

# The Impact of Spiritual Leadership on Organizational Citizenship Behavior: A Multi-Sample Analysis

Chin-Yi Chen · Chin-Fang Yang

Received: 19 September 2010 / Accepted: 19 June 2011 / Published online: 26 June 2011  
© Springer Science+Business Media B.V. 2011

**Abstract** This study investigates and compares the impact of spiritual leadership on organizational citizenship behavior in finance and retail service industries to determine the possibility of generalizing and applying spiritual leadership to other industries. This study used multi-sample analysis of structural equation modeling. The results show that values, attitudes, and behaviors of leaders have positive effects on meaning/calling and membership of the employees, and further facilitate employees to perform excellent organizational citizenship behaviors, including the altruism of assisting colleagues and the responsible conscientiousness toward organization. The effect of altruism toward colleagues is especially stronger. Finally, the effect of leaders' values, attitudes, and behaviors on the spiritual survival of employees is stronger in retail than that in finance.

**Keywords** Spiritual leadership · Organizational citizenship behavior · Multi-sample analysis · Finance industry · Retail industry

## Introduction

In modern society, pressure and anxiety have become the workplace norm. Workers often suffer from interpersonal

alienation and exhaustion at work. Leaders experience overwork and occupational burnout and neglect family and friends. Abusive language and violence may even occur, resulting in employees feeling anxious and experiencing tremendous pressure (Palmer, 1994; Cavanagh, 1999).

How individuals within organizations can maintain inner and outer balance is an important issue. The basic entities of existential philosophy—the body (physical), the mind (logical/rational thought), the heart (emotions/feelings), and the spirit are like the four corners of a table: the table will be in danger of falling over if one corner is missing (Moxley 2000). Conventional centralized, standardized, bureaucratic organization leadership is no longer sufficient to care for these diverse balance needs of employees. Spiritual leadership theory (SLT) has arisen to meet the needs of the times, and is receiving much attention from management scholars.

According to the definition of Fry et al. (2005), spiritual leadership refers to the establishment of a learning organization through the use of employees' inner motivation for the purpose of achieving organizational transformation. The goal of spiritual leadership is to employ the strategies and empowerment of individuals and teams to establish a consensus concerning organizational vision and values, and thereby enhance the organization's commitment and performance. Spiritual leadership boosts organizational performance by combining leaders' attitudes, values, and behavior, inspiring employees' inner motivation, and causing employees to recognize the meaning of their work and the call of mission, feel that they can make a difference, and feel understood and appreciated in their work. In other words, spiritual leadership is not only able to satisfy followers' basic needs, but can also satisfy followers' high-level needs, and can help employees transcend the view of work as an exchange of benefits, and instead realize that

---

C.-Y. Chen  
Department of Business Administration, National Yunlin  
University of Science & Technology, Yunlin, Taiwan, ROC  
e-mail: chenmich@yuntech.edu.tw

C.-F. Yang (✉)  
Department of Accounting Information, Da-Yeh University,  
168 University Rd., Dacun, Changhua 51591, Taiwan, ROC  
e-mail: cfyang@mail.dyu.edu.tw

they are working for their own inner values and sense of meaning (Reave 2005).

Many studies have investigated the relationship between leadership and organizational citizenship behavior. However, few studies have explored the impact of spiritual leadership on organizational citizenship behavior. This study suggests that spiritual leadership increases the intrinsic value and meaning of work and makes employees feel a sense of membership in the organization, helping them exhibit beneficial organizational citizenship behaviors and enhancing enterprise competitive advantage. Further investigation of the topic is necessary.

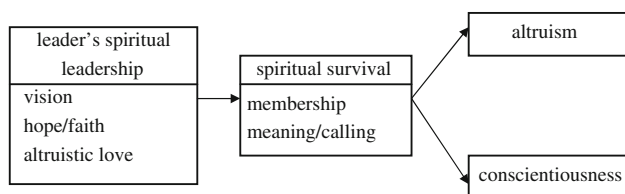
In studying spiritual leadership, Fry et al. (2005) used soldiers as test subjects. Could the results be generalized to other industries? The two major service industries in Taiwan are finance and retail. This study investigates implementing spiritual leadership in these two industries and compares the impact of spiritual leadership on organizational citizenship behavior to determine the possibility of generalizing and applying spiritual leadership to other industries.

## Research Framework and Hypotheses

Based on the discussions of Fry et al. (2005), spiritual leadership includes vision, hope/faith, altruistic love, meaning/calling, and membership. The first three are values, attitudes, and behaviors of leaders; the last two are feelings of spiritual survival generated through meaning/calling and membership. The first three items of spiritual leadership affect the last two items. Experiencing the meaning of work and a sense of membership in the organization strengthens employees' intrinsic motivations and then makes employees demonstrating citizenship behaviors (altruism and conscientiousness) that benefit the organization. Figure 1 shows the research framework of this study.

### Spiritual Leadership

An examination of spiritual leadership requires understanding the research context. Lawrence and Duggal (2001, p. 304) suggest that “spiritual dimension is intrinsic to any culture, and in many cultures almost inextricably entwined



**Fig. 1** Research framework

with conduct, morality, personal expectations and concepts of shame and psychological and social reward". Previous studies relating to spirituality considered the needs for self-actualization, interpersonal relationships, and the pursuit for meaning, purpose, and hope. The studies suggested a spiritually healthy person would create intrinsic motivations, be full of hope, be firm about beliefs, and devoted to pursuing meaningful work, living, and life goals (Ross 1995; Lawrence and Duggal 2001). Spirituality is an important characteristic within individuals; some scholars introduced the concept of spirituality in workplace management, recognizing that employees need to explore the meaning of work, life purposes, and good interpersonal relationships (Milliman et al. 1999; Wagner-Marsh and Conley 1999). An organization that values spirituality has the following characteristics: visions and goals of the organization engender intrinsic meaning for employees; emphasizing employee development; emphasizing the cultural values of trust and honesty; offering employee empowerment; and giving employees opportunities to express opinions.

Leadership studies have paid attention to the concept of spirituality in the study of leadership. The initial direction has been to determine the spiritual characteristics of effective leaders. For example, Fairholm (1997) pointed out that effective leaders have higher intrinsic beliefs and higher intellectual abilities. They have the ability of helping people escape feelings of subordination. They value personal meaning, personal values, and life purpose. Reave (2005) reviewed 150 related studies about effective leadership, to find universal spiritual qualities (integrity, honesty, modesty) and behavior (respect toward others, fair treatment, love and care, recognition of contribution, listening and response, self-reflection) of successful leaders. However, Fry (2003) was the first to combine the concepts of spirituality (individual psychological characteristic) and leadership (external behaviors of leading groups effectively to achieve organizational goals). Fry proposed the cause and effect model of “spiritual leadership” and Fry et al. (2005) recognized the U.S. Air Force as the investigation sample to exemplify the SLT proposed in 2003. The results showed that the goodness of fit between the data and the theoretical model reached a statistically acceptable standard and proved that spiritual leadership style has a significant effect on organizational commitment and productivity of employees.

Researchers of SLT summarized and compared previous studies and discovered that: (1) Previous leadership theories discussed the intrinsic needs of subordinates. Discussions on satisfying the individual high-level needs were lacking. For example, social needs, esteem needs, and self-actualization needs in Maslow's hierarchy of needs can be transformed to be continuous intrinsic

motivations. (2) Previous studies rarely discussed the relationship between intrinsic values and the behaviors of leaders, or the value system on which the organizational culture placed much emphasis. (3) A clear relationship between intrinsic motivations of subordinates and organizational outcome was lacking (Fry 2003; Fry et al. 2005; Reave 2005).

Spiritual leadership theory combines the motivation-based perspectives in some previous leadership theories (e.g., the emphases on intrinsic motivation of transformational and charismatic leadership) with the religious-based perspective (e.g., religions and spirituality place great emphasis on giving care and love toward others), the ethic-based perspective (e.g., treating organizational stakeholders or customers with service and responsible attitudes), and the value-based perspective (e.g., fostering an organizational culture that values employees' meaning of work and friendly interpersonal relationships). SLT defines spiritual leadership as it "comprises the values, attitudes, and behaviors that one must adopt in intrinsically motivating one's self and others so that both have a sense of spiritual survival through calling and membership" and "it relates to increasing levels of intrinsic motivation, commitment, productivity, and well-being" (Fry et al. 2005, p. 836).

This theory suggests that leaders establish a vision that calls for intrinsic self-significance and self-value of employees. This calling is not an external behavior, but makes employees feel that the tasks are special and meaningful. The leader exhibits a confident attitude that the vision is achievable to inspire employees with confidence in the vision. The leader establishes the value of mutual care in the organizational culture and emphasizes caring and respectful behaviors toward employees to make employees feel understood and appreciated, creating a sense of membership in the organization. This feeling is the intrinsic reward for employee to create firmer beliefs and encourage the pursuit of a meaningful organizational vision.

The cause and effect model proposed by Fry (2003) and Fry et al. (2005) are by far the most representative of SLT. Therefore, this study adopted the definition and the measurement tool of spiritual leadership proposed by Fry and employed SLT as the basis of logical thinking to investigate its relationship with organizational citizenship behaviors. The investigation compared different industries to inspect the effect of generalization.

### The Process Effects of Spiritual Leadership

In the theory of spiritual leadership, Fry et al. (2005) proposed five important dimensions defined as follows: (1) Vision: describing the future path of the organization and

explaining the reasons for taking the path; defining self-positioning and self-behaviors; valuing the process of drafting the vision; hoping to construct a vision that calls for feelings of meaningfulness in employees; (2) Hope/Faith: affirming expectations; believing firmly that the vision/purpose/mission of the organization can be achieved; (3) Altruistic love: creating a sense of completeness, harmony, blissfulness through care, love, and appreciation of self and others; (4) Meaning/Calling: feelings that the life of an individual is meaningful, valuable, and capable of great achievements; (5) Membership: feelings of being understood and appreciated. If leaders and employees together create a meaningful vision, employees feel the work and life are special and meaningful. The employee care values and behaviors insisted on by leaders make employees feel a sense of membership in the organization and creates a culture that values mutual care. In addition, leaders' confidence in achieving the vision and the care for employees leads employees to work for the vision.

Discussing the relationship between leaders and subordinates from the perspective of the exchange theory means the relationship is a relationship-oriented exchange relationship. Leaders and subordinates form this exchange relationship primarily because they exchange the organization-specific skills, trust, and effective engagement. The relationship requires a long time mutual adjustment process to complete. When leaders show positive effective engagement and provide assistance for the mission, subordinates feel valued and respected, and in turn exhibit positive effective engagement and seek to reciprocate the leaders or the organization (MacNeil 1985; Rousseau and Parks 1992; Robinson et al. 1994; Morrison and Robinson 1997). Therefore, this study suggests that in spiritual leadership, leaders' values, attitudes, and behaviors make employees' work meaningful and gives them a sense of membership in the organization. This study proposes the following hypothesis:

H1 Leaders' spiritual leadership positively affects employees' perception of meaning/calling and membership.

### Spiritual Leadership and Organizational Citizenship Behavior

Organizational citizenship behavior refers to an individual's autonomous behavior that facilitates an organization to function effectively (Organ 1988). Research for the past 20 years has widely studied organizational citizenship behaviors (Organ et al. 2006; Podsakoff et al. 2000). Champoux (2000) and Mayfield and Mayfield (2002) pointed out that leader's caring behaviors toward the employees make employees emotionally attach to the organization, and be willing to stay in the organization.

Moorman et al. (1988) pointed out that leaders' respectful behaviors cause employees to feel valuable and important in the organization, making them willing to exhibit organizational citizenship behaviors. Williams and Anderson (1991) divided organizational citizenship behaviors into two types, including organizational citizenship behaviors toward an individual (i.e., behaviors that are directly helpful to a specific individual and indirectly contribute to the organization) and organizational citizenship behaviors toward an organization or a team (i.e., behaviors that directly contribute to the organization).

Based on the content, this study classifies organizational citizenship behaviors as altruism toward colleagues and conscientiousness toward the organization, and suggests that spiritual leadership makes employees aware of the meaning and value of the work, enabling them to find satisfaction in assisting others and completing the tasks with diligence. Spiritual leadership also imparts a high degree of organizational membership to employees. In a harmonious organizational atmosphere, employees are willing to help others at work and complete tasks with diligence. Therefore, this study proposes that under spiritual leadership, employee response positively affects organizational citizenship behaviors.

H2 Employees' perception of meaning/calling and membership positively affects employees' altruism toward colleagues.

H3 Employees' perception of meaning/calling and membership positively affects employees' conscientiousness.

## Research Method

### Sample and Data Collection

According to governmental statistics in Taiwan in recent decades, service industry and financial/banking industries developed vigorously. The statistics by the end of 2007 in Small and Medium Enterprise Administration of The Ministry of Economic Affairs (2008 White Book of Small and Medium Enterprises) revealed the companies in service industry and financial/banking industry in Taiwan reaches a ratio of 79% of the total SMEs, and the employee population is 58%.

Through purposive and convenience sampling, the samples for this study were recruited from two service industries, including (1) the retailing-service industries, and (2) the financial-service industries. A total of 28 major companies participated in the survey, and the number of valid samples was 466. The background characteristics of the sample were as follows. There were 239 retailing

service industry samples, and 227 financial service industry samples.

Basic information of samples from the retail industry: Age: Mean = 34.26, standard deviation = 9.07, ranging from 20 to 60; Gender: Male = 121 (50.6%), Female = 116 (48.5%); Work experience: Mean = 10.17, Standard deviation = 7.91, ranging from 0.5 to 30. Basic information of samples from the finance industry: Age: Mean = 36.90, Standard deviation = 8.23, ranging from 22 to 60; Gender: Male = 130 (57.2%), Female = 95 (41.9); Work experience: Mean = 12.37, Standard deviation = 7.79, ranging from 0.5 to 40. For both industries, most of the respondents have an educational level equal or higher than college in retail (76.5%) and finance (90.7%) industries. Regarding the organization scale, the retail industry contained about equal ratio of small (the capital is lower than NTD 80 million, 53.5%) and large companies (the capital is higher than NTD 80 million, 46.5%), while more than 90.2% of the finance industry samples were large companies. About 60% of the employees in the total sample were positioned as general staff in their organizations.

### Measures

The questionnaire included three parts, including spiritual leadership, organizational citizenship behavior, and basic demographic information. Apart from basic demographic information, the assessments in all parts utilized a 5-point Likert-type scale from 'strongly disagree' (1) to 'strongly agree' (5). This study conducted a translation test for the scale. The English questionnaire was translated into Chinese, and an expert was asked to translate the Chinese into English. Two foreign language experts examined the consistency level between the original English questionnaires and the translated English questionnaires. Questions with a low consistency level went through the translation test again.

Spiritual leadership includes vision, hope/faith, altruistic love, meaning/calling, and membership. The vision section of the questionnaire measured whether an organization creates a vision that calls for feelings of meaningfulness in employees (5 items). Hope/faith measured employee affirmation for expected tasks and the firm belief that the vision/purpose/mission of the organization could be achieved (5 items). Altruistic love measured the altruistic love of organizations and leaders toward the employees (7 items). Meaning/calling measured employees' feelings of meaningfulness toward work (4 items). Membership measured employees' feelings of being understood and appreciated (5 items). This study adopted the spiritual leadership scale created by Fry et al. (2005), totaling 26 items.

Williams and Anderson (1991) divided organizational citizenship behaviors into two types, including organizational citizenship behaviors toward an individual and organizational citizenship behaviors toward an organization or a team, that is, altruism toward colleagues and conscientiousness. Altruism toward colleagues measured the behaviors that employees exhibited to assist colleagues to deal with work problems, totaling four items. Conscientiousness measured employees' behaviors to take the initiative to exceed requirements, obey organizational rules, and strive to complete the own tasks, totaling five items.

## Analyses and Result

### Reliability and Validity

This study used LISREL 8.72 to analyze the research model. The measurement model of all constructs first assessed the adequacy of each multi-item scale in capturing its construct. This research checked internal consistency reliability, convergent validity and discriminant validity before testing the hypotheses via the causal model (Anderson and Gerbing 1988). First, according to confirmatory factor analysis (CFA), this research deleted no items of spiritual leadership. Spiritual leadership (leader) totaled seventeen questions within three sub-dimensions. Spiritual survival totaled nine questions within two sub-dimensions. We used CFA of the first order and the second order, respectively. According to Marsh and Hocevar (1985), by calculating the target coefficient<sup>1</sup> this work compares CFA of the first order and the second order to decide the fitness with data. The  $T$  value that is closer to 1 implies that the second order CFA can replace the first order CFA, making the model more precise. The  $T$  values of spiritual leadership (leader) are 1 for both finance (339.07/339.07) and retail (345.07/345.07) industries. The  $T$  values of spiritual survival are 1 for both finance (131.36/131.36) and retail (125.89/125.89) industries. The fitness indexes of second order CFA of spiritual leadership and spiritual survival for both industries reveal the fitness is good. Therefore, this study takes the results of second order CFA to implement structural model analyses.

Secondly, the study includes CFA of all constructs and deletes one item in conscientiousness. Although the chi-square values were significant, the other fit indices showed a good fit for finance sample ( $\chi^2$  (59) = 175.78,  $p = 0.00$ ; root mean square error of approximation [RMSEA] = 0.09; root mean square residual [RMR] = 0.04; normed fit index,

[NFI] = 0.96; comparative fit index [CFI] = 0.97; goodness-of-fit index [GFI] = 0.89; adjusted goodness-of-fit index [AGFI] = 0.84) and retail sample ( $\chi^2$  (59) = 171.41,  $p = 0.00$ ; RMSEA = 0.08; RMR = 0.03; NFI = 0.95; CFI = 0.97; GFI = 0.90; AGFI = 0.85). In the reliability aspect, according to the result of Table 1, the Cronbach  $\alpha$  of each variable is between 0.70 and 0.94 for finance sample (between 0.76 and 0.93 for retail sample), above 0.70 recommended by Nunnally and Bernstein (1994). The composite reliability (CR) of measurable variable is between 0.72 and 0.94 for finance sample (between 0.78 and 0.93 for retail sample), above 0.6 recommended by Bagozzi and Yi (1988) and Fornell and Larcker (1981), revealing that the research variables are in the acceptable range.

Finally, this work measures validity according to convergent validity and discriminant validity proposed by Anderson and Gerbing (1988). Table 1 shows that the factor loading  $t$  value is between 9.01 and 18.13 for finance sample (between 7.60 and 18.48 for retail sample), and each measurable variable reaches significance. The average variance extracted (AVE) of measurable variable is between 0.54 and 0.80 for finance sample (between 0.50 and 0.76 for retail sample), above 0.5 recommended by Fornell and Larcker (1981). This measurement model, therefore, has good convergent validity.

The discriminant validity was first checked by forcing the estimated correlation coefficient ( $\psi_{ij}$ ) to be one between two constructs, and then conducting chi-square difference tests (Anderson and Gerbing 1988). All chi-square differences were highly significant. Moreover, the square root of AVE for each pair of constructs was compared with the correlation between them. As Table 2 shows, all the square root of AVE values exceeded the correlation values. These results support the discriminant validity.

### Hypotheses Testing

After the test of reliability and validity, we move on to conduct structural model analysis. Although the chi-square values were significant for finance sample ( $\chi^2$  (61) = 176.56,  $p = 0.00$ ) and retail sample ( $\chi^2$  (61) = 171.42,  $p = 0.00$ ), the model fit was still good because it can easily be rejected if the number of the sample is large (Bentler and Bonett, 1980), and other fit indices showed a good fit for finance sample ( $\chi^2/df = 2.89$ ; RMSEA = 0.09; RMR = 0.04; NFI = 0.96; CFI = 0.97; GFI = 0.89; AGFI = 0.84) and retail sample ( $\chi^2/df = 2.81$ ; RMSEA = 0.08; RMR = 0.03; NFI = 0.95; CFI = 0.97; GFI = 0.90; AGFI = 0.85). Table 3 revealed the results.

According to the results, leader's spiritual leadership has positive impact on spiritual survival both finance ( $\gamma_{11} = 0.87$ ,  $t = 8.60$ ,  $p < 0.01$ ) and retail sample

<sup>1</sup> Target coefficient ( $T$ ) = first order-measurement model  $\chi^2$ /second-order measurement model  $\chi^2$ .

**Table 1** The reliability and validity analysis of each measurable variable

Index	Mean	Standard deviation	Factor loading	<i>t</i> value	CR	AVE	Cronbach $\alpha$
Vision	3.52 (3.58)	0.77 (0.80)	0.86 (0.86)	15.82 (16.26)	0.90 (0.89)	0.75 (0.73)	0.90 (0.88)
Hope/Faith	3.77 (3.77)	0.79 (0.77)	0.89 (0.91)	16.48 (17.64)			
Altruistic love	3.36 (3.44)	0.84 (0.84)	0.85 (0.79)	15.33 (14.27)			
Meaning/Calling	3.94 (3.86)	0.76 (0.77)	0.62 (0.85)	9.61 (15.31)	0.72 (0.81)	0.57 (0.69)	0.70 (0.80)
Membership	3.44 (3.53)	0.77 (0.81)	0.87 (0.81)	14.01 (14.28)			
Altruism 1	4.28 (4.18)	0.66 (0.78)	0.88 (0.86)	16.77 (16.53)	0.94 (0.93)	0.80 (0.76)	0.94 (0.93)
Altruism 2	4.33 (4.22)	0.65 (0.75)	0.89 (0.92)	16.86 (18.48)			
Altruism 3	4.26 (4.15)	0.69 (0.74)	0.93 (0.86)	18.13 (16.42)			
Altruism 4	4.32 (4.28)	0.65 (0.69)	0.87 (0.85)	16.42 (16.12)			
Conscientiousness 1	3.99 (3.84)	0.68 (0.75)	0.71 (0.68)	11.66 (11.08)	0.82 (0.78)	0.54 (0.50)	0.80 (0.76)
Conscientiousness 2	3.95 (3.83)	0.91 (0.95)	0.71 (0.66)	11.78 (10.73)			
Conscientiousness 3	4.14 (3.97)	0.70 (0.75)	0.90 (0.87)	16.35 (15.64)			
Conscientiousness 4	3.77 (3.59)	0.83 (0.94)	0.58 (0.49)	9.01 (7.60)			

The data of retail sample is in parentheses

**Table 2** Mean, standard deviation, and correlation matrix of constructs

The square root of AVE is on the diagonal. The data of retail sample is in parentheses

\*\* Correlation is significant at the 0.01 level (two-tailed)

	Spiritual leadership	Spiritual survival	Altruism	Conscientiousness
Spiritual leadership	0.87 (0.85)			
Spiritual survival	0.67** (0.78**)	0.75 (0.83)		
Altruism	0.34** (0.41**)	0.48** (0.49**)	0.89 (0.87)	
Conscientiousness	0.39** (0.36**)	0.53** (0.44**)	0.64** (0.62**)	0.73 (0.71)
Mean	3.56 (3.60)	3.69 (3.70)	4.29 (4.19)	3.96 (3.81)
Standard deviation	0.73 (0.71)	0.66 (0.72)	0.61 (0.70)	0.62 (0.66)

**Table 3** Estimates of path coefficients in single sample

Hypotheses	Path	Parameter	Completely standardized estimates	<i>t</i> Value
H1	Leader’s spiritual leadership → follower’s spiritual leadership	$\gamma_{11}$	0.87(0.87)	8.60**(13.54**)
H2	Follower’s spiritual leadership → altruism	$\beta_{21}$	0.45(0.56)	5.64**(8.14**)
H3	Follower’s spiritual leadership → conscientiousness	$B_{31}$	0.22(0.18)	3.31**(2.60**)

The data of retail sample is in parentheses

\*  $p < 0.05$ ; \*\*  $p < 0.01$

( $\gamma_{11} = 0.87, t = 13.54, p < 0.01$ ). Therefore, H1 are supported. Moreover, spiritual survival has positive impact on altruism ( $\beta_{21} = 0.45, t = 5.64, p < 0.01$ ;  $\beta_{21} = 0.56, t = 8.14, p < 0.01$ ) and Conscientiousness ( $\beta_{31} = 0.22, t = 3.31, p < 0.01$ ;  $\beta_{31} = 0.18, t = 2.60, p < 0.01$ ) for finance and retail samples respectively. Therefore, H2 and H3 are supported.

Multi-sample analysis

This study investigated the possibility of generalizing and applying spiritual leadership to different industries and examined Taiwan’s finance and retail industries, using

LISREL8.72 for comparison between industries. Table 4 shows the results. Model 1 is the result of two completely non-equivalent modes; model 2 sets  $\gamma_{11}$  as equal; model 3 sets  $\beta_{21}$  as equal; model 4 sets  $\beta_{31}$  as equal. Through the chi-square difference test, this study discovered that only model 2 and model 1 have a significant difference (the threshold value of  $\chi^2_{0.95(1)}$  is 3.84). Behavioral characteristic of leaders with spiritual leadership have a positive influence on the meaning/calling and membership of employees in finance and retail industries; however, the level of influence differs. The result of model 1 showed that the effect on the retail industry ( $\gamma_{11} = 0.98, t = 13.54, p < 0.01$ ) was greater than on the finance industry

( $\gamma_{11} = 0.72$ ,  $t = 8.60$ ,  $p < 0.01$ ). The results indicated that spiritual leadership has effects on industries. However, the applying spiritual leadership to the retail industry resulted in stronger reactions from employees.

## Discussion and Recommendation

### Discussion

This study investigated the impact of spiritual leadership on organizational citizenship behavior and conducted comparative research between finance and retail industries to understand the impact of generalizing and applying spiritual leadership to different industries and analysing the impact.

Fry et al. (2005) used soldiers as research subjects. In the future research, they suggested applying spiritual leadership to manufacturing or service industries to further validate the SLT. This study applies the theory to service industries. The results showed that the behavioral characteristics of leaders with spiritual leadership had positive impacts on meaning/calling and membership of the employees, and further confirmed the process perspective of the SLT and the generalization of applying the theory to different industries. Leaders' values, attitudes, and behaviors (i.e. the vision, hope/faith, and altruistic love in spiritual leadership), through such a process facilitated employees' needs for spiritual survival (i.e. meaning/calling and membership), to transform a bureaucratic organization to a learning organization, enabling the organization to meet the challenges of a changing competitive environment.

When employees experienced meaningful work and a sense of membership toward the organization, this study found the intrinsic motivation effects facilitated employees to perform excellent organizational citizenship behaviors, including the altruism of assisting co-workers and the responsible conscientiousness of individuals. The effect on the two samples reached a significant level; the effect of altruism toward colleagues was especially stronger. This study suggested that employees experiencing a sense of membership toward an organization would generate the feeling of an extended family in the organization. The feeling is conducive to performing altruistic citizenship behaviors, making employees more willing to help solve

co-workers' problems. Therefore, the impact on altruism is stronger than conscientiousness.

Finally, this study found that the effects of spiritual leadership differed in different industries. Leaders' values, attitudes, and behaviors had impacts on the spiritual survival of employees. The effect in the retail industry was stronger, possibly caused by the difference in industries. The finance service is primarily an intangible service. In terms of the organizational scale, 90.2% are large enterprises and 9.8% are small and medium enterprises. The educational backgrounds of the employees are 9.2% with a high school diploma, 28.6% with a college diploma, and 62.1% with a university degree or above. The retail industry sells tangible products. In terms of the organizational scale, 46.5% are large enterprises and 53.5% are small and medium enterprises. The educational backgrounds of the employees are 23.5% with a high school diploma, 29.0% with a college diploma, and 47.5% with a university degree or above. In the finance industry, most enterprises are large, and employees have higher educational backgrounds. For large enterprises, organizations are large and the division of work is finer. Employees with high educational backgrounds possibly have a higher level of needs. Creating feelings of meaningfulness in employees toward work and a sense of membership to the organization would be rather difficult; therefore, large enterprises generated different results. Exploring the difficulty for spiritual leadership to have effects on large enterprises and employees with high educational backgrounds is worthwhile for further investigations.

### Managerial Implications

This study effectively applied spiritual leadership to the finance and retail industries. Therefore, field practitioners should use and apply the theory to enhance the competitive advantage of enterprises. According to the elaborations of Fry (2003) and Fry et al. (2005) toward spiritual leadership, when enterprises applied spiritual leadership, they first employed the appreciative inquiry process. Leaders and the executive team developed an effective vision, which gave individuals feelings of a calling, finding meaning in life, and creating a different life. The process of developing a vision forms the value of altruistic love. Through hope/faith in the vision, leaders, individuals, and team members persevered to achieve a challenging organizational goal. Spiritual leadership facilitated employees' spiritual feelings, helping employees experience meaningful work and a sense of membership toward the organization and influenced employees' organizational citizenship behaviors. Therefore, to apply spiritual leadership, an organization must clearly understand how to execute the appreciative inquiry process. Enterprises should know whether the

**Table 4** Multiple-sample analysis

Model	Chi-square	DF	Chi-square	F
Model 1	347.98	122		
Model 2 ( $\gamma_{11}$ equal)	354.94	123	6.96	1
Model 3 ( $\beta_{21}$ equal)	347.94	123	-0.04	1
Model 4 ( $\beta_{31}$ equal)	347.63	123	-0.35	1

Chi-square and *F* are the result that each Model minus Model 1

employees understand the vision, whether the entire organization is transformed from a bureaucratic organization to a learning organization, and whether employees feel cared by the organization and the leaders. The organization needs to form a caring organizational culture, conducive to the developing organizational citizenship behaviors.

#### Further Research

This study found that the influence of leaders' values, attitudes, and behaviors on employee's spiritual survival is particularly stronger in the retail industry. Although this study discusses possible reasons, future research can investigate relevant moderating variables to understand whether differences in products, characteristics of employees' tasks, industry structure, or other factors cause the interferences.

Secondly, this study investigated the impact of spiritual leadership on organizational citizenship behaviors. Fry et al. (2005), suggested that future research consider other outcome variables, such as whether spiritual leadership influences employee behaviors of executing corporate social responsibilities, and the effect that spiritual leadership has on financial performances.

Thirdly, this study investigated spiritual leadership in the finance and retail industry, and conducted comparative research. Future research can investigate other manufacturing and service industries, making spiritual leadership applicable to more industries.

Finally, possibly due to differences in cultures, spiritual leadership generated different effects. Therefore, future research can investigate moderating effects of cultural and social factors on the relationships between spiritual leadership and outcome variables, and conduct transnational comparative research.

#### References

- Anderson, J. C., & Gerbing, D. W. (1988). Structural equation modeling in practice: A review and recommended two-step approach. *Psychological Bulletin*, *103*(3), 411–423.
- Bagozzi, R. P., & Yi, Y. (1988). On the evaluation of structural equation models. *Journal of the Academy of Marketing Science*, *16*(1), 74–94.
- Bentler, P. M., & Bonett, D. G. (1980). Significance tests and goodness of fit in the analysis of covariance structures. *Psychological Bulletin*, *88*(3), 588–606.
- Cavanagh, G. F. (1999). Spirituality for managers: Context and critique. *Journal of Organizational Change Management*, *12*(3), 186–199.
- Champoux, J. E. (2000). *Organizational behavior: Essential texts for a new millennium*. Cincinnati, OH: South-Western College Publishing.
- Fairholm, G. (1997). *Capturing the heart of leadership*. Westport, CT: Praeger.
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable and measurement errors. *Journal of Marketing Research*, *18*(1), 39–50.
- Fry, L. W. (2003). Toward a theory of spiritual leadership. *The Leadership Quarterly*, *14*(6), 693–727.
- Fry, L. W., Vitucci, S., & Cedillo, M. (2005). Spiritual leadership and army transformation: Theory, measurement, and establishing a baseline. *The Leadership Quarterly*, *16*(5), 835–862.
- Lawrence, R. M., & Duggal, A. (2001). Spirituality in psychiatric education and training. *Journal of the Royal Society of Medicine*, *94*(6), 303–305.
- MacNeil, I. R. (1985). Relational contract: What we do and do not know. *Wisconsin Law Review*, *3*, 483–525.
- Marsh, H. W., & Hocevar, D. (1985). Application of confirmatory factor analysis to the study of self-concept: First- and higher order factor models and their invariance across groups. *Psychological Bulletin*, *97*(3), 562–582.
- Mayfield, J., & Mayfield, M. (2002). Leader communication strategies critical paths to improving employee commitment. *American Business Review*, *20*(2), 89–94.
- Milliman, J., Ferguson, J., Trickett, D., & Condemni, B. (1999). Spirit and community at southwest airlines: An investigation of a spiritual values-based model. *Journal of Organizational Change Management*, *12*(3), 221–233.
- Moorman, R. H., Blakely, G. L., & Niehoff, B. P. (1988). Does perceived organizational support mediate the relationship between procedural justice and organizational citizenship behavior? *Academy of Management Journal*, *41*(3), 351–357.
- Morrison, E. W., & Robinson, S. L. (1997). When employees feel betrayed: A model of how psychological contract violation develops. *Academy of Management Review*, *22*(1), 226–256.
- Moxley, R. S. (2000). *Leadership and spirit*. San Francisco, CA: Jossey-Bass.
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric theory* (3rd ed.). New York: McGraw-Hill.
- Organ, D. W. (1988). *Organizational citizenship behavior: The soldier syndrome*. Lexington, MA: D. C. Heath.
- Organ, D. W., Podsakoff, P. M., & MacKenzie, S. B. (2006). *Organizational citizenship behavior: Its nature, antecedent, and consequences*. Thousand Oaks, CA: Sage.
- Palmer, P. J. (1994). Leading from within: Out of the shadow, into the light. In J. A. Conger (Ed.), *Spirit at work* (pp. 19–40). San Francisco, CA: Jossey-Bass.
- Podsakoff, P. M., MacKenzie, S. B., Paine, J. B., & Bachrach, D. G. (2000). Organizational citizenship behavior: A critical review of the theoretical and empirical literature and suggestions for future research. *Journal of Management*, *26*(3), 513–563.
- Reave, L. (2005). Spiritual values and practices related to leadership effectiveness. *The Leadership Quarterly*, *16*(5), 655–687.
- Robinson, S. L., Kraatz, M. S., & Rousseau, D. M. (1994). Changing obligations and the psychological contract: A longitudinal study. *Academy of Management Journal*, *37*(1), 137–152.
- Ross, L. (1995). The spirituality dimensions: Its important to patients' health, well-being, and quality of life and its implications for nursing practice. *International Journal of Nursing Studies*, *32*(5), 457–468.
- Rousseau, D. M., & Parks, J. M. (1992). The contracts of individuals and organizations. *Research in Organizational Behavior*, *15*, 1–43.
- Wagner-Marsh, F., & Conley, J. (1999). The fourth wave: The spiritually-based firm. *Journal of Organizational Change Management*, *12*(4), 292–302.
- Williams, L. J., & Anderson, S. E. (1991). Job satisfaction and organizational commitment as predictors of organizational citizenship and in-role behaviors. *Journal of Management*, *17*(3), 601–617.



Copyright of Journal of Business Ethics is the property of Springer Science & Business Media B.V. and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.