

Economic or Organisation Perspective?: Triangulation of Workplace Spirituality, Organisational Learning Capacity (OLC) and Organisational Trust

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Abstract

The study examines the relationship between workplace spirituality, organizational learning capacity, and organizational trust. Within the organization, trust plays a significant role in establishing learning capacity. The study is cross-sectional in nature with a simple random sampling technique. Information is gathered from Training/learning and OD staff of government and commercial banks operating in Pakistan via self-administered questionnaires. Data were analyzed through “Structural Equation Modelling (SEM)” and through maximum probability and likelihood. Findings indicate that workplace spirituality had a substantial positive effect on organizational learning capacity and organizational trust acts as moderator. Hence, organizational trust also has a significant positive impact on the relationship between workplace spirituality and organizational learning capacity. Middle and upper-level Managers working in the bank, different industry associations, multiple In-house and Ex-house training providing firms, support functions and research institutions may utilize findings to bring major improvements in learning capacity mechanisms and employee behavior to enhance the overall adequacy of the associations.

Key Words:

Organizational learning capacity,
workplace spirituality,
Organizational trust

JEL Classification: I31,
D91.

Vol. III, No. II (Fall 2018)

Page: 20 – 33

p-ISSN: 2521-2974

L-ISSN: 2521-2974

e-ISSN: 2707-0093

DOI: 10.31703/ger.2018(III-II).03

Introduction

In today's modern economies, the learning organization (LO) progresses mainly due to the learning and enactment of their staff and this way the individuals act as the first building block of the learning process in such organizations. The understanding of the organizational learning concept depends on understanding the concept how individual learning process takes place so that such organizations can primarily emphasize personal learning management whereas appreciating and enhancing the advancement in their employees (Scarbrough, Swan, & Preston, 1999). Since the value of learning and its capacity for organizations and variation in research outcomes has increased, a comprehensive study of these variables in association with psychological factors like

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organizational trust is the need of the hour. Hence the same combination of factors will be discussed in the present study concerning employees of government and private commercial banks of Pakistan.

Banks are at the center of the financial services industry and play a pivotal role in the economic growth of any country. Being the guardian of financial assets of the general public, the role of the Banking Sector in managing money and economy for financial stability in a country. Moreover, apart from financial services providers, in hindsight Banks also influence other integrated economic activities encompassing job creation, poverty alleviation, financial inclusion and financial liquidity to Government. Pakistan's Banking Sector consists of a large number of local and foreign commercial banks, Investment Banks, Islamic Banks and Microfinance Banks that are all work under the approval and guidance from State Bank of Pakistan which is the central bank and is responsible for regulating the financial industry. We also selected banking industry for the present study because banks in Pakistan are playing important role in poverty reduction and giving the nation an equivalence of excess to the economy (as per United Nations annual report for the year 2011). The first dilemma, named poverty reduction, concerns minimizing the extent or quantity of an individual living their life below the poverty line. As said by Antal and Sobczak 2004; Cuevas, Mina et al. 2009; The World Bank 2011, "The equivalence of access to an economy concerns with the distribution of income, land, and assets amongst the population of a country". In order to accomplish the mentioned goals commercial as well as government banks play a vital role (The World Bank 2011). Concluding our discussion, the banking sector is playing a crucial and major role in providing financial services to the general public as well the acting upon the global agenda of financial inclusion.

Literature Review

Workplace Spirituality

Ashmos and Duchon (2000), portrays that workplace spirituality includes a feeling of network. They further characterized workplace spirituality as "the acknowledgment that representatives have an inward life that supports and is sustained by significant work that happens with regards to network" (p.137). Henceforth they built up a scale for estimating the workplace spirituality and build up variables at the individual, gathering and hierarchical dimension. They found that workplace spirituality can be viewed as an enveloping component of connectedness, significant work and the joining of worker existence with work exercises. The working environment has turned into a principal component of the representatives' lives. Clarification of each build ends up fitting and important to comprehend the working environment otherworldliness. Right off the bat, working environment otherworldliness can be portrayed through Inner life which is characterized as "the inclination that people have about their identity, what they are doing and the commitments they make" (Vail, 1998, p. 218). A few research researchers have stressed on the essentialness of the exercises that representatives lead in their working environments. A scientist named Bowie (1998) looked to Immanuel Kant with the intent to accomplish a superior comprehension of the idea 'important work' to capture the possibility of work environment otherworldliness. Significant work is tied in with taking a shot at something that is significant, empowering, and satisfies the representatives' needs (Ashmos and Duchon, 2000). Feeling of the network further improves the comprehension

of work environment otherworldliness as it is characterized as "an association of free individuals focused on the consideration and supporting of one another's psyche, body, heart, and soul through participatory signifiers" (Naylor, Willimon and Osterberg, 1996, p. 42). The network may likewise be characterized as having a feeling of having a place, common confidence that is displayed and available among people (McMillan and Chavis, 1986). In the event that the accompanying qualities are available in the working environment, Individuals can discover a feeling of the network: shared vision, regular qualities, limits, strengthening, obligation sharing, development and improvement, strain decrease, instruction, input and kinship (Naylor, 1996). As of late, considers have uncovered that individuals esteem work environments where they can detect as a feature of a network (Pfeffer and Veiga, 1999). Thus, representatives can locate a solid connectedness in their work environments where they feel shared qualities and experience a mutual feeling of direction (Chappell, 1993). Arrangement with authoritative qualities likewise underpins the idea of working environment otherworldliness as it is how much an association's plan, procedure, and culture are teaming up to accomplish the equivalent wanted objectives (Sender, 1997, p. 23).

Organizational Trust

Gills (2003) defines authoritative trust as the status of a relationship, in light of its way of life and correspondence practices and deeds seeing someone and exchanges, to be reasonably unprotected, in context on the conviction that other collecting either singular, get-together or association is able, clear, concerned, dependable and identified with shared goals, models, and qualities. Lee and Stajkovic (2005) checked Mayer, Davis, and Schoormann's (1995) demonstrated a model of different levels of trust and consider the disclosures that trust in a specific accomplice surged toward impossible composed exertion in work get-togethers, a standard deferred outcome of gathered social capital. Chattopadhyay and George (2001) found that legitimately definitive or brief work control scored lower on trust than did inside or full-time specialists in transient ace drove get-togethers, at any rate, they found no parallel outcome in the inner laborer overwhelmed social gatherings, and that change is undoubtedly going to be an inevitable result of differential work status. Status might be depicted as "the respect, regard, and love that people an incentive as demonstrated by different people" (Anderson, Srivastava, Beer, Spataro, and Chatman, 2006; Ridgeway and Walker, 1995). Business expert affiliations show to the arranged effort and fantastic relationship among agents and their head of division; understanding between the two people and firms; and the two social gatherings are working with each for quite a while and likely are experienced. As per Jacob Guinot, 2013 the fragment of trust between the overall public of an alliance could wrap up making specialists handle certain practices or practices that show up, clearly, to be related to dynamic learning limits. His examination recommends that the human resource department and administrators can utilize trust as a device or part that updates the exchanging of information crosswise over different level limits and advances genuine learning limits. Since the examination was done in specific masses of affiliations, results passed on are obviously restricted to the kind of relationship in which get some information about is driven. Along these lines, future examinations could complete the examination in different masses, for example, express locales

Learning Capacity

Crafted by Organizational Learning Capacity is grounded in benchmarks of different leveled learning (OL) as they have a spot with second-request authentic change. Different scientists offered particular ramifications of Organizational Learning (OL) in different formed works. Different bits of dynamic working get influenced by beyond what many would consider possible. Frameworks associate duplicates the degree with which top real entertainers think about the interdependency of dynamic parts (Nevis, DiBella and Gould, 1995). Conclusive condition for learning introduction being an assembling can be portrayed as the estimation up to which learning is empowered and respected in any relationship as per Marquard in 1996. Learning is the most fundamental and basic part of any different leveled culture as said by Schein, 1983, which shows itself in the prevalent conviction structures finished by an alliance and the setup cases of disposition and lead among entertainers in the association (Marquardt, 1996; Nevis, DiBella and Gould, 1995). Therefore, affiliations' condition for learning invigorates the well-ordered learning practices of people and social events, which logically impact when in doubt different leveled learning the purpose of control and adjustment which is a technique key to reasonable complete triumph and survival in an irate circumstance. Information obtaining and usage introduction besides helps in understanding within the thought of different leveled learning limits. The present examination has not yet been discovered any point by point consider on authoritative learning limit with factors (under current examination) that have been composed concerning arranging and progress foundations in Pakistan.

Workplace Spirituality and Organisational Learning Capacity

Workplace historic nature is basic for dynamic assignments since it rouses delegate occupation satisfaction and guarantees to the relationship as suggested by various examinations (Milliman et al., 2003). It moreover bolsters up a relationship with the present business, reevaluates strong collusion based conviction (Crawford et al., 2009) additionally as adds to work unit execution (Duchon and Plowman, 2005). Working condition powerful quality is what's more critical to a relationship to the degree of logically recognizable help and diligence, helps in rethinking social exacerbation. It likewise gives regards like an affirmation of a people's powers, for instance, productivity and imaginativeness (Bandsuch and Cavanagh, 2005). A few experts prescribe, for reason behind understanding workplace amazing quality and self-prologue to accomplish their potential ace is a central segment (Duchon and Plowman, 2005; Fry et al., 2011). In positive and relentless learning environs, solitary phenomenal quality is respected, seen, kept up and clear with complete characteristics (Tombaugh et al., 2011). Basically the higher the certain total learning limit, the higher the workplace wonderful quality and the substitute way.

H1. There is a significant and positive association between workplace spirituality and organizational learning capacity.

Organizational Trust and Organizational Learning Capacity

Dynamic learning limit is portrayed as a certified and the experts attribute that support decisive learning or empowering a relationship to learn (Goh and Richards, 1997: 577; Chiva and Alegre, 2009b). The procedure through which affiliations learns or diverse leveled getting, according to Alegre and Chiva, 2008, is depict as the framework by which

affiliations changes or will everything considered change their mental models, approaches or data, keeping up or reviving their execution (Alegre (2009b), the components which enable the convincing learning system or engages the relationship to learn are generally experimentation, chance-taking, facilitated exertion with the outside condition, trade, and sponsorship. Examination of Peter E. fast and Alvin Hwang, 2013 offers inspiration to request that key research advance distinctive leveled learning limits through headway of different sorts of trusts for affiliations accomplishment. As such when an individual trusts another or the partnership, the individual being suggested is glad to see the hazard, loses fear and is in that limit sensibly inclined to pick, share, work together, try, or have a talk. From the above creation following speculations is shut;

Workplace Spirituality and Organizational Trust

According to this rationale workplace, extraordinary quality can be considered from two one of a kind edges. It possibly will depend upon the general population's inclusion with their internal tendency, or their experience could be operationalized at the outside environs of their workplace (Rahman et al., 2015). In this way, data sharing is principal to formalize a learning structure, or to influence the attitude of agents by workplace supernatural quality. From the composition, we get the assistance related to the centrality and its deals in the affiliation. It is gotten from composing that trust might be portrayed as an element of expectation that either assembling will never carry on in a way to exploit the situation (Gefen, Karahanna, and Straub, 2003. The pyramid of affiliation is getting the chance to be versatile well ordered in this manner there has been a growing need of trust to complete versatile mode (Dirks and Ferrin, 2001; Mayer, Davis, and Schoorman, 1995). Marques in 2005 cleared up that workplace power involved the interconnectedness and trust among individuals or social events busy with the work method. From the above composition of various leveled learning limit, the going with hypotheses communicated here:

H2. There is a significant and positive impact of organizational trust on the relationship between workplace spirituality and organizational learning capacity.

Model

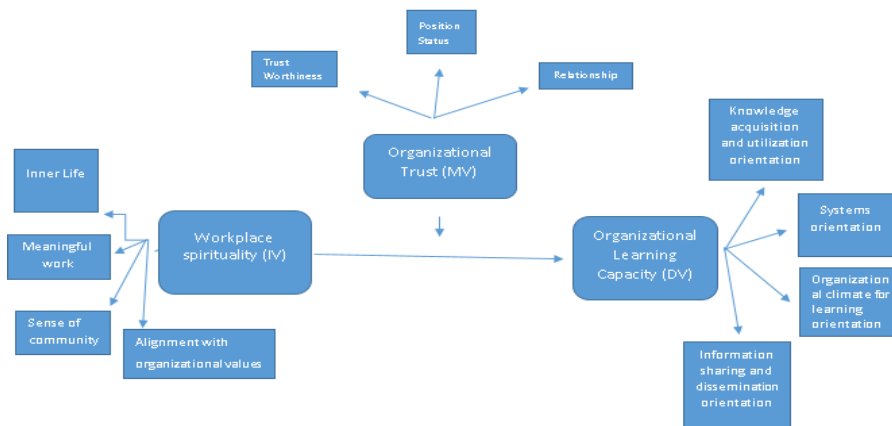


Figure 1. Conceptual Model

Methodology

The study provides the methods and procedures that are employed in the research. The present study is an explanatory design study as the data collected is for a single point in time. Cross-sectional data is collected for the design. For data collection, a survey method is used. The questionnaire is distributed among employees of the different commercial banks from Karachi, Lahore, Rawalpindi and Islamabad cities which have their own learning and development centers located in these cities personally by the researcher or through email. Selected population for the study consist of 239 employees. 232 questionnaire is distributed for data collections from different employees. 223 Questionnaires are returned back from the employees selected for the study. Out of which 177 were included in the study, remaining questionnaires were incomplete or had missing values. So the response rate was 73.37 %. A simple random sampling technique is used in the study for collection of data from the employees of different banks.

Data Analysis

In our study data analysis is done for three main purposes. The first and foremost purpose is “feel for data”. The missing values, its normality, and outliers are computed for a feel for data. To set up the feel for data, data screening is performed by employing distributive statistics tests. The second purpose of data analysis is “goodness of data”. For analysis, reliability and validity tests are performed. The final part of the data analysis is “testing hypotheses”. Hypotheses are tested for acceptance or rejection with the help of finding of an analysis of data. For hypothesis testing and testing the significance of the relationship, a linear regression test is employed. For data analysis, Partial Least Squares based Structural Equation Modelling (PLS SEM) is used in the existing study.

The total number of respondents is 177 and they were asked about their gender, out of which 65% are male and the remaining 35% are females. All respondents were asked about their age on the basis of age groups, out of which 05 % of respondents were below the age of 30 years, 31 % of respondents were lies in the group of 30-40 years, 41 % of respondents have the age of between 40-50 years, and the remaining 23 % of respondents have aged over 50 years. All respondents were asked about their education on the basis of academic categories. Results show that 2% of respondents have the education of high school, 15% of respondents have a bachelor’s degree and the remaining 83% of respondents got a Masters/Ph.D. degree. In the same way, respondents were asked about their overall work experience. Results show that 5 % of respondents have less than 3 years overall work experience and the remaining 95 % have overall work experience above 03 years.

Results display that minimum and maximum are in the range of 1.00 to 5.00. The mean score falls between the ranges of 1.95 to 2.21 which shows that responses are towards agreeing to neutral. The skewness of all variables is within the range of -2 to +2. Kurtosis results are also in the range of -5 to +5. These results show data is normally distributed.

Table 1. Descriptive Statistics

	Minimum	M	Mean	Std. Deviation	Skewness	Kurtosis		
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
w_s	100	5.00	2.0000	.49092	-.185	.206	-.134	.410

0_T	100	5.00	1.9484	.63850	.716	.203	.707	.404
0_L_C	100	5.00	2.2135	.63123	.497	.203	.369	.404
Valid N (list-wise)								

“Partial Least Squares based Structural Equation Modelling (PLS SEM)” and “Covariance-Based Structural Equation Modelling (CB-SEM)” modeling are two well recognized multivariate data analysis methods for researchers and scholars (e.g. Bagozzi & Yi, 1988; Götz, Liehr-Gobbers, & Krafft, 2010; Lowry & Gaskin, 2014). “Partial least squares, variance-based SEM” is generally accepted in business management research.

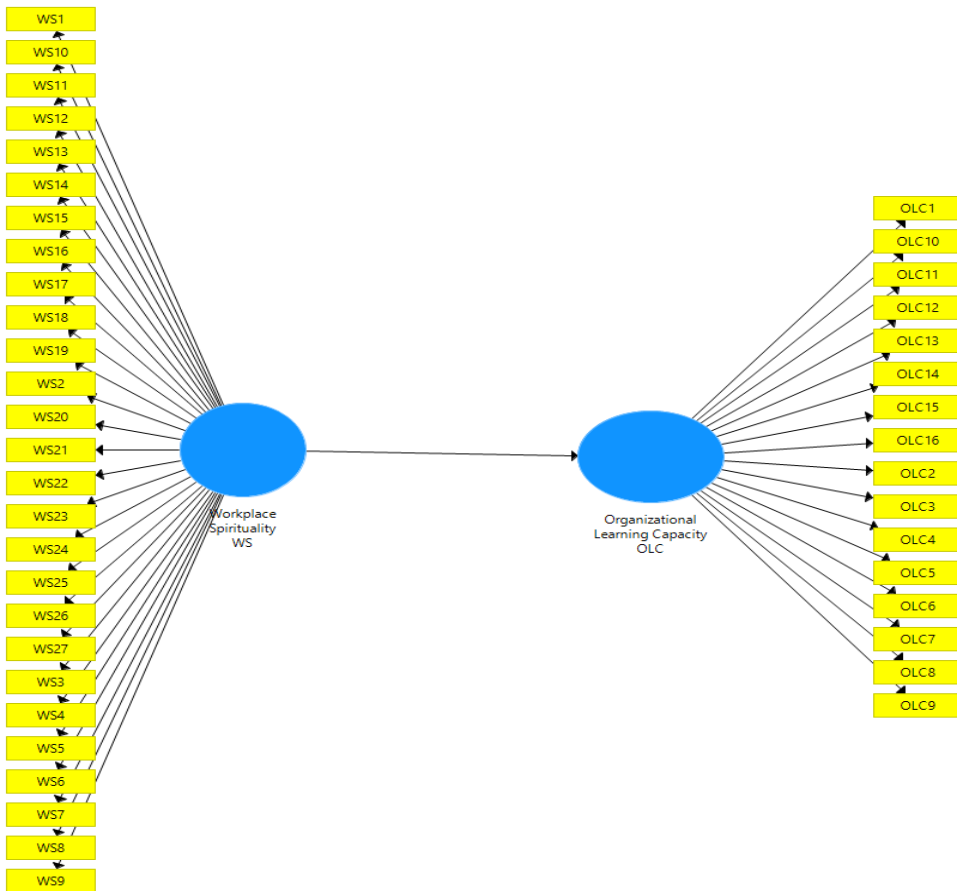


Figure 2: Pls-Sem Output for the Direct Relationship Between Two Endogenous And Exogenous Variables

The above diagram shows the direct relationship of endogenous and exogenous variables and the linkage of items with the help of a structural model. Organizational learning capacity is measured through 16 items whereas workplace spirituality is assessed with the help of 27 items linked with it.

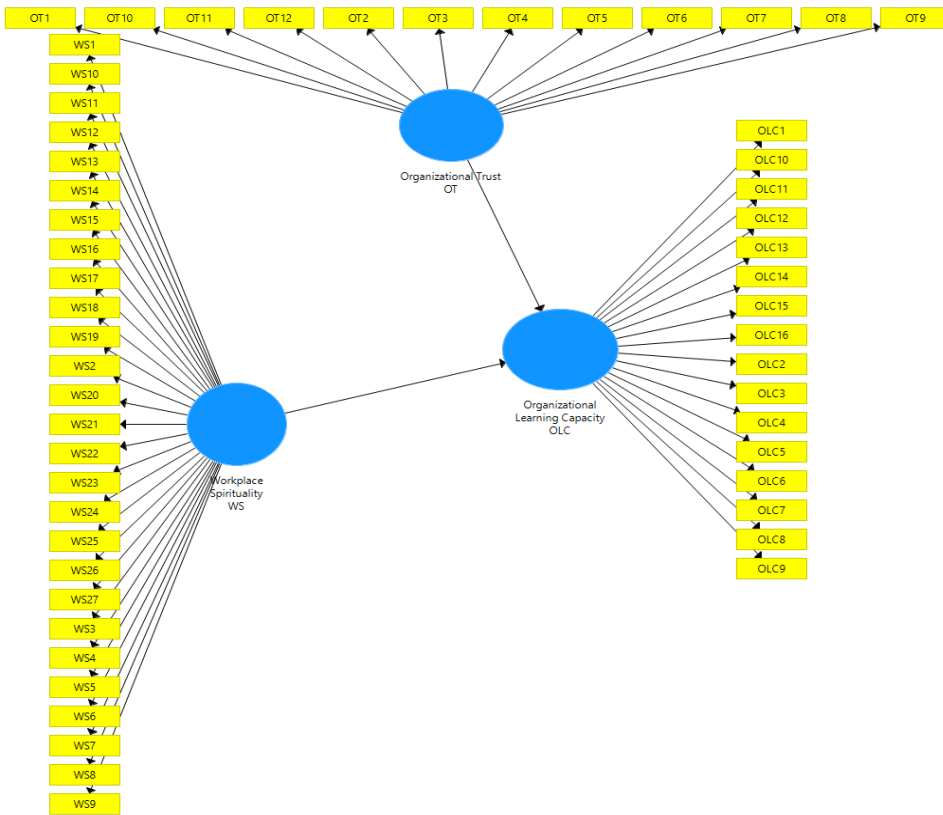


Figure 3: PLS-SEM Output for the Relationship between Endogenous, Exogenous and Moderator Variables

The above diagram shows the association of workplace spirituality with organizational learning capacity. It is obvious that there are so many other factors affecting the relationship between exogenous and endogenous variables.

Table 2. Construct Reliability and Validity

	Cronbach's Alpha	rhA	Composite Reliability	Average Variance Extracted (AVE)
Organizational Learning Capacity	0.914	0.92	0.929	0.593
Organizational Trust	0.942	0.945	0.95	0.635
Workplace Spirituality	0.851	0.855	0.893	0.626

The CR values of all the latent variables used in the study were found to be > 0.70 (Hair et al., 2006) which establishes internal consistency. Discriminant validity is the extent to which a variable is truly distinct from other variables, in terms of how much it correlates with other variables, and how much indicators represent only a single variable (Hair et al., 2013, p. 115).

Table 3. Discriminant Validity

Discriminant	Organizational Learning Capacity	Organizational Trust	Workplace Spirituality
Organizational Learning Capacity	3,77		
Organizational Trust	3.768	0.797	
Workplace	3,734	0.731	0.791

If during analysis, the variance inflation factor (VIF) either reaches or surpasses the value of five, Collinearity problems may appear (Kleinbaum, Kupper, Muller, & Nizam, 1988). In our case, no such value is witnessed. Hence it can also be stated as no collinearity problems are observed in our study.

Table 4. Inner VIF Value

Inner VIF Value	Organizational Learning Capacity
Moderating Effect 1	1.078
Organizational Trust	2.227
Workplace Spirituality	2.146

Correlation analysis is used to measure the relationship between all study variables. Results of correlation show significant relation among all variables ($p < 0.01$). All variables have a positive correlation.

Workplace spirituality and organizational trust as a moderator have a weak correlation ($r = 0.194$, $p < 0.01$). While organizational trust and Organizational learning capacity are strongly correlated ($r = 0.768$, $p < 0.01$). In the same way, workplace Spirituality and Organizational Learning Capacity have a strong correlation ($r = 0.734$, $p < 0.01$).

Results of correlation analysis are shown as follow;

Table 5. Latent Variable Correlations

Latent Variable Correlations				
	Moderating Effect 1	Organizational Learning Capacity	Organizational Trust	Workplace Spirituality
Moderating Effect 1	1			
Organizational Learning Capacity	0.243	1		
Organizational Trust	0.269	0.768	1	
Workplace Spirituality	0.194	0.734	0.731	1

Path coefficient for the direct relationship between the variables. Nonparametric bootstrapping routine advocated by Vinzi et al., (2010), is being used on 25 data points and 239 samples. “Bootstrapping is a re-sampling approach that draws random samples (with

replacements) from the data and uses these samples to estimate the path model multiple times under slightly changed data constellations” (Hair et al., 2013, p. 162).

Table 6.

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Organizational Trust -> Organizational Learning Capacity	0.431	0.414	0.175	2.463	0.014
Workplace Spirituality -> Organizational Learning Capacity	0.469	0.49	0.162	2.888	0.004

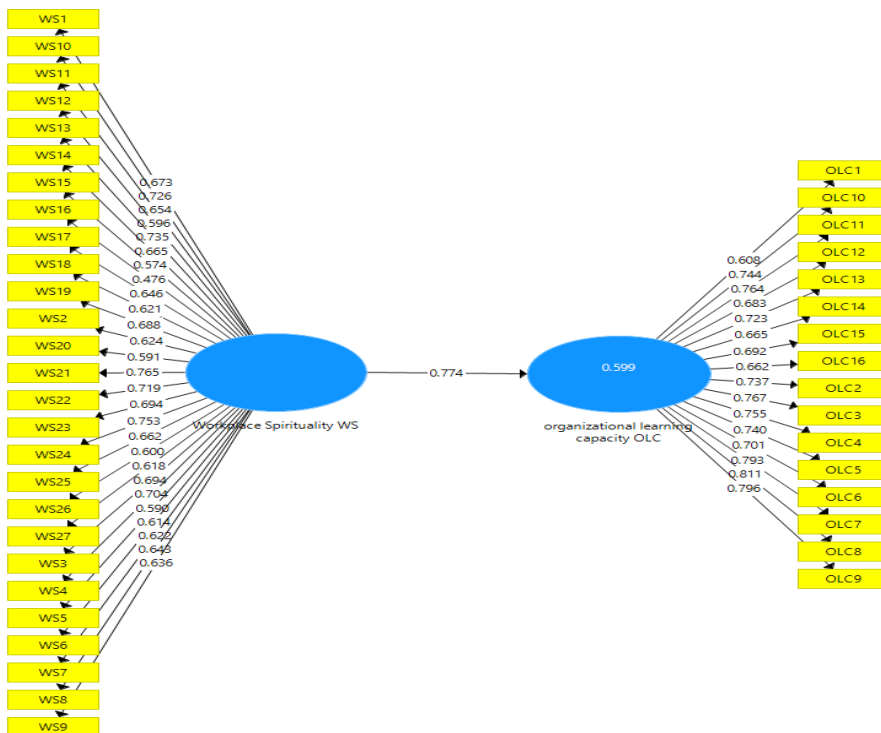


Figure 4. PLS-SEM Output for the Relationship Between Endogenous and Exogenous Variables

The above diagram shows the positive and direct association between workplace spirituality and organizational learning capacity with the outer loading value as 0.77 and R2 value as 0.599. Hence supporting our H1 hypothesis.

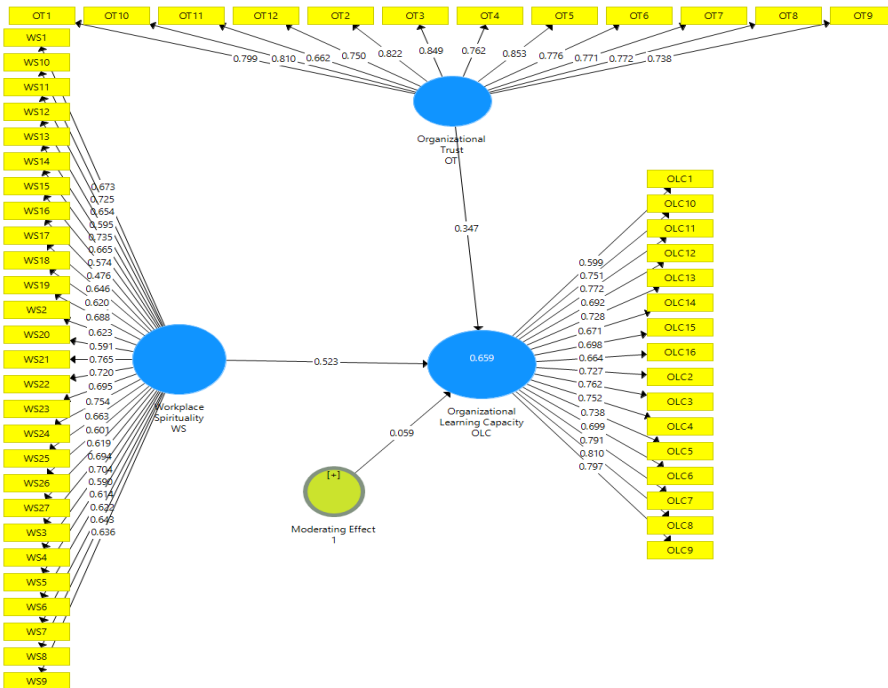


Figure 5. Organizational Trust as Moderator

In the study, moderation analysis was carried out to estimate the magnitude of the indirect effect of the moderating variable (organizational trust) on the relationship between exogenous variable and endogenous variable. From above diagram it is clearly indicated that organizational trust fully moderates between OLC & WS.

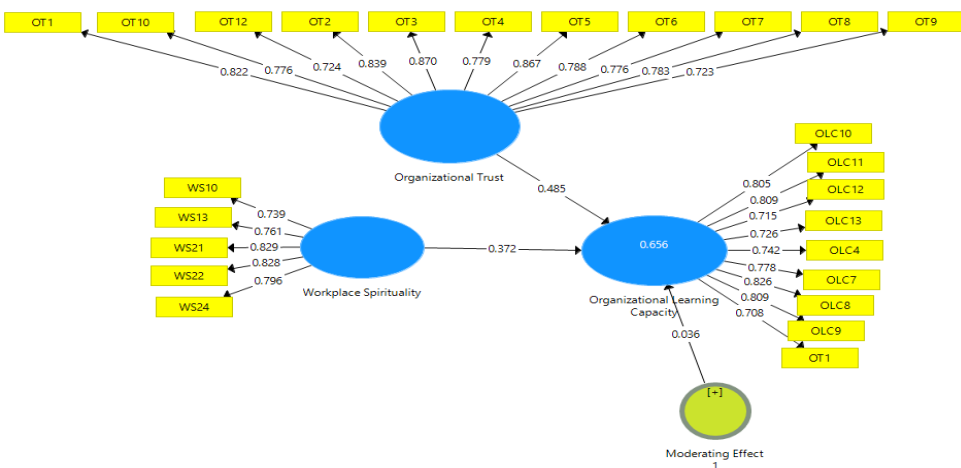


Figure 6. Fitted Model

Separately, In the fitted model, the moderating effect of organizational trust is shown significantly positive whereas the value of the path coefficient is found to be 0.485 and t value as 2.463 “based on $t(4,999)$ of a single queue and a significance level of $p < 0.001$ ”. Moreover, the directing impact, also term as moderating one, of organizational trust makes the impact of workplace spirituality (WS) on Organizational learning capacity (OLC) increases to clarify 63.5% of Average Variance AV. Finally, the value of f^2 is found to be 0.08 (Chin, 2010), therefore considering the mentioned value we verify the moderating effect of organizational trust in our study.

Conclusion

The current study has endeavored to explore the effect of workplace spirituality on the learning capacity of an organization as well as its usefulness theoretically and analytically. It is concluded that organizations that work for creating trust atmosphere, high spirituality at the workplace, building effective and modern learning and development systems according to needs of the employees and according to the requirement of time are at the top position in the market. These organizations become attractive for both local and foreign investors and also for local and foreign employees for working, in this way such organizations can contribute to the growth of the economy of Pakistan and other countries as well.

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