CHAPTER - 3
METHODOLOGY

This study aimed to investigate the positive organizational correlates of employee work ethics and spirituality. The variables of the study included authentic leadership, psychological empowerment and organizational trust besides employee work ethics and spirituality.

RATIONALE OF THE STUDY

New frameworks that focus on the values of a leader are needed in order to restore trust and faith in the employer-employee relationships. If the dimensions of trust, value orientation, etc. are not given importance, then it may be possible that organizations will be destined to repeat the failure of leadership theories of the 80’s and 90’s.

There is a need for leaders who have a deep sense of purpose and hold significant values, who are chosen for their character and not just their charisma and who are able to motivate employees to create genuine values for consumers.

The importance of spirituality is now being recognized at the workplace. Along with this, the enhancement of duty-orientation and Indian work ethics is also a common objective across organizations today. Both Indian work ethics and the feeling of oneness with others can help enhance organizational performance. People who feel one with other human beings are generally adored and seen as high on self-esteem. Upanishads, which comprise the foundation of Indian culture, are emphatic in claiming that spirituality or oneness with others is the ultimate goal of all beings
According to Radhakrishnan (1929), “To live in perfect goodness is to realize one’s life in all. This ideal for which the moral nature of man cries can be attained only if the finite-self transcends its narrow individuality and identifies itself with the whole.”

Leadership is becoming increasingly important in this age of continuous change. To meet these continuous demands, there is an increasing interest among researchers to study the concept of authentic leadership. This leadership style can facilitate the development of appropriate competencies within an organization. In comparison to the other traditional forms of leadership, authentic leadership has not received much attention. Although the topic is quite popular and has appeared in the press, very few papers have been published both at the international and national level.

Since there is an acute paucity of studies in this context, the investigator thought of undertaking a research on this topic.

**AIMS**

1) To investigate the relationship between authentic leadership and psychological empowerment.

2) To study the relationship between organizational trust and psychological empowerment.

3) To investigate the nature of relationship between psychological empowerment and employee work ethics and spirituality.
4) To study the relationship of all the predictor variables viz. authentic leadership, organizational trust and psychological empowerment with the criterion variables namely employee work ethics and spirituality.

**HYPOTHESES**

To fulfil the above aims, the following hypotheses were formulated:

**H1:**
(a) There will be a positive relationship between authentic leadership and psychological empowerment.

(b) There will be a positive relationship between authentic leadership and employee work ethics.

(c) There will be a positive relationship between authentic leadership and spirituality.

**H2:**
(a) Organizational trust will be positively related to psychological empowerment.

(b) Organizational trust will be positively related to employee work ethics.

(c) Organizational trust will be positively related to spirituality.

**H3:** Psychological empowerment will be positively related to employee work ethics and spirituality.

**H4:** Psychological empowerment will mediate the relationship between authentic leadership and employee work ethics and spirituality.

**H5:** Psychological empowerment will mediate the relationship between organizational trust and employee work ethics and spirituality.
SAMPLE

The study sample consisted of 300 mid-level managers (both males and females) in I.T. companies in India. These managers were selected with the following criteria of inclusion and exclusion:

CRITERIA FOR INCLUSION:
1. Mid-level managers working in the private sector
2. Managers in the age group of 30-40 years
3. Managers with work experience of 3 years in the current position

CRITERIA FOR EXCLUSION:
1. Managers below 30 years of age and above 40 years of age
2. Managers with physical disability and psychological ailments
3. Managers in government and public sectors
4. Managers with work less than 3 years with the organization

In the present study purposive sampling technique was used.

DESIGN OF THE STUDY

The study used a causal research design.

![Fig. 3.1 Causal research design of the study](image)
MEASURES

AUTHENTIC LEADERSHIP QUESTIONNAIRE (ALQ) (Avolio et al., 2007)

ALQ was employed to measure their follower’s perception of their leader’s authenticity. It was developed and validated by Avolio, Gardner and Walumbwa in 2007. It is a theory-driven leadership survey developed to see how followers’ perceive their immediate managers in terms of their authentic behavior. It consists of sixteen statements out of which items 1 to 5 measure transparency; statements 6-9 are for measuring morals/ethics; balanced processing is measured by statements 10, 11 and 12 and statements 13-16 are for self-conscience. The statements were to be rated on a 5-point Likert scale ranging from 0 (never) to 4 (frequently).

The overall reliability of ALQ was 0.88 and the reliability coefficients for the 4 sub-scales were:

<table>
<thead>
<tr>
<th>Scale</th>
<th>α – coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transparency</td>
<td>0.93</td>
</tr>
<tr>
<td>Moral/ Ethics</td>
<td>0.88</td>
</tr>
<tr>
<td>Balanced Processing</td>
<td>0.83</td>
</tr>
<tr>
<td>Self-Awareness</td>
<td>0.80</td>
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</tbody>
</table>

ORGANIZATIONAL TRUST INVENTORY - short form (OTI-SF) (Cummings and Bromiley, 1996)

Cummings & Bromiley developed this inventory in 1996 to measure organizational trust. They focused on trust towards organization and stated that an individual trusts a group when they believe that the group (i) makes genuine efforts and behaves according to commitments made, (ii) honestly negotiates and (iii) does
not take undue benefit or advantage of other employees or co-workers, even if an opportunity is available.

The original version comprised of sixty-two items, but they later reduced the inventory to a shorter form (OTI-SF) that only consisted of 12 items. It assesses 3 dimensions: honesty, reliability & good faith on other party in terms of fulfillment of commitments. Ratings ranged from 1 (nearly zero) to 7 (near 100%). The overall reliability was calculated to be 0.88.

PSYCHOLOGICAL EMPOWERMENT INVENTORY (Spreitzer, 1995)

Dr. Gretcher M. Spreitzer developed this inventory in 1995 to assess the degree of empowerment experienced by employees at their work place. It has 12 items and responses are to be rated on a 7-point scale ranging from 1 (Strongly disagree) to 7 (Strongly agree).

These items are further divided into 4 dimensions of PE and their respective alpha coefficients are:

<table>
<thead>
<tr>
<th>Sub-Scale</th>
<th>Items</th>
<th>α – coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meaning</td>
<td>3</td>
<td>0.94</td>
</tr>
<tr>
<td>Competence</td>
<td>3</td>
<td>0.83</td>
</tr>
<tr>
<td>Self-Determination</td>
<td>3</td>
<td>0.78</td>
</tr>
<tr>
<td>Impact</td>
<td>3</td>
<td>0.88</td>
</tr>
</tbody>
</table>

The overall cronbach-alpha coefficient of this instrument is 0.93. The validity estimates for the listed dimensions are around 0.80.
EMPLOYEE WORK ETHICS (Duty Orientation or Karma Yoga) (Krishnan, V.R., 2007)

Karma Yoga or employee work ethics was measured using the scale on duty orientation developed by V. R. Krishnan in 2007. Respondents were required to read the statements and judge themselves on each statement. There are 6 statements in all (e.g. The sense of duty towards others is the driving force behind most of my work I do). They are to be rated on a 5-point scale (0 for not at all and 4 for very much). Reliabilities for duty-orientation scale have been found to be adequate with cronbach alphas ranging from 0.69 to 0.73 (Mulla & Krishnan, 2006, 2007).

SPIRITUALITY (Oneness with all beings) (Krishnan, V.R., 2007)

This scale was also developed by V. R. Krishnan in 2007. The respondents were asked to read the statements and mark the degree to which they agreed with each statement. There are 6 items in all to be rated on a five-point scale (0 for Not at all & 4 for Very Much). The cronbach alpha for this scale was 0.89.

PROCEDURE

The research study was conducted in 2 phases. In the first phase, based on the criteria of inclusion and omission, the study population from IT and Telecommunication sector was contacted. In the second phase, the managers selected were administered the tests of the study. Procedure of the test administration was random in order to control order-effect. Thereafter, the results were compiled and trend was studied.
STATISTICAL ANALYSES

For the purpose of analyses following statistical measures were obtained:

(a) Mean

(b) Standard Deviation

(c) Karl Pearson’s Coefficient Of Correlation: The first, second and third hypothesis were tested using correlation analysis. It was done with the help of SPSS.

(d) Regression and Mediation Analyses

The fourth and fifth hypotheses were tested using the mediator analysis. Mediator follows the pathway A $\rightarrow$ B $\rightarrow$ C (A-Predictor variable, B-Mediator, and C-Criterion variable). SPSS (Statistical Package for Social Sciences, Version 15.0) was employed to test the steps provided by Baron and Kenny (1984). Baron and Kenny (1986) gave the following steps to establish whether there is mediation: 1) there should be a significant relation between the predictor and criterion variable; 2) the mediator and predictor variable should be significantly related; and 3) when the criterion variable is made to regress on both the predictor and the mediator(s), the effect of predictor on criterion is significantly weaker (partial mediation) or the relation between predictor and criterion variable is no longer significant (full mediation) and the mediator has a significant effect on the criterion variable while controlling for the predictor variable.

However, Sobel Z test (Preacher & Hayes, 2004) is a more precise test as it follows the same procedure as outlined by Baron & Kenny (1984) but also explores the indirect effects. This indicates that rather than only focussing on mediation
through direct effects (i.e A on B, B on C and A on C), Sobel Z test goes further and provides an examination of A on C through A on B on C providing greater insight into the relationship mechanics. Preacher and Hayes (2004) make a fine distinction between mediation and indirect effects and allow for the proviso that although a mediating effect, in the conventional sense, may not exist it is possible to find a situation where the effect on C is an indirect impact of A on B. The procedures and macro provided by Preacher and Hayes (2004) were strictly adhered to in these analyses. Hence as a formal test of mediation, Sobel test for indirect effects (Sobel, 1988) was used to test whether relations between the predictor and criterion dropped significantly from the first to the third step.

Furthermore AMOS (Version 22) was employed to develop the best model for the proposed study and to understand if it satisfied the criterion for the same and fit the data of the study.

**Proposed model of the study**