# Relationship between Spiritual Leadership and Organizational Commitment in Malaysians' Oil and Gas Industry

Norudin Mansor<sup>1</sup>, Ahmad Haziq Ismail<sup>1</sup>, Mohd. Afifie Mohd. Alwi<sup>1</sup> & Nurhani Anwar<sup>1</sup>

Correspondence: Norudin Mansor, Faculty of Business Management, Universiti Teknologi MARA Terengganu, Malaysia. E-mail: norudinm@tganu.uitm.edu.my

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## Abstract

The study attempts to fill in the empirical gap of spiritual leadership relationship with organizational commitment in the oil and gas industry in Malaysia. On a wider perspective, the study will provide an insight on spiritual leadership adoption in the oil and gas industry and how well it has contributed to the overall efficiency towards productivity and growth. The effectiveness of a particular leadership approach may differ from one industry to another based on the demographic, geographic or principle of business factors. In an attempt to get an adequate and good generalization, out of approximately 106,000 populations, 203 respondents were selected from 11 main subgroups: namely the oil and gas related firms operating within the gazetted industrialed zone by using quota sampling. Relying on four constructs measuring spiritual leadership the investigation hypothesized their relationship with the committment at work. The findings of the research may serve as a reference for organizations to make decisions on the leadership approach that suits with the organizational environment. Similar studies on the context of spiritual leadership conducted by researchers around the world have been sparse due to the fact that the implementation of such approach is still at its infancy. Therefore, the findings from the study are important to contribute to the academic literatures as well as to provide enrichment in the discussion of the subject matter.

**Keyword:** spiritual leadership, organizational commitment, altruistic love, calling/meaning, membership, and vision

# 1. Introduction

Spiritual leadership is an emerging concept of recognizing the values, attitudes, and behaviours promoted or obligated by one's belief and religion and how it affects the outcome of positive human health, psychological well-being, life satisfaction, organizational commitment and productivity, sustainability and financial performance. According to Fry (2003), spiritual leadership taps into the fundamental needs of both leader and follower for spiritual survival so they become more organizationally committed and productive. In general, spiritual leadership involves the application of spiritual values and principles to the workplace. A spiritual leader understands the importance of employees finding meaning in their work and demonstrates a genuine concern for the "whole" person, not just the employee. The spiritual leader also strives for a workplace that is truly a community, consisting of people with shared traditions, values, and beliefs.

Spirituality in leadership implies that the focus will be less on formal position power and more on people; less on conformity and more on transformation and diversity; and less on controlling and more on partnership, collaboration, and inspiration. The modern workplace is not just a place where people work, but a place where they form friendships, socialize, and attempt to find a sense of fulfilment. It is also a place where people attempt to make sense of and derive meaning from the activities that comprise what we call "work" and how these activities fit within the greater fabric of individuals' lives. This quest for meaning has prompted the recognition that spirituality in the workplace and spiritual leadership are real issues affecting the quality of life as well as leading to commitment in the modern organization.

# 1.1 Background of the Malaysian Oil and Gas Industry

The oil and gas industry involves downstream activities as well which cover the processes taking place after oil has been transported from the reservoir, and into crude oil terminals. Further activities include processing and refining

<sup>&</sup>lt;sup>1</sup> Faculty of Business Management, Universiti Teknologi MARA Terengganu, Malaysia

of the crude, manufacturing of petrochemical products, logistics and retail transactions. The oil and gas industry has also spawned industrial sites in the rural areas of Malaysia such as Kerteh, Terengganu. The oil and gas industry in Malaysia contributes around 40 percent of the federal revenue annually by way of dividends and taxes, which makes it a prominent source of national income. Companies involved in the industry are faced with enormous pressures of competing at the international platform while shouldering the responsibility of contributing for the nation as a whole. Compliance to laws and regulations, adherence to standards and adoption of best practices are given expectations among oil and gas companies. Therefore, the focus of the research in the oil and gas industry in Malaysia is strategically selected considering the significance of its contribution to the country's economy as well as the attention given by leaders in the oil and gas companies on managerial characteristics in order to become competitive at theinternational level.

#### 1.2 Problem Statement

The Malaysian oil and gas industry had faced a rigorous challenge concerning employee retention specifically among the engineering expertise whereby such talents were sought after at the international level as well. The dilemma faced by the local oil and gas companies was most evident in 2008 whereby a number of local employees fled to the Middle East serving for other foreign companies in oil-rich countries such as Qatar, Saudi Arabia and Kuwaitto pursue a significantly higher salary and tax-free living condition. The phenomenon captured national attention which made headlines on the local news and has been dubbed as the 'Middle East Syndrome'. The loss of these talents which mostly comprise of those with years of valuable experience and accredited skills by professional bodiesurged the management of the affected companies to revisit their existing strategies on employee retention and tackle the issue of talent poaching. Consequently, more costs need to be incurred on recruiting new talents and providing them with proper training. However, it would take a considerable number of years for these fledglings to match the loss of the experienced workers.

In the effort of overcoming this critical issue, the management had taken drastic steps to revise the remuneration packages along with a more competitive salary scheme considering that lucrative pay and benefits may have been the core driving factor that may increase commitment. While the implementation of the revised remuneration system followed with a subside in the mass-resignation incident, the management is far from being complacent with regards to containing employee turnover rate and instilling a sense of organizational loyalty. Resignation among non-technical skilled employees also occurs contributed by factors of geographical limitations, work-life balance, stress, and wages among others.

With the emergence of spiritual leadership approach in managerial studies, the research is surfacing the question of whether spiritual leadership approach has any significant relationship with organizational commitment in the Malaysian oil and gas industry.

# 1.3 The Objectives of the Study

This study is designed to achieve the following objectives:

- 1) To assess the relationships between spiritual leadership as measured by altruistic love, calling/ meaning, membership, and vision, with organizational commitment.
- 2) To identify the most significant predictor(s) of spiritual leadership in relation with organizational commitment,
- 3) To examine if there is any perceptional differences among male and female employees with regards to the overall relationship between spiritual leadership and organizational commitment.

## 1.4 The Scope of the Study

The study shall on the causal model of spiritual leadership theory developed by Fry (2003) whereby four out of five elements are put forth to be assessed individually in correlation with organizational commitment. The elements are vision, altruistic love, calling/meaning and membership. Fry's theory have been used by several other studies (for e.g., Markow & Klenke, 2005; Aydin & Ceylan, 2009; Chegini & Nezhad, 2012) in supporting the need for empirical evidences on spiritual leadership practices and its effectiveness in an organizational context.

For the purpose of this study, the scope of area shall cover Malaysian companies in the oil and gas industry in Terengganu. The industry is apparently the major contributor of the federal revenue which is around 40 percent annually while Terengganu is considered a hub of oil and gas upstream and downstream activities in the Peninsular Malaysia. Most of the oil and gas companies operating in Terengganu are either subsidiaries or associates of PETRONAS while a few others are foreign companies such as Exxonmobil and BP Amoco.

#### 2. Literature Review

## 2.1 Definition of Spiritual Leadership

The definition of 'spirituality' alone has been debated over time along with various conceptualizations of spiritual leadership. In a conceptualization effort by Sendjaya (2007), spiritual leadership is believed to consist of four primary dimensions, namely; religiousness, interconnectedness, sense of mission, and wholeness.

The notion of workplace spirituality has been well articulated in the literature (Dale, 1991; Fairholm, 1997, 1998; Fry, 2003; Hawley, 1993; Kunde & Cunningham, 2000; Mitroff & Denton, 1999). It is commonly defined (Giacalone & Jurkiewicz, 2003) as 'a framework of organizational values evidenced in the culture that promotes employees' experience of transcendence through the work process, facilitating their sense of being connected in a way that provides feelings of compassion and joy'.

Fry (2003) developed a causal theory of spiritual leadership based on vision, altruistic love and hope/faith that is grounded in an intrinsic motivation theory. Spiritual leadership taps into the fundamental needs of both leader and follower for spiritual survival through calling – a sense that one's life has meaning and makes a difference – and membership – a sense that one is understood, appreciated, and accepted unconditionally (Fleischman, 1994). The purpose of spiritual leadership is to create vision and value congruence across the individual, empowered team and organization levels and, ultimately foster higher levels of both organizational commitment and productivity. Thus the research outcome by Fry et.al. (2005) provides evidence about the importance of establishing spiritual leadership towards promoting work commitment.

#### 2.2 Vision

Vision refers to an idealised goal that the leader wants the organization to achieve in the future (Conger and Kanungo, 1987). Bennis and Nanus (1985) define leadership in terms of the capacity to create a compelling vision that others can believe in and adopt as their own, to translate it into action through communication, and to sustain it by creating a climate of organizational trust. Vision is perceived to be a primary source of charisma, a central concept in most transformational leadership models (Bass, 1985). One of the primary sources of charisma is the development and articulation of a compelling vision that inspires and motivates followers to higher levels of commitment and performance (Bryman, 1992).

Several researchers have found that visionary leaders have a positive influence on organizational success. For example, Bennis and Nanus (1985) who conducted an in-depth study on 90 leaders in the USA found four major themes or areas of competence; attention through vision, meaning through communication, trust through positioning and the deployment of self. They concluded that vision was essential to effective transformational leadership. Tichy and Devanna (1986) conducted a study employing in-depth interviews of twelve chief executive officers of large corporations implementing major overhaul or transformation of an existing organization. It was found that when a leader transformed the organization, there were three distinct stages; recognizing the need for revitalization, creating a new vision, and institutionalizing change. The importance of vision here is surfaced as one of the topmost factors towards a successful transformation.

Rouche et. al., (1989) studied successful transformation leaders in junior and community colleges in the USA. Of the five themes believed to be common to transformational leaders, vision was found to be the most significant theme. Vision appeared to be the catalytic component that enabled leaders to implement successfully the remaining four transformational themes. House and Shamir (1993) reviewed eight studies concerning transformational, charismatic and visionary theories and compared the behaviours specified by the studies. Visionary behaviour was the only common item to all of the studies reviewed. Creating a vision is therefore considered one of the main elements of a spiritual leader which is able to direct their followers towards a common goal. In view of the literature reviewed here, the hypothesis below is derived:

Hypothesis 1: Vision created by spiritual leaders has a significant relationship with organizational commitment.

## 2.3 Altruistic Love

Altruism is the principle or practise of concern for the welfare of others. Scholarly literatures have coined the elements of motive and behaviour as expressed in the early definition of Macaulay and Berkowitz (1970) that altruism is "behaviour carried out to benefit another without anticipation of rewards from external sources". Altruistic love, which derived from the concept of altruism is further defined by Crosbie and Oliner (1999) as "a giving, sacrificial love: it often involves the sacrifice of very important interests, including the sacrifice of the individual's life". In the theory of spiritual leadership, Fry (2003) defined altruistic love as a sense of wholeness, harmony, and well-being produced through care, concern, and appreciation for both self and others. Underlying

this definition are the values of patience, kindness, lack of envy, forgiveness, humility, selflessness, self-control, trust, loyalty, and truthfulness.

The concept of altruism is very relevant for leadership because leadership is about influencing others and altruism brings in the dimension of "others" into leader's definition of self. Several authors have made strong conceptual arguments relating altruism and transformational leadership. For example, Aronson (2001) suggests that altruism is an antecedent variable for transformational leadership while Kanungo (2001) mentioned altruism as the tool that such leaders use for influencing followers towards the collective goal. A study conducted by Singh and Krishnan (2008) using survey on managers in India found that altruism mediates the relationship between self-sacrifice and transformational leadership. Another research examining the association between altruistic love and workers' commitment using questionnaires and in-depth interviews in the Nigerian manufacturing industry found that altruistic love leads to high workers' affective and normative commitment, as well as low workers' continuance commitment (Ahiazu & Asawo, 2009).

Although conceptualization of altruism has been much deliberated in the literatures, empirical evidence relating it to organizational outcomes such as productivity, work commitment and satisfaction have been sparse. It is therefore, pertinent for this study to be conducted with the following hypothesis:

Hypothesis 2: Altruistic love demonstrated by spiritual leaders has a significant relationship with organizational commitment.

# 2.4 Calling/Meaning

In Fry's (2003) theory of spiritual leadership, calling/meaning is suggesting that organization members believe the job they do is important and meaningful for them and it makes a difference in the people's lives, whereas calling was conceptualized as work performed out of a strong sense of inner direction and divine inspiration to do morally responsible work.

Baumeister (1991) distinguishes a call from a job. He further suggests that calling provides a sense of being valuable to others and society and thus engenders personal meaning, because it links vocation with what is truly meaningful to a person. Fleishman (1994) suggests that calling, along with a need for social connectedness, is an essential dimension of spiritual survival in the workplace. When work is seen as a calling rather than a job or as an opportunity to serve higher power, purpose or common good, work-related striving takes on a new significance.

Meaningfulness is defined as the value if a work goal or purpose, judged in relation to an individual's own ideals or standards (May, 2003). Meaning functions in two broad categories. The first is to discern patterns in the environment. Without a sense of meaning, the world would appear as a random and chaotic bombardment of inputs. Meaning categorizes the input in a way that allows that the individual also can cope with contemporary work environments characterized by increased complexity and turbulence. The second function of meaning is self-control and the regulation of one's internal states, including affect which is according to Baumeister (1991) gives four needs for meaning: purpose, value, efficacy, and self-worth. A person who has satisfied these needs is likely to feel that his or her life has meaning.

Spiritual leaders inspire and energize behaviour in employees based on meaning and purpose rather than rewards and security, thus compelling employees to transcend their self-interests for the welfare of their organizational members, the sake of the mission. According to House (1977), charismatic leaders are ones who are able to bring about the alignment of beliefs and values and therefore followers view the work performed for a charismatic leader as an expression of themselves and thus intrinsically motivating and meaningful. Shamir (1991) described charismatic leaders as those individuals who can satisfy a need for finding a meaning in life while Conger (1989) named them as 'meaning makers'. Spreitzer et. al., (1997) assert that the provision of work that is experienced as meaningfulness by employees facilitates their personal growth and work motivation. Cash and Gray (2000) have found that many of the negative work experiences such as downsizing, isolation and lack of sense of community account for the search for greater meaning at the workplace.

It is therefore believed that calling and meaning have an intertwined relationship in the context of spirituality. Based on the literature reviewed here, the following hypothesis is postulated:

Hypothesis 3: Calling and personal meaning derived from the influence of spiritual leaders has a significant relationship with organizational commitment.

# 2.5 Membership

Membership encompasses the cultural and social structures through which individuals seek to be understood and

appreciated. According to Fry (2003), having a sense of being understood and appreciated is largely a matter of interrelationship and connection through social interaction and hence, *membership*. It means that the organization understands its members and appreciates them, so the employees become loyal members of the organization. Thus, at work, people value their affiliations and being able to feel part of a larger community or being interconnected (Pfeffer, 2003). The author further defines four fundamental dimensions of what people seek in workplace spirituality and management practices that sustain values: (1) interesting and meaningful work that permits them to learn, develop, and have a sense of competence and mastery; (2) meaningful work that provides some feeling of purpose; (3) a sense of connection and positive social relations with their co-workers, and (4) the ability to live and integrated life, so that one's work role and other roles are in harmony with his or her essential nature and who the person is as a human being. Pfeffer's, (2003) conceptual definition of spiritual leadership overlaps with Fry's theory whereby the first two dimensions relate to *calling* and the second two dimensions are similar with *membership*.

In view of the literature reviewed above, the following hypothesis is developed:

Hypothesis 4: Membership, arising from altruistic love demonstrated by spiritual leaders, has a significant relationship with organizational commitment

#### 2.6 Organizational Commitment

One of the most researched topics with regards to work attitude variables is organizational commitment, apart from job satisfaction (Allen & Meyer, 1990). It had gained a wide interest for empirical effort in the field of organizational behaviour, human resource management and organizational psychology due to the fact that it gives impact to multiple outcomes such as intention to leave, turnover, absenteeism, punctuality, organizational citizenship, and performance. The great importance of organizational commitment has therefore urged researchers to study on several antecedents which have largely centred around leadership behaviours. For example, a study by Shamir et. al., (1993) suggests that transformational leaders are able to influence followers' organizational commitment by promoting higher levels of intrinsic value associated with goal achievement, emphasizing the linkages between follower effort and goal achievement and by creating a higher level of personal commitment on the part of leaders and followers to a common vision, mission, and organizational goals.

Several authors have given a few definitions of organizational commitment. Sheldon (1971) defines organization commitment as an attitude or an orientation towards the organizations, which links or attracts the identity of the person to the organizations. Another definition by Salancik (1977) puts forth "a state of being in which an individual becomes bound by actions to beliefs that sustains activities and involvement". Recent articles, however, recognize the definition of organizational commitment in a multidimensional form. One of the most cited definitions is by Allen and Meyer (1990) who hold that organizational commitment is a multidimensional construct comprising three components: affective (affective attachment to the organization), continuance (perceived costs associated with leaving the organization), and normative (feelings of obligation to the organization). Each of these components contributes to strengthen the likelihood that the employee will remain in the organization, but the nature of each mind-set differs from the others. Each component develops independently in the basis of different antecedents and via different processes. Affective commitment develops when the employee becomes involved in, recognizes the value-relevance of, or derives his or her identity from, association with the organization. Thus, employees with a strong affective bond remain in the organization because they want to do so. Continuance commitment develops when the employee recognizes that he or she stands to lose investments in the organization, or perceives that there are no alternatives other than to remain in the organization. In other words, those with strong continuance commitment remain because they feel they have to. Normative commitment develops when people internalize the organization norms through socialization, receive benefits that induce him or her to feel the need to reciprocate, or to accept the terms of a psychological contract. Therefore, normative committed employees remain because they feel they ought to (Allen & Meyer, 1996).

The model predicts that affective commitment leads to a lower turnover, reduced absenteeism, improved performance, and increased organizational citizenship behaviour (Organ, 1997). Employees with strong continuance commitment will feel no tendency to contribute to the organization beyond what is needed to keep their jobs while those who feel an obligation toward the organization (normative commitment) tend to want to make positive contributions to it.

## 3. Research Methodology

## 3.1 Theoretical Framework

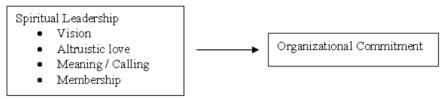


Figure 1. The proposed schematic diagram of the research

The theoretical framework constructed above is based on Fry's (2003) causal model of spiritual leadership. The study believes that spiritual leadership elements (vision, altruistic love, meaning/calling and membership) will each havea significant influence on organizational commitment.

## 3.2 Sampling Design

The population for this study comprises of employees from selected companies in the oil and gas industry in Terengganu. The total population within the targeted scope are obtained prior to determination of sample size. The following table shows the distribution of population and expected sample size.

Table 1. Total population of employees in the oil and gas industry in Terengganu

| Firm       | A    | В   | C   | D   | E   | F   | G   | Н   | I  | J  | K  | Total |
|------------|------|-----|-----|-----|-----|-----|-----|-----|----|----|----|-------|
| Population | 1503 | 986 | 645 | 480 | 447 | 248 | 242 | 177 | 48 | 34 | 22 | 4832  |
| Sample     | 112  | 72  | 48  | 36  | 33  | 18  | 18  | 13  | 4  | 3  | 2  | 360   |

Source: Human Resource Department

The number of samples for the study is determined by referring to Krecjie & Morgan (1970) guideline whereby for total population of 5000, the recommended number of samples to be taken is 357. For the purpose of this research, the number of samples taken is 360, taking into consideration the contingency for unused data. However at the final stage of data collection, only 203 samples were collected and found usable for the analysis. This procedure is still within the rule of thumb developed by Roscoe (1975) which stated that sample sizes larger than 30 and less than 500 are appropriate for most research.

Quota sampling method is applied for the purpose of this study. This sampling approach although less efficient then the probability approach but still considered much better then other nonprobability approach but less efficient then stratified sampling technique. This is because of the purposive selection of elements within each quota. Table 3.1 above based on the proportions of employee population and sample selected.

## 3.3 Data Collection

A set of questionnaires is constructed consisting of 57 questionswhich include four segments of demographics, spiritual leadership, religiousness as well as organizational commitment. The distribution shall also be allocated to each of the companies included in the population according to the percentage of employees as tabulated below. In average, a respondent took about 10 to 20 minutes to complete. Questionnaires completion was treated anonymous and completely voluntary. Subjects' privacy and anonymity have been ensured by having the questionnaire papers returned directly to the researcher upon completion.

Prior to the actual distribution of questionnaires, a pilot study of 36 respondents were conducted to determine the understanding of the items as well as to identify the internal reliability of the data gathered.

#### 3.4 Measuring Instruments

In order to collect primary data, a set of questionnaires is developed consisting of four segments which are demographics, spiritual leadership dimensions, religiousness and organizational commitment with a total of 57 questions altogether. Spiritual leadership dimensions (vision, altruistic love, meaning/calling, and membership) are measured using Fry *et al.*'s (2005) model. There were 32 items involved. while Allen and Meyer's (1990) Organizational Commitment Scale (OCS) consist of 8 items, is adopted to measure the outcome of

organizational commitment. A few questions for spiritual leadership elements are added on top of the existing scale in order to ensure reliable outcome. Although the OCS differentiates between affective, continuance and normative commitments, the study considers organizational commitment as a generalized concept. Therefore, a mixture of the three components in the OCQ is used for the purpose of this study. Measurement for religiousness is based on self-construct questions in order to cater for suitability with the population of the study.

The questionnaires are measured using a 5-point Likert scale which indicates 1 as "Strongly Disagree", 2 as "Disagree", 3 as "Neutral", 4 as "Agree" and 5 as "Strongly Agree". The feedback from the respondents using this scale shall provide a set of quantitative data for further analysis.

# 4. Findings and Analysis

# 4.1 Reliability Analysis

The reliability procedures at this stage attempts to measure and establish both consistency and stability of questionnaire items and how well the items measures the elements used in this study. All of the data collected during the survey were subjected to reliability analysis in order to establish the reliability of measure. According to Sekaran and Bougie (2010), reliability that is less than 0.60 is generally considered to be poor, those in range of 0.70 to be acceptable and those over 0.80 to be good. The closer the Cronbach's Alpha to 1.0, the higher the internal consistency reliability is. The result for the reliability test of this research is shown as below:

Table 2. Reliability analysis

| CECTION           | BEF   | ORE ADJUSTED       | AFTER ADJUSTED |                    |  |
|-------------------|-------|--------------------|----------------|--------------------|--|
| SECTION           | ITEMS | <b>ALPHA Value</b> | <b>ITEMS</b>   | <b>ALPHA Value</b> |  |
| Org. Commitment   | 8     | 0.840              | 8              | 0.840              |  |
| Vision            | 8     | 0.904              | 8              | 0.904              |  |
| Altruistic love   | 8     | 0.937              | 6              | 0.909              |  |
| Calling / Meaning | 8     | 0.645              | 7              | 0.834              |  |
| Membership        | 8     | 0.798              | 8              | 0.798              |  |

In ensuring that there were enough items to justify the measurement of organizational commitment determinants, initially 8 items were constructed to measure the variable. Upon reliability analysis, the Cronbach's alpha indicated a value of 0.840 which is considered acceptable. The items used to measure the element vision were also found to be appropriate as indicated by Cronbach alpha value of 0.904. For altruistic love, initially 8 items were constructed to measure the variable and having an alpha value of 0.937. However, two (2) items were excluded from the analysis due to possibility of having multi-collinearity. The adjusted alpha value is 0.909. For calling / meaning elements, there were 8 items which initially used in order to measure the variables. The result of analysis indicated the alpha of 0.645 which is considered quite low. Therefore, one of the items was excluded and the adjusted Cronbach alpha value is 0.843. As for the membership variable, eight (8) items were used to measure the reliability and all of items indicated Cronbach alpha value of 0.798 which is considered acceptable.

#### 4.2 Frequency Distribution

Frequency analysis is used to analyze the overall information of the respondents based on the profile information. This study was done in order to investigate the determinants of organizational commitment in the oil and gas industry in Malaysia from the perception different demographic factors. From the data gathered, 203 respondents were involved for analysis.

Table 3. Respondents' profile

| GENDER             |     |      | INCOME (RM)             |     |      |
|--------------------|-----|------|-------------------------|-----|------|
| Male               | 127 | 62.6 | Less than 2500          | 32  | 15.8 |
| Female             | 76  | 37.4 | 2501 -4500              | 80  | 39.4 |
| RACE               |     |      | 4501 - 6000             | 35  | 17.2 |
| Malay              | 190 | 93.6 | 6001 - 8000             | 23  | 11.3 |
| Chinese            | 6   | 3.0  | 8000 and above          | 33  | 16.3 |
| Indian             | 3   | 1.5  | MARITAL STATUS          |     |      |
| Others             | 4   | 2.0  | Single                  | 71  | 35.0 |
| AGE                |     |      | Married                 | 131 | 64.5 |
| 30 and below       | 103 | 50.7 | Others                  | 1   | 0.5  |
| 31 - 40            | 61  | 30.0 | RELIGION                |     |      |
| 41 - 50            | 30  | 14.8 | Islam                   | 193 | 95.1 |
| 51 and above       | 9   | 4.4  | Buddha                  | 3   | 1.5  |
| EXPERIENCE         |     |      | Hindu                   | 2   | 1.0  |
| Less than 5 years  | 87  | 42.9 | Christian               | 4   | 2.0  |
| 5-10 years         | 54  | 26.6 | Others                  | 1   | 0.5  |
| 10 – 15 years      | 27  | 13.3 | LEVEL OF EDUCATION      |     |      |
| More than 15 years | 35  | 17.2 | SPM                     | 28  | 13.8 |
| POSITION           |     |      |                         | 41  | 20.2 |
| Manager and above  | 7   | 3.4  | Bachelor's Degree       | 119 | 58.6 |
| Executive          | 118 | 58.1 | Master Degree and above | 8   | 3.9  |
| Non-Executive      | 72  | 35.5 | Others                  | 7   | 3.4  |
| Others             | 6   | 3.0  |                         |     |      |

Note on exchange rate: 1 US Dollar = RM 3.30

Out of 203 respondents in this research, 190 of them are Malay (93.6%), 6 of them are Chinese (3.0%), 3 of them are Indians (1.5%) and the remaining 4 are from other races such as Kadazan and Caucasian (2.0%). In terms of gender, the majority of the respondents are male which is 127 (62.6%) while female consists of 76 respondents (37.4%). Reviewing on the age group, 50.7% from them are aged 30 years old and below which is the largest composition followed by 30% of those aged between 31-40 years old which is the second highest percentage. For the age group between 41-50 years old, the percentage displayed 14.8% and respondents who are 51 years old and above are represented by only 4.4% of the total respondents. This shows that the respondents are mainly represented by younger generations.

The next demographic analysis is referring to the element of income. The highest percentage for income level is represented by the group of range between RM2501- RM4500 (39.4%), followed by RM4501- RM6000 (17.2%), RM 8000 and above (16.3%), and the smallest percentage comes from the income group of less than RM2500 (15.8%). The results indicate that the respondents mainly comprises of those from the middle income category.

In terms of number of experience, the tabulated results show that the highest representation are those with less than 5 years of experience with 87 respondents (42.9%), followed by 5-10 years with 54 respondents (26.6%), more than 15 years with 35 respondents (17.2%) and the minority comes from the category of 10-15 years with 27 respondents (13.3%). This indicates that majority of the respondents are new in their respective organizations.

From the categorization of religion, the highest percentage is Islam with 95.1%, followed by Christian (2%), Buddha (1.5%), Hindu (1%) and others (0.5%). This shows that the organization is dominated by Muslim population. In terms of marital status, majority of the respondents declared themselves as married with the percentage of 64.5%, followed by single with the percentage 35% and others with 0.5%. Reviewing on the highest level of education, the largest representative comes from those with Bachelor's degree (58.6%), followed

by diploma (20.2%), *Sijil Pelajaran Malaysia* (SPM) level (13.8%), Masters degree level and above (3.9%) and others (3.4%). The education level factor shows that most of the respondents in the study have at least attained a tertiary level of education.

Finally, in terms of position in the organization, the highest percentage is from the executive group (58.1%), followed by non-executive (35.5%), managers and above (3.4%) and others (3%) which comprises of contractual staff.

# 4.3 Correlation of Coefficient

The analysis for correlation of coefficient was adopted to substantiate the hypotheses H1, H2, H3 and H4. The rules of thumb proposed by De Vaus (2002) was used as a guide to characterize the strength of association between variables.

Table 4. Pearson correlation coefficient for variables

|                |  | (B)       | (C)       | (D)       | <b>(E)</b> |
|----------------|--|-----------|-----------|-----------|------------|
| ORGANIZATIONAL | Pearson Correlation                    | 0.566(**) | 0.398(**) | 0.521(**) | 0.509(**)  |
| COMMITMENT (A) | Sig. (2-tailed)                        | 0.000     | 0.000     | 0.000     | 0.000      |
| ALTRUISTIC     | Pearson Correlation                    | 1         | 0.418(**) | 0.703(**) | 0.589(**)  |
| LOVE (B)       | Sig. (2-tailed)                        |           | 0.000     | 0.000     | 0.000      |
| CALLING (C)    | Pearson Correlation                    |           | 1         | 0.527(**) | 0.593(**)  |
|                | Sig. (2-tailed)                        |           |           | 0.000     | 0.000      |
| MEMBERSHIP (D) | Pearson Correlation                    |           |           | 1         | 0.605(**)  |
|                | Sig. (2-tailed)                        |           |           |           | 0.000      |
| VISION (E)     | Pearson Correlation<br>Sig. (2-tailed) |           |           |           | 1          |

<sup>\*\*</sup> Correlation is significant at the 0.01 level (2-tailed).

The results of the coefficient analysis showed that the independent variables of altruistic love, membership, and vision have moderate significant relationships, and low moderate relationship as for calling with organizational commitment. However all the four variables found to be significant at p-value of 0.000.

#### 4.4 T-test Analysis

T-test was conducted for group of gender of respondents upon organizational commitment.

Table 5. Table t-test for type of gender

| Gender | N   | Mean | Std. Deviation | Std. Error Mean | Sig. 2 tailed |
|--------|-----|------|----------------|-----------------|---------------|
| Male   | 127 | 3.47 | 0.66           | 0.05            | 0.613         |
| Female | 76  | 3.51 | 0.53           | 0.06            | 0.013         |

The result of the t-test is shown in Table 5. There is a difference in means of 3.47 and 3.51 with standard deviations of 0.66 and 0.53 for male and female respectively. This indicates that gender factor on thoughts toward organizational commitment is not significant.

# 4.5 Multiple Regression Analysis

Regression analysis attempts to predict the values of a continuous, interval-scaled dependent variable from the specific values of the independent variable. Moreover, regression analysis is used in order to substantiate the second objective of the study as well as H5.

Table 6. Model summary

| Model | R     | R Square | Adj R Square | Std. Error of Estimate | Sig. F Change |
|-------|-------|----------|--------------|------------------------|---------------|
| 1     | 0.619 | 0.383    | 0.370        | 0.48925                | 0.000         |

As shown in Table 6, it is indicated that only 37% of the organizational commitment can be explained by all the four (4) variables in the study. Therefore, H5 is supported. The remaining 63% of the model would be explained by other variables which are not included in the study.

Table 7. Coefficient (a) table

| Model           | Unstand | ardized coeff. | Standardized coeff. | T     | Sig.  |
|-----------------|---------|----------------|---------------------|-------|-------|
|                 | В       | Std. error     | Beta                |       |       |
| 1 (Constant)    | 0.339   | 0.338          |                     | 1.004 | 0.316 |
| Altruistic      | 0.315   | 0.079          | 0.326               | 3.969 | 0.000 |
| Calling/meaning | 0.105   | 0.097          | 0.078               | 1.085 | 0.279 |
| Membership      | 0.178   | 0.111          | 0.138               | 1.607 | 0.110 |
| Vision          | 0.224   | 0.95           | 0.187               | 2.345 | 0.020 |

a. Dependent Variable: Organizational Commitment

Table 7 further explains the above situation. The results show that there are only two significant predictors that influenced organizational commitment which are altruistic love and vision with a significant value of less than 0.05. Out of the four variables above, the most contributing factor towards organizational commitment is altruistic love with a Beta value of 0.326.

### 5. Discussion and Conclusion

The first objective of the study is to assess the relationships between spiritual leadership elements (vision, altruistic love, calling/meaning, membership) and organizational commitment. The results of the study show that each of the elements of spiritual leadership has a significant relationship with organizational commitment. In addressing the second objective of the study, results show that the element altruistic love appears to have the strongest correlations compared to the other elements, followed by membership and vision. Calling/meaning shows the least correlation among the other three elements. The outcome of the correlation analysis is in line with the research hypotheses.

The findings also provide evidence for the causal model of spiritual leadership developed by Fry (2003) whereby the linkages between spiritual leaders and followers would lead to organizational outcomes including commitment. The results also provide support for other previous studies on the area of spirituality in organizations such as Rego and Cunha (2007). Although the study did not adopt Fry's (2003) model, some of the elements used by the authors are quite similar, for e.g; team's sense of community (membership), alignment with organizational values (vision), and opportunities for inner life (meaning). The results from the study conducted by the authors are almost similar with this research with a slight difference in terms of organizational commitment whereby they segmentized Allen and Meyer's (1990) scale accordingly and found that affective commitment appeals the most.

The study also supports the findings by Chegini and Nezhad (2012) with a similarity on the scope of subjects whereby both research were conducted on Muslim-dominated organizations but from different industry. Another similarity is the use of Fry's (2003) causal model to assess its relationship with commitment. The findings suggested by Aydin and Ceylan (2009) also showed positive effect of spiritual leadership on organizational outcome. The study also adopted Fry's model but relate it with a different variable, organizational learning capacity. The results, however, showed low level of significance on the relationships. The overall findings of this research has shown quite similar outcome with most of the previous studies which suggest the importance of spiritual leadership in contributing to employees' commitment. The strength of the relationship, however, differs perhaps due to different geographical background, industry, and types of elements involved.

The element of altruistic love, which showed the strongest correlation in this study also provides support for the study conducted by Ahiazu and Asawo (2009) in assessing it with organizational commitment. The results may indicate that employees tend to emphasize on leaders' selflessness and self-sacrificial traits. While calling/meaning found to be moderately correlated with organizational commitment in this research, Markow and Klenke (2005) suggests that mediating the role of calling between meaning and commitment would provide a positive relationship.

In meeting the last objective of the study, the results have shown that the only difference in perception towards organizational commitment is by racial factor of demography among the respondents. It shows that tendency towards organizational commitment might be influenced by the ethnic composition in the company. With Malays dominating the population by more than 90%, the workplace might have become an environmental attachment among them.

This study has provided some empirical data on the nexus between spiritual leadership and organizational commitment as well as the adverse moderating role of religiousness in the relationship. It has shown that employees in the organizations are prone towards accepting a holistic approach of leadership that may contribute towards increased loyalty for the organization. Altruism among leaders has been regarded as the most significant element linked with organizational commitment. This indicate that there is a paradigm shift from the directive leadership style to a more transformational approach whereby leaders are expected to demonstrate more of humanistic values and treat employees more than just workers in an organization.

Despite having empirical evidence on the linkage between spirituality of leaders and organizational commitment, the study also suggests that there might be other underlying factors contributing to commitment of employees. Companies should also take into considerations other extrinsic rewards such as higher wages and more lucrative benefits that entice the younger generation of employees, in particular. The adverse impact of religiousness in moderating the relationship between spiritual leadership elements and organizational commitment shows that there is a possible distinction between spirituality and religion. Inculcating religious values and rituals in organizations might create a conducive environment in the workplace but would not promise loyalty among the employees. The dogmatic nature of religion might invite differences in views from employees in a multiracial organization while spirituality is not confined on a religious basis.

## 5.1 Future Research

Qualitative analysis might also be considered in order to gain subjective response from the subjects of the research and provide clearer understanding on the factors contributing to organizational commitment as well as their views and recommendations for a better leadership implementation. The element of religiousness might also be constructed as an antecedent or a mediator with organizational outcomes. Different geographical areas and industries might also be considered to explore the topic of workplace spirituality in a different context and scope.

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