

THE CONCEPTUAL MODEL OF SPIRITUAL LEADERSHIP AND SPIRIT AT WORK IN CREATING A SUSTAINABLE COMPETITIVE ADVANTAGE

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ABSTRACT

This paper starts with a wide and elaborate exploration on Strategic Management and the Resource Based View approach from the Management perspective, and explain how it is intertwined with Psychology aspect through Managerial Psychology and through the spiritual and theological perspective of the Individual Capabilities through the Spirit at Work construct. This conceptual paper is studying the influence of organizational capabilities in the form of Spiritual Leadership and individual capabilities in the form of Individual Spirituality toward Spirit at Work, supporting Organizational Commitment and Job Satisfaction. The multi origins approach is possible in the Strategic management field which is intertwined with many other fields, and through the heterogeneous Resource Based View approach toward sustainable competitive advantage. As a summary the paper comes up with a Model of Sustainable Competitive Advantage in a Model of Workplace Spirituality.

Keywords: Workplace Spirituality, Spirit at Work, Competitive Advantage

1. INTRODUCTION

The field of strategic management can sometimes be seen as amorphous by an active intersection with different roots of knowledge. All aspects of science which intersects and modify the business policy and can be translated into a sustainable competitive advantage in the corporate level can be seen as part of the strategic management model. It can be seen as well in this research with the origin of managerial psychology and theology, which blends into a research of Spirit at Work. SW could be seen as intangible capabilities in the Resource Based View framework toward competitive advantages (J. B. Barney, 1997). Spirit at Work is originated from the workplace spirituality under the theology science and intersects with the managerial psychology study. In this research the analysis is on how conceptually, the creation of sustainable competitive advantage will be seen through the intersection of all different roots of science and the implication toward the organizational commitment and job satisfaction. This literature review would also share the two origins of Workplace Spirituality as the framework of Spirit at Work. First the Theological background with the various Religious Work Ethic as the origin of workplace spirituality research Benefiel and Fry (2011); (Geigle, Fry, & Benefiel, 2013), and second the Psychological background through Managerial Psychology.

Barney has developed a resource-based theory on how an organization can sustain competitive advantage using people as critical resources (J. Barney, 1991; J. B. Barney, 1997). Human capital is one of the intangible resources that can meet the above specification, as stated by J. B. Barney, D. N. Clark, and Ebrary (2007). Research evidence from companies have shown that the people-centered practices have a strong relation with higher profits and significantly lower employee turnover. It is also proven that it is inimitable, firm-specific and socially complex (Kreitner & Kinicki, 2007). Hitt et al (M. Hitt, D. Ireland, & R. Hoskisson) stated that resource-based model is used in a particular way within a firm to form the basis of competitive advantage (M. Hitt, R. D. Ireland, & R. Hoskisson, 2012). Nevertheless, most scholars agrees that resources by themselves cannot be a source of competitive advantage. Therefore, the process of businesses are the sources of competitive advantage which forms the building blocks of corporate strategy and it is not in the form of products and markets, but on how it was integrated through a high quality service by committed employees.

J. B. Barney et al. (2007) shared an example that computer hardware would be a competitive advantage only if it is bundled with employees with strong organization's commitment toward good customer service which enables the execution of excellent customer service. In this issue the resource based view approach, the impact of human resource and the human capital becomes important. The people centered practices focused more on the human capital and require a more positive approach on the work force. Companies will have hard times if they are focusing only on problem coping strategies. They need to improve the quality of the human capital in the first place. This is the original reason why there is such an initiative of implementing a transcendence spirituality in the workplace (Robertson & Liu, 2011). This is one example of the implementation of the VRIO approach, the spiritual approach in the workplace serves as the V valuable, R rare, difficult to I imitate resources which define the core competencies of the firms (J. B. Barney, 1997). The O stands for Organized, which means when the Valuable, Rare, difficult to Imitate resource is organized, it becomes a sustainable competitive advantages.

Strategic value of these intangible spiritual capabilities comes from their rarity (J. B. Barney et al., 2007; Stead & Stead, 2014). Eventhough most organizations understand that sustainability can improve their profits, and deep and sacred commitment to work should be something valuable, but nevertheless organizations with a deep understanding and commitment to the sacredness of work, its people, the stakeholders, the environment and even the universe, are actually rare (Jurkiewicz & Giacalone, 2004). This paper is a conceptual paper which will focus on a snap shot portrait of how spirit at work is implemented as intangible

resource capabilities to produce competitive advantage in the RBV framework. The religious root is seen from two major religious ethics of Islam and Protestant business ethics.

Islam and Protestant are selected as two of the major religions since both represent the two highest number of religious adherents in the world (El Garah, 2012, Habisch, Lenssen, & Adai, 2012; Hunter, 2007). The managerial psychology area comes from the psychological root is seen from the studies of spiritual intelligences. All these three major subjects of origin, namely: Management, Theology and Psychology had supported the growth of research on workplace spirituality. Even though the notion of spirituality is relatively new, but there have been lots of research on the general subject of workplace spirituality (Garcia-Zamor, 2003). In the Academy of Management, there is a special group on Management Spirituality and Religion which specializes in analyzing the topic of Workplace Spirituality. Researchers agree in one important issue that spirituality seems to be an important source of organizational competitiveness by its impact toward performance and organizational commitment (Arménio & Miguel Pina e, 2008).

2. LITERATURE REVIEW

Researchers from the *MIT Sloan Management Review* and the Boston Consulting Group have conducted a research and reported that leading firms in the sustainability revolution, such as Unilever, Johnson & Johnson, New Belgium Brewing, and Procter and Gamble, place a very high value on spirituality. This is not solely just the slogans on the wall, but the real spiritual value of nature and humankind cannot be touched or displayed, but it can certainly be experienced, and the impact can be powerful when the inner spirit exists. Firms strongly believed that spirituality even though intangible will improve their long-term competitiveness (Neal, 2013).

There are several researchers who have conducted research in this area and have supported the relationship between spirit at work, personality, personal and performance and work outcomes (Kinjerski & Skrypnek, 2006). Kinjerski had successfully conducted empirical relationship between spirit at work toward organizational commitment and job satisfaction. The measurements had been tested and were proven significant (Kinjerski, 2013). These organizational commitment and job satisfaction are good indicators for work performance, and it is proven to be significant toward performance (Naim, 2019).

Fry (L. W. Fry) proposes a model of spiritual leadership which would have a certain qualities of implementing the spiritual leadership at work (L. W. Fry & Altman, 2013). The spiritual leadership construct developed by L. Fry and Whittington (2005) extended the spiritual leadership theory by exploring the concept of well-being, human health, character ethics, positive psychology, spiritual leadership and other new development in spirituality in the workplace. Leaders create a vision wherein organization members experience a sense of calling in that their life has meaning and makes a difference. Establishing a social/organizational culture based on the altruistic loves of leaders will show leaders with genuine care, concern, and appreciation for both self and others, thereby producing a sense of membership and feeling of being understood and appreciated.

Spiritual Leadership talks about motivation which includes the forces, either external or internal to a person, which arouses enthusiasm and persistence to pursue a certain course of action. Motivation in the workplace results when leaders create an environment that brings out the best in people as they achieve and receive individual, group, and system-wide rewards. It refers to those desires that, coupled with expectation of reward contingent on performance, cause the individual to exert effort above minimum levels, be spontaneous, and exhibit exploratory/cooperative behaviors (Stead & Stead, 2014).

Spiritual leadership theory can be viewed in part as a response to the call for a more holistic leadership that helps to integrate the four fundamental arenas that define the essence of human existence in the workplace—the body (physical), mind (logical/rational thought), heart (emotions; feelings), and spirit (L. W. Fry, 2003). Such a call that perhaps requires a new organizational paradigm that no longer views the study of the humanistic, spiritual, and natural as separate and independent domains; a worldview that regards spirituality at work in general and spiritual leadership in particular as vital components for building theory and testing propositions concerning purposeful humanistic systems and their effectiveness (L. W. Fry & Altman, 2013).

Rojas in his research (Rojas, 2002) conducted a study to extract from the literature review the theoretical foundations for a relational-ideopraxis framework of independent spirituality assessment scale. The measurement is intended to measure individual spirituality regardless of denominational, religious or ideological preference and it is based on thirteen relational modes extracted from the vast arrays of spiritual literatures. The independent variables used in this assessment scale are fulfillment of self, self-determination, self-control, discovery of self, enrichment of self, transactional, transformational, transfiguration, partnership, small group, organizational, movements and ideo-praxis. This study on individual spirituality came up with a reliable measurement tool based on a sound empirical quantitative study.

In order to measure the competitive advantage of the implementation spirit at work in the company working situation, this research would use Organizational Commitment as a construct which is well accepted and well known toward increasing performance, especially in the service industry (Barney, D. N. Clark, & Ebrary, 2007). Organizational commitment is showing an individual's commitment to an organization is his or her bond or attachment to that organization (Klein, Molloy, & Cooper, 2009). Although organizational commitment has different bases, affective commitment is our primary interest because it is based in desire, not felt obligations or constraints (John P. Meyer & Allen, 1997; John P Meyer, Allen, & Smith, 1993). Affective commitment is self-determined and, therefore, influenced by individual beliefs and motivations more than other forms of commitment. In turn, affective commitment is associated with higher levels of individual performance and satisfaction and lower levels of turnover and turnover intentions (Cooper-Hakim & Viswesvaran, 2005).

In addition to organizational commitment the popular construct which could be used as a proxy toward performance is the Job Satisfaction (JS) construct. Spector (1997) stated that job satisfaction as the extent in which a person like their job, a very simple definition but job satisfaction influences people’s attitude towards their jobs and various aspects of their jobs. Job satisfaction is affected by personal and organizational factors, which cause an emotional reaction affecting organizational commitment (RT Mowday, Steers, & Porter, 1979). The consequences of job satisfaction include better performance and a reduction in withdrawal and counter-productive behaviors (Morrison, 2008). Since job satisfaction involves employees’ affections or emotions, it influences an organization’s well-being with regard to job productivity, employee turnover, absenteeism and life satisfaction (Roodt, Rieger, & Sempene, 2002). Motivated employees are crucial to an organization’s success, and therefore understanding people in their jobs and what motivates them could be a driving force in strengthening organizational commitment (Schein, 1990).

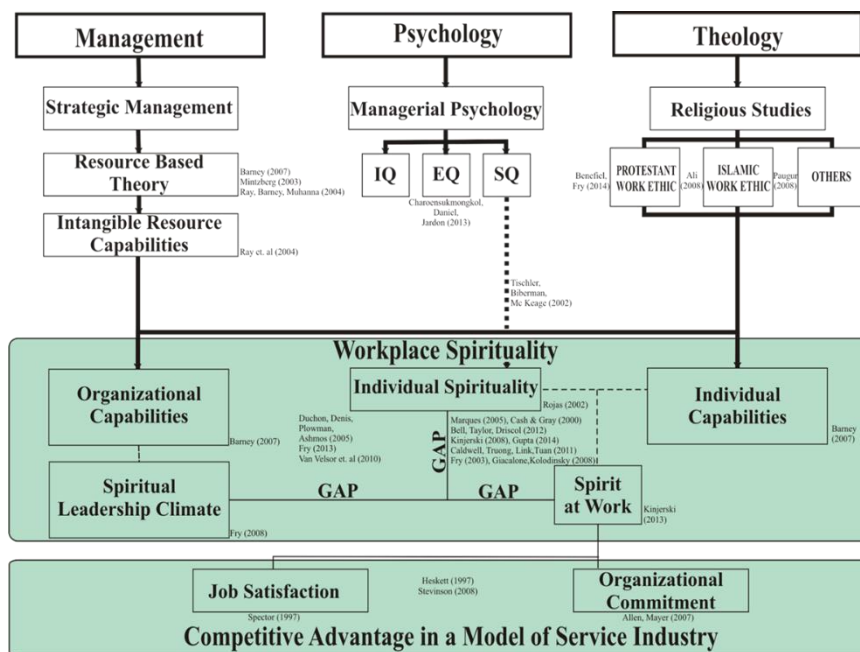
3. RESEARCH METHODS

This is a fundamental conceptual paper. The aim is to develop a theoretical framework through the Resource Based View approach. From three sources of Strategic Management, Psychology and Theology the three roots of science intersects and forms a model of workplace spirituality. Individual Capabilities and Organizational Capabilities is seen as independent variables to promote competitive advantage model. The competitive advantage is seen through job satisfaction and organizational commitment as the proxy of performance. Literature review and descriptive and interpretive analysis of the Workplace Spirituality framework is thoroughly explored to propose a conceptual model of the importance of Spiritual Leadership, Individual Spirituality, and Spirit at Work as a competitive advantage in a model of Workplace Spirituality.

4. RESEARCH AND DISCUSSIONS

The literature review shows that the area of workplace spirituality as an emerging concept has a rich origin from the Management, Psychology and Theology roots. The organizational capabilities through Spiritual Leadership and the individual capabilities through Spirit at Work create a model of competitive advantage. Organizational Commitment and Job Satisfaction are seen as the proxy for Competitive Advantage in a Model of Service industry (Figure 1)(Adawiyah, 2011 #304).

Figure 1. The Conceptual Model



The framework in figure 1 shows a promising concept of spirit at work, and how potentially it will influence a memorable service from the heart, a nature which is believed to be giving a high impact in the human performance in the corporate world. Nevertheless, further research is definitely needed in the workplace spirituality area, to test the relationships between the construct. The explanatory approach through the quantitative analysis will provide clearer evidence to the concept. Additional exploratory approach would also be beneficial to capture the qualitative study of spirit at work.

5. CONCLUSION

Spirit at work is a promising concept especially in the area of workplace spirituality. Spiritual aspects encourage all sincere services which has to come from the bottom of the heart through the spiritual aspect. Future research should be delved deeper in this area, both quantitatively and qualitatively. The nature of Spirit at Work shows the potential of high value, rarity, inimitability and if organized well will provide a strong competitive advantage in the service industry (J. B. Barney et al., 2007).

The limitation of the research lies in the limited availability of current studies in this area. More researchers should be involved to be able to develop this concept of spirit at work and workplace spirituality.

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