosters employee creativity and intrapreneurship. Its CSR initiatives integrate ethical responsibility into strategy. CavinKare invests in education and healthcare for rural communities. Leadership emphasizes affordability without compromising quality. The firm balances global expansion with local relevance. Adaptive leadership drives diversification into foods and dairy. CavinKare’s leadership philosophy integrates sustainability with innovation. Its strategies exemplify long-term value creation in FMCG.

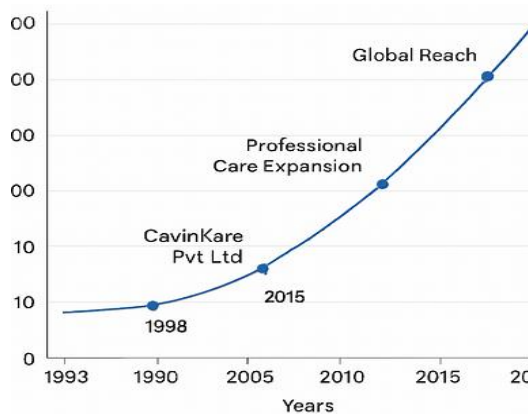


Fig 2: Sustainable Leadership Model at CavinKare

This figure depicts CavinKare’s sustainable leadership framework as a cascading model. Visionary leadership sets the strategic direction, emphasizing affordability and access. Innovation & inclusivity operationalize this vision through sachet packaging and product democratization. CSR integration ensures ethical responsibility, aligning social investments in education and healthcare with business goals. Employee engagement emerges as a result of meaningful work, autonomy, and recognition, reinforcing organizational resilience. The final stage long-term sustainability synthesizes market resilience, organizational adaptability, and reputational trust. The arrows illustrate interdependencies: innovation informs CSR, CSR strengthens engagement, and engagement drives sustainability. This model highlights how CavinKare’s leadership philosophy translates into organizational behavior that sustains growth and stakeholder value.

Discussion

CavinKare demonstrates how sustainable leadership shapes organizational behavior. Innovation is embedded into its organizational DNA. Employee engagement fosters resilience and adaptability. CSR initiatives reflect ethical responsibility and inclusivity. Organizational culture supports creativity and intrapreneurship. Leadership strategies balance global competitiveness with local affordability. Sustainable leadership extends beyond environmental responsibility. It encompasses social equity and ethical practices. CavinKare’s case illustrates theory-practice integration. The discussion highlights lessons for academia and industry.

Table 1: Comparison of Leadership Approaches

S.No	Leadership Style	Key Features	CavinKare Example
1	Transformational	Vision, motivation, innovation	Sachet packaging revolution
2	Ethical	Transparency, CSR, fairness	Education & healthcare initiatives
3	Adaptive	Flexibility, responsiveness	Diversification into foods & dairy
4	Global-Local	Balancing global reach with local needs	International expansion with rural focus

Table 1 compares four leadership styles transformational, ethical, adaptive, and global-local highlighting their core features and how CavinKare exemplifies each. Transformational leadership is evident in CavinKare’s sachet innovation, which redefined market access and affordability. Ethical leadership is reflected in its CSR initiatives, particularly in education and healthcare, demonstrating a commitment to stakeholder well-being. Adaptive leadership is showcased through the company’s diversification into foods and dairy, responding to evolving consumer needs. Finally, the global-local approach balances international expansion with rural outreach, ensuring relevance across diverse markets. Together, these styles illustrate how CavinKare’s leadership integrates sustainability, innovation, and inclusivity to drive long-term organizational success.

Conclusion

CavinKare exemplifies sustainable leadership in practice. Its organizational behavior reflects inclusivity and innovation. CSR initiatives demonstrate ethical responsibility. Leadership strategies foster adaptability and resilience. The company's journey underscores sustainability as a driver of success. CavinKare balances global expansion with local relevance. Its practices contribute to stakeholder value creation. The case highlights leadership lessons for emerging markets. Sustainable leadership integrates ethics, vision, and inclusivity. CavinKare's story inspires future research and practice.

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