Spiritual Leadership and its Relationship with Quality of Work Life and Organizational Performance – An Exploratory Study

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Abstract

The purpose of this paper is to review the concept of spiritual leadership and its relationship with Quality of work life of the employees and Organizational performance. Spiritual leadership consists of components such as vision, altruistic love, hopefaith, meaning/calling and membership & Organizational Commitment. The various dimensions of Quality of work are Work Life Balance, Health & well being, Job satisfaction, Management Support, Co-worker support & Welfare schemes. Organizational performance has components such as new business, repeat business, return on investment, profit after tax, customer satisfaction and employee turnover. The framework suggests that each one of the Spiritual leadership and Quality of work life and organizational performance components positively affect each other significantly. Recommendations for further study are also outlined.

Key words: Spiritual Leadership (SL), Quality of work life (QWL), & Organizational Performance (OP)
1. Introduction

The success of the organization in obtaining its goals and objectives depends on managers and their leadership style. Than what is leadership style? Leadership style is a personal characteristic, which lifts people’s vision to higher sights, builds commitment, motivates and empowers them to accomplish personal, organizational and social objectives. For instance, there are leaders like the Banyan tree. There are also leaders like coconut tree. Banyan tree is one which gives the umbrella of protection to those coming under its shade, but it never allows a single grass to grow under it. Leaders of Banyan tree concept build up an umpire with committed loyalties, for which the benefits are passed on. But the people who may get benefit would not grow by themselves. They are always the parasites. On the other hand, coconut tree which does not give the shade, but offers tender coconut to the person who may be tired of day’s hard work, and wanting to go back to work after some relaxation. Leaders of coconut tree concept allow others to independently grow by themselves. They only extend the support and not the shelter. In today’s environment, we need persons of coconut tree to covert ordinary man into extra ordinary and achieve sustainable gain in the business.

Leadership style is influenced by various factors such as can attitude, knowledge and skills, organizational values, and reliability of employees in different situations. However, no one leadership style is ideal for every situation, since a leader may have knowledge and skills to act effectively in one situation but may not emerge as effective leader in a different situation. To be effective, leaders must behave differently in different situations (Fry, 2003). He argued that Most leadership theories : path-goal, charismatic, and transformational theories of leadership, focused in varying degrees on one or more aspects of physical, mental, or emotional elements of human interaction in organizations and neglected the spiritual component. In Most the leadership research studies spiritual qualities are commonly overlooked in relation to leadership positions (Jackson; Kevin T, 1999). He stated that nourishing the spirit at work requires leaders to consider and respond to yet another dimension of human life beyond those commonly identified with leader-follower relationship. This response led to the emergence of theory of spiritual leadership.

Spiritual leadership is a treasure house of scientific knowledge aimed at establishing peace and harmony in the organization. It develops scientific temperament and finds solutions to the problems confronting mankind. The problems may be encountered within the individual, in the organization or in the society. It removes blind beliefs. It advocates that nothing should be accepted without thorough enquiry (Fairholm, 1996). Spiritual leaders are visionary leaders and these leaders will be a missionary, extremely practical, intensively dynamic and capable of translating dreams into reality. Again, it aims at transforming the lives of the people through the continuous process of eliminating the
negative thoughts like anger, hatred, ill-will, jealousy and fostering positive thoughts like love, compassion, empathy, tolerance, and goodwill. These positive thoughts benefit personal outcomes such as good human health, psychological wellbeing, improved employee commitment, productivity and reduced absenteeism and turnover (Fry & e.t.al, 2003).

2. Need for the Study

Research on the impact of leadership styles on employee job satisfaction is abundant. But, there is little attention given to the research on the impact of spiritual leadership, specifically, to the employee job satisfaction. This study attempts to provide a framework on the relationship between spiritual leadership variables, quality of work life and organizational performance in a multidimensional approach and hopeful to fill the knowledge gap and enrich the body of knowledge in the spiritual leadership theory.

3. Literature Review

Seventy nine articles were identified with the help of refviz software. But only thirty articles were selected for the study through reference analysis. The first paper on spiritual leadership was published in 1994. Between: 1994-2004, 1-3 articles were published every year. From 2004, number publications increased from 1-3 to 5-6 per annum. This clearly indicates that there is scope for further research.

The overview of the related literature is enunciated under the following headings:
1. Concept and Components Of Spiritual Leadership
2. Concept and Components Of Quality Of Work Life
3. Components Of Organizational Performance
4. Relationship Between Spiritual Leadership and Quality Of Work Life
5. Relationship Between Spiritual Leadership and Organizational Performance

3.1 Concept and Components of Spiritual Leadership

- There are more than seventy definitions of spiritual leadership, and still, there is no widely accepted definition of spirituality leadership. In simple words, Spiritual leadership guides people to attain self realization and this kind of realization is a lifelong process of growth that transforms ordinary man into extra ordinary. For example, in Bhagavad gita, Sri Krishna tells Arjuna of the purpose of battle is not for his own benefit, not for satisfying his own greed and desire, but for the good of many. It is these inspiring words, which changed Arjuna's mind from a state of inertia to a state of self-confidence and fight against evils and ultimately achieved the victory of “dharma”.

- Spiritual leaders will have the qualities of the human spirit-such as love and compassion, patience, tolerance, forgiveness, contentment, a sense of responsibility, a sense of wholeness and harmony-which bring happiness to both self, and others and spiritual practitioners cannot be captured in traditional frame work. They cannot be captured at all, as they are universal
and all encompassing. But still, they allow themselves to be captured with the bondage of pure love. That is why; they came down, perhaps to the levels of people and situations. They are like a mighty river, from which everybody can draw, may be rich or poor, idiot or scholar, beautiful or ugly, male or female and anybody. Their spirit can solve all and so called modern complex human problems, may be that of individual, family, office, factory government etc.

7 A spiritual workplace is an employee-friendly work environment that recognizes, supports, and develops the spirit of its employees. Authors further elaborate that workplace spirituality concerns about care, compassion, integrity and support of others and people being true to themselves and others. It includes practices of humanistic and employee-friendly work environments, service orientation, creativity and innovation, personal and collective transformation, environmental Sensitivity and high performance

8 Human beings are not the finished products to be manufactured from a factory or university in terms of degrees and qualifications. He/she is not a thing but a thought. He/she is not the object or a commodity or a vegetable, but an emotional being with full of emotions and sentiments. Therefore, managing the inner and outer life of the people is equally important, because one cannot survive without the other. To be more specific, people do achieve results in the outer, but they are short lived due to the absence of the inner. In other words, long term success depends upon the strength of the inner life of the people and inner life strength depends on spiritual education

9 Buddha is a great visionary – who is a practical teacher, visualized to bring peace and harmony to the entire world. Buddha – means the “awakened one”. He has realized the truth - liberated through renunciation, of all defilements–the lobha– dosa –moha. Thus developed mettā- (universal love), karunā–compassion to serve the mankind. Buddha taught the Dhamma “for the benefit, welfare and happiness of many and out of compassion for the world–Bahujana hitāya, sukkāya–Lokanukampāya”. The Buddha is the perfect embodiment of wisdom and compassion, virtue. Buddha is called the incomparable trainer of individuals. He is not only liberated individual, but also a liberator. The noble qualities of Buddha, for the welfare of the humanity, has sacrificed his own luxuries, gone in search of truth– found out the truth–shared the Dhamma, (universal law) establishing a sangha–a democratic organization.

Based on the above review of literature, it can be generalized that the components of spiritual leadership include vision, altruistic love, hope/faith, meaning/calling and membership.
3.2 Concept and Components of Quality of Work Life

Quality of Work Life is not a unitary concept, but it is a multidimensional thought, which includes not only work-based factors such as Working conditions, Job security, Financial and non-financial incentives, Superior – subordinate relationships, Employee participation and involvement, Career advancement opportunities, Working hours, Protection of employee rights etc., but also includes the factors that reflects well being and life satisfaction of the employees. In other words, QWL is nothing but the development of organizational programs that support the welfare of employees. They cover everything from security and safety to participation and meaningful work. Therefore, there is evidence to say that QWL not only affect job satisfaction of the employees but will also have impact on satisfaction in other life domains such as family life, leisure life, social life, financial life and so on.

This employee friendly concept was first introduced in 1972 by Louis Davis, in an attempt to establish that performance is linked to involvement and satisfaction of employees at workplaces. Later on it has been increasingly applied in many employment theories and practices. Today, Quality of Work Life has received more attention due to its potential impact on work performance of the employees and organizational success. Even research studies convey that high Quality of work life (QWL) is essential for organizations to attract and retain employees and achieve sustainable growth.

Although there is no formal definition of quality of work life (QWL), industrial psychologists and management scholars define quality of work life as the workplace strategies, operations and environment that promote and maintain employee satisfaction with an aim to improve working conditions for employees and organizational effectiveness for employers.

QWL programs followed in public and private sector companies has improved, after implementing TQM and such programs found to be highly significant. But the areas like flexible working hours, flexible organizational structure, health, safety and environmental issues and holding family days to motivate employees has to be improved to make the work environment more favorable to the well being and growth of all employees.

QWL improvement was not considered as important factor in India until recently, because improving quality of work life involves considerable amount to be spent by the management and they were hesitant to spend. This has given negative attitude to employees. But the scene has changed. Now, QWL has become a buzz word in the industries these days and even Laymen talk about it, because workplace wellness has become crucial in Indian companies to promote healthier working environment.
Both the employer and employee should not harm each other either physically or psychologically instead develop love and compassion. Both employer and employee should develop the policy of give and take for the growth of organization, as sharing, caring develops trust. No one should take the property/wealth that does not belong to them. It means take only what is rightfully belong to them. We should not tell lies, as truthful life develops team spirit. No one should indulge in sexual misconduct i.e. both men and women should respect each other and lead a healthy life, instead of trespassing and disturbing the peace of one another. Here morality develops healthy atmosphere and is essential for peaceful existence. We should not take intoxicants. Keeping the consciousness clean without intoxication certainly keeps good mental health, develops concentration on work.

Constant searches for excellence and self perfection can produce the best results to any person. Participate, deliberate, contemplate and meditate to know yourself, your organization, your society, your environment and your role. Choose good man for emulation, bad man for correction and no man for imitation. Create a friendly world. Ability of the body, stability of mind, mobility of intellect, debility of ego is required to attain the nobility of the soul. Science of ABC i.e. Achievement, Belonging and Commitment to the cause, should prevail in the minds of individuals for which, the individual should be a 3-D personality consisting Devotion, Dedication and Discipline in all walks of life, with the directions of the souls light.

Most of the definitions aim at achieving the effective work environment that meets with the organizational and personal needs and values that promote health and well being, job satisfaction, competency development and balance between work and non-work life.

3.3 Components Of Organizational Performance

There is emerging evidence that spiritual values and practices are related to leadership effectiveness. Effective leader organizations have higher levels of employee commitment, productivity, and customer satisfaction when employees’ spiritual needs are met and aligned with organizational vision and values. These spiritual needs are intangible concepts that stimulate their actions for better organizational outcomes.

The quality of work life in an organization is greatly influenced by the spiritual and ethical values prevalent in the organization. Apart from setting good examples in the society, these individuals have a good character, are also self-motivated, self-disciplined and regarded as good leaders. It has been found, wherever there is disregard of importance of such spiritual values, there is deterioration in the spiritual and ethical standards of the people in all walks of life. In the same way, those managers whose aim is to achieve the highest level of managerial effectiveness in the organization, the vedantic wisdom shows them the way along a path where the pursuit of excellence goes hand in hand with their own spiritual development.
Every human being should be aware of his own profit & loss account, whereby he understands, (1) how much he receives from the organization and (2) how much he gives to the organization and (3) how much costs are involved on account of him per minute or per hour or per man day. Further, employee should also made aware of his own balance sheet, as to what extent he is (1) an asset to organization, or (2) a liability to the organization and whether in the ultimate analysis, he represents capital to the organization or accumulated losses to the organization.

Organizational performance includes new business, repeat business, return on investment, profit after tax, customer satisfaction and employee turnover.

3.4 Spiritual Leadership And Quality Of Work Life

A study was conducted to determine if stakeholder satisfaction with organizational vision was associated with overall job satisfaction and perceived effort. A sample of 709 cruise line managers was utilized to complete the questionnaires. The findings found that satisfaction with organizational vision was significantly associated with quality of work life. Vision of the leader instills hope/faith to the followers. It is clear that vision and hope/faith is positively related due to its relationship.

In a study on a sample of 235 middle and senior level organizational members to examine the association between ‘altruistic love’ as an element in the emerging theme of ‘workplace spirituality’, and ‘workers’ commitment’ in the Nigerian manufacturing industry, found that a culture of altruistic love leads to high workers’ commitment. Based on the positive relationship between organizational commitment and job satisfaction.

Research was conducted by to empirically demonstrate the relationships between personal meanings, calling and organizational commitment in the context of spiritual leadership. Wong’s Personal Meaning Profile was used to establish the various sources of personal meaning and identify those that predict calling. The results showed significant positive correlations between self-transcendent personal meaning and calling. Further, calling was also positively correlated with organizational commitment and contrasted with work-as-job as a predictor of commitment. The study suggests that not all sources of personal meaning are predictive of calling, and that calling mediates the relationship between self-transcendent personal meaning and organizational commitment. Based on the positive relationship between organizational commitment and job satisfaction.

Spiritual leadership theories compose of leader’s action of creating the vision and instills hope and faith to their followers. Incorporating the altruistic love then will fulfill the followers spiritual survival by feeling of membership and giving works its meaning and naturally view it as calling.
24 Membership means that the organization understands the members and appreciates them. Leadership research shows that recognition has a powerful effect on motivation and performance. A leader’s use of motivating language, including clear explanations of tasks, rewards, and cultural values, as well as expressions of compassion or praise, has been demonstrated to increase worker job satisfaction and performance.

25 A research on the original job characteristics model (JCM) and on an elaborated model of work design to examine relationships between ethical leadership, task significance, job autonomy, effort, and job performance was conducted. The results found a support for a fully mediated model whereby task significance and effort fully mediate relationships between ethical leadership and subordinates' job performance.

26 A study to examine the differences of leadership styles and selected demographic characteristics of principals on the job satisfaction of teachers was conducted. Specifically, this study was concerned with the influence of the variables of principals' leadership style, age, gender, total years of experience, principals' experience at the present school, highest degree completed, race/ethnicity and teachers' job satisfaction in regards to pay, promotion, supervision, benefits, rewards, work conditions, coworkers, the nature of work, communication and the total years of teaching experience. The results suggest that among others; there was no significant difference found between the perceived leadership style of principals and the job satisfaction of teachers with regards of pay, supervision, benefits rewards, working conditions, coworkers, nature of work, communication and the overall satisfaction.

27 The interactions between leadership style, subordinate personality, and task type, and the effects of different combinations of these variables on group performance and satisfaction with supervision was investigated. The results suggest that there were significant interaction effects for leader, subordinate and task combinations. Subordinates, regardless of their personality, were significantly more satisfied with leadership behavior that was high in human relations orientation.

28 Investigates the employee satisfaction in terms of organizational culture and spiritual leadership in a metal working industry in Turkey. The results indicate that employee satisfaction has positive significant correlations with organizational culture and spiritual leadership.

29 Economic growth is essential indicator for progress. If it is achieved without social justice, there is no equitable distribution of prosperity. What is the use of gaining everything and losing the character? Swami Vivekananda said that “when weath is lost, nothing is lost, when health is lost, something is lost, and when character is lost everything is lost”. Therefore, the man making education, the character molding education is essential for a really healthy
society. Spiritual leaders also said that knowledge is the power, but greater power is the power of love and much greater power is character. The indecent and egoistic projection of power, position, fame and wealth could be the body manifestation of muscle power, whose superstructures do not sustain without the foundations of the good character.

- The mediator of Leader-member Exchange between trust in peers and one’s perception of career satisfaction was examined. This empirical study establishes that in addition to cultivating employees’ trust in management, the enhancement of employees' trust in their peers can help them to become more satisfied with their career advancement. However, this positive association between trust in peers and career satisfaction has to be supported by a good quality relationship between the employee and his/her supervisor. If employees place high trust in their peers, then they are more likely to form a high quality relationship with their supervisors and ultimately more likely to enjoy career success.

Hence, the hypotheses forwarded based on the above are as follows:

**H1: There is significant positive relationship between spiritual leadership and quality of work life**

### 3.5 Spiritual Leadership And Organizational Performance

- Spiritual leadership comprises the values, attitudes, and behaviors required to intrinsically motivate one’s self and others in order to have a sense of spiritual well-being through calling and membership, i.e., they experience meaning in their lives, have a sense of making a difference, and feel understood and appreciated. The effect of spiritual leadership in establishing this sense of leader and follower spiritual well-being is to create value congruence across the strategic, empowered team, and individual levels to, ultimately, foster higher levels of employee positive human health, psychological and spiritual well-being, organizational commitment, productivity and, ultimately organizational performance.

- A high degree of workplace spirituality and spiritual leadership, as a driver of organizational commitment and productivity, is essential to optimizing organizational performance. There is emerging evidence that spiritual values and practices are related to leadership effectiveness and that organizations have higher levels of employee commitment, productivity, and customer satisfaction when employees’ spiritual needs are met and aligned with organizational vision and values

4 Employees with a sense of calling and membership will become attached, loyal to, and want to stay in organizations that have cultures based on the values of altruistic love. Employees who have hope/faith in the organization’s vision and who experience calling and membership will “Do what it takes” in pursuit of the vision to continuously improve and be more productive. Highly committed productive employees who are motivated to continuously improve key organizational processes will also be motivated to produce high quality products
and provide outstanding customer service. This should then be reflected in higher organizational profit and increased sales growth.

Hence, the hypotheses forwarded based on the above are as follows:

**H2: There is a significant positive relationship between spiritual leadership & Organizational performance**

4. Conceptual Frame Work of the Study:

A conceptual framework is diagrammatically represented to explain the relationship between the components of spiritual leadership, quality of work life and organizational performance for easy and comprehensive understanding.

Keeping the objectives of the study in view, Spiritual leadership is considered as independent variable. On the other hand, Quality of work life and organizational performance are considered as the dependent variables.

Spiritual leadership consists of components such as vision, altruistic love, hope/faith, meaning, calling and membership. The various dimensions of Quality of work are Work Life Balance, Health & well being, Job satisfaction, Management Support, Co-worker support, Institutionalization of Ethics, Extrinsic & Intrinsic rewards, Welfare schemes and Organizational Commitment. Organizational performance has components such as new business, repeat business, return on investment, profit after tax, customer satisfaction and employee turnover etc. These components are those, which have been repeatedly stated by researchers and selected after seeking expert judgments.

**Figure 1: Conceptual Model Showing the Relationship between the Components of SL, QWL & OP**

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<thead>
<tr>
<th>Spiritual Leadership</th>
<th>Quality of Work Life</th>
<th>Organizational Performance</th>
</tr>
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<tbody>
<tr>
<td>Vision</td>
<td>Work Life Balance</td>
<td>New Business</td>
</tr>
<tr>
<td>Altruistic</td>
<td>Health &amp; Well Being</td>
<td>Repeat Business</td>
</tr>
<tr>
<td>Hope/Faith</td>
<td>Job Satisfaction</td>
<td>Return on Investment</td>
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<tr>
<td>Meaning/calling</td>
<td>Management Support</td>
<td>Customer Satisfaction</td>
</tr>
<tr>
<td>Membership</td>
<td>Co-Worker Support</td>
<td>Employee Turnover</td>
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<tr>
<td>Organizational Commitment</td>
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5. Operational Definitions

Vision – describes the organization’s journey and why we are taking it; defines who we are and what we do. The following statements are included to study the vision aspect of spiritual leadership.

1. I understand and am committed to my organization’s vision.
2. My workgroup has a vision statement that brings out the best in me.
3. My organization’s vision inspires my best performance.
4. I have faith in my organization’s vision for its employees.

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5. My organization’s vision is clear and compelling to me.

Altruistic Love – defines a sense of wholeness, harmony, and well-being produced through care, concern, and appreciation for both self and others. The following statements are included to study the Altruistic Love aspect of spiritual leadership.
1. My organization really cares about its people.
2. My organization is kind and considerate toward its workers, and when they are suffering, wants to do something about it.
3. The leaders in my organization “walk the walk” as well as “talk the talk”.
4. My organization is trustworthy and loyal to its employees.
5. My organization does not punish honest mistakes.
6. The leaders in my organization are honest and without false pride.
7. The leaders in my organization have the courage to stand up for their people.

Hope/Faith- narrates the assurance of things hoped for, the conviction that the organization’s vision/ Purpose/ mission will be fulfilled. The following statements are included to study the Hope/Faith aspect of spiritual leadership.
1. I have faith in my organization and I am willing to “do whatever it takes” to insure that it accomplishes its mission.
2. I persevere and exert extra effort to help my organization succeed because I have faith in what it stands for.
3. I always do my best in my work because I have faith in my organization and its leaders.
4. I set challenging goals for my work because I have faith in my organization and want us to succeed.
5. I demonstrate my faith in my organization and its mission by doing everything. I can to help us succeed.

Meaning/Calling – portrays a sense that one’s life has meaning and makes a difference. The following statements are included to study the Meaning/Calling aspect of spiritual leadership.
1. The work I do is very important to me.
2. My job activities are personally meaningful to me.
3. The work I do is meaningful to me.
4. The work I do makes a difference in people’s lives.

Membership – explains a sense that one is understood and appreciated. The following statements are included to study the Membership aspect of spiritual leadership.
1. I feel my organization understands my concerns.
2. I feel my organization appreciates me, and my work.
3. I feel highly regarded by my leadership.
4. I feel I am valued as a person in my job.
5. I feel my organization demonstrates respect for me, and my work.

Organizational Commitment – depicts the degree of loyalty or attachment to the organization. The following statements are included to study the Organizational Commitment aspect of spiritual leadership.
1. I do not feel like “part of the family” in this organization.
2. I would be very happy to spend the rest of my career with this organization.
3. I talk up this organization to my friends as a great place to work for.
4. I really feel as if my organization’s problems are my own.

Quality of work life – Several studies have revealed different components constituting QWL. For the present study three components for measuring QWL have been selected. They are: Demographic variables, Job related variables, Organizational related variables. The following statements are included to study Quality of work life of the employees:
1. You often think about your work at home or leisure time
2. In the past 12 months, how often your Physical /mental health was not good
3. your main satisfaction in life comes from your work
4. You receive enough help and support to do the job
5. You are satisfied with your salary
6. your job is secure for life

Organizational performance – defines efficiency in producing results, benefits, or profits. The following statements are included to study Organizational performance.
1. Everyone is busy in my department/grade; there is little idle time.
2. In my department, work quality is a high priority for all workers.
3. In my department, everyone gives his/her best efforts.
4. My work group is very productive.
5. My work group is very efficient in getting maximum, output from the resources (money, people, equipment, etc.) we have available.

6. Implications of the Study

Spiritual leadership has emerged in the midst of people searching for something for their spiritual survival in today’s chaotic business environment. For organizations that aim to excel and gain a competitive advantage, they have to retain a team of highly motivated and satisfied employees to attain optimum performance. A leaders’ quality have become a paramount important to motivate and foster a maximum organizational commitment. The spiritual leadership components that consist of vision, hope/faith, altruistic love, meaning/calling and membership contain high value-based leadership type which can trigger and change employees’ action by practicing care and concern and intrinsically motivate them to perform willingly for the good of the organization. Leadership components and quality of work life
components is a good match as ‘leader/follower’ relationship to better predict the organizational outcomes. Spiritual leadership qualities that been explored in this paper can be assessed in relation to the component of quality of work life to discover a perfect or non-perfect match in between these two concepts. As a framework suggests the relationship between these two concepts and sub-concepts, a detailed research in this area is beneficial to be conducted in various types of organizations and industries to validate or to emerge with a much improved framework in the relationship between spiritual leadership and quality of work life.

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