Organisational Spirituality: Towards a Construct for Organisational Ethics

By

Mofenyi L Mataboge

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Abstract:

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In the past few years we have witnessed the exposure of organisations that have exhibited unethical practices and individuals displaying far-reaching unethical behaviour that contributed to the recent economic meltdown. Seemingly paradigms that in the past served and governed organisational ethics have proven themselves inadequate for regulating organisational ethics. As a society witnessing these reprehensible actions we try to understand the logic of these actions and to find out whom we should blame. We also ask ourselves if there are no other approaches or perspectives that can change the contemporary logic governing organisations and ethics. Even new approaches presented seem to offer only a slightly remedying effect regarding the scandalous actions executed by organisational leader-founder(s) in the name of their organisations. Giacalone (2004:415) states that we are deluded as a society if we think that these scandalous actions will go away because organisations and organisational members are becoming more ethics friendly. This is because the root cause of these reprehensible actions has not been adequately dealt with in literature. Also, an alternative change agent that will provide a holistic framework for organisational ethics and will enhance intrinsic ethicality within organisations and individuals has not been sufficiently pursued within research.

The purpose of this dissertation is to present organisational spirituality as an emerging construct and recognised phenomenon within organisational theory and ethics. More specifically the purpose of this study is to posit that (a) organisational spirituality is a better-suited construct and phenomenon to provide a holistic framework for governing organisational ethics and (b) applied organisational spirituality has the potential to enhance intrinsic ethicality in organisations and individuals.

In order to present organisational spirituality as a transforming agent for organisational ethics, a literature review is conducted on organisational culture and organisational ethical constructs that have until recently been significant in serving and governing organisational ethics. Both organisational culture and organisational ethical constructs are problematised with regards to their relationship with unethical behaviours and organisational ethics. This is done in order to highlight the insufficiencies of current frameworks of organisational ethics and also to point out that organisational culture has proven itself to be inadequate in facilitating and maintaining good organisational ethics amongst individuals and organisations.

The construct organisational spirituality is a holistic construct and phenomenon that is applicable to all organisational activities and aspects. Applied organisational spirituality accommodates the physical, emotional, rational and spiritual aspects of the individual. To improve the current organisational ethical situation facing organisations, organisational members, and the discipline of organisational ethics, conceptual ideas such as inner life, meaning at work, community, and higher order personal and organisational ethics that underlie the construct organisational spirituality are used to develop a conceptual framework that could significantly influence organisational ethics. The new framework is used to develop spiritual ethical values that can motivate intrinsic ethicality within the organisation and organisational individuals. The ramification of integrating organisational spirituality within organisational ethics is that through implementing conceptual ideas such as inner life, self-awareness, a sense of community, organisations and individuals have a sense of ethical transcendence that is motivated by awareness of self within a community of others.

This dissertation also explores the construct spiritual leadership as a relevant leadership construct to facilitate and maintain organisational spirituality. The construct spiritual leadership embodies many value characteristics that are linked to effective leadership within the organisation. Since spiritual leader-founder(s) are also moral leaders spiritual leader-founder(s) play a significant role in promoting good organisational ethics through spiritual ethical values. Finally this thesis reviews case studies of organisations that have been successful through spiritual leadership. Case studies are reviewed to highlight and augment that organisational spirituality managed

through spiritual leadership is a better-suited construct to accommodate the 'whole' person at work. Furthermore the case studies reviewed provide evidence that applied spirituality increases organisational and individual organisational potential such as organisational profitability, individual productivity, and that through self-awareness the organisation and individuals realise a higher order of organisational and personal ethics.

Chapter 1

Research problem, objectives and methodology

1.1 Introduction

The construct organisational culture has played a significant role in research on employee conduct, organisational structures and organisational processes. The leader-founder(s) are a part of the basic formation of organisational culture (Schein 1985:171). The leader-founder(s) values, beliefs, attitude, and vision about the organisation are the core foundation of organisational culture. Other researchers point out that these core foundations are the subsystems of organisational culture (Dion 1996:329-330).

Organisational culture shapes the attitudes, beliefs, values and behaviour of employees in the organisation. Organisational culture also plays a role on how the organisation forms relationships with the external environment. Strategic decisions made by management and the market performances of the organisation are predominantly influenced by the culture of the organisation. From this effect of organisational culture, I postulate that organisational culture plays a significant role in the functioning of the organisation.

Amongst the many functions of organisational culture is the role organisational culture plays on shaping the perception of right and wrong in the organisation. This is maintained by the fact that organisational culture creates the values to be followed within the organisation. Organisational culture appropriates these values by establishing an ethical culture or climate that facilitates ethical conduct. These values become the key programming system of the organisation for adopting ethical behaviour. Furthermore, these values are critical in the moral reasoning of the organisation and its members when they are confronted with ethical dilemmas. In light of the brief context I can infer that organisational culture has an impact on the functioning of the organization, its members, and the organisational ethicality.

However, following the exposure of organisations that exhibited cases of unethical practice e.g. Enron corp., WorldCom, Parmalat and Tyco Intl. Organisational culture as the predominant influence on organisational ethics fell short in maintaining that organisations and their members adhered and exhibited good ethical conduct. The Trevino, Butterfield and McCabe (1998:464) study found that organisational culture played a significant factor on the unethical conduct of individuals and organisations. The culture of the organisation drives the organisation to focus on profit maximisation and other self-interested organisational activity (Fry & Slocum 2008:87). This type of organisational logic however works to the detriment of organisational ethics. The organisational ethical culture of profit driven organisations creates codes of ethics that are ambiguously interpreted to suit and justify unethical actions. To augment this state of affairs, codes of ethics created by this kind of organisational cultural setting views codes of ethics as rigid rules that have to be obeyed. These codes of ethics are used for window dressing to satisfy the external environment. In addition to that organisational members identify the codes of ethics as rules to be obeyed for the job's sake. Codes of ethics created in this type of organisational cultural setting deter proactive initiatives for ethical reasoning amongst members. This is caused by the lack of incentives for working ethically as opposed to incentives given for profit accumulation. In addition these systems have also failed to assist members to internalise the ethics codes of their organisation.

There is within many organisations, the organisational ethical culture that makes it clear to members what appropriate organisational behaviour is acceptable. However some ethical cultures positive or negative forge a dichotomy between employee personal ethics and the organisational ethics. This distressing recognition led many business experts, ethics practitioners, management scholars, and organisational researchers to explore new research in business and organisational ethics. As a result of research findings the introduction of the construct organisational spirituality was evidenced. Discourse on this construct led to an increased interest in the place spirituality has in the organisation and for organisational ethics.

The construct organisational spirituality surfaces as a possible alternative to transform organisations and organisational ethics. The construct organisational spirituality also has a leader-founder influence at its foundations. Similar to organisational culture the

leader-founder's spirituality is the core foundation of organisational spirituality (Driscoll & McKee 2007:208; Konz & Ryan 1999:203). The leader-founder(s) create an organisational spiritual culture that operates on a higher set of organisational principles. The leader-founder(s) own spiritual roots cannot be separated from organisational spirituality.

In stark contrast to organisational culture organisational spirituality is a social psychological phenomenon that creates the cultural and ethical values of organisations. Organisational spirituality not only creates cultural and ethical values but also serves as the source for them. Furthermore the organisational spirituality reengineers the organisation, along with assisting members to be proactive in ethical reasoning. Organisational spirituality assists all members of the organisation to internalise and realise a higher set of personal and organisational ethics.

Unlike organisational culture that emphasises one dimension of the organisation, which is primarily to maximise the cognitive and practical ability of the employees to enhance the bottom line. The construct organisational spirituality rather develops together the cognitive abilities, develops emotional and spiritual intelligence, higher set of values and ethics of employees within the organisation. These attributes collectively constitute the whole person. A study by Morton et al (2006:399) shows that mature cognitive-affective ability combined with spiritual maturity would enhance moral reasoning. Moreover, organisational spirituality brings together the person-organisation fit, which is "a match between individual preferences or needs and organizational systems and structures" (Kristof quoted by Sheep 2006:367). The congruency of the person and the organisation enhances the value placed on organisational ethics. The increased value placed on organisational ethics from individual-organisation congruency may be also a result that organisational spirituality drives wise decision-making in the organisation (Bierly III, Kessler & Christensen 2000:606).

Organisational spirituality is not only beneficial for organisational ethics and wise decision-making; it also maximises human capital in the organisation (Butts 1999:329). Organisations that practice and apply spirituality at the core of their organisational structures and ethics have a competitive advantage over other

organisations in their organisational markets (Konz & Ryan 1999:201), (Dent, Higgins & Wharff 2005:645). According to Gotsis and Kortezi (2008:587) they express that "…workplace spirituality denotes a system context of interwoven personal and cultural values [that] permeate all levels of organizational life…" The construct organisational spirituality may be a better-suited paradigm to transform organisational ethics discourse and practice on the following basis:

- it accommodates the **whole person** at work which in turn facilitates a person - organisation fit,

- it serves as the base for proactive initiative and internalising of organisational ethics from organisation members,

- it weaves together cognitive ability and emotional ability which enhances personal growth and moral reasoning,

- and lastly, it improves the bottom line and increases competitive market advantage.

The study poses that an organisation led by a Christian leader-founder(s) may have a Christian based culture and organisational ethics. This is because the leader-founder(s) personal spirituality has a point of origin that influences his/her spiritual leadership practice. This origination could be of a religious or a non-religious nature. A study conducted by Armenakis and others (2010) on the Pursell Family Corporation evidenced the aforementioned postulation. Although the leader-founder's role is important to organisational spirituality, organisational spirituality has to be shared by all members of the organisation. By practicing and adopting spiritual leadership as a management ethos leader-founder(s) may be able to develop and maintain organisational spirituality within their organisations. Through spiritual leadership, all organisational members may share and participate in forming the spirituality of the organisation. Furthermore, through spiritual leadership leader-founder(s) would be able to articulate to organisational members which manifestations are congruent with the organisational spirituality (Konz & Ryan 1999:203). Elaborated further in the third chapter of this study are the conceptually different styles of leadership. These are

recognised in this study as the effective leadership tools that initiate to develop and maintain organisational spirituality.

1.2 Definition of terms

The following terms are used in this study, and should be understood as follows:

- **Organisational culture:**

  "A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, [these have] worked well enough to be considered valid and therefore, [are] to be taught to new members as the correct way [to] perceive, think, and feel in relation to those problems [they might encounter]" (Schein 2010:18).

- **Organisational ethics:**

  "The choice of the individual and the organization. Organizational ethics studies not only personal moral norms but also organizational moral norms as they apply to the activities and goals of an organization" (Boyle et al 2001:16).

- **Organisational spirituality:**

  "A framework of organizational values [that are] evidenced in a culture that promotes employees' experience of transcendence through the work process, [by] facilitating their sense of being connected to others in a way that provides feelings of completeness and joy" (Giacalone & Jurkiewicz 2003:13).

- **Organisational ethical culture:**

  "The culture [that] characterizes the organization in terms of formal and informal control systems i.e., rules, norms and reward systems, which are aimed to more specifically influence behaviors" (Trevino et al 1998:453).

- **Organisational crime:**

"Crime committed by organizational members of legitimate formal organizations in furtherance of their goals and interests, no matter how erroneous or farfetched those goals and interests are" (Shover & Hocstetler 2002:2).

- **Organisational misbehaviour:**

  "Any intentional action by members of organizations that defies and violates (a) shared organizational norms and expectations, and (b) core societal values and standards of proper conduct" (Vardi & Wiener 1996:153).

- **Leader-founder(s):**

  The person(s) who not only play an important leadership role in the establishment of an organisation, but also in exerting a profound and lasting influence on the organisational spirituality, culture and ethics on account of personal example and charisma.

1.3 Problem statement

The purpose of the study is to investigate the role that organisational spirituality as an emerging construct and phenomenon within the organisational studies and ethics may have in transforming organisational ethics. The research questions addressed by the study are: (a) Why has the construct organisational spirituality been introduced in organisational studies and ethics? (b) What are the determining factors with regard to institutionalising the construct organisational spirituality within the organisation? (c) How can applied or institutionalised organisational spirituality enhance intrinsic ethicality within the organisation and individuals? (d) What is the contributing role of the spiritual leader-founder(s) with regard to organisational spirituality and organisational ethics? (e) Can the impact of organisational spirituality and the role of the spiritual leader-founder(s) through spiritual leadership be illustrated by reviewing organisational case studies from other researchers?

1.4 Research objectives

The main objective of this study is to establish from a perspective of Christian Ethics to what extent organisational spirituality has a role to play in organisational ethics. To substantiate this, the following objectives emerge from the main objective:

- To establish why the construct organisational spirituality has been introduced in organisational studies and ethics.

- To determine how organisations can institutionalise the construct organisational spirituality.

- To consider the significance of the construct organisational spirituality on impacting organisational ethics, more specifically examining the role applied organisational spirituality has on motivating intrinsic ethicality in the organisation and within individuals.

- To look at the effect spiritual leader-founder(s) and spiritual leadership has on establishing and maintaining an organisational spirituality that promotes higher order ethics.

- To illustrate the effect that applied spirituality and spiritual leadership has within organisations by reviewing organisational case studies taken from other researchers.

1.5 Research methodology

The study was conducted by using the literature review method of research. According to Mouton (2009:178) the literature review method involves "studies that provide an overview of scholarship in a certain discipline through an analysis of trends and debates". Following this reasoning, the literature review method will be imperative in giving a systematic assessment of current and past thinking on topics of organisational culture, organisational spirituality, organisational ethics, and

leadership. The above method of research would aid in understanding the core arguments of contemporary debates on the said topics.

1.6 Chapter overview

This dissertation has a four-chapter layout with a concluding section. These are briefly summarised below:

Chapter 1: Introduction

In the introductory chapter of the study, the following areas are discussed: the background on the study, the definition of key terms used in the study, the research statement and objectives, the methodology used, and lastly an overview of the different chapters.

Chapter 2: From organisational culture to organisational spirituality

The aim of chapter 2 is to answer the question why the construct organisational spirituality has been introduced within research. The answer is addressed in a two-part reply, firstly by introducing the construct organisational culture, identifying the factors ascribed to organisational culture. The role and impact that organisational culture has within the organisation and the impact culture has on organisational ethics. A brief explanation of current ethical theories is given to highlight how these theories have been significant in governing organisations and organisational ethics. Secondly, I problematise organisational culture and the named organisational ethical theories. This is done by highlighting the relationship that the two paradigms have with unethical practices in organisations and unethical behaviour of organisational members. The focus in on organisational culture as the principal cause of unethical behaviour and practices. Lastly, I explain why there is a paradigm shift within organisational discourse away from an organisational cultural perspective on ethics. I

argue that the paradigm shift is instrumental for the emergence of the construct organisational spirituality.

Chapter 3: Organisational spirituality

In this chapter the construct organisational spirituality is thoroughly investigated by shedding light on how to conceptually understand organisational spirituality. An attempt is made to define and find a conceptual framework for the construct organisational spirituality. I further explain how to institutionalise or apply the construct organisational spirituality within the organisation by giving a best approach method to institutionalisation. Following that I elaborate on the benefits of having institutionalised organisational spirituality within the organisation. Lastly, chapter three focuses on the relationship between organisational spirituality and ethics by highlighting the impact and role that organisational spirituality has on transforming and creating a new organisational ethical framework that governs organisational ethics. This chapter also briefly looks at the relationship between the leader-founder(s), organisational spirituality and ethics. Furthermore, this chapter examines how organisational spirituality creates an organisational ethical culture and ethical values that are spiritually inspired which in turn enhances the intrinsic ethicality of individuals and organisations.

Chapter 4: Organisational spirituality and leadership.

Chapter four is an illustrative unit that shows the relations of leadership, organisational spirituality and ethics within organisations by reviewing empirical cases studies. Firstly chapter four examines the role of the leader-founder(s) in facilitating and maintaining organisational spirituality. Thus spiritual leadership is discussed as an emerging leadership construct that is well suited to facilitate both the spiritual needs of organisations and organisational members. This is followed by a detailed exploration of the construct spiritual leadership, spiritual leader-founder(s), and spiritual leadership practice. The use of spiritual leadership models proposed by

Fairholm and Fry in chapter four shows the link between spiritual leadership and organisational transformation and leadership effectiveness. Finally, chapter four presents three empirical case studies that are used to unite and establish why and how organisational spirituality and spiritual leader-founder(s) can transform organisational discourse, organisational ethics, organisations and organisational members.

Chapter 5: Conclusion

The concluding section explains the findings of the study, commenting on organisational spirituality, organisational ethics, and spiritual leadership. The challenges encountered in doing research are mentioned. Lastly, recommendations are made for future research.

Chapter 2

Organisational culture and ethics

2.1 Introduction

The construct organisational culture was primarily known as corporate culture in previous years. The name corporate culture has recently evolved to mean organisational culture. The construct of organisational culture expresses all ideologies that involve organisational systems and activity, whilst corporate culture generally forms the basic doctrines of strategic management that are normally communicated to organisational ranks by management (Mohan 1993:15). Moreover, the construct organisational culture embodies all the organisational structures and levels (Hatch & Schultz 1997:35). According to Schein (2010:16) the construct organisational culture has also a sense of structural stability, depth, breadth, and integration.

The construct organisational culture is important for the functioning of all organisational systems. Organisational culture has been linked with organisational performance, employee behaviour and attitudes, and the creation of organisational ethics. Culture has been at the forefront of determining how well organisations can adapt to changing environments. Organisational culture has also been regarded to have a significant influence on leadership and employee development. It has also been seen to play a significant role in the establishment of ethical cultures or climates. The organisational ethical culture has a critical role in the establishment and implementation of ethical codes of conduct. The organisational ethical culture explains why some organisations have ethical and principled business practices and why some organisations exhibit unethical practice.

Organisational culture is an important asset that builds organisational life and activity. In addition to creating ethical organisations and individuals, organisational culture has also played a significant role in the rise of corporate scandals. The organisational culture of many market industries, governments, and businesses has played a significant role in creating unethical business cultures or climates. Unethical cultures

may originate from and also have a relationship with poorly managed culture and weak ethical cultures within organisations. Questions being raised about corrupt systems and practices can consequently only be answered by taking organisational culture into account.

However, as human beings evolve and society approaches higher levels of consciousness we find that old concepts and worldviews are discarded for new ones. Critical questions that society and organisational members ask themselves daily are the building blocks for new paradigms. Academia and organisational theory find themselves having to evolve and adapt in an ever-changing world. Current organisational discussions are searching for new holistic and integrated ideas about life, business and ethics. I noticed that new schools of thought are developed within organisations and organisational discourse. These are meant to assist organisations to adapt to the current demand for organisational consciousness. New paradigms such as organisational spirituality have been proposed as a researchable construct that gives a new framework to organisational discourse and theory.

2.2 The construct organisational culture

When examining the construct organisational culture it is important to understand the roots of its conceptual research origination and influence. It has been argued that the sociological and anthropological understanding of national and societal cultural ideas has been critical in developing construct ideas in organisational cultural research (Ouchi & Wilkins 1985:458; Schein 1990:110). It is a combination of sociological and anthropological understandings of culture that have influenced organisational cultural research (Brown 1995:4). The involvements of socio-anthropological understandings of culture have allowed researchers to investigate organisations as potential mini-societies. The construct organisational culture explains (a) the disparities of organisational behaviour, (b) the dynamics of group behaviour, and (c) how organisations of different societies out-perform their counterparts in other societies (Schein 1990:110). Investigating organisations as mini-societies has assisted researchers to extrapolate that organisations possess unique manifestations of values, beliefs, artefacts, and basic assumptions that exist within broader national and societal

cultures (Brown 1995:4). This has been pivotal in assisting researchers to understand how these manifestations affect organisational activity and processes.

The culture of the organisation also has an impact on the functional responsibilities within the organisation. These functional responsibilities, in turn operate to facilitate the internal organisational processes to survive and adapt and they function to influence organisational survival and adaptation within the external environment of the organisation (Schein 1985:50). Organisational culture has a significant impact on organisational life; culture affects areas such as the identity and behaviours of the group and individual, and the relationship between the organisation and the external environment. The construct organisational culture assists in explaining human interactions, behaviour and, ethical reasoning within the organisation. These are explained by using cultural ideas such as values, beliefs, artefacts and basic assumptions (O'Reilly, Chatman & Caldwell 1991:491).

Organisational culture has certain formation points. The formation points of organisational culture according to Schein (2010:225) are:

- "The leader-founder(s) values, beliefs and basic assumptions",

- "The evolving learning experience of group members in the organization", and

- "The introduction of new values, beliefs, and basic assumptions brought in by new members and leaders".

At the core formation of organisational culture, the leader-founder(s) are the primary source. The leader-founder(s) through charismatic and transformational leadership power embed their values, beliefs and basic assumptions within the organisation through primary and secondary mechanisms (Schein 2010:246). After the embedding process the leader-founder(s)' values, beliefs and basic assumptions may remain long after they pass away or leave the organisation (Frost et al 1985:128-129).

The construct organisational culture embodies many characteristics of the organisation that may define and influence the behaviour of the members of the organisation, ethical perceptions and job performance. Naturally, the construct organisational culture may be a critical agent behind all organisational activity (Ott

1989:1). As a result organisational culture has unique characteristics that define it. The unique characteristics of a particular organisational culture influence the internal aspects within the organisation and the external relationships of the organisation.

The influence that organisational culture exerts on the internal aspects of the organisation can also be and form the ethical culture of the organisation. The ethical culture of the organisation plays an instrumental role in the development of ethical reasoning and behaviour of all organisational members. Thus, the ethical culture of the organisation becomes a crucial factor that influences certain learned behaviours within the organisation. These learned behaviours are known through socialisation processes of acquaintance and initiation. Strong and weak cultures are determined by how effective the cultural make-up is built. The cultural make-up furthermore assists individual members to assimilate into the organisations culture. Through the cultural conditioning members, understand categorically the organisational goals, ethics, and strategies of the organisation.

The construct organisational culture influences the external environment by creating a certain organisational imagery that external organisational stakeholders can identify with the organisation (Hatch & Schultz 1997:359). Hatch and Schultz (1997:359) state that the organisational image is "a summary of the external images held by [organizational] constituencies". Organisational images can be either tangible features such as buildings, artefacts, clothing, etc. or intangible features such as behavioural norms and attitudes, etc. Taken from Ott (1989:50) a short overview of the conceptual ideas embodied within the construct organisational culture, conceptual ideas such as:

- "An organizational culture is the culture that exists within an organization".

- "The construct organizational culture is made up of such things as values, beliefs, assumptions, perceptions, behavioral norms, artifacts, and patterns of behavior".

- "Organizational culture is socially constructed; it is unseen and an unobservable force behind organizational activities".

Additionally organisational culture is also known to be associated with the following ideas:

- Organisational culture provides members with a sense of identity within their internal and external environments.

- Organisational culture explains why organisational members act and behave in certain ways.

- Organisational culture also functions as an ethical mechanism that approves or prohibits behaviours.

2.3 A definition of the construct organisational culture

According to Mohan (1993:3) the construct organisational culture is hard to define because of the many ideas organisational culture embodies. The many definitions used to define the construct organisational culture may have come from previous anthropological models that explain national or societal cultures. Recently Schein (2010:14) expressed that these definitions have observable underlying forces and events within them. Taken from Schein (2010:14) these underlying forces and events that can be seen and observed are:

- Observed behavioural regularities when people interact.

- Group norms.

- Espoused values.

- Formal philosophy.

- Rules of the game.

- Climate.

- Embedded skills.

- Shared meanings or integrating symbols.

- Formal rituals and celebrations.

These underlying forces and events have shaped how researchers may have developed their definitions for the construct organisational culture.

2.3.1 Organisational culture defined

The following are some definitions of organisational culture:

- **Trevino (1986:611)** earlier defined organisational culture, "as the common set of assumptions, values, and beliefs shared by [all] organizational members".

- **Reimann and Wiener (1988:37)** state that "culture expresses the values and beliefs that [the] members of an organization have come to share".

- **Deshpande and Webster Jr (1989:4)** define organisational culture "as the pattern of shared values and beliefs that help[s] members of an organization [to] understand why things happen and thus [to] teach them the behavioral norms [of] the organization".

- **Sriramesh, Grunig and Buffington (1991:591)** pose that organisational culture "consists of the sum total of shared values, symbols, meanings beliefs, assumptions, and expectations that organize and integrate a group of people who work together".

- **O'Reilly and Chatman (1996:166)** define organisational culture as "a system of shared values defining what is important, and [as shared] norms [that] define appropriate behaviours and attitudes that guide [the organizational] members' attitudes and behaviors".

- **Hatch and Schultz (2002:996)** define organisational culture "as the tacit organizational understandings (e.g. assumptions, beliefs and values) that contextualize efforts to make meaningful meaning [by] including [an] internal self-definition".

- **Mehta and Krishnan (2004:281)** suggest that organisational culture is defined "as [the] beliefs, assumptions, and values that members of a group share about rules of conduct, leadership styles, administrative procedures, rituals, and customs".

Taken from Schein (2010:18) this study uses his definition on organisational culture as the operational definition for this study.

- **Schein (2010:18)** defines organisational culture as, "a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, [these have] worked well enough to be considered valid and therefore, [are] to be taught to new members as the correct way [to] perceive, think, and feel in relation to those problems [they might encounter]."

2.4 Levels of organisational culture

From the above definitions, it is apparent that the construct organisational culture has some unique manifestation levels of culture. Schein (1990:111) posits that the construct organisational culture manifests on three basic levels, these basic levels are namely artefacts, values and beliefs, and the basic underlying assumptions within the organisation. Trice and Beyer (1993:77) also pose that artefacts, values and beliefs and the basic assumptions are what form the substance of an organisational culture. This will be shown in figure 2 at the end of this section.

Within these levels of organisational culture, some are facilitated and some are learned expressions. These levels of organisational culture further influence the behaviour, ethical perception, and performance of the organisation. The levels act as the central influencing elements on organisational behaviour and ethical perception. Dion (1996:329) contends that these manifestations have a critical impact on developing organisational ethics. These levels of organisational culture determine the

visible external structures of organisations. Taken from Schein (2004:26) the cultural manifestation levels are discussed below:

2.4.1 Artefacts

At the entry, level of organisational culture the cultural investigator is acquainted to the level of artefacts. Artefacts affect the behaviour and tangible patterns amongst organisational members. Schein (2004:26) notes that the level of artefacts are both easy to observe but also difficult to decipher. The level of artefacts generally consists of tangible organisational features such as:

- Visible organisational structures and processes

- Language in the organisation

- Products

- Dress codes

- Technology

- Behavioural norms

These tangible artefacts form part of the organisational features that create an organisational image for external organisational stakeholders.

2.4.2 Values and beliefs

Level 2 of organisational culture comprises of values and beliefs, which reflect what the organisational members may confess and adhere to. The leader-founder(s) in conjunction with all organisational members create the espoused values and beliefs of the organisation. Values and beliefs primarily differentiate between what are the theoretical and the practical aspects of organisational activity. Values and beliefs may also explain why the tangible and intangible features of the artefact level are created

and adopted using a certain format. Some values and beliefs, of the organisation can be transformed into basic underlying assumptions. The values and beliefs level of the construct organisational culture may consists of ideas such as:

- Ethos

- Philosophies

- Strategies

- Ethical codes

- Attitude

This may drive how the leader-founder(s) and executive management make their decisions on behalf of the organisation. The values and beliefs also influence the attitudes and behaviours of all organisational members.

2.4.3 Basic underlying assumptions

This level of organisational culture is where fundamental beliefs, values, and perceptions among members can be found. These basic underlying assumptions become the core consciousness of the organisation. The basic underlying assumptions are the real-time principles that guide the organisation.

The relationships between the different manifestation levels of organisational culture are represented below in Figure 1.

Figure 1 Three levels of organisational culture
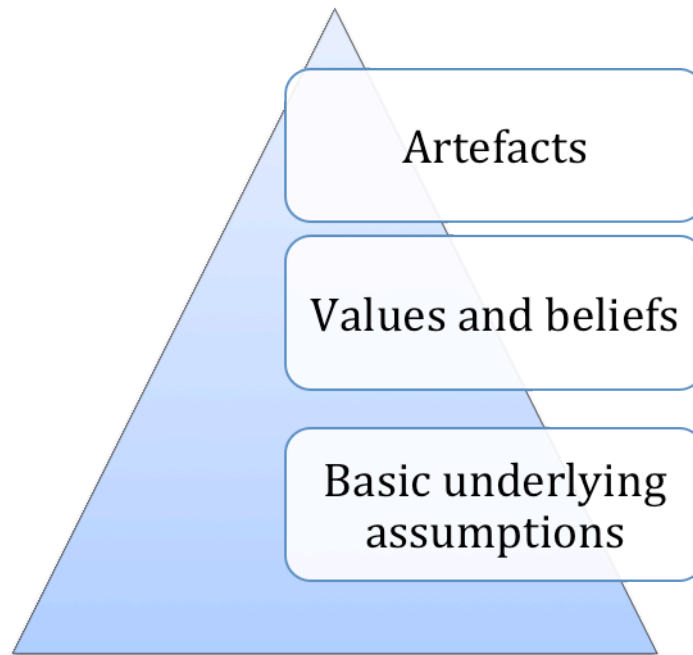
Source: Adapted from Schein (1992).

2.5 The importance organisational culture

During the 1980's, scholars had already begun to recognise the importance of culture within the organisation (Deshpande & Webster Jr 1989:3). Schein (1990:110) states that the construct organisational culture has become important to assist organisational investigators in explaining the many variations in the patterns of organisational behaviour and their levels of group stability that had previously not been noted.

In the current context of global markets, economic competitiveness, strategic management, and constant demand for organisational performance, the construct organisational culture has become a more significant factor that determines the success of organisations.

According to Ouchi and Wilkins (1985:457-458) research on organisational culture has become important and has taken much of the academic spotlight. Taken and adapted from Schein (2010) Denison & Mishra (1995:219) they state that there are

several reasons on why the construct organisational culture is an important aspect for organisational activity and functioning. These reasons are:

1. Organisational culture is a driving force of organisational effectiveness.

2. Organisational culture fosters a climate for product and strategy innovation.

3. Organisational culture may assist with the effective management of dynamic work climates and increasing employee and group diversity.

4. Organisational culture may bridge the gap between strategic management within global enterprises and multi-national mergers and joint ventures.

5. Organisational culture may facilitate and support teamwork productivity.

The construct organisational culture is also important for facilitating the socialisation process within the organisation. Furthermore, the construct organisational culture is a significant factor that provides the individual, the group and the organisation with a sense of identity. It also assists with managing group dynamics and conflicts. It is significant in providing a framework that explains the ethical perception and behavioural practices of organisational members. Furthermore, the concept organisational culture provides a background on why organisations act and behave ethically or unethically.

2.6 The function of organisational culture

Researchers have indicated that the construct organisational culture fulfils specific functions within the organisation (Schultz 1995:36; Schein 2010:70). It has been expressed that the two primary functions of organisational culture according to Schultz (1995:36) and Schein (2004) are for the external adaptation and the internal integration of the organisation. These functions provide the necessary stimulus for organisational survival and adaptation.

2.6.1 External adaptation

- A mission and strategy. Should obtain shared understandings of the core mission, primary task, manifest functions, and its latent functions.

- Goals. Are consensual and derived from the core mission.

- Means. A consensus on the means is used to achieve the goals; these might be through the organisational structures, division of labour, reward system, and authority system.

- Measurement. Achieving consensus on the criteria to be used on measuring how well the group is doing in fulfilling its goals, such as the information and control system.

- Correction. Developing a consensus on the appropriate remedial or the repair of strategies to be used if the set goals are not reached.

2.6.2 Internal integration

- Creating a common language and conceptual categories. If members cannot communicate with and understand each other, a group is impossible by definition.

- Defining group boundaries and criteria for inclusion and exclusion. The group must be able to define itself. Who is in and who is out, and by what criteria is membership determined.

- Distributing power, authority, and status. Every group must work out its pecking order, its criteria and rules for how someone gets, maintains, and loses power and authority. Consensus in this area is crucial to help members manage feelings of aggression.

- Developing norms of trust, intimacy, friendship, and love. Every group must work out its rules of the game for peer relationships, for relationships between the sexes, and for the manner in which openness and intimacy are to be

handled in the context of managing the organisation's tasks. Consensus in this area is crucial to help members define trust and manage feelings of affection and love.

- Defining and allocating of rewards and punishments. Every group must know what its heroic and sinful behaviours are and must achieve consensus on what is a reward and what is a punishment.

- Explaining the inexplicable. Every group, like every society, faces unexplainable events that must be given meaning so that members can respond to them and avoid the anxiety of dealing with the unexplainable and uncontrollable.

2.7 Types of organisational culture

According to Handy (1993:188) there are four organisational culture types, namely: the power culture, the role culture, the task culture, and the person culture that sometimes can be seen within organisations. Taken from Handy (1993:188-196) the four organisational culture types are discussed below as:

1. "**Power culture.** This culture depends on a central power source, with rays of power and influence spreading out from a central figure. The organization relies on trust and empathy for effectiveness and also on telepathy and personal conversations for communication".

2. "**Role culture.** The role culture is often stereotyped as bureaucracy. The organizational culture is built around rules and procedures. The efficiency of the culture relies on rationality on the allocation of work. Role cultures offer security and predictability to the individual".

3. "**Task culture.** The task culture is job or project-orientated. The task culture is effective when flexibility and sensitivity to the market are important for organizational survival".

4. "**Person culture.** The individual is the central point of the person culture. The organizational systems are designed to assist and serve the individual. Control mechanisms and bureaucracy are impossible to implement in this organizational culture type".

In their study, Ubius & Alas (2009:92) identified four dominant culture types that had emerged from evaluating the competing values framework. Taken from Ubius & Alas (2009:92) the four organisational culture types they identified are:

1. "**The hierarchy culture.** An organization compatible with this form of organizational culture is characterized by formalized and structured places at work. The long-term concerns of the organization are stability, predictability and efficiency. Formal rules and policies hold the organization together".

2. "**The market culture.** The market culture organization is focused on transactions with external constituencies including suppliers, customers, contractors, unions and so forth. The core values of this organization are competiveness and productivity".

3. "**The clan culture.** The clan culture organization is held together by loyalty and tradition. This organization emphasizes the long-term benefit of individual development with high cohesion and morale being important".

4. "**The adhocracy culture.** A high emphasis on individuality, risk taking and anticipating the future exists as almost everyone in adhocracy becomes involved with production, clients, research and development".

2.8 Organisational culture and leadership

The notable influence of the leader-founder(s) values, beliefs and basic assumptions may be observed in the formation of organisational culture. This is because the leader-founder(s) are there at the initial start-up of the organisation (Nelson 2003:707). Their role and impact thus become recognisable and pivotal to the organisational culture. The leader-founder(s) are then the chief architects of organisational culture.

The values, beliefs and the basic assumptions of the organisations stem from their involvement (Trice & Beyer 1993:264). The leader-founder(s)' values, beliefs and basic assumptions become the shared ideas of the organisation. Successful organisations may also be recognised through the type of organisational culture the leader-founder(s) and organisational members build.

However, the leader-founder(s) on their own cannot build and maintain the organisational culture. They also cannot individually articulate their values, beliefs and the basic assumptions of their organisation alone. Usually the leader-founder(s) rely on the help of other executive management to assist them (Mohan 1993:82). They mainly select executive management that shares their values, beliefs and basic assumptions to articulate culture. In this instance, the leader-founder(s) are the originators of organisational culture whilst executive management diffuse the culture.

The way in which leader-founder(s) imprint their values, beliefs and basic assumptions within the organisation is through primary embedding mechanisms and secondary articulation and reinforcement mechanisms (Schein 1990:115). Taken from Schein (2010:236-250) the primary embedding mechanisms and secondary articulation and reinforcement mechanisms are briefly explained below as such:

2.8.1 Primary embedding mechanisms

These mechanisms are pivotal for the leader-founder(s) to be able to articulate and teach organisational members. Schein (2010:236) emphasises that they are typical creating elements of an organisational climate. Taken from Schein (2010:236) the primary embedding mechanisms are:

- What leaders pay attention to, measure and are able to control.

- How leader-founder(s) react to critical incidents and organisational crises.

- Deliberate role modelling and coaching.

- Allocation of rewards.

- Operational criteria for recruitment, selection, promotion, retirement, and excommunication.

2.8.2 Secondary articulation and reinforcement mechanisms

The secondary mechanisms function together to remain consistent with the leader-founder(s) values, beliefs and basic assumptions. They also form part of the socialisation process of the organisation (Schein 2010:250). They are:

- The organisational design and structure,

- The organisational systems and procedures,

- The actual design of physical space, facades and buildings,

- Organisational stories, legends, myths and symbols,

- The formal statements of organisational philosophy, creeds and charters.

It is through the utilisation of these embedding mechanisms that organisational members may adopt and share their leader-founder(s) values, beliefs and basic assumptions. This process of adoption is accomplished through socialisation processes created within the organisation. The socialisation processes allow organisational members to learn and adopt the values, beliefs and basic assumptions that are practical and impractical for the organisational living. In addition, these socialisation processes shape and build organisational members to fit into their unique organisational culture.

2.9 The role and influence of the leader-founder(s)

Specific law agencies and bodies do not mandate the role and influence of the leader-founder(s). Rather they are self-appointed roles or other-appointed roles (Nelson 2003:709). Leader-founder(s) are more often likely to serve in top management. From

their organisations registration the roles of the leader-founder(s) are tailored to suit the organisation. It is through cultural evolution and with the mutual reciprocity with organisational members that the roles of leader-founder(s) become redefined. The evolving organisational culture may also have a negative or positive effect on the leader-founders. According to Bass and Avolio (1993:112) the culture within the organisation may have an impact on the development of its executive management and leadership, thus allowing organisational culture to determine how leadership and executive management are selected or delegated to open posts within the organisation. The leadership style that leader-founder(s) adopted to lead within the organisation may also have a direct influence on the kind of culture the organisation constructs.

Nelson (2003:710-711), posits that there are additive or interactive mechanisms, which may influence the role that the leader-founder(s) has within the organisation. Mechanisms such as:

- **Leader-founder(s) as [a] focal point.** When leader-founder(s) are still part of the organisation their knowledge and experience serves as a reference point for others when they are making decisions. The leader-founder(s) organisational stature allows them to have an extraordinary role that defines the mission, structure and behaviour of organisational management.

- **Leader-founder(s) imprinting.** The leader-founder(s) from the initial stages of the organisation have an imprinting role on culture, strategy and structure of the organisation. Founder imprinting may also be seen in the pre-organisation and start-up.

- **Leader-founder(s) psychological commitment [to the organization].** The basic contention of the leader-founder(s) psychological commitment is that some organisations do not only offer bottom-line value to management but that they also offer value to management through personal and psychological benefits.

- **Leader-founder(s) ownership [and] control [stake].** The leader-founder(s) stakes within the organisation are usually determined at the pre-start stage of the organisation. Their share control is determined by virtue of them being at

the pre-start up and through legal control. In some instances, the share control of leader-founder(s) either increases or decreases as the organisation grows.

- **Leader-founder(s) structural authority.** The CEO and other top management within the organisational structure hold authority and the responsibility of making most high-level decisions. In some cases there is a structure bridging the gap between the leader-founder(s) and other top executive management i.e., the board of directors.

- **Leader-founder(s) [organisational] tenure**. Active leader-founder(s) within the organisation are most likely to be the oldest serving members of the organisation. The leader-founder(s) tenure position brings valuable industry experience and knowledge for organisational practice.

The role and influence of the leader-founder(s) are reliant on the mutual reciprocity between the leader-founder(s) and the organisational members. This mutual reciprocal exchange may have an impact on the formation and maintenance of the organisational culture. According to Schein (2010:232) the values, beliefs and basic assumptions of any new or already existing organisation can be traced back to the leader-founder(s) imprinted values, beliefs and basic assumptions.

2.10 Organisational culture and ethics

In the above discussions, it has been noted that the organisational culture has a significant impact on organisational functioning. In this section, organisational culture is noted also as having a significant impact on the ethics of the individual, group and organisation. Organisational values, beliefs and basic assumptions of culture are in their essence the core of organisational ethics. The culture of the organisation serves to create and maintain the ethics of the organisation.

Organisational culture serves as a context that allows organisations to institutionalise and express their own unique ethicality. Scholars are in disagreement on whether organisational ethicality originates from the organisational ethical culture or the organisational ethical climate. Trevino and others (1998:453) posit that the constructs

ethical climate and ethical culture have overlapping areas. Although the two constructs have overlapping areas they however remain different from each other (Trevino et al 1998:453). Trevino and others (1998:453) explain that the two constructs are mainly differentiated because of their metaphorical meanings and implications. Taken from Trevino et al (1998:453) the constructs metaphorical meanings and implications are differentiated as such:

- **Organisational ethical climate. "**Characterizes organizations in broad normative characteristics and qualities that tell people what kind of organization this is, essentially this being what the organization values. The ethical climate is most likely to be associated with attitudes although climate may influence the decision-making and behavior indirectly".

- **Organisational ethical culture. "**The culture characterizes the organization in terms of formal and informal control systems i.e., rules, norms and reward systems, which are aimed to more specifically influence behavior. Thus there is more correlation between the ethical culture and ethical conduct".

Therefore, the construct organisational ethical culture better explains the ethical decision-making and behaviour of organisations and all its members. Arcdichvili, Mitchell & Jondle (2009:446) express that the construct organisational ethical culture has a significant impact on organisational behaviour and ethical practice. According to Douglas, Davidson & Schwartz (2001:105) the organisational ethical culture also plays a significant role in discouraging unethical behaviour. As it has been noted in many empirical studies, the organisational ethical culture has an effect on the moral sensitivity, awareness, judgment, motivation and reasoning of organisational members. The organisational ethical culture thus better explains and links ethics and practice. Furthermore, the organisational ethical culture also has an impact on the unethical practice of organisations.

Within the organisation, the predominant ethics is of the group because the ethics of the group supersedes that of the individual. The shared values, beliefs and basic assumptions of the organisation become the precedent to signal the expected behaviour within the organisation. The organisational ethical culture functions as a

selection sieve that hires employees that share the same ethical positions with the organisation. The sieving process tries to find a person-organisation ethical fit. Thus, it is logical to infer that the organisational ethical culture may eliminate, expel and highlight members that do not fit in.

The shared values, beliefs and basic assumptions of the organisation act as the principal reference for composing codes of ethics. Codes of ethics are the written or tangible expressions of the values, beliefs and basic assumptions of the organisation. These codes of ethics are meant to be clear and unambiguous. Some organisations may use their codes of ethics for checks and balances of ethical behaviour. The written ethical code of the organisation allows or prohibits certain behaviours. Such codes of ethics do not only serve internal evaluation, but they are also used by external stakeholders to evaluate the organisation.

Research conducted by Arcdichvili and others (2009) showed that there are at least five characteristics to having a successful organisational ethical culture. Their study found that the key to having a successful organisational ethical culture is through having a values and mission-driven organisation (Arcdichvili et al 2009:449). Taken from their study Arcdichvili et al (2009) state that the five characteristics given below are the significant variables that form a successful organisational ethical culture. The characteristics relationship cluster is represented in Figure 2 below.

- **Mission and value driven.** The organisational values and mission must be clear and reflected in the ethical guidelines and behaviour. The ethical guidelines and mission statements should be sustainable over time.

- **Stakeholder balance.** An organisation must reflect a stakeholder balance in all their decision-making. Organisational stakeholders must be treated ethically and on a value-orientated basis. A balance between the stakeholder value and profit should be seen.

- **Leadership effectiveness.** The ethical culture should be reflected through leadership behaviour and practice.

- **Process integrity.** An organisation should show quality and fairness in its people, process and products. They should always invest in ethics training and communication so that values are reinforced on a daily basis

- **Long-term perspective.** A value-orientated organisation should place mission over profit, the long-term over the short-term. The organisation should always act in the best long-term interest of all organisational stakeholders.

Below in Figure 2 is a representation of the relationship between the five-cluster characteristics of how successful organisational ethical cultures operate.

Figure 2 Five-cluster characteristics of ethical organisational cultures

Source: Adapted from Arcdichvili et al (2009).

Organisational values, beliefs and basic assumptions give the rationale for the importance of artefacts in organisations. They also explain why members behave in certain ethical manners. They furthermore give meaning to organisational philosophies and cohesion.

2.11 The influence of the organisational ethical culture on all organisational members

All organisational members i.e. the leader-founder(s), management, employees and the external organisational constituencies are affected by the organisational ethical culture within the organisation. The organisational ethical culture explains and predicts the behaviours of organisational members (Huhtala et al 2011:232). Through cultural acquaintance and initiation organisational members, learn what are right and what is wrong behaviour. These become the appropriate forms of conduct within the organisation. The organisational ethical culture has the capacity to change the personal ethics of organisational members to suit its own.

The ethical culture may encourage or discourage ethical and unethical behaviour. It is noted that strong ethical cultures are more likely to produce less unethical behaviour (Huhtala et al 2011:232). The organisational ethical culture acts as the pivotal contextual agent of organisational behaviour. It frames the mind-set of members to see, think and act in certain ways when confronted with ethical dilemmas. A literature review study on ethical decision-making done by O'Fallon and Butterfield (2005:397) indicates that ethical cultures greatly influenced the decision-making of members.

The organisational ethical culture also inspires role-modelling within the organisation. Role modelling may come from an inspirational leader-founder(s) or the group unit within the organisation. In addition, role-modelling derived from organisational culture could be one that is ethical or unethical.

2.11.1 Leadership and ethics

It was noted earlier in the study that the leader-founder(s) have influential power on the formation of an organisational culture. The leader-founder(s) in conjunction with all organisational members have a significant role in forming and maintaining the organisational ethical culture. The espoused values, beliefs and basic assumptions of the leader-founder(s) may act as the driving force of the organisation. The leader-founder(s) personal leadership theories, business principles, and ethical understanding may influence the values, beliefs and basic assumptions. It is through ethical role modelling that the leader-founder(s) have an influential role on employee perception and interpretation of ethical behaviour. The leader-founder(s) hold the position of the significant other status that members rely on for guidance. Whatever the leader-founder(s) do will have profound impact on employees.

Ethical leadership is one of the leadership styles that are mainly used by leader-founder(s) for ethical role-modelling. Ethical leadership is defined by Brown and Trevino (2006:595) as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, [so that] the promotion of such conduct to followers [allows a] two-way communication, reinforcement, and [ethical] decision-making". Ethical leadership then assumes two elements, namely that (a) the leader-founder(s) themselves must have good solid personal values, and (b) that they must inspire the follower(s) to have good ethical decision-making and behaviour (Ruiz, Ruiz & Martinez 2011:590).

The ethical values set by the leader-founder(s) represent the context for which the organisation will operate from (Grojean et al 2004:224). These ethical values set by the leader-founder(s) bind them, management and employees to behave and act according to them. The ethical values thus become important for determining and evaluating acceptable behaviour. Ethical leadership functions to reiterate the ethical values of the organisation through role-modelling. Successful ethical role modelling stems from leadership that shows consistency with what it says and what it does. In addition, successful ethical role-modelling relies on whether the leader-founder(s) have acquired a **significant other** status within the organisation. Ethical role-modelling from leadership reinforces a solid ethical culture within the organisation.

Through ethical role-modelling leadership affirms the ethical values they have set out. Thus, it is important that the leader-founder(s) follow through daily on their espoused values and beliefs (Yukl 2010:293). Role-modelling is an effective ability that restates again the espoused values, beliefs and basic assumptions of the organisation.

In addition to the two core elements of ethical leadership Grojean et al (2004:233) posit that there are seven mechanisms that the leader-founder(s) can use to impact the ethical culture of the organisation. Grojean et al (2004:233) state that the seven mechanisms given below may be significant factors that leader-founder(s) can use to influence the organisational ethical culture:

- The leader-founder(s) using a values-based leadership approach within the organisation

- The leader-founder(s) setting the example with regards to ethical reasoning and behaviour

- The leader-founder(s) establishing clear expectations for desired organisational ethical conduct

- The leader-founder(s) providing reliable feedback, coaching, and support to ethical conduct

- Leader-founder(s) knowing how to recognise and reward behaviours that support their organisational values

- Leader-founder(s) being aware of individual differences with regard to ethicality amongst employees

- The leader-founder(s) should establish leadership training and mentoring

These mechanisms become important factors that further reinforce a strong culture of ethicality within the organisation. In convergence with ethical role modelling exhibited by leader-founder(s) they may significantly influence the ethical culture and ethicality of the organisation and organisational members.

2.11.2 Organisational employees and ethics

New employees on account of their initial intuition may not be able to embrace the espoused ethical values and beliefs of the organisation. It is through learning and cultural induction that may come to understand the espoused ethical values and beliefs of the organisation. The reason for this is that their personal values and the organisational values are or may not be aligned. It is only through the process of cultural acquaintance and initiation that they can learn the core values, beliefs and basic assumptions of the organisation. Once they have assimilated into the organisational culture and ethos of the organisation employees fully share in the same values and ethics of the organisation. Employees further transmit their own personal values and beliefs into the organisation (Grojean et al 2004:235). It is at this juncture that the individual-organisational ethical positions may become congruent. Grojean et al (2004:235) show that the process of individual-organisational ethical transmission works through four mechanisms. These mechanisms may serve to facilitate a relationship of individual and organisational ethical congruency within the organization. Grojean et al (2004:235) pose that the mechanisms explained below are significant for individual and organisational ethical transmissions within the organisational culture:

- **Trust in [the] leader-founder(s).** Employee trust in leader-founder(s) is an important component of ethical and effective leadership. It is through trust that employees determine if leadership is effective and ethical. Trust further builds a relationship between leadership and employees.

- **Organisational mythology.** Myths and stories have already been identified as components of organisational culture. Through the ethical myths and stories of leadership emphasis is placed on ethical values and behaviour. They further reinforce the ethical culture of the organisation.

- **Leadership prototypes.** Employees within the organisation have pre-existing notions of what leadership is all about. They also have notions about what effective and ethical leadership entails. Leader-founder(s) who possess attributes similar to the employee's notion about leadership have an easy support from members for ethical values.

- **Social cohesion.** Social cohesion and integration decreases the probability for an individual to behave unethically.

These mechanisms also play a significant role in developing individual and organisational ethicality. In addition, other factors facilitate and influence ethical decision-making and behaviour amongst employees. In research there have been two factors found that influence the employee's ethical decision-making and behaviour. The individual and organisational/situational factors are commonly attributed to ethical decision-making and behaviour (Ford & Richardson 1994:206; Loe, Ferrel & Mansfield 2000:186). These researchers explain the factors in this way:

2.11.2.1 Individual factors

These factors are uniquely associated with the individual ethical decision-making thus they generally contain those birth and human developmental variables that influence the individual (Ford & Richardson 1994:206). Factors such as:

- Cognitive moral development

- Moral philosophy

- Gender

- Age

- Education and work experience

- Nationality

- Religion

- Locus of control, and

- Intent

All of these play a significant role in creating the predisposition that the individual displays.

2.11.2.2 Organisational/situational factors

These factors concern the situation or context. They more often bear pressure to persuade or dissuade ethical decision-making and behaviour (Ford & Richardson 1994:211). Organisational or situational factors such as:

- Referent groups

- Leadership and top management influence

- Ethical codes

- Organisational culture or climate

- Rewards and punishments

- Opportunity

- The type of ethical conflict, and

- Language

2.12 Organisational culture as a cornerstone of organisational corruption and organisational misconduct

Noted earlier in the study organisational culture plays a pivotal role in shaping the ethical framework of the organisation and all its members. In addition, it was explained how the culture of the organisation also builds the ethicality of the organisation. In this section, the relationship between organisational culture and unethical organisations is investigated. Looking at the exposure of corporate scandals

amongst many organisations it is important to investigate what causes organisations and organisational members to behave unethically. A lot of research has been devoted to remedy the consequences of unethical practices conducted by organisations (Luo 2005:120) rather than to find the cause on why organisations and organisational members behave in unethically. In this section, the focus is on identifying the cause of unethical behaviour rather than offering remedies to the side effects of unethical behaviour. This study asserts that a major cause of unethical practice has been organisational culture that promotes unethical practices. The study further poses that organisations are affected by unethical practice on two levels, namely that (a) organisations through their members behave unethically thus making organisations unethical and (b) that within the organisation itself organisational members are unethical.

The emergence of organisational scandals in organisations such as Enron corp., WorldCom, and Parmalat and individual scandals exhibited by individuals such as the Arthur Anderson accounting fraud, are the result of an organisation having a corrupt organisational culture. According to Vardi & Wiener (1996:155) there are at least three categories of understand unethical or norm breaking behaviours with the organisation. These three categories taken from Vardi & Wiener (1996:155) can be summarised as follows:

1. **Misbehaviours that are intended to benefit the self.** These types of behaviours are mostly internal to the organisation and most often victimise the organisation or its members.

2. **Misbehaviours that primarily intend to benefit the organisation as a whole.** These behaviours are mostly external and are mostly directed toward the outside i.e. other organisations, social institutions, or customers. They are behaviours that are supposed to benefit the organisation through unethical practice e.g. falsifying records in order to improve the chances of the organisation to obtain a tender.

3. **Misbehaviours that primarily intend to inflict and [tend] to be destructive.** These behaviours are **intentional** in nature with internal and external targets being the focus. The above misbehaviours are clear on what

the benefit will be. These misbehaviours however are a bit psychopathic in that the direct **intention** is to hurt the organisation or others.

Since organisational culture is a significant factor that influences behaviour it is logical to infer that organisational culture influences unethical practice within organisations and members. In a study conducted by Trevino et al (1998:469) results show that the organisational ethical culture better predicted unethical behaviour within the organisation than the organisational ethical climate. The organisational ethical culture within the organisation serves as a significant motivator that allows organisational and individual unethical practice (Kaptein 2011:844). Thus, a weak organisational ethical culture might be susceptible to sanctioning unethical practice within the organisation. A weak organisational ethical culture further makes it conducive for members to regularly indulge in organisational misbehaviour (Vardi 2001:326).

2.13 Causes of unethical behaviour and practice

There are two approaches used to explain unethical actions exhibited by organisations and their members. These approaches mainly classify the causal agents for unethical practice and behaviour. These approaches are commonly known as the bad apple and bad barrel perspectives. They identify whether it is the individual bad apple predispositions or the bad barrel organisational cultural influences that cause unprincipled actions. Within these perspectives, there are causal factors that classify and characterise each perspective accordingly. For this study we look at the organisational cultural perspective that causes and predicts why organisations and their members behave unethically. Before we address the cultural perspective, we will briefly address the individual perspective, as it is also a noteworthy.

2.13.1 Individual bad apple approach

The bad apple approach focuses on the individual player and a small group as perpetrators of unethical practice and behaviour. According to, Trevino &

Youngblood (in Ashkanasy, Windsor & Trevino 2006:449) the bad apple perspective blames unethical conduct on morally flawed individuals whose personal elements predispose them to behave unethically. There are underlying assumptions within the bad apple perspective of organisational misconduct (Greve, Palmer & Pozner 2010:57). Taken from Greve et al (2010:57) the two assumptions are:

i. "That the individual(s) decide based on normative assessments the appropriateness of a course of action. After they reach a conclusion that, a wrongful course of action is consistent with the values, beliefs and basic assumptions of their own. They decide that the wrong course of action is actually the rightful course of action to proceed with".

ii. "That individuals will engage in consequential decision-making by evaluating the pros and cons of the wrongful action. If the pros outweigh the cons, they will conclude to take the wrong course of action".

This perspective also asserts that there are certain variables that predispose the individual player, i.e. ethnicity, gender empathy etc. These variables exert force on the individuals causing them to violate shared norms and beliefs. Ashforth et al (2008:672) pose that individual corruption has been linked with the following predispositions:

- [A] lack of personal integrity

- [An] individual lack of a moral identity

- [A] lack of [personal] self-control [from the individual]

- [The individual might have] low levels of cognitive moral development

- [The individual facing pressure from] group and organisational forces, and lastly

- The socialisation and learning processes [that the individual goes through within the organisation].

2.13.2 Organisational cultural bad barrel perspective

This perspective focuses on the various organisational and societal variables that influence unethical behaviour within organisations (Brass, Butterfield & Skaggs 1998:15). This perspective is important because it focuses on the organisational cultural elements that influence members to be unethical. Furthermore, this view explains why good people turn bad within organisations. In addition, Luo (2005:120) asserts that this perspective is important in these three ways:

i.   An organisation is a basic unit of corruption practice,

ii.   That organisations which motivated to bribe for gains are partly responsible for why corruption is difficult to eradicate, and

iii.   The organisation is a reflection of the nation's corrupt culture.

Some organisational cultures are created to condone ethical behaviour and to discourage unethical behaviour. Some other organisational cultures condone certain unethical behaviour but tend to reject certain unethical practice (Greve et al 2010:66). There are certain ways that organisations support and facilitate an unethical culture: They do it through endorsing misconduct with varying degrees of explicitness, organisational cultures permit misconduct under excusing circumstances, and organisational culture can give rise to conditions that will in turn facilitate organisational misconduct (Greve et al 2010:66).

A study done by Kaptein (2011) shows that there are certain organisational cultural variables have a negative relationship with observed unethical behaviour. Cultural such as Kaptein (2011:858):

- **Ethical role modelling of management and supervisors.** Leader-founder(s) and management through their role modelling influence employees to behave unethically. This is because employees learn what is appropriate behaviour in the organisation. Leader-founder(s) thus have an impact on creating a culture or climate of unethical practice.

- **The capability to behave ethically.** This theory suggests that members that have enough resources to achieve their goals may not tend behave unethically. In comparison, those members challenged with resources cannot meet their goals and are prone to unethical actions to achieve them.

- **Commitment to behave ethically.** Commitment is important to organisational culture because a culture that is demotivated, has dissatisfied members who have mistrust, will end up being a breeding ground for unethical behaviour. A lack of commitment to ethics results to unethical actions.

- **Openness to discuss ethical issues.** This posits that if appropriate behaviour is not discussed thoroughly the tendency is that employees end up with the moral stress of not knowing how to address an ethical dilemma. Communication equips members with knowledge and experience tools to use when confronted with an ethical dilemma.

- **Reinforcement of ethical behaviour.** This refers to organisations that punish unethical behaviour and reward ethical behaviour. This acts as a positive motivation for organisational members to be disposed to ethical conduct. When unethical behaviour is not punished or unethical behaviour is rewarded the impression is created that unethical behaviour is acceptable.

Jones and Kavanagh (1996:512) note that other organisational cultural variables that influence unethical behaviour are:

- **Quality of the work experience.** Merriam (as quoted by Jones & Kavanagh 1996:512) poses that employees dissatisfied with their work are a determinant of employee theft. In addition, when employees are unhappy with their organisational leaders they are more likely to engage in unethical actions.

- **Peer influence.** The individual's peers play a significant role in influencing unethical behaviour. These could be referent others/peers within the organisation or significant others in the same industry.

- **Managerial influences.** Many employees have said that pressure from top management or the leader-founder(s) have caused them to compromise their ethical principles to please the boss. Employees felt that this was unavoidable to succeed in their organisations.

2.14 An organisational and ethical paradigm shift

Worldviews and previously held paradigms about organisations are changing as society evolves and develops a new sense of consciousness. Wilber (in Gozdz 2000:1264) asserts that society is moving from mind-body needs and moving to higher order needs of spirituality and wholeness and self-actualisation. Organisations/businesses as systems that operate within society find themselves having to evolve and adapt. The insufficiencies of the material world and its selfish business practices have driven society to focus and search for more transcendental personal conceptualisations to organisational practices (Gozdz 2000:1262-63). Previously held concepts about organisational culture, profit and the maximisation of human capital to benefit the organisation are discarded for whole and inclusive concepts. Organisational negligence and disregard for ethical practices have been eradicated by the conscious organisation approach.

The focus however is not only on held businesses practice but also on academic theories that have been the framework for business paradigms and practice. According to Gozdz (2000:1266) there are dominant worldviews that have characterised business practice and activity. Taken from Gozdz (2000:1267-1269) the following worldviews have played a significant role on shaping business theory and practice, worldviews such as the:

- **Western orthodox science worldview: with its psychoanalytical and behavioural psychologies.** This worldview is very much popularised by logical positivism, empiricism, reductionism, rationalism and Newtonian-Cartesian mechanical societies and the quantification of reality. Harman & Horman (quoted by Gozdz 2000:1267) notes that there are four business assumptions that underlie this worldview: (a) that economic rationality and

value suffice in social decision making, (b) that there is a low probability that there will be a change in the current attitudes toward human activity being monetised and being included in mainstream economy, (c) that the current economic problem is scarcity caused by selfish consumerism attitudes that demand more from limited resources of labour, land natural resources and machines, and that (d) people inherently do not want to work because they see work as a means to the end of securing leisure time to idle around and consume endlessly.

- **Postmodernism: with its selfish humanistic psychology.** According to Gozdz (2000:1268) postmodern thinking along with humanistic psychology has given a foundation for humanistic organisational practices. These worldviews emphasise that the organisation is central and subsequently that materialism, self-interest and business decisions motivated by the bottom line are appropriate for organisational practice.

With societal evolution, there is a search for new inclusive paradigms that provide a framework for new organisational ideologies and practices. According to Gozdz (2000:1265) the introduction of new inclusive and more holistic business paradigms suggest that previous business paradigms no longer have relevance and thus are relegated to redundancy. Thus, previously held approaches about organisations and ethics have no validity within organisational discourse. It is within this search for new organisational paradigms that the concept of organisational spirituality emerges as a possible new paradigm that provides a new discourse on organisational theory.

As a new organisational construct, organisational spirituality is inclusive and aligned with human evolution that searches for higher order levels of life. According to, Giacalone & Eylon (2000:1218) a new paradigm must be able to fulfil and bring a state of organisational reality that is inclusive. The construct organisational spiritual is more holistic and integrated with humanity, society and organisational theory. The construct organisational spirituality may be an agent that transforms organisational ethics as a paradigm and practice. The construct organisational spirituality may be one of the aspects that help employees to find meaning, through their work. The construct

organisational spirituality may also be the answer in transforming the discipline of
organisational ethics.

Chapter 3

Organisational spirituality

3. 1 Introduction

The construct organisational spirituality over the last couple of years has received substantial attention from scholars, business consultants and ethics practitioners. It has been endeavoured to relate the construct to organisational activity (Gotsis & Kortezi 2007:575). Recent organisational introspection by society, organisations and organisational members has spurred the organisational search for more integrated and holistic ideas of organisational activity. There are various reason why organisations have found themselves on this path of reengineering. Concepts such as the individual at work, and the organisation functioning within society are being reconstructed to accommodate integrated and holistic constructs for organisational discourse. Researchers such as Van der Walt (2007:21) and Gotsis & Kortezi (2007:576) note the following reasons for the change in organisational discourse:

- Organisations are seeking commitment from members, but this can only be achieved by integrating the whole person in the organisation (Van der Walt 2007:21).
- Individual quest for a higher purpose and personal meaning (Gotsis & Kortezi 2007:576).
- Organisational and individual search for transcendent values (Gotsis & Kortezi 2007:576).
- Organisations seeking to adapt within a global environment.
- Changing business and economic worldviews such as globalisation, diversity competition" (Van der Walt 2007:21).
- The recent global economic meltdown.
- The rise of corporate scandal exposures in the past decade.
- Society questioning the validity of current organisational paradigms and practice.

The above reasons have propelled organisational leaders and founders, researchers, and experts to evaluate existing organisational paradigms that have provided frameworks for organisational discourse and to search for new constructs that will reengineer existing organisational discourse and frameworks.

It is within this framework that organisations have found themselves going through a reconstruction phase in order to embrace new organisational paradigms. Organisations in particular have become conscious about themselves and their operational environment. The conscious organisation has changed its business ethos, practice, and commitment to employees to be more relevant in the twenty first century. It is through personal and organisational self-awareness that these organisations learn to reflect and change their basic assumptions about organisational activity (Gozdz 2000:263). At the same time whilst organisations are learning to change their basic assumptions, they are also becoming pioneers that drive their industries and society forward. A conscious organisation might further experience a relatively significant competitive advantage and financial performance within its market. In addition to their competitive and financial advantage, these organisations exhibit transcendent organisational values and ethics.

Organisational research thus far has evolved to accommodate a new construct such as organisational spirituality. Even before in interest about the construct organisational spirituality became authenticated organisations had been affected by individuals who tried to apply their personal spirituality to work (Howard 2002:238). This process alongside changing worldviews on organisations and culture had already spurred a need for organisations to re-evaluate their organisational philosophy and ethics to realize a transcendent and integrated organisational paradigm. The construct organisational spirituality accommodates the whole person at work; the construct further readdresses organisational values, beliefs and basic assumptions. In addition, the construct organisational spirituality facilitates a person-organisation congruency. The concept allows for a development of transcendent organisational ethicality and practice. It is important to note that the construct organisational spirituality may be the missing link within organisational life and discourse (Gotsis & Koretzi 2007:576)

As noted earlier the construct organisational spirituality has received attention from organisational scholars, business ethics practitioners and organisational ethics

researchers. The construct received special attention from international journals inter alia discussing spirituality and work, and spirituality and business ethics. E.g., Journal of Management, Journal of Organizational Change Management (1999), Journal of Managerial Psychology (2002), Journal of Management Inquiry (2004), The Leadership Quarterly (2005) and the Journal of Business Ethics (2010) have all published work on the concept of organisational spirituality. In addition to publications in journals, publications there have also been books written about the concept. Notably the book most recognized is by R A Giacalone and C L Jurkiewicz. *Handbook of workplace spirituality and organizational performance*, published in New York in 2003.

Many researchers have agreed that the construct of organisational spirituality is still in its early phase of development (Dent et al 2005:626). However, recently there has been extensive empirical research being done to advance the topic. Empirical research findings have covered topics such as organisational spirituality and work performance (Duchon & Plowman 2005:823), spirituality and success (Ashar & Lane-Maher 2004:258), organisational spirituality and job satisfaction (Atlaf & Awan 2011:98), spiritual climate and [a] positive customer experience (Pandey, Gupta & Arora 2009:326). These investigations have given the construct organisational spirituality relevance as a researchable construct to transform organisational theory and ethics.

In spite of ground-breaking research being done to advance the construct Krahnke, Giacalone & Jurkiewicz (2003:396) are critical in their assessment noting that there needs to be falsifications, data collections, and proper scientific methods of inquiry to firmly establish the concept. They further argue that organisational spirituality researchers need to convince organisations on how organisational spirituality might improve the organisational bottom line, stating that if organisations do not improve the organisational bottom line they will be abdicating their fiduciary responsibilities to organisational stockholders and moral responsibilities to organisational stakeholders (Krahnke et al 2003:398). According to Benefiel (2003:371) this should not be the sole reason for researching the construct organisational spirituality and observing the phenomenon organisational spirituality. Benefiel (2003:371) argues that if this is the only reason why organisations should embrace organisational spirituality then there are various gaps that open when using that logic. One such gap would be

evident when researchers of organisational spirituality would ask a question such as: 'If organisational spirituality is ultimately concerned about non-materialistic things, then why should organisational spirituality focus on material gains that will only bring benefit to the organisation?' (Benefiel 2003:371).

3.2 Finding a conceptual framework for organisational spirituality

Although there has recently been increased research interest in the construct organisational spirituality the topic is not at all new. It has been around since the late 1980's (Hicks 2003:27). According to Hicks (2003:27) there is no one single factor that can account for this phenomenon. Many factors have brought about the positive change needed to transform organisational culture, organisational ethics, and management practice in the twenty first century. The result is that the construct organisational spirituality is now positively associated with seen and observed levels within the organisation (Gotsis & Kortezi 2008:576).

There are various perspectives that have been used to discuss the construct organisational spirituality. Van der Walt (2007:25-28); Gotsis & Kortezi (2008:580) and Krishnakumar & Neck (2002:154-156) posit that the perspectives below have been used by different disciplines to discuss the construct organisational spirituality, perspectives such as:

- **The religious perspective.** The most debated of perspectives it asserts that organisational spirituality derives its origin from religious ideology. Scholars have not reached agreement on this conjecture. Some acknowledge a religious influence (Van der Walt 2007:25) while others reject the religious premise for organisational spirituality, seeing the two as separate (Mitroff & Denton 1999:88). Sheep (2006:359) argues that the construct has no religious attachment because with religious connotations might spur fanaticism and proselytising from religious members. Mitroff & Denton (1999:88) show in their study show that organisational members feel more comfortable with spirituality talk than with religion talk within the organisation.

- **The intrinsic-origin perspective.** This perspective argues that spirituality as a construct originates from within the individual. Proponents argue that spirituality understood from this perspective abdicates religious connotations (Krishnakumar & Neck 2002:154)

- **The socio-biological perspective.** This theory advocates that organisational spirituality is genetically determined amongst members, thus promoting the idea that some individuals and organisations might be more spiritual than others (Van der Walt 2007:26).

- **The developmental psychology perspective.** This perspective argues that organisational spirituality develops over time along with the emotional aspect but not necessarily developing alongside the cognitive aspect. Van der Walt's (2007:26) criticism of this perspective is that there are a lot of westernised concepts in the core argument thus limiting its universal application to other cultures (Van der Walt 2007:26).

- **The psychotherapeutic perspective.** This theory posits that the individuals search for meaning, purpose and the quest of service to a Higher Being is an explanation for the connection of spirituality and the workplace (Van der Walt 2007:27).

- **The philosophical perspective.** This perspective relates organisational spirituality to a more pragmatic discourse that is centred on human intelligibility rather than on an outer-worldly experience or rationale (Gotsis & Kortezi 2008:580).

- **The psychoanalytic perspective.** Expresses that the discussion of organisational spirituality should centred on the Freudian psychology of **the ego** (Gotsis & Kortezi 2008:580).

- **The existentialist perspective.** The basis of this perspective is that it claims that organisational spirituality is attached to notions such as individuals' search for meaning in what they are doing at work (Krishnakumar & Neck 2002:156).

The above perspectives are lacking in giving a real holistic explanation for the construct organisational spirituality. These perspectives provide interesting conjectures that only prove to us that there are various disciplines of study used to discuss the construct organisational spirituality (Van der Walt 2007:28). There is no one specific accurate perspective that gives a precise understanding of the construct organisational spirituality. However, the majority of work written about the construct comes from an instrumentalist perspective (Gotsis & Kortezi 2008:580). The study adopts the instrumentalist perspective as a viable perspective to explain the construct organisational spirituality. This perspective encapsulates the assertions made within the study about the construct organisational spirituality. An explanation of the instrumentalist perspective is taken from Gotsis & Kortezi (2008:580).

3.2.1 The instrumentalist perspective

This perspective relates the benefits of having organisational spirituality within the organisations with activities such as organisational and individual outcomes, and the transforming of organisational ethics. The benefits of an organisation adopting organisational spirituality can be measured and observed through focusing on the organisational and individual level aspects of the organisation. Some of the organisational level outcomes associated with organisational spirituality may be increased employee commitment to organisational goals, increased honesty and trust, a greater kindness and fairness, increased creativity, increased profits, improved morale, productivity, enhanced organisational performance, and improved organisational ethics and the holistic personal development of the employee. The individual level aspects are identified with outcomes such as increased creativity, enhanced sense of personal fulfilment of employees, greater individual work success, the experience of authentic self, increased joy, peace and job satisfaction, and a quest to exhibit higher ethical values.

Although there are many conceptual perspectives to organisational spirituality, a conceptual perspective must allow organisational spirituality to be relevant to organisational aspects and activity (Sass 2000:199). The individual and organisational aspects should be addressed adequately when applying the concept organisational

spirituality within the organisation. Sass (2000:199) expresses that a conceptual perspective should revolve around and be applicable to all organisational aspects. This study asserts that the instrumentalist perspective better captures Sass (2000) conjectures about the construct organisational spirituality.

3.3 Approaching a definition of the construct organisational spirituality

The most commonly noted weakness of the construct organisational spirituality is that there is no accepted definition for the construct. There is an overabundance of terms used in scholarship to define and describe the construct organisational spirituality (Gotsis & Kortezi 2008:577). In the study the terms 'workplace spirituality, spirit at work, organisational spirituality' are used interchangeably to articulate the construct relationship between the organisation and spirituality (Gotsis & Kortezi 2008:578; Kinjerski & Skrypnek 2004:28). The term organisational spirituality is referenced quite frequently only because this specific term seems to be more compatible with the understanding of organisational processes and systems.

The most important advancement in searching for a definitional construct of organisational spirituality has been the separation between the individual and organisational spirituality (Kinjerski & Skrypnek 2004:28). Defining organisational spirituality in terms of individual spirualties is insufficient. And any attempt to define the construct in this manner does not accurately capture the construct. For the purpose of the study, a definition given by Giacalone & Jurkiewicz (2003:13) will suffice to define the construct organisational spirituality. The definition of Giacalone & Jurkiewicz (2003:13) captures some of the core elements of the construct organisational spirituality that allow the construct to be relevant to organisational life. Both the individual aspects and organisational aspects are adequately articulated within the definition of Giacalone & Jurkiewicz (2003:13).

Giacalone and Jurkiewicz take note of several definitions that have been used to describe the construct organisational spirituality. A summary of the definitions is given below in Table 1.

Table 1 Definitions

Author	Definition	Level of focus
Gibbons (1999:5)	Defined organisational spirituality as "a journey toward [an] integration of work and spirituality for individuals and [the] organizations, which then provides direction, wholeness and connectedness at work"	• Individual level • Organisational level
Jackson (1999:61)	States that organisational spirituality "provides a deeper foundation for ethical principles in business"	• Organisational level
Mitroff & Denton (1999:88)	Defined spirituality "as highly individual and intensely personal"	• Individual level
Howard (2002:232)	Asserted that spirituality can be noted as "the essence of life itself, [that explains] who we really are"	• Individual level

Author	Definition	Level of focus
Lips-Wiersma & Mills (2002:185)	Notes that spirituality is "connoted with daily personal integration and applications of our deeply held values such humility, integrity or service"	• Individual level
Tischler, Biberman & McKeage (2002:207)	Pose that spirituality is "similar to and in ways related to emotional behaviours or attitudes of an individual…"	• Individual level
Ashforth & Pratt (2003:93)	State that organisational spirituality deals with "the transcendence of self with a desire to harmonize with oneself meaningfully to achieve self-actualization"	• Individual level
Brown (2003:395)	States that "at best organizational spirituality is a belief, at the least it is a feeling about reality and transcendence; [and] in between it is a quality that can be shown by individuals within the organization"	• Individual level • Organisational level

Author	Definition	Level of focus
Ashar & Lane-Maher (2004:253)	Define spirituality as "an innate universal search for transcendent meaning in life. Spirituality at work also involves some common behavioural components; it involves the desire to do purposeful work that serves others. It involves a yearning for connectedness and wholeness"	• Individual level • Organisational level
Kinjerski & Skrypnek (2004:37)	Defined spirit at work as "a distinct state that is characterized by physical, affective, cognitive, interpersonal, spiritual and mystical dimensions"	• Individual level
Duchon & Plowman (2005:809)	Defined spirituality at work as "the recognition that employees have an inner life that nourishes and is nourished by meaningful work that takes place in a community"	• Individual level • Organisational level

Author	Definition	Level of focus
Karakas (2009:91)	Defined spirituality as "a journey to find sustainable, authentic, meaningful, holistic and a profound understanding of the existential self and its interconnectedness with the sacred and transcendent"	• Individual level
Kolodinsky et al (2010:171)	State that spiritualty is "an intrapersonal and metaphysical relationship with a higher power which provides motivation, purpose and a sense of connectedness with others"	• Individual level • Organisational level
Karakas (2010:91)	Defined spirituality as "a journey to find sustainable, authentic, meaningful, holistic and a profound understanding of the existential self and its interconnectedness with the sacred and transcendent"	• Individual level

Author	Definition	Level of focus
Atlaf & Awan (2011:94)	Defined spirituality as "an extent of satisfaction, meaning that can be achieved by performing a particular task(s), [this could be] either religious or societal [tasks] that result in a betterment of self and others"	• Individual level • Organisational level

When examining Table 1 it becomes evident that there are many definitions used to describe the construct organisational spirituality. It is also noteworthy to say that their levels of focus are one-sided or two-sided in description of the construct organisational spirituality. This could be that the various authors' observations framed their conceptualisation focus. Although there are many meanings and levels of focus applied to the construct organisational spirituality the majority of the definitions focus on the awareness of the individual. This, however, is worrying position for a construct that endeavours to change organisational worldviews. As already noted a conceptual framework must be relevant to all organisational aspects (Sass 2000:199).

In their definition, Giacalone & Jurkiewicz (2003:13) define organisational spirituality as "a framework of organizational values [that are] evidenced in a culture that promotes employees' experience of transcendence through the work process, [by] facilitating their sense of being connected to others in a way that provides feelings of completeness and joy". This definition is divided into the two aspects that affect the organisation namely the individual and the organisational aspects (Giacalone, Jurkiewicz & Fry 2005:518). The effect of organisational spirituality on the individual and organisational aspects can be understood by their distinct references found within the definition of Giacalone and Jurkiewicz, Giacalone and others (2005:518) pose that:

- **The individual level.** Is implied by "the personal set of values that promote an experience of transcendence through the work process, [by] facilitating a sense of being connected to others in a way that provides feelings of completeness and joy".

- **The organisational level.** Is implied through "the whole framework of organizational values [that are] evidenced in a culture that promotes employee experience of organizational transcendence through the work process, [by] facilitating their sense of being connected to others in a way that provides feelings of completeness and joy".

3.4 A construct analysis of organisational spirituality

Although many definitions accommodate only two levels associated with the construct organisational spirituality, there are at least three levels of how to conceptually understand organisational spirituality. The following three levels can be observed within the construct organisational spirituality, namely the individual level, organisational level and the collective or the individual-organisational levels. These levels are paramount for the applicability of the construct organisational spirituality to organisational life and activity. Adapted from the works of Sass (2000:199-201), Giacalone et al (2005:518-519) and Neal, Lichtenstein & Banner (1999:177-182) the construct levels of organisational spirituality are explained below:

- **The individual level.** A construct analysis of organisational spirituality on this level identifies the spiritual experiences of the individual on a personal, intrapersonal, and interactive level. Organisational members/individuals bring their spirituality and values to the organisation. On this level, there is an integrative assimilation of personal spirituality that is woven into the various features in the organisation. When organisations cannot address or notice organisational spirituality it runs a risk of isolating individual members on this level.

- **The organisational level.** Organisational spirituality on this level is a descriptor of the organisation as a whole, thus identifying organisational spirituality in terms of organisational vision and cultural values. As such, leader-founder(s) and leadership are ultimately responsible for institutionalising organisational spirituality through the vision, values, beliefs and basic assumptions of the organisation. Vision and values integrated with organisational spirituality create an organisational spiritual culture. This fosters a drive for effective leadership that also build solid relationships between internal and external stakeholders. The spirituality of the organisation forms the basis for a social cultural construction and a transcendent ethical system.

- **The collective or individual-organisational level.** As noted above organisations should create and have values, beliefs and basic assumptions that are spiritually based. Organisations should also recognise the spirituality of individual members. On this conceptual level organisational spirituality reflects the inter-woven spiritualties of the individual and the organisation as one unit. The individual and the organisation grow and move along on a reciprocal continuum. Organisational spirituality on this level cannot be separated from that of the organisation and the individual. Through the empowerment process, organisations allow a linkage between the individual spirituality and the organisational spirituality to be congruent. This allows the organisation to give meaning and direction to itself and its employees.

Below in Figure 3 is a schematic representation of the relationship of the construct levels of organisational spirituality.

Figure 3 Conceptualising organisational spirituality: individual, organisational and individual-organisational levels of interaction

The Individual level

Personal spirituality

Individuals bring their own spirituality at work.

Individuals try to find meaning at work through their spirituality.

The Organisational level

Organisational spirituality

Organisational spirituality creates and is manifested through cultural ideas such as values and beliefs, vision and basic assumptions.

The Collective or individual-organisational level

Individual-organisational congruent spiritualities

Individual and organisational spiritualities are inter-woven to form one unit.

The individual and the organisation have reciprocal spiritual development and growth.

Source: Adapted from Milliman et al (2003).

3.5 Institutionalising the construct organisational spirituality

The institutionalisation of the construct organisational spirituality means that the construct is adapted and applied to the organisation. Through the process of institutionalising the construct becomes relevant to organisational life. Furthermore, the institutionalising of organisational spirituality may have a tripartite benefit to organisational activity. However, the effectiveness of institutionalising process relies on the organisational and the individuals' assimilation of the construct within the organisation. According to, Krishnakumar and Neck (2002:160) institutionalising the construct organisational spirituality has an organisational centred perspective and an individual centred perspective.

According to, Sims (1991:494) "the act of institutionalizing should have the support of the organization trying to institutionalize and also have a majority of organizational members performing the act". Goodman and Dean (in Sims 1991:494) defines an institutionalised act as "a behavior that is performed by two or more individuals, and that the act must persist over time, and should exist as part of the daily functioning of the organization". With this brief understanding of institutionalisation, it therefore becomes important that the process of institutionalising the construct organisational spirituality should also follow the logic posed by Sims. This means that the construct organisational spirituality would be applied in the organisation and would be accepted by all organisational members to become the applied phenomenon of the organisation.

In order for organisations to institutionalise or apply the construct organisational spirituality, they need to encourage the implementation of organisational spirituality in the individual and the organisational levels of the organisation (Van der Walt 2007:50). According to Krishnakumar & Neck (2002:160) the organisational level of institutionalising organisational spirituality should be implemented in the organisation as a whole. The individual level of institutionalising organisational spirituality must exhibit how the individuals would develop, how they would find fulfilment through work and also show how the individual change will impact organisational performance and effectiveness (Krishnakumar & Neck 2002:161).

3.5.1 The individual spiritual perspective and its implications for institutionalising the construct organisational spirituality

Looking back at the various definitions noted in Table 1 the construct organisational spirituality at the individual level denotes that the individual or employee has a personal experience of transcendence, finds meaning at work, articulates a higher set of values and beliefs, and achieves of self-actualisation etc. The definition of Giacalone and Jurkiewicz (2003:13) asserts that the individual becomes conscious of the common good through the attainment of personal transcendence that motivates the individual to reject their self-interested agendas.

According to, Krishnakumar and Neck (2002:161) the construct organisational spirituality should firstly be implemented at the individual level because it would enhance organisational performance and the personal development of individuals. In addition, Krishnakumar and Neck (2002:161) argue that the organisation should also start by motivating individuals to speak openly about their spiritual views and try to relate their spiritual views with organisational values. Giacalone et al (2005:518) posit that when an organisation allows individuals to bring and transmit their own spirituality into the organisation there would be a spiritual congruence between the organisational spirituality and that of the individuals.

3.5.2 An organisational spiritual culture perspective and its implications for institutionalising the construct organisational spirituality

Organisational spirituality can be understood to represent the core elements of the organisation (Dehler & Welsh 1994:19). Giacalone's and Jurkiewicz's (2003:13) definition highlights the organisational aspect of the construct organisational spirituality by describing it as "a framework of organizational values [that are] evidenced in a culture that promotes employees' experience of transcendence through the work process, [by] facilitating their sense of being connected to others in a way that provides feelings of completeness and joy". According to Giacalone et al (2005:519) organisational spirituality can be understood in terms of elements such as vision and cultural values. These elements are the values, beliefs and basic assumptions of the organisation that form an organisational culture. In this instance the core elements of organisational culture would be values, beliefs and basic assumptions that have their essence from spirituality. According to Dehler & Welsh (1994:19) leadership vision might be a crucial factor in originating organisational spirituality within the organisation.

The organisational spiritual culture may therefore be the driving force of organisational decision-making, ethical practice, and the element that shapes employee attitude and behaviours. Leader-founder(s) who possess spiritual values may be able to foster an organisational culture that has underlying spiritual elements. Through spiritual leadership, the organisation would be able to inspire and mentor

members to apply their personal spirituality at work. Organisational spirituality distinct from organisational culture does not focus on one aspect of the individual and the organisation; rather organisational spirituality integrates the whole person at work and gives the organisation a greater sense of purpose and relevance.

The construct organisational spirituality may be institutionalised in a manner that ensures that the organisation remains spiritual. Adapted from the work of Sims's (1991:503) the following processes would be facilitated through applying organisational spirituality within the organisation:

- **Selection.** An organisational spirituality is able to select the right individuals for the organisation thus creating an individual-organisation congruency.

- **Communication and linking.** Through consistent communication and linkage, organisational spirituality ensures that new organisational members are acquainted and initiated into the organisation.

- **Spiritual training.** Through spiritual leadership new and old organisational members would be taught adequately about organisational values and beliefs. Furthermore, organisational members would be supported through the learning stage of organisational spirituality via spiritual role modelling.

- **Mentorship.** An organisational spiritual culture may be able to facilitate a spiritual role modelling relationship between the individual and organisation. The culture of the organisation furthermore promotes spiritual mentorship to organisational members.

It is the contention of this study that the processes outlined above might be successful for organisations that seek to apply organisational spirituality. The institutionalisation of organisational spirituality via the organisational perspective might satisfy the individual, the organisational and the collective levels within the organisation. These levels would be satisfied in this manner:

1. The organisation along with its employees enters a psychological contract that is based on spiritual inducements and contributions. The psychological contract is balanced not to be beneficial to one party but rather designed to be

mutually inclusive for the individuals' personal spirituality and the organisations spirituality.

2. By ensuring a fulfilment of the psychological contract. The organisation and the employees become committed to the spiritual culture of the organisation.

3. Having a vision that far-reaches individual interests and organisational interests, transcendence within organisational life may be experienced by all members. The organisation should be willing to consistently select, socialise, train, and mentor their members with regard to spirituality and organisational spirituality.

3.6 The benefits of having applied organisational spirituality

There is adequate empirical research that has been conducted indicating the possible benefits of applying organisational spirituality. These benefits give the organisation an advantage by exhibiting themselves in the organisation on both the individual level and the organisational level (Garcia-Zamor 2003:360). These benefits range from the positive impact workplace spirituality has on employee creativity, increased honesty and trust, personal fulfilment of individuals to its contribution in building community and transforming organisational ethicality and behaviour. All these benefits lead up to organisational performance and effectiveness (Krishnakumar & Neck 2002:156).

According to Ashmos and Duchon (2000:136-137) organisational spirituality creates a sense of community within the organisation. Distinct from the community and social cohesion created by organisational culture applied organisational spirituality fosters a high degree of interconnectedness and integration within the organisation as a whole. Organisations that exhibit a sense of community have the benefit of having employee retention and devotion to the organisational vision (Duchon & Plowman 2005:815; Karakas 2010:96). Through community building, applied organisational spirituality brings organisational learning to both management and employees (Howard 2002:236). The aspect of learning may entail that the organisation will be

able to receive new information that might eventually direct organisational innovation and creativity.

In addition to having organisational performance, community, creativity etc. organisational spirituality creates cultures and climates that are connected with organisational stakeholders. According to the study of Pandey and others (2008:326) they found an organisation with a spiritual climate has positive customer experiences. An organisation that has a spiritual culture may also exhibit a higher set of ethical values (Pawar 2009:246). Through community building all members share and adopt the spiritual ethical values. The spiritual ethical values also serve as a guide for appropriate behaviour (Vandenberghe 2011:220). The spiritual ethical values serve as a guide to organisational decision making when engaging external stakeholders, making profit for stockholders and facilitating caring for organisational employees.

Alongside these organisational benefits applied organisational spirituality may also affect the individual positively. This is because organisational spirituality promotes self-awareness within the individual. According to, Freshman (1999:325) the personal nature of organisational spirituality leads to the personal development of the individual. The process of personal individual development may be caused by self-actualisation facilitated through applied organisational spirituality (Fernando 2005:13-15). By allowing spiritual self-actualisation, the organisation gains individuals who are personally aware of themselves, the organisations and others. This relation allows applied organisational spirituality to have a positive effect on employee job performance and attitude (Jurkiewicz & Giacalone 2004:132). Employee job performance and positive attitudes are linked with organisations that support spiritual self-actualisation.

Furthermore, organisational spirituality develops individual-organisational congruency (Mohamed et al 2004:105). Konz & Ryan (1999:204) posit that individuals and organisations would self-select organisations and individuals that reflect their own spiritual values. An individual-organisation spiritual congruency plays a significant role in reducing organisational frustration (Kolodinsky, Giacalone & Jurkiewicz 2008:468). In this instance the organisational job design facilitated by spirituality is in harmony with the spiritual individual, thus creating a whole person

that may receive satisfaction through their work. Specifically individuals find connection and meaning within their work through spirituality (Ashmos & Duchon 2000:136).

An additional benefit of applied organisational spirituality is also that the emotional and spiritual intelligence is developed (Tischler et al 2002:211). Furthermore, organisational spirituality may enhance the intuition of organisational members, which in turn might foster creativity in the individual and organisation (Freshman 1999:325). Spiritual organisations exhibit high levels of trust and honesty amongst organisational members and these elements can lead to organisational performance via accelerated decision-making, finer communication, through management and employees (Krishnakumar & Neck 2002:158). Applied organisational spirituality increases wisdom amongst employees thus enabling them to make the right ethical choices (Bierly III et al 2000:605-609). Organisational spirituality gives organisational members personal success in life, work and relations with others and in return, members have a sense of personal fulfilment with themselves and their work (Ashar & Lane-Maher 2004:257; Krishnakumar & Neck 2002:158).

Researchers note that when organisations institutionalise organisational spirituality their values, beliefs and basic assumptions change so that the organisation may become more inclusive and whole (Giacalone et al 2005:519). The spiritual based values, beliefs and basic assumptions define the core aspect of the organisation. An organisation that institutionalises spirituality at work might adopt an inclusive and diverse system that affects the individual and organisational aspects (Freshman 1999:325). A diverse and inclusive organisation becomes highly effective for strategic leadership, creating ethical cultures, having a transcendent vision, employee satisfaction and whole person inclusion. Spiritually based values, beliefs and basic assumptions become instrumental to organisational performance and effectiveness (Garcia-Zamor 2003:361). Organisational spirituality specifically has been associated with profit maximisation of the bottom line (Marques, Dhiman & King 2005:84)

Below in Table 2 is a summary of the benefits of having an institutionalised organisational spirituality.

Table 2 Summary of the benefits of having an institutionalised organisational spirituality

Author	Organisational spiritual benefits
Giacalone et al 2005:519	Inclusive values, vision and organisational culture
Ashmos & Duchon 2000:136-137; Duchon & Plowman 2005:815; Karakas 2002:96	A community based organisation
Howard 2002:236	Increased organisational learning and creativity
Pandey et al 2008:326	Stakeholder friendly culture or climate
Pawar 2009:246; Vandenberghe 2011:220	Transcendental ethical values
Fernando 2005:1315	Individual self-development and spiritual self-actualisation
Jurkiewicz & Giacalone 2004:132	Employee job performance, satisfaction and positive attitude

Author	Organisational spiritual benefits
Mohamed et al 2004:105; Konz & Ryan 1999:204; Kolodinsky et al 2008:468	Individual-organisational congruency
Ashmos & Duchon 2002:136	Finding purpose and meaning through work
Tischler et al 2002:211	High levels of emotional and spiritual intelligence
Freshman 1999:325	Intensified levels of intuition
Krishnakumar & Neck 2002:158	Higher levels of trust and honesty amongst members, management and the organisation
Bierly III et al 2000:605-609	Higher levels of wisdom and wise decision-making
Ashar & Lane-Maher 2004:257	Maximised potential, personal and organisational successes
Garcia-Zamor 2003:361; Marques et al 2005:84	Organisational performance, effectiveness and profit maximisation

It is very much evident from the summary of Table 2 that there are many individual and organisational benefits related to having applied organisational spirituality within the organisation. However with all the associated benefits, organisational spirituality is not the '**it thing**' to maximise organisational profit.

3.7 Organisational spirituality and ethics

The relationship between organisational spirituality and ethics has been given adequate attention in research (Pawar 2008:246). This might be because the construct organisational spirituality and the phenomenon organisational spirituality cannot be

separated from ethics, values, beliefs and basic assumptions. A core element of the construct organisational spirituality is that the "… organizational **values** are evidenced in the culture…" of the organisation (Giacalone & Jurkiewicz 2003:13). According to Ferguson & Milliman (2008:441) the organisational values, beliefs and basic assumptions intrinsically influence behaviours and attitudes of individuals and the organisation in their pursuit of transcendent societal goals. From this an inference is made that simple values and ethics might not be enough for organisational survival and adaptation. Organisational consciousness evidenced through the rejection of self-interested organisational goals and the utilisation of spiritual ethical values as governing principle within the organisation may just be critical elements required from the twenty first century organisation.

Another consideration regarding the relation of the construct organisational spirituality and ethics is that spirituality may also influence ethics on two levels namely the individual level and the organisational level. Giacalone's & Jurkiewicz's (2003:13) definition refers to the individual level influence by stating that the individual being connected to others and experiencing transcendence is more aware of others and avoids self-interested behaviour or inclinations and with this disposition the individual is prompted to ethical behaviours (Corner 2009:378). The organisational spiritual values are evidenced in a culture that has accommodated individual personal spirituality, which is ethically driven, and managed by leader-founder(s) that are spiritual and virtuous people.

According to Hunt, Wood & Chonko (1989:79) ethical values are the "composite of the individual ethical values of managers in both the formal and informal ethical systems of the organization". These derive their essence from the core values manifested through culture. It is the ethical values of the organisation that determine what are right and wrong behaviours of the organisation (Hunt et al 1989:80). This is further evidence that ethical values cannot be separated from the organisation, because of their link to the organisational values, beliefs and basic assumptions.

From the above paragraph, it might be logical to infer that the ethical values of the organisation may be impacted by the spiritual values, beliefs and basic assumptions that drive the organisation. The ethical culture of the organisation may be highly

motivated by spiritual ethical values of the organisation. Through spiritual leadership, the ethical culture of the organisation would inspire members to have transcendent ethical behaviours (Fry 2005:64-65). In addition, a spiritual ethical culture would compel the organisation to make decisions that are beyond the organisation's selfish interests. A spiritual ethical culture would also inspire the individual to have intrinsic ethical values that inspire transcendence of selfish interests (Morton et al 2006:399).

3.7.1 The role of leadership in establishing a spiritual ethical culture

Chapter two indicated how the leader-founder(s) and leadership play a significant role in creating ethical cultures or climates of the organisation. Researchers also highlighted that the leader-founder(s) are the significant influencers of ethical conduct (Giacalone & Jurkiewicz 2003:86). In this section the contention is that spiritual ethical cultures may follow a similar construction in that the leader-founder(s) has a significant role to play in their formation. Spiritual ethical cultures or climates may be derived from the espoused spiritual values, beliefs and basic assumptions of the leader-founder(s) (Dent et al 2005:627).

The definition given by Giacalone and Jurkiewicz (2003:13) suggests that the organisational values are evidenced through the culture of the organisation. At the organisational construct level, it was noted earlier that strategic leaders are tasked with setting the goals, vision and values of the organisation (Giacalone et al 2005:519). It is at this level that leader-founder(s) transmit their spiritual ethical values into the organisational culture that in turn might establish the spiritual ethical culture.

It is through spiritual leadership that leader-founder(s) can transmit and embed their spiritual values, beliefs and basic assumptions into the organisation (Fairholm 1996:13). Ferguson & Milliman (2008:445) posit that spiritual leadership is effective in the establishment of effective organisational values, beliefs and basic assumptions of the organisation. This is because spiritual leaders discard self-interested agendas to focus on ultimate ethical values such as integrity, benevolence and justice (Fairholm 1996:12). It is also the contentions of Parboteeah and Cullen (2003:144-146) that

having a culture or climate that promotes benevolence and integrity within the organisation could improve the ethicality of the organisation. Taken from Fairholm (1996:13-14) the elements of moral spiritual leadership that are:

- **Building shared values.** Spiritual leaders inspire shared community values amongst followers.

- **Vision setting.** Spiritual leaders lead within a framework of a common sustainable vision for all.

- **Sharing meaning.** Spiritual leader create meaning for followers.

- **Enabling.** Spiritual leaders inspire a sense of leadership and self-leadership amongst followers.

- **Influence and power.** Spiritual leaders have the charisma to influence and not to manipulate or force followers to follow their vision.

- **Intuition.** That through intuition, spiritual leaders are able to understand the group dynamic and therefore tap into the shared power and values of the group.

- **Risk taking.** Spiritual leaders are pioneers of their industry, organisation and society. Risk taking and challenging existing paradigms is an element that allows them to be successful

- **Service.** Spiritual leaders are servants before they are leaders of men.

- **Transformation.** Spiritual leaders are the catalyst for organisational, industry, and follower transformation. This aspect of the spiritual leaders allows them to bring out the best in others.

Building on and using some of these elements, Ferguson & Milliman (2008:459) contended that spiritual leadership with the elements above provided the essential basis for establishing the core organisational values. These in return become the foundation for creating a spiritual ethical culture or climate. The spiritual ethical

culture and climate of the organisation is significant for designing the formal and informal spiritual ethical values of the organisation.

3.7.2 Spiritual ethical values

The rationale behind spiritual ethical values is that they draw their basis from a spiritual ethical culture, which in turn draws its essence from the organisational spiritual values, beliefs and basic assumptions of the organisation. The universal essence of spiritual ethical values may allow them to be congruent with the individual and organisational values. The intrinsic commonality of spiritual ethical values may further make them open to common consent within the organisation. Thus making them simple to implement and practice within the organisation. Spiritual ethical values have a deeper foundation than normal ethical values. Spiritual ethical values have a foundation that is more integrated, inclusive, and conscious. This foundation fosters them to have a sense of transcendence. According to Schwartz and Bilsky (quoted by Schwartz 1992:4) values are "[shared] beliefs [of an organization or individuals that] pertain to desirable behaviors [that] transcend specific situations [which in turn] guide [the] selection of behavioral events that are directed by relative importance".

Spiritual ethical values may become as a basis of being the common beliefs of individuals and organisations, the ethical values that guide the ethical behaviour, reasoning and decision-making of individuals and organisations when they are confronted by ethical dilemmas. Spiritual ethical values can be, in a manner that is formal or informal (Hunt et al 1989:79). Furthermore, spiritual ethical values affect the individual, organisation and individual-organisation levels. The organisation's spiritual ethical values thus may have a fundamental impact on the ethical activity of the organisation (Russell 2001:76).

According to Kriger & Hanson (1999:306) spiritual ethical values can be terminal or instrumental. They can be ends in themselves or the means towards desired behaviours. In their research, Jurkiewicz & Giacalone (2004:132) identified ten spiritual ethical values that spiritual organisations possessed and these spiritual

organisations could be associated with. They further assert that these spiritual ethical values could influence organisational performance and effectiveness (Jurkiewicz & Giacalone 2004:132). Taken from Jurkiewicz & Giacalone (2004:132-135) the ten spiritual ethical values are:

- **Benevolence.** The ability to show kindness towards others and an orientation to promote the happiness and prosperity of employees and other external stakeholders within the organisational context.

- **Generativity.** The inclination to have long-term focus by showing a concern for the future consequences of actions taken now.

- **Humanism.** Establishes practices and policies that assert the essential dignity and worth of each employee. These provide an opportunity for individuals to achieve personal growth and development in co-occurrence with organisational values, vision and mission.

- **Integrity.** The ability to be uncompromising in complying with codes of conduct. In addition, integrity motivates leaders and followers to consistently adhere to the organisational spiritual ethical values.

- **Justice.** Organisational justice deals with the equal treatment of all organisational members by being impartial, fair and honest about rewards and punishments.

- **Mutuality.** All members are interconnected and mutually dependent to each other through organisational community building. The individual works with others to achieve a greater target.

- **Receptivity.** The value of being open-minded and flexible but at the same time thinking about the situation by taking calculated risks.

- **Respect.** The ability to regard and treat all employees and organisational stakeholders with esteem and value.

- **Responsibility.** The concern to follow through on achieving the set goals no matter how difficult the task is. In addition, the concern is about doing what is right rather than doing the right thing.

- **Trust.** The ability of employees to confidently depend and rely on the character, word, statements and truth of the organisational values, mission, vision and organisational management.

It is the contention of Kolodinsky et al (2008:467) that employees are most likely to identify with organisational cultures or climates that exhibit spiritual ethical values. They contend that the congruency of employee personal spiritual ethical values and those of the organisation will produce organisational performance and effectiveness (Kolodinsky et al 2008:467). Furthermore, Jackson (1999:64) expresses that having spiritual ethical values could be an advantage also to regulating multi-national corporations.

3.7.3 Maintaining the spiritual ethical culture

To have spiritual ethical values within the organisation is not merely enough to ensure their maintenance and adherence, so more practical and profound activities are needed to ensure that there is adherence to them (Kriger & Hanson 1999:312). Taken from the work of Kriger & Hanson 1999:312) the following activities are suggested for supporting the spiritual ethical values of the organisation:

- **Behaviour [that] is consistent with [the] values.** The behaviour of the leader-founder(s), management and followers should be consistent with their daily confessions or expressions of the spiritual ethical values.

- **Creating a [culture] or climate where morality and ethics are truly valued.** Leader-founder(s) and management should ensure that the culture or climate of the organisation supports the personal spirituality of members and that the culture or climate is supportive of shared spiritual ethical values.

- **Legitimising different viewpoints, values and beliefs.** The ability to evaluate contradicting perspectives in order to find a common ground. The strength lies within the notion that the perspectives are complementary and not competing.

- **Developing [a sense of] imagination, inspiration and mindfulness.** Imagination and inspiration are the bases for the ability to feel what another is feeling, to see what can be created from a field of latent possibilities. To have mindfulness is the ability to appreciate new possibilities and alternative ways of thinking.

- **Letting go of [presumed] expectations.** The leader-founder(s) should let go of pre-existing concepts and expectations; they remain possible hindrances for organisational development, the effective implementations for a spiritual ethical culture and the adherence of spiritual ethical values.

- **Acknowledging the efforts and accomplishments of others.** Leader-founder(s) should acknowledge the positive accomplishments of organisational members who try to adhere to the shared spiritual ethical values. Not only should they reward accomplishments but they should also punish deviant behaviours of members.

- **Creating organisational processes that develop the whole person-[and not] just exploiting the current talents and strengths [of individuals].** The organisational work design and systems should integrate processes that will develop employees. These remain important for processes and systems that promote the spiritual ethical values of the organisation. The systems and processes should facilitate and cater for different members within the organisation.

3.8 From common business ethics principles to organisational spirituality

In light of the past trend of unethical and corruption scandals evidenced in corporations like Enron, Parmalat and WorldCom Inc., etc. there is an urgent need to rethink the frameworks and models that determine organisational ethics as a discipline

and practice within organisations (Giacalone 2004:418; Ahmed, Chung & Eichenseher 2003:89). Rost (1995:138) reiterates the above assumptions by stating that there needs to be a paradigm shift in ethical theories and ethical models. In this section, we argue that the construct organisational spirituality embodies the requirements to develop a new paradigm for organisational ethics. In addition, the construct organisational spirituality when applied to organisational ethics plays a significant role in transforming the ethicality of organisations.

Before a new paradigm for organisational ethics is introduced, it is firstly important to understand the existing and current theories that have been governing organisational ethics as a discipline and as a practice. Most of these theories are relatively individualistic, open to grey-area interpretations, they are biased, too focused on rights and rules, competition and utility (Rost 1995:138). Rossouw and van Vuuren (2010:67-80; 82-95) ascertain that there are ethical theories that have pioneered organisational ethics throughout history and now. These ethical theories have been the source of how organisational ethical models for organisations. Taken from Rossouw and van Vuuren (2010:67-80; 82-95) these organisational ethical theories are:

3.8.1   "**Aristotelian virtue ethics.** Pioneered by the Greek philosopher Aristotle virtue ethics asserts that morality is both necessary and vital for human beings, that it is impossible to live with human dignity without being a rounded off moral being. Aristotle's virtue ethics involves four elements that are critical for morality and the ethicality of the individual, elements such as: the telos, self, virtues, *telos*, and the mean. Are important to understanding Aristotle's virtue ethics and how virtue ethics develops ethicality and morality within the individual".

3.8.2   "**Kantian deontological ethics.** Pioneered by the German philosopher Immanuel Kant deontological ethics asserts that moral behaviours require conformity to rationally founded moral principles. Kant believed that the moral **ought** cannot be deduced from the practical **is**. Deontological ethics asserts that moral guidance is our rationality outside of our prior practical experience. That humans have a good will this is a will that adheres to the

universal moral laws, furthermore deontological ethics asserts that a good will can be cultivated through our own rational ability. The universal law according to deontological ethics is the **categorical imperative.** The categorical imperative can also be used as the guiding precept to make moral decisions from".

3.8.3   "**Utilitarian ethics.** Predominantly represented by John Mills utilitarian ethics posits that the morality of actions should be judged by their consequences. Utilitarian asserted that the ultimate goal of human life is happiness and that any actions or behaviors should be judged on whether it contributed to the happiness of human beings or society".

3.8.4   "**Corporate social responsibility ethics.** Pioneered famously by Milton Friedman this theory asserts that the social responsibility of businesses is to increase its profits, and that business should only engage in corporate social responsibility endeavors if they will benefit the business. It thus posits that moral practices or social responsibilities done by businesses are short-sighted if not used to gain profit or expand the business".

3.8.5   "**Corporate moral agency ethics.** Represented by Peter French this theory asserts that moral persons should be held responsible for their actions. This theory understands businesses as moral persons or agents that can be held accountable for their actions and thus must take responsibility for their moral actions".

3.8.6   "**Stakeholder theory ethics.** This theory states that business should not only focus on stockholders value but the businesses also have an obligation to their stakeholders. Edward Freeman is the known pioneer of this theory and the assertion is that the organization should always balance between the

stockholder and stakeholders of the organization. Stakeholders are viewed as both internal and external constituencies that affect the organization".

According to Valentine and Bateman (2011:156) these ethical theories play a significant role when it comes to the ethical reasoning of individuals and organisations. Rost (1995:138) states that these ethical theories have served business ethics well throughout and until this time. With the recent corporate scandals, it is evident that these ethical paradigms have fallen short of spurring an intrinsic motivation of ethicality within individuals' and organisations.

3.8.7 Organisational spirituality: Towards a new construct for organisational ethics

Although there is relatively little empirical research that links organisational ethicality to organisational spirituality (Gotsis & Kortezi 2008:587) in the study, the two ideas of ethics and organisational spirituality are linked to develop a picture of how organisations can attain transcendent values and ethics. The study adopts the position that organisational spirituality is instrumental for developing a new theoretical construct for organisational ethics. I concur with that organisational spirituality is instrumental for developing intrinsic ethicality within the organisation and within the individuals'.

The study adopts the position that the construct organisational spirituality has an **applied** aspect to it (Heaton, Schmidt-Wilk & Travis 2004:64). Heaton et al (2004:64) posit that applied spirituality draws its essence from the construct organisational spirituality. According to Cavanagh & Bandsuch (2002:112) spirituality (applied spirituality) has the capacity to stimulate and support good moral habits, these being produced for the organisation and for the individual. They further assert that to evaluate whether applied spirituality is a suited and appropriate paradigm it should be expected to exhibit that it can develop and produce ethicality within the organisation and for the individual (Cavanagh & Bandsuch 2002:112). I pose that applied spirituality has the capacity to produce and motivate intrinsic ethicality within organisational members.

3.8.7.1 Developing a framework organisational ethics

I argue that intrinsic within the understanding of the construct organisational spirituality a theoretical basis for transcendent morality and ethics exists. Underlying the construct organisational spirituality the fundamental elements necessary for transforming organisational ethics are present. The operational definition of organisational spirituality taken from Giacalone & Jurkiewicz (2003:13) states that organisational spirituality is "a framework of organizational values [that are] evidenced in a culture that promotes employees' experience of transcendence through the work process, [by] facilitating their sense of being connected to others in a way that provides feelings of completeness and joy".

The definition provides crucial elements that have been previously neglected by traditional ethical paradigms. Taken and adapted from the work of Pawar (2009), Heaton et al (2004) and Gotsis & Kortezi (2008) the construct organisational spirituality as a better basis for an ethical framework provides for: (a) transcendent organisational values evidenced through organisational culture, (b) transcendence of self-interests, and (c) a profound devotion to community. These are discussed below:

- **Transcendent organisational values evidenced through organisational culture.** Organisational values created within the organisation appeal to the higher-order needs of organisational members (Gotsis & Kortezi 2008:588). The organisational values have a sense of purpose and meaning for the organisation and members. The organisational values are stakeholder focused rather than individualistic or organisational centred. The organisational values are a collective effort of consensual meanings (Sass 2000:200). Furthermore, the values created and adopted are empowering in nature (Giacalone et al 2005:519). The values are also holistic and inclusive of the whole person, thus allowing the whole person to grow and develop in the organisation (Butts 1999:329). Organisational higher-order values guide organisational members to act in ethically and socially responsible manners (Ferguson & Milliman 2008:443).

- **Transcendence of self-interests.** Organisational spirituality emphasises that the organisation and organisational members are connected to others thus unconsciously the self-interested agendas are discarded for more inclusive agendas. This idea also advocates for the ethical responsibility of actions by the organisation and its members. By being integrated with others, the organisation and members are focused on the greater good (Ashar & Lane-Maher 2004:254). This idea expresses commitment to others' interests rather than individualistic economic interest thus organisational spirituality focuses on having concern for the greater good (Pawar 2009:149).

- **Profound devotion to community.** The third element within the construct organisational spirituality is the notion that individuals and the organisation are part of a community (Duchon & Plowman 2005:814). When members and the organisation are part of the community there is sacrifice, commitment, mutual obligation and sharing (Duchon & Plowman 2005:814). The construct organisational spirituality endorses ideas of interconnectedness and interdependence (Gotsis & Kortezi 2008:587).

The critical elements of ethicality that previous paradigms had left out are notions of transcendent values in culture, transcendence of selfish-interests and a sense of devotion to the community. These elements are the foundation for an organisational ethical framework. Gotsis and Kortezi (2008:588) highlight that ethical values are acted out only when all members share the framework of principles and it appeals to the intrinsic ethicality of the individuals. There is ample reason for adopting the construct organisational spirituality as a framework to draw up the governing ethics of individuals and organisations (Collins 2010:97).

3.8.7.2 Applied spirituality: A transforming agent for organisational ethics

The most common problem that organisations face with ethics is how to ensure that ethicality comes from within the organisational members. As noted, the term applied spirituality implies to such manifestations of the construct organisational spirituality (Heaton et al 2004:64). Applied spirituality can be manifested through the

organisational and individual ethicalities to exhibit higher degrees of ethical sensitivity, awareness, judgment, reasoning and behaviour (Gotsis & Kortezi 2008:587). Gull and Doh (in Gotsis & Kortezi 2008:590) state that organisations that deny their members the expression of their personal spirituality restrict themselves of having benefits associated with applied spirituality. A noted benefit of applied spirituality is manifested through individual awareness and adherence to a higher view of ethical values.

Applied spirituality is a fundamental characteristic that appeals to the intrinsic ethicality of the individuals and these individuals developing in conjunction with organisational values, beliefs and basic assumptions of the organisation (Heaton et al 2004:64) have a sense of ethical proactivity. Applied spirituality supports the established spiritual ethical culture or climate of the organisation. By appealing to the intrinsic ethicality of the individuals, applied spirituality makes it easier for organisational members to have a sense of spiritual ethical congruency with the organisation's spiritual culture.

Applied spirituality furthermore manifests the spiritual ethical values that espoused within the concept of organisational spirituality. Along with manifesting them applied spirituality enhances these spiritual ethical values within the organisation and organisational members. These spiritual ethical values further shapes the attitudes and behaviours of the organisational members. According to Fry (2005:55) values produce attitudes, while attitudes are the evaluation predispositions that persuade an individual to act in a certain way. Fry (2005:55) further posits that attitudes contain three important components: "(a) a cognitive component, (b) an affective component, and (c) a behavioral component. These elements are amplified through the application of organizational spirituality".

We can thus posit that applied spirituality will transform the organisational ethicality of organisational members firstly, by connecting with and enhancing with the intrinsic ethicality of individuals, thus allowing them to exhibit transcendent ethicality. Secondly, applied spirituality manifests the ethical values characterised within the concept of organisational spirituality, while in turn, ethical values shared by organisational members shape attitudes and behaviours of organisational members.

These ingredients offered by the concept of organisational spirituality through being applied are significant for ensuring that the organisation and its members have transcendent ethicality that in turn affects organisational performance and effectiveness within the organisation.

3.10 Organisational spirituality: A new construct for organisational ethics

Rost (1995:139-140) posed that a new paradigm for organisational ethics should be developed. According to Rost (1995:139-140) there are five requirements that a new paradigm should fulfil before being adopted as a sufficient model to govern organisational ethics. These requirements are:

- The new paradigm should be group orientated and not individualistic.

- The new paradigm should be process orientated.

- The new paradigm should be able to articulate an ethical framework that will develop virtuous organisations and communities.

- The new paradigm should be clear on the understanding of the common good, and lastly

- The new paradigm should be free of all biases.

The Organisational spirituality as a new paradigm for transforming organisational ethics fulfils some of Rost's positions in the following manner:

- **Group orientation.** With a profound devotion to community, the construct implies that the group or others are central. Through the shared organisational values in the culture, the construct exhibits that these can only be evidenced if all organisational members participate.

- **It is process orientated.** All members share the spiritual ethical values of the organisation within the organisation. The process of having a solid spiritual ethical system starts with individual spiritual transformations that later become

the shared organisational values. Reave (2005:670) posits that the leaders integrity affects the ethical behaviour of followers.

- **Virtuous organisations and communities.** Through applied spirituality, intrinsic ethicality is enhanced. Spiritual ethical values are manifested and adhered to. These in return affect the attitudes and behaviours of the organisation.

- **Common good.** The construct organisational spirituality commands transcendence of self-interested agendas to accommodate others. There is a constant emphasis on the interests of others rather than of self. This consistently articulates within all aspects and dimensions of the construct.

- **Free of bias.** The non-religious aspect of organisational spirituality allows it to accommodate all people. Spiritual ethical values have a common human consensus that they are evidenced through most cultures. The construct organisational spirituality further does not have a male-female, they-them, you-us, element rather the concept embodies the idea of inner joy and happiness.

Chapter 4

Organisational spirituality, leadership and spiritual leadership

4.1 Introduction

In chapter three discussion about the construct organisational spirituality revealed that it is a multifaceted and a **whole person**-encompassing construct. In addition, chapter three briefly highlighted how the leader-founder(s) play a significant role in forming the spiritual culture and the spiritual ethical culture of the organisation. In this section, specific attention will be given to the relationship between organisational spirituality and leadership.

According to Rost (1990:133) leadership is "an influence relationship among leaders and collaborators who intend real changes that reflect the purposes mutually held by both leaders and collaborators". Although with this well-defined understanding of leadership organisations and employees seek more than best leadership and management practice from their leader-founder(s) (Konz & Ryan 1999:202), contemporary organisations and leader-founder(s) are faced with various challenges that demand a change in the paradigm and discourse on leadership. Challenges such as globalisation, employees' quest for meaning in their work, and organisational and individual search for transcendent values have contributed to some recent changes within the field of leadership research. Avolio and Gardner (2005:316) posit that some of these challenges indicate to researchers that there is the need to determine what constitutes genuine leadership.

Sendjaya, Sarros and Santora (2008:402) note that with these challenges plaguing the contemporary organisation the introduction of the construct organisational spirituality and leadership is no surprise to research. According to Konz and Ryan (1999:202) organisations have a variety of personal spiritualties and there is a need for organisations to find leaders that will serve as spiritual guides and maintain the spirituality of the organisation. Konz and Ryan (1999:202) note that it is pre-

eminently the spirituality of the leader-founder(s) that develops and maintains the organisational spirituality.

4.2 From leadership to spiritual leadership

Authors have viewed leadership as field of research enquiry as a **soft field** arguing that the inclusion of terms such as transformation and spirituality further soften the field of leadership enquiry (Chakraborty & Chakraborty 2004:194). Sanders, Hopkins and Geroy (2005:56) posit that there might be a causal relationship between organisational spirituality and leadership. Pruzan (2008:101) even posits that research has demonstrated that there is such a relationship between spirituality and leadership.

According to Sanders et al (2003:23) spiritual leadership might also be an augmentation of earlier leadership concepts such as transactional and transformational leadership constructs. It is therefore important to briefly explain some leadership concepts that have influenced the concept spiritual leadership. Leadership constructs such as transformational leadership, servant leadership, authentic leadership, and principle centred leadership are discussed briefly below in order to highlight some key aspects found within spiritual leadership, and they are briefly discussed as follows:

- **Transformational leadership construct.** According to Bass (1990:21) transformational leadership "occurs when leaders broaden and elevate the interests of their employees, when they generate awareness and acceptance of the purposes and mission of the group, and when they stir their employees to look beyond their own self-interest for the good of the group". One recognised aspect of transformational leadership has been the ability to intrinsically motivate followers (Fry 2003:702). However, this does not mean that transformational leadership will motivate followers to have or share the same values as the leader-founder(s) (Price 2003:70). According to Bass and Steidlmeier (1999:184) there are two distinguishable variants of transformational leadership, namely authentic

transformational leadership and inauthentic transformational leadership. Bass and Steidlmeier (1999:184) distinguish between the two variants in this manner that authentic transformational leaders focus on moral values whilst inauthentic transformational leaders are characterised by conscious or unconscious acts of unethical behaviour. Another critical aspect of authentic transformational leadership is that authentic transformational leadership focuses on the common or greater good of the group (Bass & Steidlmeier 1999:186). An impairing element to both authentic and inauthentic transformational leadership is that both these variants may be deceptive and manipulative in their goal to achieve common good (Bass & Steidlmeier 1999:186). Furthermore, this drive for leader-founder(s) to serve the common good or group may allow leader-founder(s) to justify certain actions, regardless of whether they are ethical or unethical (Price 2003:76).

- **Servant leadership construct.** A recognised pioneer on the servant leadership approach is Robert Greenleaf. The premise of servant leadership is that servant leadership starts when the leader(s) assume the role of servant in their relationship with employees (Russell & Stone 2002:145). Within the discourse about servant leadership there are certain overlapping attributes that are also found within spiritual leadership (Fry et al 2007:6), attributes such as vision, love for others, service, community building, etc. (Russell & Stone 2002:146). Thus, it may become easy to confuse and interchange servant leadership with spiritual leadership. According to Sendjaya and others (2008:405) servant leadership is an extension of other leadership theories namely transformational, authentic and spiritual leadership. Fry and others (2007:7) contend that spiritual leadership is an integrating paradigm for servant leadership. According to, Fry and others (2007:6) a criticism of the servant leadership approach is that servant leadership is centred on the individual needs of organisational members. The focus of leader-founder(s) to continuously serve the needs of individual members could be at the detriment of the organisation (Fry et al 2007:7).

- **Authentic leadership construct.** The concept of authenticity according to Avolio and Gardner (2005:319) has its origins from Greek philosophy that

focuses on being your own self and being true to own self. However, Avolio and Gardner (2005:321) assert that current ideas of authentic leadership derive their origin in positive psychology. According to Shamir and Eilam (2005:399) authentic leaders can be defined through four characteristics, namely: "the degree of person-role merger, the level of self-concept and the extent to which this clarity centres around strongly held values and convictions, the extent to which their goals are self-concordant and the degree to which their behaviour is consistent with their self-concept". Furthermore, Shamir and Eilam (2005:399) highlight that authentic leader development has four developmental elements, namely: "the development of [the] leader's identity is a central element to his/hers self-concept, [a] development of self knowledge and self-concept clarity, the development of goals are concordant with the self-concept, and [the development of] increasing self expressive behaviours, that are consistent with the leader's behaviours and the leader's self-concept". In addition to the above positions, Shamir and Eilam (2005:400) posit that another critical aspect of authentic leadership is that authentic leadership also has authentic followership. Authentic followership entails that the followers follow the leader-founder(s) for authentic reasons and share an authentic relationship with the leader-founder(s) (Shamir & Eilam 2005:401). Avolio and Gardner (2005:322) state that the development of authentic leadership relies on leader-founder(s) and followers gaining self-awareness and the establishment of authentic relationships.

- **Principle centred leadership construct.** The principle centred leadership concept is mostly recognised through the work of Stephen Covey. According to Fry (2003:709) Covey's principle centred leadership focuses on leader-founder(s) that find service to others to be in unison with natural laws and universal principles. According to Covey (1992:72) the concept of principle centred leadership is an integrating concept that best facilitates organisational development. Certain key principles such as trustworthiness, trust empowerment and alignment might play a critical role in the developmental phases of the organisation (Covey 1992:72). Furthermore, Covey (1992:74) states that for leader-founder(s) to increase quality, effectiveness, creativity and a culture of total organisational integrity they need to apply four

foundational principles namely trustworthiness, interpersonal trust, managerial empowerment and organisational alignment. These principles might be the critical elements that provide guidance to the leader-founder(s) personal lives and the organisation (Covey 1992:74).

This brief discussion on the above leadership concepts has highlighted key and critical aspects needed by leader-founder(s) to lead and create effective organisations. It seems clear, on the one hand, that some of these concepts have neglected the spiritual aspect of the individual and the organisation. On the other hand, the above leadership concepts however have provided significant characteristics found within the concept of spiritual leadership. It has been noted that the concept spiritual leadership is inclusive and encompassing of other leadership theories (Fry 2003:716; Korac-Kakabadse, Kouzmin & Kakabadse 2002:169).

4.3 The construct spiritual leadership

A significant consternation about the construct spiritual leadership according to Fry (2003:721) and Crossman (2010:604) is that the construct still needs to be critically engaged as a possible leadership paradigm. Alongside this consternation about minimal conceptual understanding is also the lack of empirical evidence to support the concept spiritual leadership (Sendjaya 2007:105). Nonetheless, spirituality is recognised as an integral part of leadership in modern organisations (Aydin & Ceylan 2009:185). The subject of spiritual leadership has entered organisational and leadership discourse, namely because leader-founder(s) are using their spiritual backgrounds to make organisational decisions and followers are looking at their leaders and organisations to facilitate their spiritual development and search for transcendence and meaning (Konz & Ryan 1999:202). Looking at past leadership constructs that allude to spirituality within leadership by using and confusing words such as dedication, mission and vision, team spirit, and serving to mean spiritual leadership (Fairholm 1996:12), researchers such as Fry (2003:721) and Crossman (2010:604) have expressed the opinion that there needs to be a conceptual distinction made between spiritual leadership and other leadership concepts.

The construct spiritual leadership according to Fry (2003:708) can be understood as forming part of research on the construct organisational spirituality. Crossman (2010:597), however, argues that the construct spiritual leadership can be interpreted on many levels. Nonetheless, the construct spiritual leadership moves on from past leadership concepts (Korac-Kakabadse et al 2002:173) that have neglected the spiritual aspect (Fry 2003:694) of the leader, follower and the organisation (Crossman 2010:597). The spiritual leadership construct delves into the need for spiritual expression, maintenance, and survival of the leader-founder(s), employees (Fry 2003:711) and the organisation. According to Fry (2003:711) spiritual leadership can be defined as "the comprising values, attitudes and behaviors that are necessary to intrinsically motivate one's self and others so that they have a sense of spiritual survival through calling and membership". The definition according to Fry (2003:711) entails that:

- [Spiritual leadership] "creates a vision wherein organizational members experience a sense of calling in that their life has meaning and makes a difference".

- [Spiritual leadership] "establishes a social/organizational culture based on altruistic love whereby leaders and followers have genuine care, concern, and appreciation for both self and others".

According to Fry and Matherly (2006:4) the construct spiritual leadership was developed as "an intrinsic motivation model that incorporates vision, hope/faith, and altruistic love, theories of organizational spirituality, and spiritual survival/well-being". In addition, the construct spiritual leadership also facilitates and maintains the expression of the leaders', individual and organisational spiritualties. Fry and Matherly (2006:4) further understands the construct spiritual leadership to be a causal theory of organisational transformation. Pruzan (2008:101) and other researchers such as Korac-Kakabadse et al (2002:173) argue that the departure point of spiritual leadership is the leader-founder(s) own spiritual transformation and self-awareness.

4.4 Theoretical models of spiritual leadership

After their spiritual transformation and self-awareness leader-founder(s) have an exercise of interpreting for themselves the spiritual change and renewal that they have encountered through leadership. In their exercise of spiritual leadership the leader-founder(s) leadership practice is most likely to fall into and revolve around certain spiritual attributes, namely the inner journey, meaning and significance, wholeness and connectedness (Hoppe 2005:85). Leader-founder(s) when applying spirituality in their leadership practice might consider one or all the spiritual attributes (Hoppe 2005:85) given above. This study departs from the assumption that spiritual leadership models are built to address the above broad spiritualty attributes posed by Hoppe (2005:85) within the current discourse on spirituality and leadership. Taken from Hoppe (2005:85-87) these spiritual attributes are explained briefly below to give a contextual understanding of the purpose of spiritual leadership models:

- **The inner journey.** Leader-founder(s) and followers may start by discovering who they are by looking deep inside themselves because this sets the compass for the search for truth and meaning.

- **Meaning and significance.** In their daily working leader-founder(s) try to make sense of work and the world and their purpose within. According to Hoppe (2005:85) this is what gives a greater understanding of the self and meaning of the individual. Bolman and Deal (quoted by Hoppe 2005:86) pose that the attribute of meaning enables spiritual leaders to "offer the gift of significance rooted in confidence that the work is worthy of one's efforts and the institution deserves one's commitment and loyalty".

- **Wholeness.** Leader-founder(s) understand that the greater or common good is necessary for individual and community building. According to Greenstreet (in Hoppe 2005:86) the self-awareness element found within spirituality further promotes wholeness for the leader-founder(s). The transcending self creates a sense of awareness and experience of others.

- **Connectedness.** On account of the wholeness encounter the leader-founder(s) find themselves experiencing a sense of connection to others, the universe and God. This experience for the leader-founder(s) is significant in highlighting how they fit in the bigger frame of the common or greater good.

Given the brief explanation of the spirituality attributes a context has been established to highlight the areas that spiritual models revolve around. Discourse on spiritual leadership has developed two pioneering theoretical models of spiritual leadership recognised and used within spiritual leadership discourse. The theoretical models of spiritual leadership are attributed to Gilbert Fairholm and Louis Fry and are discussed briefly below to give foundation to the concept spiritual leadership.

4.4.1 Fairholm's spiritual leadership model

In his 1996 article in the Leadership & Organization Development Journal Fairholm (1996:13) proposed a holistic theoretical model of spiritual leadership that embodied characteristics that were found in different organisations. The spiritual leadership model proposed by Fairholm (1996:13) has these characteristics:

- A carefully designed corporate philosophy or vision embedded in an organisational culture.

- A value of personal and other forms of development to become one's best self.

- Commitment to serving others.

- A sense of interactive, mutual trust.

- An authentic concern for people and organisational goals.

- An environment that encourages openness, fairness, individuality and creativity.

- Commitment to group unity, teamwork and sharing.

- Integrity in all interpersonal relationships.

- Simplicity and flexibility of structure and systems.

- A process that emphasises continuing evaluation of progress.

4.4.2 Fry's spiritual leadership model

In his article to The Leadership Quarterly, Fry (2003:694) argues that the concept spiritual leadership is critical for organisational transformation and the success of the learning organisation. Fry (2003:695) posits that his theoretical model of spiritual leadership has intrinsic motivation qualities that lead to spiritual survival and further that the model is inclusive of the "religious, ethics and values-based approaches to leadership" (Fry 2003:696). In addition to the above, Fry's (2003:695) model of spiritual leadership also has causal elements:

- Through creating a vision organisational members can experience a sense of life calling.

- By establishing, an organisational culture based on altruistic love leaders and followers will have genuine care, concern and appreciation for themselves and others.

According to Fry (2003:695) there are certain qualities that are necessary for spiritual leadership. Adapted from Fry (2003:695) the spiritual leadership qualities that are necessary to intrinsically motivate one's self and others to have spiritual survival are given in Table 3 below:

Table 3 Qualities of spiritual leadership

Vision	Altruistic love	Hope/faith
Broad appeal to key stakeholders Defines the destination and journey Reflects high ideals Encourages hope/faith Establishes a standard of excellence	Forgiveness Kindness Integrity Empathy/compassion Honesty Patience Courage Trust/loyalty Humility	Endurance Perseverance [Does] what it takes Stretch goals Expectation of reward/victory

Source: Adapted from Fry (2003).

Spiritual leadership models may be used within the organisation as a management approach for the spiritual expression, survival and maintenance of the leader, followers and the overall organisational life. Spiritual leadership models are significant for intrinsic motivation, having a causal effect on organisational process and systems and for effective leadership within the organisation. In their conclusion, Korac-Kakabadse and others (2002:178-179) found that some of the characteristics found within spiritual leadership models could lead to:

- A more balanced approach to facilitating everyone's potential.
- More self-reliance and inter-dependency rather than dependence.
- More developmental processes for people.

- Balanced and integrative operating environments through process and teamwork.

- A sense of identity and fulfilment.

- Wisdom and insight

- [Leadership having] pleasure from seeing [organisational and individual] potential realised.

4.5 The 'spirituality' of spiritual leader-founder(s)

After considering the construct spiritual leadership and some of the theoretical spiritual models build around it, one could presume that a nonreligious view of spiritual leadership is advocated within the construct spiritual leadership. In this section, attention is given to the individually transformed spiritual leader-founder who seeks to apply spiritual principles and values in his/her leadership style. In addition, in this section, brief descriptions of the differentiating characteristics or descriptors that are ascribed to spiritual leader-founder(s) are given.

Already noted within this chapter is the idea that the leader-founder(s) spiritual transformation and self-awareness is the beginning of spiritual leadership as a construct and an alternative leadership style. Non-religious or religious spirituality may influence the leader-founder(s) spiritual transformation and leadership attributes (King & Crowther 2004:83). Since the study conducted by Mitroff and Denton (1999:83) shows that most managers would rather discuss spirituality than religion in the workplace, spirituality within the organisation and leadership is mainly discussed or observed without referring to specific religious traditions (Korac-Kakabadse et al 2002:165).

This study posits that spiritual leader-founder(s) and spiritual leadership should not expressly propagate religious attachments that might inspire religious proselytising. Dent and others (2005:635) rightly posit that religion and spirituality have mutual causality. However, in this study, it is taken for granted that the individual leader-founder(s)' spirituality could originate from either a religious or a non-religious source.

Some critical attributes and ethical values found within spiritual leadership and used by leader-founder(s) can be found within certain religious traditions such as Judaeo-Christianity, Islam, Taoism, and Buddhism (Kriger & Seng 2005:772). A brief description of the religious traditions that may influence the initial spiritual transformation and self-awareness of the spiritual leader-founder(s) are discussed below:

- **Judaeo-Christianity.** Much of Christian tradition emphasise the idea of service presented through self-less love (Korac-Kakabadse et al 2002:175). Kriger and Seng (2005:790) note that also inherent to this tradition is the idea of inner intent and meaning that are critical to long-term practice of virtues.

- **Islam.** According to Kriger and Seng (2005:776) spiritual attributes such as building community, concern for social justice etc. found within organisational spirituality are foundational elements of Islam. Kriger and Seng (2005:777) further assert that spiritual values such as hope, patience, compassion, service, charity etc. may also be found present in the *Qur'an* and Islamic wisdom literature.

- **Taoism.** A Taoist approach or philosophy to leadership, according to Korac-Kakabadse and others (2002:174), means the acknowledgment of spirituality. They (2002:175) posit that Taoist concepts are embraced within servant and spiritual leadership theories. The concept of the yin and yang are central to Taoism to explain the balance of human situations through the relationship of opposite elements (Korac-Kakabadse et al 2002:174). According to Korac-Kakabadse and others (2002:174) a Taoism approach to leadership has significant results in that Taoism provides the achievement of wisdom and insight that create higher levels of leadership effectiveness.

- **Buddhism.** Central within the teachings of Buddhism concepts such as compassion and the personal self are found and taught (Korac-Kakabadse 2002:176; Kriger & Seng 2005:782). Kriger and Seng (2005:783) pose that a Buddhist approach to leadership can be observed through the following concepts "(1) impermanence, (2) selflessness, (3) the effects of the discursive mind, and (4) the development of the four positive states of mind". The idea of egoless-leadership found within spiritual and servant leadership theories may also be found within Buddhist philosophy (Korac-Kakabadse et al 2002:176).

The above brief explanation of the kind of spirituality that may influence the leader-founder(s) provides a foundation for describing spiritual leader-founder(s). Researchers such as Crossman and Korac-Kakabadse et al provide descriptors that distinguish spiritual leader-founder(s) from other contemporary leaders and founders:

- "Spiritual leaders are proactive individuals who are capable of changing others' opinions thus enabling them to influence the attitudes and actions of followers" (Crossman 2010:602).

- "Spiritual leaders are community centred individuals that allow everyone within the community to experience leadership concurrently and collectively thus tapping into the spiritual well-being of both leader and follower" (Crossman 2010:602).

- "Spiritual leaders are driven by making a difference within their environments rather than being driven to make a living that is motivated by selfish personal interests. Spiritual leaders place a high interest on community and the common good" (Crossman 2010:603).

- "Spiritual leaders have a sense of stewardship thus having natural inclinations for environmental concerns and leadership" (Crossman 2010:603).

- "Spiritual leaders are moral leaders, they prefer to abide by ethical values such as integrity, honesty, justice etc." (Korac-Kakabadse et al 2002:172).

- "Spiritual leaders affirm and reiterate the superior value of spirituality within their leadership practice over other leadership styles" (Korac-Kakabadse et al 2002:172).

- "Spiritual leaders encourage and strengthen the followers' personal ethicality and sense of community" (Korac-Kakabadse et al 2002:173).

Whether spiritual leader-founder(s) are predisposed to religious or non-religious contexts is inconsequential because both religious and secular spiritual views on leadership emphasise the same qualities of inner meaning, community, wholeness,

self-less love and the observance of spiritual ethical values. Dent and others (2005635) state that the integration of religion and spirituality within spiritual leadership discourse only further assists to develop a solid spiritual leadership theory. In the next sections, the role that spiritual leader-founder(s) have on organisational spiritual transformation, on leadership effectiveness will be discussed.

4.6 Spiritual leadership and organisational transformation

In their article, Neal and others (1999:175) state that the rapid pace of change and transformation is increasing and that with this change and transformation there is a need for individual, organisational and global transformation to keep up with the rapid increasing pace. As noted earlier, according to, Fry (2003:694) spiritual leadership is necessary for organisational transformation and the spiritual survival of the organisation. Howard (2002:238) notes that the idea of organisational spiritual transformation proposes that "organizations can choose to support the development of individual spirituality and that organizations can choose to organise themselves around spiritual principles and goals".

Heaton and others (2004:62) pose that the discipline of organisational change management may benefit greatly from integrating spirituality within organisational change and transformation. This might be because the idea of organisational transformational might no longer be realised with economic benefits and that it might be the non-material and spiritual attributes that have a profound impact on organisational transformation (Neal et al 1999:176). The spiritual leadership construct asserts that the leader's self-awareness is significant for organisational spiritual survival. According to Howard (2002:240) the self-awareness brings about a *metanoia,* that is, transformation within the organisation.

In an article published in The Leadership Quarterly Benefiel (2005:731) proposes a framework that links the relationship between spiritual leaders and organisational transformation. Benefiel (2005:731) posits that organisational transformation, along with spiritual leadership and spiritual development, takes place in distinct stages, which are discontinuous and continuous at the same time. According to Benefiel (2005:731) the first part of the journey involves the process of the individual leader-

founder(s)' spiritual awareness and transformation. The second half of the journey according to, Benefiel (2005:732) focuses on the leader-founder(s) and the organisation coming into awareness that the journey is more about transformation than about material gain that can be gained through taking a spiritual journey.

According to Benefiel (2005:732-737) the complete spiritual journey that ultimately leads to organisational transformation can be described as such:

- **The first half of the journey.** The first half of the journey consists of two stages namely the **awakening** and the **transformation** stages. The first stage (awakening), according to Benefiel (2005:732), starts when individuals become dissatisfied with a life that has no spirituality. These individuals further become aware of the benefits associated with being on a spiritual path. With a renewed consciousness these individuals experience transcendence and oneness with something greater than themselves. The second stage (transition), according to Benefiel (2005:734), involves that the individuals move into the second half of the journey in that they experience a transition from thinking about the benefits of being on a spiritual path into recognising their own personal transformation.

- **Sustaining individual spiritual transformation: the second half of the journey.** The third stage (recovery), according to Benefiel (2005:734), relates more to the individuals' recognition of their own spiritual transformation. At this stage, spiritual maturity is about embracing and letting go, embracing and letting go, repeatedly. In the fourth stage (dark night), the individuals' spiritual rituals have no effect, thus giving them a feel of alienation from God (or whatever transcendent power they recognise). In this stage, the individual learns to appreciate God/the transcendent power for who/what He/it is rather than for what He/it can do. In the fifth and last stage (dawn), according to Benefiel (2005:734), that the ego and personal goals become attuned to a higher good and purpose. In this stage, leaders are more willing to serve their followers and organisations (Benefiel 2005:735). The need of service to followers and the organisation is caused by the realisation of a higher good and purpose through ego transcendence (Benefiel 2005:735).

Benefiel (2005:735) argues that research into spirituality and leadership has predominantly focused on the first half of the journey. This predominant attention, however, has been to the detriment of spiritual survival and maintenance of the organisation because leader-founder(s) have not been equipped on how to take the organisation through the second half of the journey (Benefiel 2005:735). Benefiel (2005:735) notes that a spiritual orientated organisation will go through transformation and restructuring that might cause positive results for the organisation or negative organisational demise. Organisational spiritual transformation allows the organisation to serve and realise a higher purpose. It is through well-equipped spiritual leadership of the first and second journey that organisations may transform without difficulty (Benefiel 2005:737).

4.7 Spiritual leadership and leader effectiveness

When we interpret the spiritual leadership models proposed by Fry and Fairholm it is easy to assume that a leader or founder(s) that choose to lead there organisations through spiritual leadership will automatically be effective leader's within their organisations. Reave (2005:657) emphasises that we should firstly understand the concept **effective leadership**. The current understanding of what constitutes effective leadership has been evaluated through measuring the effect the leader-founder(s) has on followers, the focus on leader-founder(s)' ability to achieve organisational goals, and the personality factors of the leader (Cacioppe 2000:115; Reave 2005:657). Reave (2005:657) criticises the above interpretations on effective leadership and posits that this term should be understood holistically, meaning that effective leadership should "look at both the leaders' effect on followers and achievement of organizational goals".

Cacioppe (2000:116) states that this holistic understanding of effective leadership is significant in developing wisdom and facilitating spirituality within the organisation. According to Dent and others (2005:628) it is possible to evaluate organisational spirituality. The evaluation of the relationship between spirituality and the organisation can also be evaluated through observing the effect of spirituality in leadership. In her review, Reave (2005:657) gives three main broad categories on how to evaluate leadership effectiveness. Reave (2005:657) poses that through leadership effectiveness related to followers, leadership effectiveness related to groups, and leadership effectiveness concerning the leader as an individual effectiveness can be evaluated. The broad categories given by Reave (2005:657) will later be used for a review of empirical case studies that highlight spiritual leaders practicing spiritual leadership within their organisations.

4.8 A review of organisational case studies

Researchers pose that there is a research gap to empirically test and measure spiritual leadership. However, they also highlight the complexities of attempting to test empirically and measure spiritual leadership (Dent et al 2005:645). A significant factor often noted by researchers is that spirituality as a construct is complex and has many interpretations that make the construct and phenomenon spiritual leadership hard to test empirically and measure. Despite the challenge faced to empirically test spiritual leadership the construct and phenomenon spiritual leadership can be tested and measured empirically. This is evidenced through various studies conducted by researchers such as Fry, Vittuci and Cedillo and Duchon and Plowman. The following case studies will be reviewed with the aim of highlighting the effect that spiritual leadership has within diverse organisations. The case studies reviewed represent spiritual leader-founder(s) that have a non-religious and religious influence on their leadership style. The following case studies from Duchon and Plowman (2005), Fry et al (2005), and Painter-Morland (2000) are reviewed below.

4.8.1 Criteria used in the case studies

In this section a brief summary of the criteria used in the case studies is provided:

4.8.1.1 Case Study 1: A review of Duchon & Plowman (2005)

The study conducted by Duchon and Plowman (2005:808) focused on empirically studying the difference of six work units within the healthcare system in terms of their openness to spirituality and whether these are associated with differences in work performance in the units. Duchon and Plowman (2005:809) begin their study by firstly finding a definition of organisational spirituality. They (2005:809) adopt the definition given by Ashmos and Duchon (2000:139) that asserts that an organisation is spiritual when it recognises " that employees have an inner life that nourishes and is nourished by meaningful work that takes place in the context of community". To be able to illustrate that the three attributes of organisational spirituality offered by Ashmos and Duchon are significant in impacting work unit performance, Duchon and Plowman (2000:817) used the "Meaning and Purpose at Work questionnaire administered to six intact work units from five different hospitals all belonging to the same large healthcare network in the Southwestern United States" to capture the three organisational spirituality attributes posed by Ashmos and Duchon. Duchon and Plowman (2000:819) use two types of patient satisfaction measures, namely: "(1) patients' evaluation of overall quality of care (Quality) and (2) patients' evaluation of overall sensitivity of staff providing the care (Sensitivity)". According to Duchon and Plowman (2000:819) the "patients' attitudes are captured with a questionnaire that the healthcare network distributes to each patient".

According to Duchon and Plowman (2005:815) the construct organisational spirituality rests upon the notion that organisational members have spiritual needs and that upon the acknowledgment of those spiritual needs by the organisation the organisational unit has a unique organisational culture or climate. Using the work of Ashmos and Duchon they (2005:815) pose that three components appear within the definition proposed by Ashmos and Duchon (2000:139), namely an inner life, meaningful work and a sense of community and connection and that these are what

consequentially shape a spiritual organisation. Duchon and Plowman (2005:815) posit that spiritual friendly organisations are created and maintained through the recognition of organisational members' need for an inner dimension to life, meaningful work and a sense of community. Duchon and Plowman (2005:816) interpret the three organisational attributes offered by Ashmos and Duchon in the following manner:

- **Inner life.** The idea of inner life suggests that organisational members bring their whole selves to work, this meaning that members do not only bring their cognitive, physical and emotional needs to work, but also the spiritual self is brought to work (Duchon & Plowman 2005:811). According to Duchon and Plowman (2005:811) the existence of the inner life has a relationship to two organisational behaviour constructs, which are the individual identity and the individual social identity. They (2000:135) state that the inner life idea for many involves one coming to an understanding of ones own divine power and how to use that divine power to live a full and a satisfied outer life. They, in addition, assert (2005:811) that the idea of inner life affects the individual's self-identity. Duchon and Plowman (2005:812) argue that the self-identity that has a spiritual aspect will be motivated if the organisational context provides a platform for spiritual expression. They further state that the self-identity is developed through the social unit that is affected by the organisational context (Duchon & Ashmos 2005:812).

- **Meaningful work.** The premise of the second component is based on the assertion that people seek meaning in their work and from their organisation (Duchon & Plowman 2005:812). Ashmos and Duchon (2000:136) state that the idea of employees' quest for meaningful work is not altogether a new idea in that disciplines such as the human relations movement were already emphasising ideas like job satisfaction and employee happiness. Ashmos and Duchon (2000:136) also pose that meaningful work is essentially about the connection between employee soul and work. Duchon and Plowman (2005:814) pose that "meaningful work is about cognitively meaningful tasks but [meaningful work] is also about work that creates a sense of joy which

connects workers to a larger good and to things viewed by the worker as important in life".

- **Belonging to a community.** The third component asserts that spiritual beings are people that live in connection to other human beings (Duchon & Plowman 2005:814). According to, Ashmos and Duchon (2000:137) organisational spirituality has in part stemmed from the idea that organisational members want to feel connected to their work and also to each other at work. They further argue that the feeling of being part of a community is an essential aspect of spiritual development (Ashmos & Duchon 2000:137). Duchon and Plowman (2005:815) state that a characteristic of a spiritual friendly organisational culture or climate is the idea of being part of a community.

4.8.1.2 Case study 2: A review of Fry et al (2005)

As mentioned before, Fry's (2003:695) spiritual leadership theoretical model includes an intrinsic motivational and a causal leadership aspect for organisational transformation. Fry and others (2005:835) pose that the causal aspect of Fry's spiritual leadership model should be tested because the causal aspect of the model asserts that there are "positive relationships associated with the qualities of spiritual leadership, spiritual survival, and organisational productivity and commitment".

Fry and others (2005:835) use "longitudinal data from a newly Apache Longbow helicopter attack squadron at Ft. Hood, Texas" to test Fry's causal aspect of the spiritual leadership theoretical model. The method that Fry and others (2005:841) designed to test the model was to administer two surveys:

- The first survey providing a database for the study, whilst,
- The second survey, combined with the first survey, was administered approximately five months later to test the structural equation causal model. The second survey also focused on the qualities of vision/mission, altruistic love, hope/faith, meaning/calling, and membership as key components of spiritual survival to examine their impact on organisational commitment and productivity.

Fry and others (2005:841) measured the accuracy of the three dimensions of spiritual leadership; two of these dimensions, namely spiritual survival and organisational commitment and productivity, were measured using surveys. And to test the structural equation causal model Fry and others (2005:843) used the Structural Equation Modeling (SEM). "The SEM uses two types of variables: latent and manifest variables, the latent variables are vision, altruistic love, hope/faith, calling, membership, organizational commitment and productivity and the manifest variables which are measured by the survey questions are associated with each latent variable" (Fry et al 2005:843-845).

4.8.1.3 Painter-Morland (2000)

In her case study Painter-Morland (2000:209) interviews Frans Basson, CEO of MBD a secular organisation. Painter-Morland uses verbatim discussions with CEO Frans Basson to compile information about his organisation MBD and Basson's leadership style (Painter-Morland 2000:209). According to Painter-Morland (2000:209) Frans Basson places a high priority on ethical business practices. Painter-Morland asks questions such as (2000:210) "*Do you allow a person to draw on his/her own cultural or religious background when making decisions?*" Frans Basson responds by saying "Yes they allow personal cultural and religious predispositions to influence employees making decisions". In her discussion with Mr Basson, Painter-Morland (2000:218) notes that the religiosity of Mr Basson influenced his organisational values. This notation is established when Painter-Morland (2000:213) asks Mr Basson the following question *"Do you think the African feeling of Ubuntu has anything to do with this? Do you make something of African communal values?"* Mr Basson replies by saying that "No, our principles originally come from the Christian values that are translated to pure business principles". In her conclusion Painter-Morland states that MBD has unique characteristics that characterise the contemporary organisation.

4.8.2 Case study results and the implications for spiritual leadership and spiritual leader-founders

- **Duchon & Plowman (2005).** According to Duchon and Plowman (2005:816) the foundation of recognising and facilitating employee quest for inner life, meaning at work and value connection with others is provided by the spiritual leader. According to them (2000:135) these components form part of the construct organisational spirituality, and they would warrant that these recognition and deeper understanding would adequately be addressed through spiritual leadership. Their (2005:826) study indicates that spiritually friendly cultures or climates are related to the leaders who have a spiritual self-awareness as compared to less spiritually friendly cultures and climates that had a connection to leaders who had less spiritual awareness. It would seem logical to assert that spiritual leaders are better positioned to establish a spiritual culture and better equipped to foster the needs of employees for a recognition of inner life, meaning through work and a sense of community and connection to others.

  Finally, the study done by Duchon and Plowman (2005) points out that there is a positive relationship with the accommodation of the whole person with spiritually friendly cultures or climates. Additionally, the study highlighted that the spiritual attitudes and behaviour of the leader greatly influenced the spiritual culture, which in turn has an effect on the organisational work unit (Duchon & Plowman 2005:826). Duchon and Plowman (2005:826) also found out that employees of an organisation with a spiritually friendly culture seemed to be in agreement with the leaders views; this relationship thus provides an impetus for leadership effectiveness (Duchon & Plowman 2005:827).

- **Fry, Vitucci & Cedillo (2005).** According to Fry and others (2005:846) results from the test provide support for Fry's spiritual leadership theory causal model. Fry and others (2005:852) found that vision/mission within spiritual leadership would assist squadron leaders of Longbow to transform their units. The visioning/missioning process engaged by the commander and

executive team in collaboration with management would form the basis for a construction of an organisational culture that has ethical systems and values underlying the culture (Fry et al 2005:853). Fry and others (2005:853) posit that these values are what build altruistic love, which in turn impact the organisation. Ultimately the vision attribute of spiritual leadership builds the necessary elements that form a basis for altruistic love within the organisation.

- **Painter-Morland (2000).** Painter-Morland concludes that the Christian values Mr Basson adheres to form the basis of his leadership practice. The Christian values further impact his personal integrity and ethicality. Mr Basson's has a holistic spiritual leadership approach in that it allows organisational members to express their cultural and religious beliefs when making organisational and ethical decisions. Painter-Morland (2000:222) states that the holistic spiritual ethical values adopted by organisational leader-founder(s) of MBD make sense to the MBD's organisational ethical culture. The organisational spiritual attribute of the other and responsibility to others seems to underlie ethical decision making at MBD (Painter-Morland 2000:226).

A significant highlight of the above case studies is the link between organisational spirituality attributes and their relationship to leadership effectiveness. Reave (2005:657) notes that some of these organisational spiritual attributes can be used to link and measure leadership success. Duchon and Plowman's study utilises organisational spiritual attributes such as inner life, meaning at work, and community to measure leadership effectiveness and organisational unit performance. Painter-Morland (2000:218) notes that the organisation MBD is characterised by trust between employees and leaders. Trust characterised within the organisational culture of MBD is significantly impacted by the CEO's integrity and openness that is influenced by his Christian ideals. Reave (2005:657) notes that the personal integrity of the leader-founder(s) has a relationship with follower respect and trust. Fry and others highlight that altruistic love serves as a basis for individual personal development, and organisational development. They further noticed that squad leaders

through altruistic love could improve the overall team solidarity and effectiveness (Fry et al 2005:853). Reave (2005:673) also poses that leader-founder(s) that lead through altruistic love foster follower empowerment rather than dependency.

From the case study review, it can be concluded that spiritual leadership is a relevant leadership construct to maintain organisational spirituality, organisational ethics, and follower spirituality. Spiritual leader-founder(s) with a disposition to a religious or non-religious spiritual leadership are more effective leaders than leader-founder(s) that neglect spirituality within their organisations and leadership practice (Reave 2005:664).

Chapter 5

Conclusion

5.1 Introduction

This thesis aimed to show that the construct organisational and applied organisational spirituality vis-a-vis organisational culture and other organisational ethical frameworks is a better-suited paradigm to transform organisational ethics. In this final chapter the research questions formulated in the study will be answered.

This chapter begins with an overview of the research problem and the research questions formulated from the problem. Answers generated from the research are presented as research findings. The concluding discussion aims to highlight that the construct organisational spirituality is one that is well suited to address the current organisational ethics challenges. This chapter also presents the limitations of organisational spirituality conducting research on this topic. Lastly, recommendations for future research on the evolution of organisational spirituality are given.

5.2 Problem statement, research questions and methodology

The problem statement of this study was to investigate the role that organisational spirituality as an emerging construct within organisational discourse and ethics practice may have in transforming organisational ethics. Based on the literature review it became apparent that organisational spirituality is a compelling construct that needs to be studied.

5.2.1 Research questions

The research questions derived from the problem statement were:

- **Question One:** Why has the construct organisational spirituality introduced within organisational studies and ethics?

- **Question Two:** What are the determining factors with regard to institutionalising the construct organisational spirituality within the organisation?

- **Question Three:** How can applied or institutionalised organisational spirituality enhance intrinsic ethicality within individuals and the organisation?

- **Question Four:** What is the contributing role of the spiritual leader-founder(s) with regard to organisational spirituality and organisational ethics?

- **Question Five:** Can the impact of organisational spirituality and the role of the spiritual leader-founder(s) through spiritual leadership be illustrated by reviewing empirical case studies from other researchers?

5.2.2 Methodology

The study used a literature review method. This method of doing research gave the study a critique depth when exploring constructs such as organisational spirituality, organisational culture, and spiritual leadership.

5.3 Research findings

This section presents the findings of the study that responded to the research questions formulated for this study. The research findings were obtained as a result of using the literature review method of doing research. Research findings are interpreted as conclusions to augment the assertions made in this study.

5.3.1 Research question one

Finding 1: The question was partly answered in chapter two, by problematising the construct organisational culture with regards to unethical practice and behaviours of organisations and their organisational members. In addition to problematising organisational culture, chapter two also highlighted the inadequacies of existing organisational ethics theories in terms of providing a holistic paradigm that may improve the ethicality of organisations and organisational members.

Research findings suggest that organisational culture is positively related to unethical organisational behaviour. According to Vardi (2001:325) there has been a growing interest in organisational studies from the side of, scientists, and practitioners to research the organisational cultural factors that motivate such unethical behaviours. According to Vardi and Wiener (1996:160) organisational culture through inadequate values and beliefs may be the principal cause of unethical behaviour. Kulik in his 2005 article to the Journal of Business Ethics shows how the organisational culture of Enron was responsible for the unethical practices and demise of Enron (Kulik 2005:351). Kulik (2005:350) poses that the organisational and ethical theories that Enron's executives were exposed impacted their organisational decision-making and ethical ideologies that they practiced.

The study also found that current organisational paradigms that governed and motivate organisational activity are flawed and thus may have organisational ethical shortcomings. Gozdz (2000:1266) poses that current organisational paradigms are not holistic and further do not reflect evolved human consciousness at work. Giacalone (2004:416) states that these organisational paradigms that are being taught to businessmen/women and, organisational executives predispose them to assume that economic goals matter over the negative consequences that profit driven decision-making has on society, the environment, and the organisation. One can infer that these organisational paradigms motivate organisational and individual goals such as selfishness, greed, profit maximisation, and that ultimately the pursuit of money and power is good (Giacalone 2004:417) in spite of other negative impacts on society. The inadequacy of organisational culture and organisational paradigms to govern organisational ethics has led to a search for new holistic organisational and ethical

paradigms that will reflect good business in a moral sense as well as for an evolving business society that is moving towards consciousness and holism (Gozdz 2000:1263; Giacalone & Eylon 2000:1218). The study found that in addition to the problems presented above organisations are generally evolving along with them paradigms that governed organisational discourse and that organisational systems and activity are also changing (Gozdz 2000:1263).

The study found that organisational spirituality may be explained by two distinct understandings of organisational spirituality, namely organisational spirituality has a construct level and an applied/institutionalised level (Heaton et al 2004:63). The construct organisational spirituality was introduced in organisational discourse and ethics because of the inadequacy of organisational culture and organisational paradigms to lead and manage organisational ethics within the changing business climate of the twenty first century. Giacalone and Eylon (2000:1218) state that the construct organisational spirituality "embodies a critical approach to accepted methodological and philosophical assumptions that are based on [some of the] problems [highlighted above]. The construct rejects materialistic values, profit over values, it embodies **whole** person aspects such as mind, body, emotions and spirit at work". In addition to the problems raised concerning organisational culture and organisational ethical paradigms this study found that individuals search for meaning at work has also contributed to the introduction of the construct organisational spirituality (Cacioppe 2000:49) within research and organisations.

Howard (2002:238) poses that even before the authentication of the construct organisational spirituality by research organisations had already been affected by people brining their spirituality to work. In addition to individuals search for meaning at work and an inner life inspired by the awareness that is motivated by the awareness of the spiritual person individuals also have the desire to belong to a community where they grow, feel valued and are nurtured as people (Ashmos & Duchon 2000:137). The construct organisational spirituality for organisational behavioural science better explained the concept of person-organisation fit because the construct facilitates the whole person and whole organisation congruency. The findings of this study suggest that the construct organisational spirituality may be interpreted from different perspectives such as the religious, the intrinsic-origin perspective, the

philosophical perspective, et cetera. Following the argument presented by Mitroff and Denton (1999:88) that the construct organisational spirituality should be separated from religious traditions it was argued that for this study the instrumentalist perspective was the suitable premise for the study of arguments and conjectures.

Lastly, the research findings suggested that the construct organisational spirituality may be understood and analysed conceptually on three levels these levels primarily being the individual level, organisational level, and the individual-organisational level. The conceptual levels of understanding organisational spirituality were critical and significant for giving the construct organisational and ethical applicability.

5.3.2 Research question two

Finding 2: The research found that as much as the construct organisational spirituality is a researchable construct the construct needs to be practical and applicable to organisational systems and activity. According to Krishnakumar and Neck (2002:160) institutionalisation of the construct organisational spirituality has an organisational centred or individual centred perspective. The study found that a foundational factor for institutionalising the construct organisational spirituality rests on the individual and organisational assimilation of organisational spirituality. The study also found that critical to a successful institutionalisation of the construct is the leader-founder(s) of the organisation. Konz and Ryan (1999:203) pose that the personal spirituality of the leader-founder(s) is critical in managing organisational spirituality and that leader-founder(s) have a significant role in institutionalising organisational spirituality because they need to be aware of behaviours and beliefs that are congruent with organisational spirituality.

In addition to institutionalising the construct are the personal spiritualties of the organisational individuals who transmit their personal spiritualties and thus contribute to a deep organisational spiritual culture within the organisation. Sim's (1991:494) postulation is correct in that for institutionalisation to take place all organisational members i.e. leader-founder(s), managers, and employees should be involved in performing the act. The study finds that successful institutionalisation of the construct

organisational spirituality should adopt an organisational centred perspective to institutionalisation as an umbrella departure point to institutionalisation. In addition it was the argument of the study that the organisational centred perspective might be better suited to encompass the organisational [i.e. originating in the leader-founder(s)] and the individual spiritualties. The study findings suggest that institutionalisation of the construct should be facilitated through selection, communication and linking, spiritual training, and spiritual mentorship.

Lastly, the study found that there are observable benefits to having institutionalised or applied spirituality. According to Garcia-Zamor (2003:360) these observable benefits provide organisational advantage on two levels namely the individual and organisational. These benefits range from the positive impact organisational spirituality has on employee creativity, increased honesty and trust, personal successes that come through personal fulfilment of recognising inner life. Krishnakumar and Neck (2002:156) highlight that these benefits ultimately lead to organisational performance and effectiveness.

5.3.3 Research question three

Finding 3: The study found that intrinsic within the construct organisational spirituality and applied organisational spirituality is the idea of morality and ethics. The study found that values influenced by a spiritual core intrinsically influenced behaviours and attitudes that have transcended goals. The study found that it was the case because organisational spirituality rejected selfish interested goals, and materialism that lead to the demise of personal and organisational ethics. Organisational spirituality through promoting community, awareness of others, and values such as trust, integrity, honesty, etc. was able to motivate intrinsic ethicality within the organisational members.

The study also found that critical to promoting ethical proactivity within the organisation and individuals was the leader-founder(s). Similar to organisational culture a spiritual ethical culture is significantly impacted by the leader-founder(s). The study found that not only is the leader-founder(s) important the study found that it

was through spiritual leadership that a spiritual ethical culture was formed. Dent and others (2005:627) found that the espoused spiritual values, beliefs and basic assumptions of the leader-founder(s) greatly impacted the formation of the spiritual ethical culture. The study agrees with Fairholm's (1996:13) assertion that spiritual leaders are moral leaders because they build shared values, they provide the spiritual inspired vision, and they are servants et cetera. Ferguson and Milliman (2008:459) conclude that core organisational values built through spiritual leadership that encompassed some of Fairholm's elements eventually become the foundation of building the spiritual ethical culture.

Furthermore, the study found that spiritual ethical cultures provide the basis for the formulation of spiritual ethical values. Spiritual ethical values apart from drawing their basis from the spiritual ethical culture also find their uniqueness from a universal essence which allows spiritual ethical values to be prone to common consent and simple to implement and practice within the organisation. The study found that the ten spiritual values posited by Jurkiewicz and Giacalone (2004:132) were the critical catalyst for motivating intrinsic ethicality and ethical proactivity. This was because the spiritual ethical values were congruent with individual personal values thus making them easy for individuals to internalise and adopt. Lastly, the study also found that intrinsic ethicality was promoted by applied spirituality because spiritual ethical values produce spiritually impacted ethical attitudes. These attitudes are the evaluation predispositions that eventually persuade the individual to act in a certain way (Fry 2005:9). As result of the reaction that spiritual ethical values elicit within individuals the whole organisation is affected thus making the organisation ethical and socially responsible.

5.3.4 Research question four

Finding 4: The study found that spiritual leadership was directly linked to organisational spirituality (Sanders et al 2005:56; Pruzan 2008:101). Also research findings highlight that primary to spiritual leadership development is the leader-founder(s) spiritual awareness. Spiritual leadership as a construct has its basis in other leadership theories such as transformational leadership, servant leadership, authentic

leadership etc. Research finding 3 has already showed that the successful maintenance of organisational spirituality is the leader-founder(s) personal spirituality. Research findings conclude that spirituality has entered organisational leadership and leadership discourse because more leader-founder(s) are using their spirituality to make decisions and motivate followers. The study found that the construct spiritual leadership embodies intrinsic motivational and causal elements. Aydin and Ceylan (2009:162) state that this means that followers are greatly motivated by spiritual leaders. The study also found that spiritual leadership was necessary for spiritual survival and membership.

The study found that there were distinct differences between spiritual leadership and spiritual leaders or founders, meaning that spiritual leadership was the practical application of a leadership style by spiritual leader-founder(s). Research findings point to the fact that spiritual leader-founder(s) were also different from leader-founder(s) who did not apply spirituality to their leadership practice. The study found that spiritual leader(s) were more likely to base their leadership practice on three spiritual attributes namely an inner spiritual journey, meaning and significance, and wholeness and connectedness. The study further found that these attributes were significant in providing a foundation to build spiritual leadership models. The study also found that spiritual leader-founder(s) were effective leaders and were directly influential to organisational transformation. Already noted in finding 3, spiritual leaders are also moral leaders. Spiritual leader-founder(s) through altruistic love are able to exhibit forgiveness, trustworthiness, integrity, honesty, patience etc. Attributes such as integrity were directly associated with leadership success and ethical behaviour (Reave 2005:667).

The study found that there was a relation of origination between the spiritualties of organisational spirituality and spiritual leader-founder(s). Research finding 3 already found that organisational spirituality had different departure perspectives. Research findings point to the conclusion that the spirituality of leader-founder(s) was influenced more strongly by religious traditions such as Christianity, Islam, and Taoism etc. than by secular spiritualties. However, it was found that whether the spirituality of spiritual leader-founder(s) is influenced by religion or secular spirituality the practice of spiritual leadership originating from both these dispositions

still revolves around qualities of inner spiritual journey, meaning and significance, community, wholeness, self-less love and the strict observance of spiritual ethical values. It can thus be concluded that religious and secular influenced spiritualties are not dissimilar as previously assumed within spiritual leadership discourse.

5.3.5 Research question five

Finding 5: The study attempted to prove that organisational spirituality and the role of the spiritual leader-founder could be illustrated by reviewing empirical case studies from authors such as Fry and others (2005), Duchon and Plowman (2005), and Painter-Morland (2000). Research findings from the case study showed that:

- Organisational spiritual attributes such inner life, meaning at work, and community significantly aligned with the employee's quest for spiritual expression and survival. The organisational spiritual attributes were also observed within organisational spiritual friendly cultures. These organisational spiritual cultures had a positive relationship with organisational effectiveness and performance.

- Consistently all the case studies found that the spirituality of the leader-founder(s) was significant for managing the spirituality of the organisation. Findings suggest that the spiritual values also impacted the organisational ethical culture of the organisations. The study also found that the spiritual leader-founders had positive relationships with their followers that were based on trust, openness, integrity etc.

5.4 Limitations of the study

- The first limitation of this study was that with there is a variety of definitions and interpretations offered about the construct organisational spirituality which significantly also have bearing on theory development and the understanding of spiritual leadership.

- Secondly, the lack of conceptual clarity and empirical evidence on the constructs make it difficult for researchers to make a meaningful contribution quantitatively and qualitatively to organisational spiritual and spiritual leadership theories.

- Thirdly, because of the various definitions, interpretations, and a lack of conceptual clarity on the constructs organisational spirituality and culture this study found that research material on this dissertation topic was revolving around the same ideas and remarks.

- Fourthly, this study found that there is limited access to theological articles, databases and books. In addition to the fact that the University Library does provide access to critical articles and books on the study topic, some of the books could not be accessed via the Inter-loan Library department. Since the study methodology relied on a literature review the access to books and articles relating to the topic were imperative.

- Lastly, research conducted qualitatively and quantitatively on the topics of organisational spirituality and spiritual leadership was predominantly from a Westernised background. Thus some of the findings of the research are in the first place applicable to Western interpretations of organisational spirituality and spiritual leadership.

5.5 Recommendations for future research

The present study has shown the significant ability that the construct organisational spirituality has for transforming organisational and ethics paradigms. The present study has also revealed that applied organisational spirituality has the potential to enhance intrinsic ethicality amongst organisational individuals, which in turn, affect the overall organisation. In addition, the present study has illustrated the importance of spiritual leadership and spiritual leader-founder(s) in developing, maintaining, and facilitating organisational spirituality and the personal spiritualties of employees within the organisation. However, the nature of this study was predominantly

exploratory, conjectural, and descriptive. Empirical studies have to be conducted to test some of the conjectures made in the present study. This will assist in establishing more solid and cohesive theories on the role that the construct organisational spirituality has in transforming ethical paradigms within organisational ethical discourse (Gotsis & Kortezi 2008:595). Having solid and cohesive theories will give foundational credence to test and measure applied organisational spirituality with regards to the impact it has in motivating intrinsic individual and organisational ethicality.

In order to establish more solid and cohesive theories for organisational spirituality research should focus on establishing a unified definition and conceptual understanding of the construct organisational spirituality. Research attempting to establish theories should also be conducted from the perspective of worldviews and traditions different from Western ones in order to expand and get a holistic paradigm of organisational spirituality (McCormick 1994:7; Freshman 1999:326). The present study presented how organisational spirituality could be institutionalised within the organisation. Future research may explore best methods on how to institutionalise organisational spirituality within the organisation and, more specifically the South African organisational context.

Based on the work of Mitroff and Denton (1999) it has been assumed that worldwide organisations and organisational members prefer spirituality over religion within the workplace. However, since the spiritual climates, spiritual maturity, and spiritual understandings of countries vary it might be that organisational interpretations of what are more appropriate within the workplace - religious beliefs or secular spirituality - might also differ and vary country to country. Future research could test quantitatively whether universally people prefer secular spirituality above religious based spirituality.

Spiritual ethical values such as integrity, benevolence, honesty, and trustworthiness et cetera, have been linked to leadership effectiveness, organisational performance and their universal claim; according to Reave (2005:681) these spiritual ethical values have been associated with quantifiable positive organisational and leadership outcomes. However, these spiritual ethical values come from Western traditions more

specifically American Western traditions. Future research could focus on developing spiritual ethical values emanating from concepts such as Ubuntu, respect for elders, respect for nature, etc. for the South African organisational context.

Furthermore, future research could test the impact that these spiritual ethical values have on the relationship of leader-founder(s)-follower attitudes and behaviours and also test the impact on organisational effectiveness and performance.

The present study showed the importance of spiritual leadership and of spiritual leader-founder(s). The study highlighted the importance of the question: Where do spiritual leader-founder(s) derive their spirituality from? Future research could be done to examine the answer to this question.

Future research could also provide more empirical data to show what degree does the spirituality of the leader-founder(s) founder impact their decision-making when it comes to fiduciary responsibilities of the leader-founder(s). More empirical data may provide evidence to other leader-founder(s), executives, and managers on the benefits of applying organisational spirituality within their organisations and practice.

Thus future research may focus on how to create best methods to develop and introduce spiritual leadership in organisations.

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