

**THE INFLUENCE OF EMPLOYEES' SPIRITUAL  
INTELLIGENCE ON ORGANIZATIONAL  
CITIZENSHIP BEHAVIOR:  
THE MODERATING ROLE OF ISLAMIC WORK  
ETHIC**

**ADEEL AHMED**

**UNIVERSITI SAINS MALAYSIA**

**2018**

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by

**ADEEL AHMED**

**Thesis submitted in fulfillment of the requirements  
for the degree of  
Doctor of Philosophy**

**May 2018**

## ACKNOWLEDGEMENT

All praise and glory to Almighty Allah who gives me abundance blessings which I never will be able to count. He gives us strength, love, and encouragement and all things at all times.

I am greatly indebted to my supervisor Dr. Mohd Anuar bin Arshad for his kindness and wisdom, as well as his keenness to guide and counsel me throughout the period of this study. His benevolent nature and the moral support have been pivotal in motivating me to complete this work. In addition, this study could not have been completed without his precious supervision, advice and critical evaluations. His constructive feedback has always helped me remedy the shortcomings in the study. My sincere appreciation also goes to the external and internal examiners, Prof Dr Noormala Dato Amir Ishak, Associate Prof Dr. Anees Janee Ali and Dr. Azura Abdullah Effendi for their valuable comments and painstaking efforts in reading the write-up of the thesis. My appreciation and gratitude also goes to the Dean of the School of Management Prof. Dr. Fauziah Md. Taib for her support and encouragements. Special thanks to Deputy Dean, Associate Prof Dr. Hooy Chee Wooi and the administration staff in the School of Management. I am also indebted and grateful to University of Turbat, Institute of Postgraduate Studies and airline companies of Pakistan for their support in completion of this research.

Finally, I would like to extend my great appreciation to my parents, my wife, all family members (especially to my elder uncle Muhammad Ayub Baloch who always inspired me to seek knowledge) and my generous friends for their constant prayers, unconditional support and their motivation to complete this thesis. I will never forget their favor in my lifetime. I pray to Allah the Almighty bless all.

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**PENGARUH KECERDIKAN SPIRITUAL PEKERJA TERHADAP  
TINGKAH LAKU KEWARGANEGARAAN ORGANISASI : PERANAN  
ETIKA KERJA ISLAMIK SEBAGAI PENYEDERHANA**

**ABSTRAK**

Objektif utama kajian ini adalah untuk mengkaji kesan kecerdikan spiritual pekerja (iaitu rasa bermakna, rasa bermasyarakat dan kebijaksanaan) terhadap tingkah laku kewarganegaraan organisasi (OCB). Kajian ini menyiasat kesan penyederhanaan etika kerja Islamik antara hubungan dimensi kecerdasan spiritual dan tingkah laku kewarganegaraan organisasi. Ketiadaan tingkah laku kewarganegaraan organisasi di kalangan pekerja dianggap sebagai salah satu masalah utama yang menyumbang kepada prestasi rendah pekerja di dalam industri penerbangan di Pakistan. Selanjutnya, rangka penyelidikan disokong oleh teori pertukaran sosial dan teori jiwa Al-Ghazali. Secara akademik, penyelidikan ini menyumbang kepada badan pengetahuan dengan menggabungkan teori pertukaran sosial dan teori jiwa ke dalam literatur kecerdasan spiritual dan tingkah laku kewarganegaraan organisasi di dalam konteks Pakistan. Dalam kajian ini, reka bentuk keratan rentas dengan pensampelan bertujuan digunakan untuk mengumpulkan data dari 344 pengurus baris pertama di industri penerbangan di Pakistan. Sejumlah 316 borang soal selidik yang boleh digunakan dengan kadar respons sebanyak 49.37% telah digunakan untuk analisis data. Perisian Persamaan Struktur Separa (PLS) generasi kedua kaedah model penstrukturan persamaan digunakan untuk menguji hubungan hipotesis. Penemuan kajian semasa

mendedahkan bahawa kecerdikan spiritual mempunyai pengaruh positif dalam mempengaruhi kewarganegaraan organisasi (OCB). Secara khususnya, hasil kajian menunjukkan bahawa semua dimensi kecerdikan spiritual adalah peramal penting kepada tingkah laku kewarganegaraan organisasi. Di samping itu, ujian kesederhanaan menunjukkan pengaruh yang signifikan terhadap etika kerja Islamik terhadap hubungan spesifik kecerdikan spiritual dan pembolehubah kewarganegaraan organisasi. Beberapa implikasi untuk teori dan amalan telah dibincangkan, dan batasan kajian telah diambil kira, serta cadangan untuk penyelidikan masa depan diberikan. Keseluruhannya, kajian ini telah memperkayakan literatur sedia ada mengenai kecerdikan spiritual, tingkah laku kewarganegaraan organisasi dan etika kerja Islamik. Penemuan kajian ini memberi sokongan kepada pembuat dasar dan pengamal industri penerbangan di Pakistan untuk meningkatkan usaha mereka dalam meningkatkan tingkah laku kewarganegaraan pekerja.

**THE INFLUENCE OF EMPLOYEES' SPIRITUAL INTELLIGENCE ON  
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**ABSTRACT**

The main objective of this study is to investigate the impact of employees' spiritual intelligence (i.e., sense of meaning, sense of community and wisdom) on organizational citizenship behavior (OCB). This study investigates the moderating effect of the Islamic work ethic between the relationship of the dimensions of spiritual intelligence and organizational citizenship behavior. The lack of organizational citizenship behavior among employees is considered as one of the main problems contributed to the low performance of employees of airline industry in Pakistan. Furthermore, the research framework is supported by the Social Exchange Theory and the Al-Ghazali Theory of Soul. Academically, this research contributes to the body of knowledge by integrating the social exchange theory and theory of soul into the literature of spiritual intelligence and organizational citizenship behavior in the context of Pakistan. In this study, a cross sectional design with purposive sampling was used to collect data from 344 first line managers of airline industry of Pakistan. A total of 316 useable questionnaires with a response rate of 49.37% used for data analysis. Partial Least Square (PLS) second generation Structural Equation Modeling (SEM) method was employed to test the hypothesized relationship. Current study findings revealed that spiritual intelligence had a positive influence in affecting OCB. In particular, the results of the study showed that all

dimensions of spiritual intelligence are important predictors to organizational citizenship behavior. In addition, the moderation test showed significant influence of Islamic work ethic on the specific relationships of spiritual intelligence and organizational citizenship variables. Several implications for theory and practice were discussed, and study limitations were taken into account, as well as suggestions for future research were given. Overall, this study has enriched the existing literature on spiritual intelligence, organizational citizenship behavior and Islamic work ethic. This study's findings provide much support for the policy makers and practitioners in airline industry of Pakistan to improve their efforts in enhancing employees' citizenship behavior.

# CHAPTER 1

## INTRODUCTION

### 1.1 Background of the Study

Every day, the strategic and vital role of human resources in the success and sustainability of an organization is gaining more recognition, especially in the highly volatile and competitive contemporary business environment. Previous researches on this conception exhibit that human resources and their valuable contributions in organizations are significant towards the attainment of specific organizational objectives (Delery & Gupta, 2016; Guest, 2011). Theoretical arguments equally support that organizations usually assert that employees are the most important assets that should be developed. Failure to do so will detriment the growth of the organization and ignoring human quality in any endeavor of the business will perennially jeopardize its long term survival (Adjibolosoo, 2018; Cascio, 2014). However, an organization continues to face problems created by some of its employees and these have either attitudinal or behavioral outcomes (Belschak, Hartog & Kalshoven, 2017). Thus, scholars have confirmed that the behavior of employees strongly affects overall performance of the organization (Bowen & Ostroff, 2004; Mostafa, 2017).

Meanwhile, researches in the past have found that human resources' prosocial behaviors in the organizations can enhance individual and organizational effectiveness (Podsakoff et al., 2009). Interest in pro-social behavior constructs like organizational citizenship behaviors (OCBs) has grown substantially (Gabriel et al., 2017; Podsakoff et al., 2014). It has proven to be one of the most important areas in management scholarship (Bommer et al., 2007). Most importantly, after world

economic crisis in 2008, the body of knowledge depicts that the field of human resource management has recognized the significance of OCB in employees and its greater impact on organizational performance (Chin, 2014). This increasing importance of prosocial behaviors has led scholars to recognize OCB as one of the core components of overall job performance (Johnson et al., 2010). The OCB is thus regarded as critical manifestation of ethical behaviors (De Clercq et al., 2017; Murtaza et al., 2016) that enhances the context of job performance (Organ, 1997).

Interestingly, the link between high performance in human resource practices and OCB has been highly significant in previous researches (Sun et al., 2007). Therefore, prosocial behaviors such as OCB have shown that employees who are committed are most likely to be eager to contribute to the organization's goals. They are also willing to extend their efforts beyond performing the task required to enhance the effectiveness of the organization, even if they are not expecting any direct reward for this behavior based on formal human resource practices. Furthermore, OCB provides a straight forward means for committed employees to make such contributions to the firm. In fact, employee OCB has become a vital concern for organizations, particularly in abiding to the fundamental conditions of psychological contract between employers and employees. Similarly, enriching the OCB of employees is becoming even more crucial because data on work environment showed that employee commitment towards the organization is declining (Guillon & Cezanne, 2014; Nasurdin et al., 2014; Podsakoff et al., 2014; Podsakoff et al., 2011; Whiting et al., 2008).

### **1.1.1 Employee Behavior at Workplace**

Previous research often label employees as either good soldiers or bad apples, and established a strong negative correlation between negative work behavior and organizational citizenship behavior (Fox et al., 2012; Klotz & Bolino, 2013). A considerable amount of literature has likewise been used to develop a substantive and theoretical ground that employees who are more engaged in OCBs are less likely to perform deviant behaviors and vice versa. The decline in employees' commitment in terms of their irresponsible behavioral and attitudinal issues is a serious concern for organizations worldwide. In fact, the rising awareness of global community on work values ethics has provoked researchers to re-define new models or approaches of business practices on spiritual and ethical grounds (Tufail et al., 2017).

According to Gallup (2013), only 13 percent of employees in the worldwide scenario are engaged at work and almost 180 million employees are psychologically committed to their jobs and were willing to contribute to their organizations. Out of the bulk of these employees worldwide, 63 percent are not engaged; they lack of motivation and are less likely to invest in organizational goals or outcomes. Twenty-four percent are actively disengaged, unhappy, unproductive, and liable to spread negativity. Gallup reported that 51 percent of employees were not engaged in their jobs and 17.5 percent actively disengaged from their works in 2014 in the United States of America (Adkins, 2015).

The National Business Ethics Survey (2013) in the U.S also reveals that 41 percent of workers have exhibited some form of misconduct on their jobs. In addition, 61 percent of deviant work behaviors were practiced at supervisory and top management levels. Furthermore, the Survey disclosed that from 2011 to 2013, ethics training programs rose from 74 percent to 81 percent and almost three out of

four companies (74 percent) communicated internally about disciplinary actions when wrongdoing occurs. Previous studies also reported that employees' behavior had affected overall performance of the organization. Researchers have similarly argued that the collapse of major global financial institutions in 2007 and 2008 were caused by employees' organizational misbehaviors and lack of commitments (Izak, 2009; Marques, 2010; Morgan & Thiagarajan, 2009; Nayak, 2015).

In Pakistan, employees with non-standard behaviors are not only evidence in business corporations but also in national dignified organizations, like the Supreme Court. Sadly, based on dysfunctional behaviors of employees, recent political uprising in the country also suggests that the defective role of noble institutions was partly responsible for the series of anti-government protests, which has adversely affected business operations and the overall economy of the country (Pakistan Business Forecast Report, 2015). In fact, 68 percent of employees in Pakistan were not engaged in their jobs according to the Gallup (2013) survey. Furthermore, most recently, the global competitiveness report for 2017-2018 has identified that the most problematic factors for doing business in Pakistan are corruption and poor work ethics in national labor force (Schwab, 2017).

Though Pakistan is known as an Islamic state, it lacks practices of Islamic values in work environment as employees are indulged in numerous immoral conducts (Tufail et al., 2017). In the context of employees' misconduct, on several occasions government has issued serious concerns over employees' morality and issued directives to all federal organizations and provincial governments to ensure moral integrity and personal conduct among public officers (Kiani, 2014). These undesirable work behaviors across the country is witnessed and reported by several international and national institutions. Transparency international (TI) voiced that

corruption remains a global threat. In 2014, TI pronounced Pakistan's Corruption Index (CPI) score to be 29 out of 100 and ranked the country 126<sup>th</sup> out of 175 countries. Corruption in Pakistan involves corporations that extend from petty transactions to big projects (Bashir et al., 2012). A study conducted by Altaf and Naqvi (2013) in the telecommunications sector argues that poor employee commitment and team efficacy are major challenges in the corporations of Pakistan. The undesirable and unethical practices of employees in the country degenerated into an unfavorable perception and caused organizations to be enmeshed in critical situations such as revenue losses, low efficiency and even bankruptcy (Bashir & Nasir, 2013; Kashif et al., 2017; Marri et al., 2012; Nadeem & Kayani, 2017).

Such unfavorable human behaviors and employees' lack of commitment towards their organizations have created an uncertain environment for all types of organizations. In curbing employees' behavioral issues which have become huge threat for organizational success, researchers have noted that corporations are in search of innovative ways to improve, transform and evolve their systems, processes and people (Ferrell, 2014). Meanwhile, organizations have been making frantic efforts to engage qualified and committed human resources at work, but continue to face major dilemmas in improving work behaviors (MacKenzie et al., 2014). However, work behavior is not merely dependent on the employees' Intelligence Quotient (IQ). Individual skills, knowledge, attitudes and Emotional Intelligence (EQ) are important skills, which are needed to perform some specific tasks and responsibilities at work. In fact, people who live with ethical, moral and spiritual values have significant influence on their work and development (Argandoña, 2011; Dukerich et al., 2000; King, 2006).

Additionally, employees are always perceived as prime assets to organizations. Indeed, organizations would highly prefer that their employees possess high level of spiritual intelligence. People with spiritual intelligence showed that they have deeper understanding over matters and appear to be more proactive in dealing wisely with their environment to gain higher well being and experience (Vaughan, 2002). Tepper (2003) argues that spiritually sound people are more likely to imbue ordinary experiences with meaning. Hence, such people experience greatness in the workplace that would lead to organizational citizenship behaviors (OCBs).

### **1.1.2 Spiritual Values and Employee Behavior**

Studies related to spiritual values have gained practical value among managers. Views among various disciplines underlines different facets of spirituality, for instance; employee outcomes, behaviors, skills, ambitions, and beliefs (Rousseau, 2014). This relates to the understanding of the behaviors of human resources, spiritual and moral values for competition and organizational growth (Nicolae et al., 2013). Spiritual intelligence is gaining universal recognition. It is increasingly being integrated into the fabrics of organizational behavior and psychology. Spiritual intelligence has been established as a viable intelligence which is dynamically manifested in the spheres of business paradigm (Ashar & Lane-Maher, 2004; Sisk, 2015).

Moreover, scholars' argument in the contemporary world that lack of spiritual values in the working environment of an organization may impede long term organizational development (Gull & Doh, 2004; Mitroff & Denton, 1999). Although, spirituality has been given importance in the literature, it is still a missing

component in the organizational life (Gotsis & Kortezi, 2008). However, in the last two decades, scholarly work on spiritual values has witnessed and gained steady momentum in organizations (Bandsuch & Cavanagh, 2005; Geh, 2014; Khan & Sheikh, 2012; Shah & Sachdev, 2014). This rise of interest in research and theory is due to its considerable impact on the work behavior of individuals (Weinberg & Locander, 2014). Specifically, spiritual intelligence gains more acknowledgements when business circles experience critical human behavioral crises through unethical acts among employees, their irresponsible decision making and serious misconducts regarded as spiritual disparities (Vasconcelos, 2015).

Therefore, besides intelligence quotients (IQ) and emotional values (EQ), when employees' ethical and spiritual values or motives are neglected by the business sphere, it affects their motivation and leads to involvement in immoral and unethical acts (Brophy, 2014). In addition, Guillén et al. (2014) claimed that there exists a rising interest related to employees' moral and spiritual motives. This also helps managers to develop human resources, take the right steps in the right direction, and to gain valuable organizational outcomes and improved commitment among employees. In fact, human noble potentialities need further analysis to understand the individual motives and obtain the maximum impact of their presence at work. Hence, the nobility of employees at work is achieved when individuals put their sincere efforts to perform their tasks with higher motivations (material, psychological, moral, and spiritual) to accomplish the organization's objectives. The all-inclusive development of employees and the formation of a learning community allow the organization to nurture the spiritual needs of people. This is a suitable initiative in the human development process (Fenwick & Lange, 1998). Subsequently, the holistic human resource approach can enhance the quality of

employees where they do not only come to work with their bodies and minds but also with their hearts, souls, creativity and divine spirits (Karakas, 2010).

However, despite the established scope of employees' spirituality, few studies have focused on organizational leaders' and employees' spiritual growth (Weinberg & Locander, 2014). Such encouragement of spiritual development has been acknowledged in the literature as an emerging paradigm with immense concern for wholeness, focusing on relationships, giving emphasis to spiritual values and instilling development purposes at work (Hogan, 2000). Karakas (2010) named it the spiritual movement. For example, a shift in management is witnessed as a shift from self-centeredness to stewardship, and a shift from a materialistic view to a spiritual orientation. Thus, to achieve higher and substantial engagement among employees, organizations need to recognize and understand spiritual values at work to gain utmost benefits from highly engaged human resources (Saks, 2011).

The recent research is linking spiritual values and religion. Exploration of spiritual and religious values provided a lens for understanding some foundational assumptions and expectations that people bring with them to workplace (Exline & Bright, 2011). Scholars arguing that spiritual values are largely based on a believe system that have a positive influence on individual behavior which bring positive consequences for quality of life and well-being (Benefiel et al., 2014; Rousseau, 2014). The religion has strong impact on human behavior and certainly it drives the integral belief system of an individual, which has a significant influence on individual intrinsic and extrinsic work values (Parboteeah et al., 2009). On this ground, scholars explored spiritual values in different societies and reached the conclusion that spirituality is in built based on distinct religions such as Islam, Buddhism, Confucianism, Judaism, and Hinduism and others (Najim et al., 2014;

Parboteeah et al., 2009). In the religion of Islam individual faith is the base for developing basic moral principles in their routine life in pursuance of establishment of good reputation and achieving spiritual well-being for their overall development (Abdullah, 2012).

The present study focuses on the airline industry in Pakistan, where Islam is the dominant religion. Scholars Hanefar et al. (2016) posit that in the context of an Islamic society and academic world, spiritual intelligence is relatively new and not widely discussed. Yet, Islam teaches and covers multidimensional aspects of spirituality. In fact, in the Islamic work environment, belief system is evident with faith and everyone expects that all human resource practices should be performed in accordance with Islamic teachings. The faith of the individual is considered the basis for developing holistic human resources. Researchers like Baharuddin and Ramli in Rahman and Shah (2015) describe spiritual intelligence in the context of *amar ma'aruf nahi munkar* or the ability to maintain good relationship with Allah (SWT) and the relationship with humans. In Islam, spiritual intelligence is the individual's strength of having a pure heart and strong aspiration to conduct one's self in the best manner (Rahman & Shah, 2015). Islamic principles also guide human beings to be consistent in exhibiting good and sincere behaviors and not to surrender to demonic and sinful worldly desires. Bukhari and Muslim quote Rasulullah (PBUH) thus: *Whereby in Adam's body contained a piece of meat in physical form that in fact refers to the pure heart. If the heart is good, the whole body will be good and if the heart is bad, the whole body will be bad as well* (Rahman & Shah, 2015). It shows that in Islam, spiritual values are not merely used to solve problems, but also to guide individuals to achieve a successful life (Hanefar et al., 2016).

The challenges faced by organizations now, are to balance economic considerations with ethical and spiritual values (Marschke, 2007). This shows that an organization requires a holistic view in developing their employees that should cover intellectual, emotional and spiritual aspects. Likewise, this research also deduced that employees should not merely be considered as economic assets for organizational success, but their values and needs should also be given proper consideration. Such a position agrees with humanistic management philosophy (Daley, 1986; Melé, 2016; Pirson, 2016) which encourages such notions for organizational prosperity. Hence, organizations should always strive to enrich their employees with optimal intellectual, emotional and spiritual competencies to perform their tasks efficiently.

Undoubtedly, the present scenario of the world exhibits that organizations are facing challenges to survive and sustain in a global competitive business environment (Zhao et al., 2007). Similarly, as a microcosm of the global business environment, Pakistani airlines and their employees, are experiencing such challenges. In view therefore, the subsequent section presents an overview of the global and Pakistani airline industries.

### **1.1.3 Global Scenario of Airline Industry**

The airline industry is probably the most important in the world today. It virtually provides services across all countries of the globe. The industry plays an integral role in creating a global economy and contributing significantly to the global economic development, in terms of its operations and its impacts on other related industries such as aircraft manufacturing and tourism (Belobaba et al., 2015). Virtually, the economic importance of the airline industry and its repercussions on so

many other major industries makes the volatility of airline profits and their dependence on good economic conditions a serious national and international concern (Belobaba et al., 2015). Moreover, the annual global economic impact is estimated at USD2.7 trillion that supports around 62.7 million jobs worldwide (ATAG, 2016). The airline industry's profitability in 2014 owes primarily to improving global economic conditions, which underpinned robust growth in passenger and air cargo demand. The Gross Domestic Product (GDP) growth has a bigger impact on air transport demand. Each unit of GDP generates more air travel in emerging economies than in mature markets. This trend in demand was bolstered in 2014 by significantly lower airline fares in markets outside the United States due to the decline in oil prices (IATA, 2015).

The growth of world air travel has averaged approximately five percent annually over the past 30 years, with substantial yearly variations due to changing economic conditions and differences in economic growth across regions of the world. Historically, the annual growth in air travel has been about twice the annual growth in GDP. The number of passengers grew dramatically in 2014 with 3.2 billion people using air transport worldwide. It is also estimated that the number of air travelers will increase to 6.4 billion by 2030 (ICAO, 2015). Despite its crucial role in the economic development, the global airline industry has witnessed some extraordinary tragedies in recent times including the mysterious disappearance of the Malaysian flight MH370 in the Indian ocean, the downing of the Malaysian flight MH17 in the Ukraine, the crash of German wings flight 4U9525 in the French Alps, and crash of Pakistan International airline flight PK661 was en route to capital city Islamabad. These unprecedented tragic incidences in the international scene have

raised some vital questions on tracking systems, flying to conflict zones and human psychological state (IATA, 2015).

Globalization and competitive business environments have encouraged service-oriented organizations like airlines to be more proactive in human resources implementation to deliver high quality services to their customers. Certainly, the competition in the airline industry is becoming increasingly volatile and fierce (Lee et al., 2013). As a business, airlines require sustainable mechanisms for achieving efficiency gains through the process of improvements, consolidation, and by carefully balancing organizational capacity with demand. This kind of innovations can favor consumers and the industry. However, such benchmarks can only be attainable through better customer service where airlines can secure competitive advantages and survive in a cut-throat international market (Lee et al., 2013). In recent years, researches have been conducted in various countries on airline service quality; scholars have established a relationship between customer satisfaction and airline profitability (Muturi et al., 2013; Saleh Mohamed Fadel et al., 2013). Moreover, research indicates that most dominant issues and challenges faced by the industry are the issues of cost efficiency, operating profitability, and competitive human behavior (Belobaba et al., 2009).

In fact, in service industry like airline, companies are more often concerned for their customer satisfaction, as they believe on the philosophy of customer value co-creation. Interestingly, recent trend in service industry is changing, as organizations are moving from the concept of customer value co-creation to employee led value co-creation (Merrilees et al., 2017). It is argued that employee-led value co-creation receiving much attention by service organizations those are wishing to create greater service contributions through greater employees'

participation which can lead to high-performing service organizations (Merrilees et al., 2017). It also implies that employees' role getting much important in the service industry like airline. But, unfortunately, the circumstances in airline industry of Pakistan depicts that, organizations are neither believing on customer value co-creation nor on the emerging philosophy of employee led value co-creation. This argument further substantiated as the breach of psychological contract among airline employees of Pakistan is very common (Bashir & Nasir, 2013).

#### **1.1.4 Overview of Pakistan Airline Industry**

The dynamics of the airline industry is a global phenomenon that is also inherent in emerging markets like Pakistan. The densely populated country is a land of opportunities for investors and has risen to become one of the world's most popular emerging markets (MSCI, 2016). The airline industries in Pakistan are one of the growing industry in the world with extreme levels of challenges and opportunities for airline business players (IATA, 2015). Yet, country's airline industry was considered one of the dominant in Asia in 1980s (Syed, 2012). In the 1990s, the Pakistani airline industry adopted open skies policy to encourage new entrants in the market but failed due to subsequent changes of government policies. Currently, there are three key players in Pakistan's airline industry, including: Pakistan International Airline (PIA), Shaheen Air International Limited (SAIL) and Air Blue Limited (ABL).

The PIA has had a monopoly over other companies in the industry in terms of the largest share of the market, fleet size, employment pool and routes covered (Shah et al., 2014a). PIA suffered losses amounting to more than Rs146 billion during the last four years and poor performance gained strong critics from national legislative

bodies (Pakistan Today Report, 2017). So far, the industry competitiveness is unsatisfactory and considered one of the poorest performing airlines in the world (Barbot et al., 2008).

Furthermore, it was reported that foreigners and overseas Pakistani customers strongly lack of confidence in Pakistani airline services (Deen & Arshad, 2007). The government of Pakistan has also shown serious concern over the performance of the nation's airline industry by announcing its national aviation policy (National Aviation Policy, 2015). The aim of the national aviation policy is to prioritize the airline sector to transform the social and economic fabric of the nation. The National Aviation Policy National Aviation Policy (2015) also highlights that the industry lacks adequate mechanisms for developing human resources and emphasizes on the need for value-added services and providing assurance for the customers.

The state of affairs of the Pakistani airline industry has attained serious crisis level with one of its biggest corporations being confronted with a plethora of financial and administrative problems (Fazl-e-Haider, 2014). An interview by Crilly (2014) with the ex-chief executive of the same airline revealed numerous serious issues in the industry. Some of these issues were inefficient workforce and behavior of employees. This led the national corporation towards the brink of collapse (Crilly, 2014). Equally, according to the National Accountability Bureau of Pakistan (2014), corruption is rampant in the industry. The situation became worse when the national corporation signed controversial business contracts that involved kickbacks. Besides, misappropriations and embezzlement of national resources had turned the national airline into a white elephant (Fazl-e-Haider, 2014). In addition, there are countless reported cases of misbehavior involving the violation of the laws of other countries (Hasan, 2015), smuggling of expensive gadgets and foreign currencies (Ahmed,

2015), having forged educational certificates (Asad, 2015), and delaying flights intentionally (Bhagwandas, 2015). Company employees have also been arrested in the past for such illicit activities on flights bound for international destinations (Asghar, 2015; Ians, 2016).

In fact, employee deviance is damaging to organizational worth and the issue of misbehavior at work has received a lot of attention in the media (Nasurdin et al., 2014). Similarly, in the case of the airline industry, human behavioral crisis in terms of employees' poor citizenship behavior towards organization has also been reported sufficiently in local and international media (Fazl-e-Haider, 2014). Certainly, from the cases which were reported, one can infer that little progress has been made to improve OCB of employees in the airline industry of Pakistan. It has also been found that customers are dissatisfied with employee behaviors in terms of the quality of services (Shah et al., 2014b). The behavior of employees shows that they are not fulfilling the job obligations due to indulgence and organizational misbehavior.

## **1.2 Problem Statement**

Pakistani airline industry represents a significant part of the global business landscape that is facing incredible pressure from customers to improve their services (Crilly, 2014; Deen & Arshad, 2007; Saleem et al., 2017). In the true sense of service, organizations like airlines greatly rely on customer satisfaction and loyalty. In fact, the creation of an excellent service experience and employee performance often requires employees to engage in organizational citizenship behavior (OCB). Concurrently, this pressure creates higher demand on the employees for efficient job performance and improved customer services through enhancing citizenship

behavior (Eatough et al., 2011; Lemmon & Wayne, 2015; Ma et al., 2015; Magdalena, 2014; Podsakoff et al., 2009).

Scholars argued that employees OCB is very significant for organizational performance, as it is regarded as critical manifestation of ethical behaviors (De Clercq et al., 2017; Murtaza et al., 2016). Despite the significance of OCB, evidences show that OCB is low among airline employees in Pakistan. In their study, Syed (2012) found that apart from other expectations of customers from airline companies, customers have great concern on employees helping behavior (OCB). Further, researcher indentified that around 93% of people believed that airline industry of Pakistan lacks professional people with pro-social behaviors (Syed, 2012). It was equally found that in terms of service quality, customers are dissatisfied with employees' behaviors (Shah et al., 2014b). Similarly, Ali et al. (2015) found in airline industry of Pakistan better quality of interaction of airline employees would result improved customer satisfaction. They argued low quality of employees' engagement with customers has deteriorated organizational performance. In more recent study Saleem et al. (2017) found that customer trust in airline travel market of Pakistan is very low, and perception of quality of services is thus highly affected. Hassan et al. (2014) found in airline industry of Pakistan, employees OCB increases with increase in employees' engagement in their jobs. In fact, however, employees' job performance in the airline industry in Pakistan has been greatly affected due to engagement of employees in organizational misbehavior (Ahmed, 2015; Asad, 2015; Asghar, 2015; Bhagwandas, 2015; Hasan, 2015; Ians, 2016).

Unequivocally, little progress has been made to improve OCB of employees of the airline industry in Pakistan. This has severely affected the overall performance of the organizations. For example; recent report shows Pakistan airlines suffered

losses amounting to more than Rs146 billion during the last four years and poor performance gained strong critics from national legislative bodies (Pakistan Today Report, 2017). Perhaps, employees are involved in the misbehaviors indicate that they rarely realize the negative consequences of their acts to the organizations which had caused high financial costs and resulted in negative social impacts (Haiss, 2010; Lehman & Ramanujam, 2009; Nayak, 2015; Nielsen, 2003).

There could be other significant factors that add to organizational failure but lack of OCB at work place has been immensely credited to terrible outcomes (Moore et al., 2012; Podsakoff et al., 2009). Noteworthy is the fact that, these state of impoverished and dispirited employees of airline industry of Pakistan indicate a crisis of meaning and values at work and an indication that such employees lack of spiritual intelligence (Zohar, 2012; Zohar & Marshall, 2000). Such practices compel organizations to experience failure in the long run. For this, the incorporation of human spiritual intelligence (wisdom, sense of community and sense of meaning) would be helpful to boost employees' OCB at workplace (Hunsaker, 2016; Kazemipour et al., 2012; Milliman et al., 2003; Najoli, 2012).

Thus, employees' lack of OCBs is one of the main obstacles for organizational performance. However, in improving employees' OCB, very little attention has been paid to the significance of human spiritual values. Consequently, the current study has attempted to investigate the important variable of OCB in Pakistan's airline industry considering individuals' spiritual intelligence by engagement of employees in meaningful work, promoting the sense of community and enhancing employees' wisdom. Hence, these significant variables are helpful in the development of employees that could improve employees' loyalty and helping behavior. Similarly, this study introduced Islamic Work Ethic (IWE) as a moderating

variable to strengthen the relationships between wisdom, sense of community and sense of meaning (spiritual intelligence) and employees' loyalty and helping behavior (OCB).

### **1.3 Research Objectives**

In particular the present study aims:

- 1) To investigate the effect of wisdom on employees' organizational citizenship behavior (employee loyalty and helping behavior).
- 2) To investigate the effect of sense of community on employees' organizational citizenship behavior (employee loyalty and helping behavior).
- 3) To investigate the effect of sense of meaning on employees' organizational citizenship behavior (employee loyalty and helping behavior)
- 4) To reveal the influence of Islamic work ethic on the relationship between human resource spiritual intelligence dimensions (wisdom, sense of community, sense of meaning) and employees organizational citizenship behavior dimensions (employee loyalty and helping behavior).

### **1.4 Research Questions**

- 1) Is there a relationship between wisdom and employees' organizational citizenship behavior (employees' loyalty and helping behavior)?
- 2) Is there a relationship between sense of community and employees' organizational citizenship behavior (employees' loyalty and helping behavior)?
- 3) Is there a relationship between sense of meaning and employees' organizational citizenship behavior (employees' loyalty and helping behavior)?
- 4) Is there an effect of moderating role of Islamic work ethic in forming the relationship between human spiritual intelligence dimensions (wisdom, sense of

community, and sense of meaning) and organizational citizenship behavior dimensions (employees' loyalty and helping behavior)?

## **1.5 Significance of the Study**

### **1.5.1 Theoretical Significance**

Past literature shows that there is a vital importance of spiritual intelligence and its impact on organizational variables. However, from the theoretical perspective, the present study added new insights in the body of knowledge through the introduction of the significant dimensions of spiritual intelligence (wisdom, sense of community, and sense of meaning) and organizational citizenship behavior in developing human resources. The present study investigated the imperative role of human spiritual intelligence for better understanding of such practices to enhance employees' citizenship behavior. Furthermore, while most of the previous studies have only focused on limited dimensions of spiritual intelligence and their relationship with OCB; this study examined wisdom, one of the neglected dimensions of spiritual intelligence, which has been highlighted as a spiritual strength in recent researches (Walsh & Reams, 2015). Moreover, the current study also recognizes the importance of Islamic values, as the moderating effect of Islamic work ethics. This has rarely been tested in investigating the relationship between spiritual intelligence and organizational citizenship behavior.

This study also provides greater understanding on human spiritual intelligence and OCB through the lens of Social Exchange Theory (SET) and Al-Ghazali Theory of the Soul. Theoretically, the current framework presents an idea strongly supported by the theme of these theories. Past studies on human resource practices and employee behavior have been associated with SET (Suan & Nasurdin,

2014). However, empirical evidences are scarce in the context of spiritual intelligence. Hence, the incorporation and integration of these theories provided additional theoretical knowledge in viewing the relationships between human spiritual intelligence and OCB.

In addition, this study contributed to the field of organizational behavior and human resource development by suggesting the inclusion of spiritual intelligence in the design of human resource development plans. So far, existing literature reveals that the components of IQ and EQ in the fabric of organizational behavior and human resource development design have been largely explored. However, emphasis on the insertion of spiritual intelligence in the framework of organizational behavior and human resource development is lacking in past researches. Thus, this study added to the body of knowledge while exploring and adopting spiritual intelligence for development of human resource.

### **1.5.2 Practical Significance**

Practically, it was anticipated that the study findings would serve as the basis for airline industry of Pakistan in developing employees' behavior. The study sheds light on the aforesaid relationships among the variables in resolving human behavioral issues in the airline industry of Pakistan. In addition, the study explores how mentioned relationships can be suitable in the context of Islamic values. The findings of the study could help policy makers and practitioners revisit their existing approaches for employees and human resource development programs. Hopefully, findings from this study can help managers understand employee behaviors in better way. Organizations may also employ the findings from this study as strategies to tackle unacceptable behaviors of employees.

This study would be useful not only to the managers in the airline industry but also other public and private organizations. Moreover, study results are also applicable to many types of service providers in public corporations in Pakistan, where employees' commitment towards organization is declining (Bashir et al., 2012). Furthermore, this study provides a foundation to enhance the relationships between employees and organizations. Similarly, the current study is situated in a non-Western context. Since human behavioral crisis is a global phenomenon, the findings can lead to further studies in other countries. To prevent future human behavioral crisis and indecent behaviors, this study could provide a road map for organizations to perform their functions more efficiently to achieve employees' citizenship behavior. The study also provided empirical evidence for practitioners to explain the significance of human spiritual intelligence as the most effective tool for restoring employees' favorable behavior within the context of Islamic teachings.

## **1.6 Scope of the Study**

The scope of this study is restricted to the first line managers of the airline companies of Pakistan. The respondents were from three companies in airline industry of Pakistan, namely Pakistan international airline, Shaheen airline and Air Blue. The broad objective of study focuses on the relationship between the dimensions of employees' spiritual intelligence, i.e. sense of community, sense of meaning and wisdom and the dimensions of organizational citizenship behavior that are employees loyalty and helping behavior. In addition, the study considered the moderating role of Islamic work ethic in determining the relationship among various components of employees' spiritual intelligence and OCB.

## 1.7 Definitions of Key Terms

In the context of present study the key terms that are extensively implied are defined below in the table for better understanding and ensuring accuracy.

Table 1.1 Definitions of Key Terms

<b>Terms</b>	<b>Definitions</b>
<b>Spiritual Intelligence</b>	The intelligence which is also called the soul and wisdom intelligence by which we can access to deep meaning, fundamental values, highest motivations, and a sense of abiding purpose in our lives (Zohar and Marshall, 2004). Thus, in the proposed study, spiritual intelligence refers to individual's ability behaving with wisdom, deepest sense of meaning and sense of community.
<b>Sense of Community</b>	A deep interactions or relationships at work where individuals experience personal growth, feel valued, and have a greater sense of working together (Milliman et al., 2003). In this study sense of community refers as a individual spritual strength, whereby, connecting themselves within the community and becoming a source of appreciation and encouragement for others.
<b>Sense of Meaning</b>	Sense of meaning at work means that an individual understands his or her work has meaning and contributing to greater purpose (Steger et al., 2012). Sense of meaning in this research defined as a critical component of spiritual intelligence which is individuals owning their work as most important and superior over other matters at workplace.
<b>Wisdom</b>	Wisdom refers as a personality characteristic that is the integration of individuals cognitive, reflective, and affective aspects (Ardelt, 2003). Present study defines wisdom as spiritual strength with highest level of knowledge that brings enlightenment in people's actions that would ultimately leads to their accurate development.
<b>Organizational Citizenship Behavior</b>	Defined as "individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and in the aggregate promotes the efficient and effective function of the organization" (Organ et al. 2006,p. 3). In this study, OCB refers employees' pro organization behaviors while showing their utmost loyalty and helping behavior for colleagues' as well as for organization.
<b>Helping Behavior</b>	Defined as "voluntarily helping others with or preventing the occurrence of work-related problems" (Organ et al., 2006, p. 308). This study defines helping behavior as employees' sense of altruism for organization and for others.
<b>Employee Loyalty</b>	Coughlan (2005) defines "loyalty is reflected in behavior that can be tied to an implicit promise ,voluntarily made by an individual operating in a community of interdependent others, to adhere to universalizable moral principles in pursuit of individual and collective goals"(p-4). In this study employee loyalty refers to employees' commitment towards organization.

<b>Islamic Work Ethic</b>	The IWE is an orientation towards work which shapes and influences the involvement and participation of believers (Ali, 1992). Present defines IWE as individual faith and believe at workplace based on Islamic teachings.
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## **1.8 Organization of Chapters**

This thesis is organized into five chapters. Chapter One covers the background of the study, problem statement, research objectives, significance of the study, definition of key terms. Chapter Two includes the review of literature on key variables, i.e., organizational citizenship behavior, Spiritual intelligence, wisdom, sense of community, sense of meaning, and Islamic work ethic. This chapter also includes theoretical framework and the hypotheses posited in this study. Chapter three highlighted the methodology employed in the study. It includes a description of the research approach, the population and sampling design, the measures, the data collection procedure, pilot study and the statistical methods used to analyze the data. Chapter four presents results and analysis. It shows the results of data analysis and hypotheses testing. Finally, chapter five provides a summary of the whole study, discusses the findings of data analyses, and describes theoretical and practical implications of the study. It also presented limitations of the research and gave suggestions for future research. The conclusion gives an overview as well as important facts about the study.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter reviews the relevant literatures leading to the development of the research model. It begins with a review of the literature on the employees' organizational citizenship behavior. This is then followed by a discussion on spiritual intelligence and its core components. Then, theories have been explained. The review of the variables and their link has been established. Finally, this chapter concludes with the theoretical framework and hypotheses of this study.

#### **2.1 Organizational Citizenship Behavior (OCB)**

During the past three decades, the interest in organizational citizenship behaviors (OCBs) has grown substantially (Gabriel et al., 2017; Mo & Shi, 2017; Organ, 2017; Podsakoff et al., 2014; Podsakoff et al., 2009). Most importantly, after world economic crisis in 2008, the body of knowledge depicts that the field of human resource management has recognized the significance of OCB in employees and its greater impact on firm performance (Chin, 2014). Furthermore, the body of knowlegde confirms that the plethora of studies have been published over the past quarter century and it would may strongly indicate that OCB is firmly embedded in the fabric of the fields of organizational behavior and industrial organizational psychology (Podsakoff et al., 2009). Scholars have urged that there could be several valid justifications for the drastic interest in the field, such as, declining status of employees commitment, its vital influence on bottom line of the organization and its positive direct impact on organizational effectiveness were considered as