# TRANSFORMATIONAL LEADERSHIP, WORKPLACE SPIRITUALITY AND ORGANIZATIONAL PERFORMANCE IN A RESTAURANT GROUP IN INDONESIA: A STUDY OF THE EFFECTIVENESS OF ORGANIZATION DEVELOPMENT INTERVENTIONS

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## Abstract

This study investigated the effectiveness of organization development interventions on transformational leadership, workplace spirituality and organizational performance at a restaurant group in Indonesia. The study followed an action research design, following the three stages, namely pre-ODI, ODI and post-ODI. Data were analyzed using a mix of quantitative and qualitative data analysis. The organization development interventions were directed at the participating leaders, who ranged from the top to the lower levels of the organization, by means of combining both training and coaching sessions. The results of the study showed that all the observed variables improved significantly except for job performance.

**Keywords:** organization development interventions, transformational leadership, workplace spirituality, organizational performance

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## INTRODUCTION

The growth of the restaurant industry in rural areas around the world has increased tremendously, mainly as a result of higher standards of living and the changing lifestyles of people. The global restaurant industry is comprised of approximately 8 million restaurants and around 300,000 restaurant companies (King, 2013). In the next 10 years, Indonesia will be among the emerging markets (Colombia, Indonesia, Vietnam, Egypt, Turkey and South Africa) of the world, growing most rapidly in terms of its economy, including the restaurant market (Allen, 2012). Furthermore, the establishment of the ASEAN Economic Community (AEC) in 2015 brought bigger opportunities for restaurant expansion among the AEC countries as well as more massive competition (ASEAN Secretariat, 2015).

Surabaya is the second largest city after Jakarta, the capital city of Indonesia which is located on East Java Island. With a population of around 3 million people and a growth rate of 7 percent, Surabaya has shown a faster growth rate than Jakarta which has a growth rate of only 6.7 percent per year (Oberman, Dobbs, Budiman, Thompson, & Rosse, 2012). As Surabaya is a business city which relies mostly on trade, and in which the hotel and restaurant sectors are the main source of GDP income, the restaurant industry has shown a steady growth (Republik Indonesia, 2013). According to the Indonesian Restaurant and Cafe Entrepreneur Association (Apkrindo) of East Java, Surabaya has experienced a steady growth in its restaurant industry of approximately 10% per year. In 2014, there were around 500-600 restaurants in Surabaya targeting the middle-to-upper class customers spread around Surabaya (Widiarti, 2014). This means that Surabaya offers a great opportunity for the restaurant industry to flourish and to generate profits, while attracting and keeping the customers itself will be even more challenging for established restaurants, as more and more new restaurants enter the market.

The key success factor determining organizational performance of a restaurant business is the quality of its food and services (Alonzo, 2007). Managing organizational performance in a restaurant is mostly determined by human factors, especially the psychological factor of employees' delivery of services. Employees must be engaged with their work, committed to the organization, satisfied with their job, and performing well. Employees who are engaged have high levels of vigor and are passionate about their work. Similarly, employees who are committed will identify themselves with the organization and be motivated to give more to the organization (Li, 2012; Rego & Cunha, 2008). Job satisfaction is important as satisfied employees are more likely to produce satisfied customers. (Heskett, Sasser, & Schlesinger, 1997).

There have been many studies on the relationships of transformational leadership, workplace spirituality, and organizational performance with other variables. Previous empirical studies have explored transformational leadership, workplace spirituality, and organizational performance, in several contexts such as airlines, health care, and private insurance companies (e.g. McKee, Driscoll, Kelloway, & Kelley, 2011; Milliman, Ferguson, Trickett, & Condemi, 1999; Gupta, Kumar, & Singh, 2014); however, no empirical study has yet been carried out on these three variables in the context of the restaurant industry. Gatling (2015) stated that there was "a significant gap in academic hospitality literature exploring the inter-relation between workplace spirituality and organizational transformation" (p. 178). Therefore, this study is significant in that it contributes to the empirical studies on transformational leadership and workplace spirituality in the hospitality industry. The main purpose of this study was to determine the effect of organization development interventions on transformational leadership, workplace spirituality and organizational performance at Boga Group Jawa Timur, a restaurant group in Indonesia.

## RESEARCH OBJECTIVES

a. To assess and diagnose the current situation regarding transformational leadership, workplace spirituality, and organizational performance, as perceived from current employee engagement, organizational commitment, job satisfaction and job performance at Boga Group Jawa Timur.

b. To design, develop and implement OD interventions to enhance transformational leadership practices, create workplace spirituality, and improve organizational performance.

c. To determine the difference between pre and post ODI evaluations of transformational leadership practices, workplace spirituality, and organizational performance.

d. To determine the correlation between transformational leadership and workplace spirituality.

## REVIEW OF LITERATURE

### Transformational Leadership

Transformational leadership is the new leadership which transpires when both leaders and followers inspire each other's motivation and sense of higher purpose (Gill, 2011). Transformational leaders encourage followers to go beyond their individual self-interests for the greater good of the group, organization, or society. They inspire followers to go beyond the level of performance they thought they could achieve. (Avolio & Bass, 2002; Gill, 2011; DuBrin, 2013). Transformational leaders have

a tendency to exercise "consultative, participative and delegative" styles in combination with a "directive" style of leadership (Gill, 2011). Transformational leadership can be directive or participative, as well as democratic or authoritarian. Transformational leadership is characterized by high moral and ethical standards in every dimension (Bass & Steidlmeier, 1999, p. 191).

## Workplace Spirituality

Spirituality in the workplace has gained importance recently among researchers. People are increasingly interested in experiencing spirituality both in their personal lives, and in their work (Khrisnakumar & Neck, 2002). Spirituality is not religion and is perceived as a basic part of being human. Spirituality goes beyond formalized religion (Twigg & Parayitam, 2006; Milliman, Czaplewski, & Ferguson, 2003; Bandsuch & Cavanagh, 2005; Mitroff & Denton, 1999; Gotsis & Kortezi, 2008; Khrisnakumar & Neck, 2002).

Workplace spirituality is defined as the acknowledgement that "employees have an inner life that cultivates and is cultivated by meaningful work that takes place in the context of community" (Ashmos & Duchon, 2000, p. 137). Preudhikulpradab (2011) stated that workplace spirituality "could be intuitively felt, seen, heard, observed, and sensed as individuals engage in social interactions while accomplishing tasks and goals" (p.11). It is a way of believing and

behaving while working in relation to an ultimate value or purpose, where employees experience transcendence through their work process (Bandsuch & Cavanagh, 2005; Jurkiewicz & Giacalone, 2004).

## Transformational Leadership, Workplace Spirituality and Organizational Performance

Transformational leadership has been the focus of studies on the relationships between employee engagement, organizational commitment, job satisfaction, and job performance. In several studies, transformational leadership has been shown to have a positive and significant relationship with employee engagement (Parimalam & Mahadevan, 2012; Xu & Thomas, 2011; Ghadi, Fernando, & Caputi, 2013), organizational commitment (Lok & Crawford, 2001; Geijsel, Sleegers, Leithwood, & Jantzi, 2003; Chan & Mak, 2014), job satisfaction (Saleem, 2015) and job performance (Thamrin, 2012; Jyoti & Bhau, 2015; Pradhan & Pradhan, 2016).

There are not so many studies on the relationship between transformational leadership and workplace spirituality. In a study on transformational leadership and employee well-being, it was found that this relationship was fully mediated by workplace spirituality, suggesting that transformational leaders might positively influence the well-being of employees, if only workplace spirituality was developed due to the practice of transformational

leadership (McKee, Driscoll, Kelloway, & Kelley, 2011). Learning from the previous empirical studies on the relationships among the observable variables, there is a possibility that if transformational leadership is higher after the interventions, the higher all the other observable variables (workplace spirituality, employee engagement, organizational commitment, job satisfaction and job performance) will be.

There have been studies on workplace spirituality and its effects on employee work attitudes, such as job satisfaction (specifically intrinsic job satisfaction) and organizational commitment. Several studies on workplace spirituality have confirmed a positive relationship between workplace spirituality and organizational commitment, as well as job satisfaction (Pawar, 2009; Crawford, Hubbard, Lonis-Shumate, & O'Neill, 2009; Milliman, Czaplewski, & Ferguson, 2003; Gatling, Kim, & Milliman, 2016; Rego & Cunha, 2008; Rego, Cunha, & Souto, 2007). Moreover, Saks (2011) indicated that workplace spirituality is positively related to employee engagement, although previous research has not empirically tested the relationship between workplace spirituality and employee engagement. Furthermore, workplace spirituality has been proved empirically to have a relationship with organizational performance and employee (job) performance (Albuquerque, Cunha, Martins, & Sa,

2014; Osman-Gani, Hashim, & Ismail, 2013).

Transformational leadership concentrates on employee development by providing meaningful work, shared goals, and behavior congruent with the organization's values, while workplace spirituality focuses on creating a workplace where people are able to experience meaningful work, to feel connected with the social network of the workplace and to feel connected with the organizational goals (Ashmos & Duchon, 2000; Milliman, Czaplewski, & Ferguson, 2003; Pffefer, 2003; Rego & Cunha, 2008; Pawar, 2009; Karakas, 2010; McKee, Driscoll, Kelloway, & Kelley, 2011; Saks A. M., 2011; Chawla & Guda, 2013; Gatling, 2015; Albuquerque, Cunha, Martins, & Sa, 2014). Gatling, Kim and Milliman (2016) indicated that supervisors in the hospitality industry must have leadership competencies which address the spiritual values of workplace spirituality (meaningful work, sense of community, and alignment of values). Plausibly, transformational leadership is the leadership style necessary for creating workplace spirituality as it focuses on providing meaningful work, shared goals, and behavior, in line with the organization's values (McKee, Driscoll, Kelloway, & Kelley, 2011; Krishnan, 2012).

Based on the relationships among transformational leadership, work-place spirituality and the other variables, this study intended to

analyze the effectiveness of organization development interventions on transformational leadership, and workplace spirituality, as well as organizational performance, as measured by employee engagement, organizational commitment, job satisfaction and job performance. The following hypotheses were proposed.

Hypothesis 1: There is a significant difference between the pre and post ODI phases regarding the transformational leadership of leaders

Hypothesis 2: There is a significant difference between the pre and post ODI phases regarding the workplace spirituality of leaders

Hypothesis 3a: There is a significant difference between the pre and post ODI phases regarding the employee engagement of leaders

Hypothesis 3b: There is a significant difference between the pre and post ODI phases regarding the organizational commitment of leaders

Hypothesis 3c: There is a significant difference between the pre and post ODI phases regarding the job satisfaction of leaders

Hypothesis 3d: There is a significant difference between the pre and post ODI phases regarding the job performance of leaders

Hypothesis 4: There is a significant relationship between transformational leadership and workplace spirituality

## Whole System Transformation and Whole Brain Literacy

Organizations existing in a dynamic environment subject to continuous change must call for frequent transformation. Transformation means a re-thinking of the fundamental principles on which the why, what, and how of the 'whole' organization are based upon (Sullivan, Rothwell, & Balasi, 2013). The transformation will only be successful if this transformation is planned and implemented throughout the whole organization. Whole system transformation basically relies on the human assets of an organization in order to accomplish the transformation goals. The role of each individual employee will contribute to the success of the whole system transformation. To reinforce the transformation effort, each individual must be able to gain a brain-based competency called the "human information processing skill set" (HIPSS). HIPSS facilitates the shift of mindset which can enhance the employee's ability to adjust to the changes in behavior and improve performance. It is the thinking through-tool which is referred to as 'whole brain literacy' (Tayko & Talmo, 2010; Tayko, 2015; 2016; 2017).

Whole brain literacy (WBL) is a thinking system which activates and connects the four-brain quadrants. The foundations of WBL are drawn from the four-brain model of Dudley Lynch as illustrated in the Brain Map shown in figure 1.
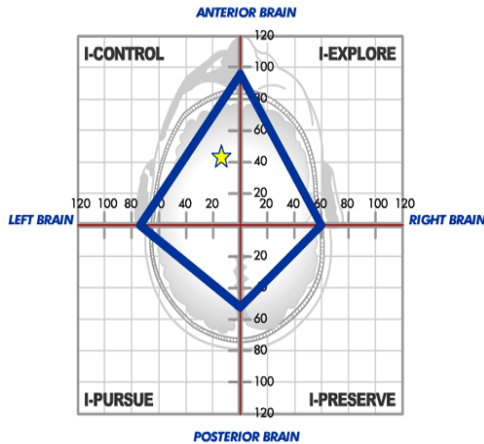
Figure 1. The Brain Map
Source: Lynch (2012)



Figure 2. Whole Brain Functioning
Source: Tayko & Agloro (2012)

The use of core purpose in "I live on purpose" is the unifying thread to arrive at a coherent and comprehensive understanding of a system (Tayko & Talmo, 2010). Whole brain literacy enables an individual to engage in transformative learning and change. It transforms the individual's mindset to live for a purpose.

There are five perspectives in WBL (figure 2) namely: (Tayko & Agloro, 2012)

- The core purpose: focuses on "I live on purpose"
- I control (IC): focuses on time, consistency, competency, standards and certainty
- I explore (IE): focuses on space, creativity, flexibility, openness and change
- I pursue (IPu): focuses on momentum, productivity, activity and completion of results
- I preserve (IPr): focuses on emotion, posterity, affinity and connectivity for relationships
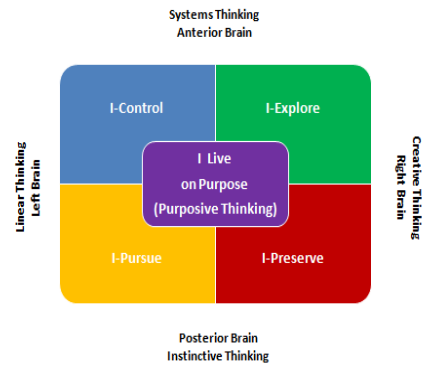
By applying the WBL concept and process frame on the three observed variables of (transformational leadership, workplace spirituality and organizational performance), facilitates the transformation process in respect of all of the observed variables.

## CONCEPTUAL FRAMEWORK OF THE STUDY

The conceptual framework of the study was developed and presented using the 'whole brain literacy' framework. There are four dimensions of transformational leadership (4I's), namely: inspirational motivation, intellectual stimulation, idealized influence and individualized consideration (Gill, 2011). The core purpose in this case was the transformational leadership of the leaders of Boga Group Jawa Timur.

Based on Milliman, Czaplewski, & Ferguson (2003), workplace spirituality consists of three sub variables, namely: alignment of values, meaningful work, and sense of

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community. One additional sub variable was added in this study: personal responsibility, from Ashmos & Duchon (2000). This was based on the findings of the preliminary study, specifically that employees at Boga Group lacked initiative and a sense of belonging. Literature cites that these variables are closely related regarding lack of 'personal responsibility' in the context of workplace spirituality. Therefore, in this research, workplace spirituality was assessed based on the four sub variables: alignment of values, meaningful work, sense of community, and personal responsibility. The core purpose in this case was to develop workplace spirituality where the leaders and employees of Boga Group Jawa Timur experience 'spirituality' at their workplace.

Organizational performance in this study was assessed and represented in terms of employee engagement, organizational commit-

ment, job satisfaction and job performance. These four sub variables were selected and determined to measure the organizational performance of the focal system based on the 'intangible measures' or non-monetary aspects of performance from Phillips, Phillips, & Ray (2012). Intangible measures are important indicators of organizational performance as they are generally critical for the overall success of an organization. The core purpose here is to improve the organizational performance of Boga Group Jawa Timur.

The conceptual framework of the study is illustrated accordingly in figure 3, where the organization development interventions act as the independent variable and the transformational leadership, workplace spirituality and organizational performance act as the dependent variables.
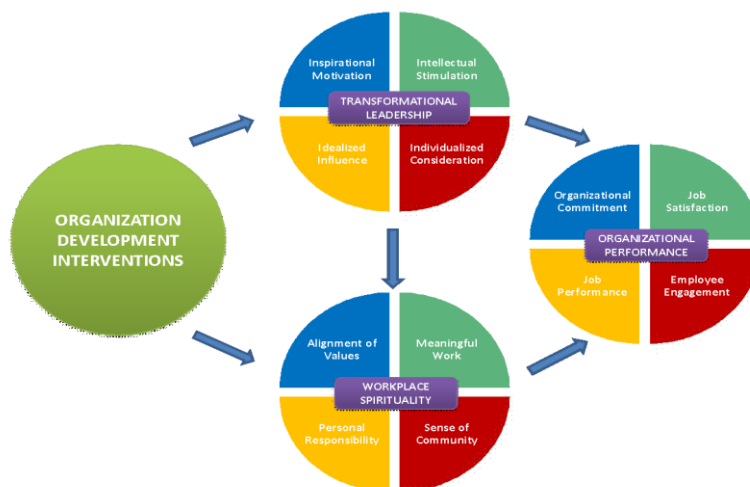


Figure 3. Conceptual Framework of the Study

## METHODOLOGY

### Population and Respondents

The research was conducted in a restaurant group, Boga Group Jawa Timur, in Indonesia. Boga Group is one of the most robust food services or restaurant groups in Surabaya. It has 11 outlets, consisting of five different restaurant categories, namely Japanese cuisine, Chinese cuisine, French cuisine, seafood, and Japanese shabu shabu. The population of this research included all employees of Boga Group Jawa Timur. There were 492 employees in total spread over 11 outlets. All respondents in the study were full-time employees of Boga Group. Data were collected from 110 employees in 4 sample restaurants, and the head office, who completed the questionnaires in both pre-ODI and post-ODI phases. From each of the sample restaurants, 25 employees were chosen which provided 100 respondents from the 4 restaurants. The criterion of the samples was that only full-time employees were chosen as samples. In addition 10 employees were chosen from the head office. Questionnaires were distributed and collected in person for each individual employee. The demographic profiles of the respondents are shown in table 1.

### Table 1. Demographics of Respondents

| Respondent Profile Description | | Frequency | Percentage (%) |
|---|---|---|---|
| **Gender** | Male | 66 | 60 |
| | Female | 44 | 40 |
| | Total | 110 | 100 |
| **Age** | 17-30 years | 97 | 88.2 |
| | 31-40 years | 13 | 11.8 |
| | Total | 110 | 100 |
| **Length of Service** | < 1 year | 33 | 30 |
| | 1-5 Years | 61 | 55.5 |
| | > 5 years | 16 | 14.5 |
| | Total | 110 | 100 |
| **Education** | Senior High School | 99 | 90 |
| | Diploma | 3 | 2.7 |
| | Bachelor | 8 | 7.3 |
| | Total | 110 | 100 |
| **Position** | Manager | 9 | 8.2 |
| | Supervisor | 5 | 4.5 |
| | Service staff | 57 | 51.8 |
| | Kitchen staff | 35 | 31.8 |
| | Management staff | 4 | 3.6 |
| | Total | 110 | 100 |

The majority of respondents involved in the study were male (60%), most of the respondents belonged to the age group of 17-30 years (88.2%), and most of them had been working for Boga Group for between 1 and 5 years (55.5%), while 30% had worked for Boga Group for less than 1 year. The highest level of education achieved by the majority of respondents was senior high school (90%), and most worked as service staff (51.8%) or kitchen staff (35%), while 8.2% worked as managers and 4.5% were supervisors.

**Measures**

The questionnaire was divided into six parts. Part 1 measured transformational leadership, and consisted of 12 items ($\alpha = .913$) which came from Vera & Crossan (2004), each using a 5-point Likert scale (1 = "very seldom" and 5 = "very often"). Part 2 measured workplace spirituality and consisted of 16 items ($\alpha = .904$) which came from Milliman, Czaplewski, & Ferguson (2003) and Ashmos & Duchon (2000), each using 5-point Likert scale. Part 3 measured employee engagement, and consisted of 6 items ($\alpha = .835$) which came from Saks (2006), each using a 5-point Likert scale. Part 4 measured organizational commitment, and consisted of 6 items ($\alpha = .931$) which came from Mowday, Steers, & Porter (1979), each of which used a 5-point Likert scale. Part 5 measured job satisfaction, and consisted of 6 items ($\alpha = .821$) taken from McPhail, Patiar, Herington, Creed, & Davidson (2015), each using a 5-point Likert scale. Lastly, part 6 measured job performance, and consisted of 6 items ($\alpha = .810$) taken from Yang & Hwang (2014) each using a 5-point Likert scale.

In addition to the quantitative method used in this action research, qualitative methods were also used to support the data analysis. Qualitative methods consisted of in-depth interviews and self-reflection reports.

**Procedures**

The study followed an action research approach. This type of research focuses on fostering change at a group, organizational, or even societal level by means of interventions (Dickens & Watkins, 2006). The action research design is depicted in figure 4.
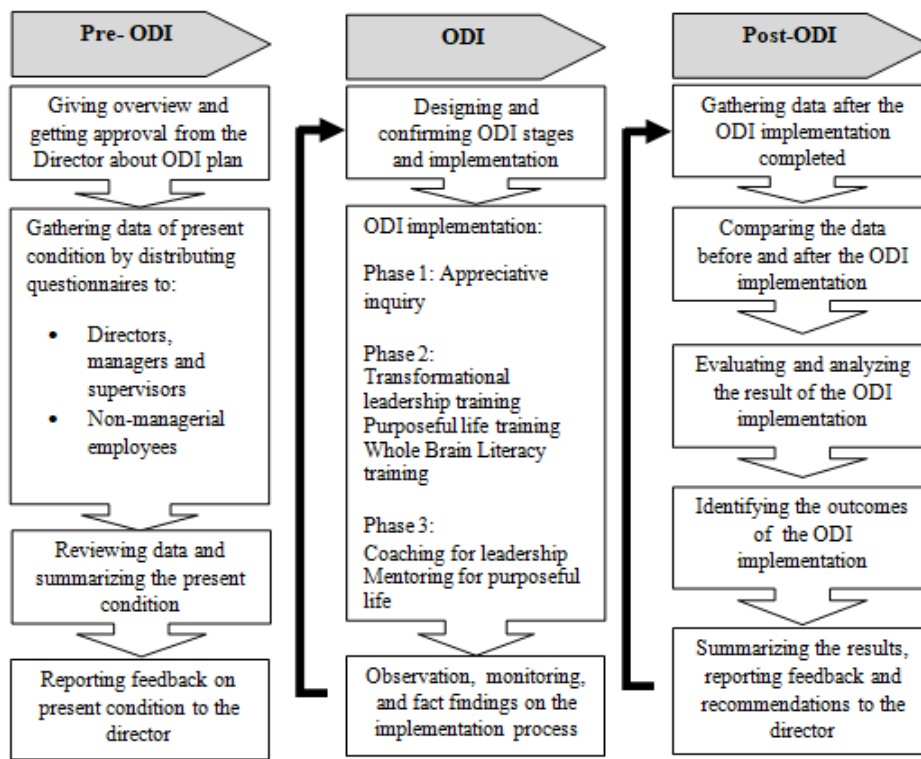
Figure 4. Action Research Design

## Pre-Organization Development Intervention

In the pre-ODI phase, the first set of data were gathered to assess the preliminary condition before the ODI was carried out. This encompassed the transformational leadership of the director, managers and supervisors; workplace spirituality; employee engagement; organizational commitment; job satisfaction and job performance. Questionnaires were distributed to 110 respondents comprising of the director, managers, supervisors, and non-managerial employees.

## Organization Development Intervention

The ODI was given to the leaders who were participants of the study. The total number of participants was 27 leaders consisting of the Director, General Managers, Managers and Supervisors from 4 outlets out of 11, and additionally, the head office. The ODI was carried out for 8 months. The ODI comprised of training sessions to build awareness, and to guide the participants to be transformational leaders. Besides the training sessions, coaching and mentoring were implemented to enable the participants to practice transformational

leadership. The ODI design is presented in figure 5.



Figure 5. ODI Design

In the "Our destiny" session, appreciative inquiry was introduced and applied to facilitate the process of sharpening the vision, mission and core values of the organization, and to facilitate the appreciation and awareness of Boga Group's vision, mission and core values. In the "Knowing myself" session, the MBTi personality test and Enneagram were used for participants to identify their own personality traits, in order for them to understand themselves thoroughly. In the third session, "Being myself", Whole Brain Literacy was introduced and implemented to help the process of learning to think holistically and to activate four-brain quadrant thinking. In "Leading my team", participants learned to be a transformational leader using the concept of the inside-out effect. Finally in the last training session, "Our commitment", the participants made a commitment to

their role as leaders to transform their people with a purpose in mind. They were committed to lead with vision, mission and core values in mind. After the training sessions, the ODI was more focused on individual coaching and self-reflection.

**Post Organization Development Intervention**

In the post-ODI phase, the effectiveness of ODI implementation was measured and analyzed. Data were gathered for a second time, by distributing questionnaires to the same 110 respondents after the 8 month period of ODI. The evaluation included comparing the data from before and after the ODI implementation to identify whether there was improvement in each of the observed variables: transformational leadership, workplace spirituality, employee engagement, organizational

commitment, job satisfaction and job performance.

## RESULTS AND FINDINGS

In this study, there were two statistical analyses done to measure the effectiveness of the OD interventions and to test the hypotheses. A mean was calculated to determine if there was an increase in each of the observed variables in the post-ODI phase. This was done by comparing the mean results from the pre-ODI and post-ODI phases, and applying a t-test to evaluate the significance of any observed difference.

Based on this analysis, the results showed that all mean scores for all of the observed variables, or dimensions, were higher in the post-ODI phase, as presented in table 2.

### Table 2. Pre-ODI and Post-ODI Mean Scores

| Variables/Dimensions | Pre-ODI | | | Post-ODI | | | Increased (%) |
|---|---|---|---|---|---|---|---|
| | Mean scores | SD | Rating | Mean scores | SD | Rating | |
| *Transformational Leadership* | | | | | | | |
| Idealized influence | 3.43 | 0.73 | Often | 4.04 | 0.66 | Often | 17.78 |
| Inspirational motivation | 3.39 | 0.77 | Sometimes | 3.95 | 0.63 | Often | 16.52 |
| Intellectual stimulation | 3.40 | 0.75 | Sometimes | 3.93 | 0.63 | Often | 15.59 |
| Individualized consideration | 3.16 | 0.93 | Sometimes | 3.74 | 0.73 | Often | 18.35 |
| *Workplace Spirituality* | | | | | | | |
| Meaningful work | 3.74 | 0.62 | Often | 4.07 | 0.56 | Often | 8.82 |
| Sense of community | 3.63 | 0.81 | Often | 3.88 | 0.67 | Often | 6.89 |
| Alignment of values | 3.41 | 0.73 | Sometimes | 3.69 | 0.63 | Often | 8.21 |
| Personal responsibility | 4.23 | 0.63 | Often | 4.41 | 0.56 | Very Often | 4.26 |
| *Organizational Performance* | | | | | | | |
| Employee engagement | 3.57 | 0.61 | Often | 3.81 | 0.62 | Often | 6.72 |
| Organizational commitment | 3.65 | 0.65 | Often | 3.89 | 0.63 | Often | 6.58 |
| Job satisfaction | 3.56 | 0.60 | Often | 3.83 | 0.61 | Often | 7.58 |
| Job performance | 3.83 | 0.56 | Often | 3.91 | 0.57 | Often | 2.09 |

The t-test results showed that hypothesis 1, hypothesis 2, hypothesis 3a, hypothesis 3b, hypothesis 3c were all supported, each having a p-value less than 0.05 (see table 3). This means that the increase of transformational leadership, workplace spirituality, employee engagement, organizational commitment and job satisfaction during the intervention was significant. However, hypothesis 3d was not supported, having a p-value greater than 0.05 (see table 3), therefore indicating that the increase of job performance during the intervention was not significant.

Hypothesis 4 was also supported. The result of the Pearson correlation test in the pre-ODI phase, for testing hypothesis 4 showed that the Pearson correlation coefficient (r) was equal to 0.517 with a significance value equal to 0.000, which was less than 0.01 (<0.01) as shown in table 3. The result of the Pearson correlation test in the post-ODI phase showed that the Pearson correlation coefficient (r) was equal to 0.599 with a significance value equal to 0.000, which was less than 0.01 (<0.01) as shown in table 3. Therefore, the null hypothesis ($H_0$) was rejected and the alternative hypothesis was accepted. This means that there was a positive and significant correlation between transformational leadership and workplace spirituality in both the pre-ODI and post-ODI phases. In this case the correlation strength was moderate as the Pearson correlation coefficient (r) was between 0.3 and 0.5 (0.3< r <0.5).

Besides the findings of the quantitative data analysis, there were also several findings in terms of the qualitative data analysis during the post-ODI phase as gathered from interviews and the self-reflection of the participants (see table 4.)

The findings showed that all of the participants felt that they experienced changes in their way of thinking. as well as in leading their followers. At first, most of the leaders used a more autocratic style, where leaders gave orders and they expected "no bargaining". After the ODI, leaders had changed their way of leading as shown in the following statements of the leaders:

*"I motivate my followers more personally so that now they are more open to me"*
*"I give examples more than giving orders to my followers"*
*"I give appreciation to my followers for a job well-done"*

# Table 3. Results of Hypothesis Testing

| Null hypothesis statement | Mean Scores | | Level of Significance (p value) | Conclusion | Findings |
|---|---|---|---|---|---|
| | Pre-ODI | Post-ODI | | | |
| Ho1: There is no significant difference between pre and post ODI on transformational leadership of leaders in Boga Group Jawa Timur | 3.34 | 3.92 | 0.000 (<0.05) | Hypothesis is supported | There is a significant difference between pre and post ODI on transformational leadership of leaders in Boga Group Jawa Timur |
| Ho2: There is no significant difference between pre and post ODI on the workplace spirituality in Boga Group Jawa Timur | 3.75 | 4.01 | 0.000 (<0.05) | Hypothesis is supported | There is a significant difference between pre and post ODI on the workplace spirituality on Boga Group Jawa Timur |
| Ho3a: There is no significant difference between pre and post ODI in organizational performance in Boga Group Jawa Timur in terms of: employee engagement | 3.57 | 3.81 | 0.004 (<0.05) | Hypothesis is supported | There is a significant difference between pre and post ODI in organizational performance in Boga Group Jawa Timur in terms of: employee engagement |
| Ho3b: There is no significant difference between pre and post ODI in organizational performance in Boga Group Jawa Timur in terms of: organizational commitment | 3.65 | 3.89 | 0.003 (<0.05) | Hypothesis is supported | There is a significant difference between pre and post ODI in organizational performance in Boga Group Jawa Timur in terms of: organizational commitment |
| Ho3c: There is no significant difference between pre and post ODI in organizational performance in Boga Group Jawa Timur in terms of: job satisfaction | 3.56 | 3.83 | 0.001 (<0.05) | Hypothesis is supported | There is a significant difference between pre and post ODI in organizational performance in Boga Group Jawa Timur in terms of: job satisfaction |
| Ho3d: There is no significant difference between pre and post ODI in organizational performance in Boga Group Jawa Timur in terms of: job performance | 3.83 | 3.91 | 0.275 (>0.05) | Hypothesis is not supported | There is no significant difference between pre and post ODI in organizational performance in Boga Group Jawa Timur in terms of: job performance |
| Ho4: There is no positive and significant correlation between transformational leadership and workplace spirituality | - | - | $r = 0.517$ (Pre-ODI) $r = 0.599$ (Post-ODI) Sig. 0.000 (<0.01) (Pre-ODI) 0.000 (<0.01) (Post-ODI) (<0.01) | Hypothesis is supported | There is positive and significant correlation between transformational leadership and workplace spirituality |

## Table 4. Pre-ODI and Post-ODI Qualitative Findings

| Variables | Pre-ODI | Post-ODI |
|---|---|---|
| Transformational Leadership | Leaders led using more autocratic style in leading | Leaders were more caring and using personal approach in leading |
| Workplace Spirituality | Lack of awareness of the vision, mission and core values of the company | Leaders were aware of their life calling and more living on purpose |
| Employee Engagement | Lack of initiatives. Leaders have to monitor employees at all time | Followers were more willing to cooperate and open |
| Organizational Commitment | Lack of sense of belonging | Leaders were more positive, confident and followers were more respectful |
| Job Satisfaction | Leaders and followers felt lack of trust | Relationship between leaders and followers was more open |
| Job Performance | Leaders were quite happy with the overall performance of the team | Leaders believed they still needed to improve continuously |

They also observed changes in their bosses. At first, they felt that bosses were not open as stated by one of the managers*: "I feel that our bosses are not open with criticism and input".* After the ODI, they felt changes in their bosses attitude as shown in the statements below:

*"My boss now has more self-control. He learns to accept input and opinions"*

*"My boss is more open to positive and negative input from others"*

The Director became more patient and self-controlled as he stated: *"Now I appreciate my subordinates more than before, and I am more patient with all the problems that arise".* The leaders had gained new knowledge on how to be a transformational leader. Most of them used a more personal approach in dealing with their subordinates, especially with the more problematic ones as indicated by one of the supervisors:

*"I see that my followers need my attention"*

*"I motivate each of my followers according to their different characteristics"*

*"I appreciate my team more now and trust them more"*

Moreover, there was more working spirituality as seen in the following statements of the leaders:

*"I focus my life on God's calling"*

*"I will lead my team to be aligned with one vision and mission"*

*"I plan to create this working environment which is comfortable for every staff as this is our second home"*

*"I understand better what is lacking in my team, in understanding the values, vision and mission of this company"*

In addition, they could also see changes in their followers in that they became more willing to cooperate, more respectful and more open toward their leaders. One of the leaders admitted: *"I can manage my team's performance better. They want to listen to me and cooperate with me"*. The Director observed changes in some of the managers in that they became more open, confident and positive. Nevertheless, in terms of job performance, most of the participants stated that they needed to improve more. They perceived the nature of job performance as a continuous process. The findings from the qualitative data confirmed the quantitative data as presented in table 5.

This study showed that the enhancement of workplace spirituality results in the enhancement of employee engagement, organizational commitment, and job satisfaction. This supports previous empirical studies on the relationship between workplace spirituality and organizational commitment; workplace spirituality and job satisfaction; and workplace spirituality and organizational performance (Khrisnakumar & Neck, 2002; Milliman, Czaplewski, & Ferguson, 2003; Rego, Cunha, & Souto, 2007). It also supports the proposition of Saks (2011) regarding the relationship between workplace spirituality and employee engagement. Previous studies have proposed and empirically tested the relationships among workplace spirituality, employee engagement, organizational commitment, job satisfaction, and organizational performance, but this study is the first to test the effectiveness of an ODI in enhancing all the related variables in the study.

**Table 5. Results of Qualitative and Quantitative Data Analysis**

| Variables | Quantitative Data | Qualitative Data |
|---|---|---|
| **Transformational Leadership** | Significant difference/ improvement | Leaders were more caring and using personal approach in leading |
| **Workplace Spirituality** | Significant difference/ improvement | Leaders were aware of their life calling and more living on purpose |
| **Employee Engagement** | Significant difference/ improvement | Followers were more willing to cooperate and open |
| **Organizational Commitment** | Significant difference/ improvement | Leaders were more positive, confident and followers were more respectful |
| **Job Satisfaction** | Significant difference/ improvement | Relationship between leaders and followers was more open |
| **Job Performance** | Insignificant difference/ improvement | Leaders believed they still needed to improve continuously |

Contrary to previous studies, it was found that there was no significant enhancement in job performance. This could be due to the fact that employees need a longer time to be able to improve job performance. The intervention was carried out for eight months, during which the restaurant group was very busy with the opening of 7 new outlets. All the employees in Boga Group, especially those in charge in the kitchen and service areas, experienced extra work as well as job rotation into different outlets. The chances for them to experience problems in job performance could therefore be highly influenced by the irregular situation despite the fact that 80% of the respondents of this study were service staff and kitchen staff. This could be one of the probable reasons why job performance was the only variable which did not show a significant increase following the intervention. This result is in contrast with the previous study of Biswakarma (2018) where workplace spirituality positively predicted employee productivity in Nepalese hospitality organizations.

Another possible explanation is that job performance was not the most critical problem area in Boga Group. The pre-ODI data showed that job performance had the highest score (3.83) in its total mean scores compared to the other observed variables. It was also confirmed by the qualitative data from the Director and the employees that job performance was already good in the pre-ODI phase. Both the leaders and the employees were somehow 'happy' with their job performance overall. The mean scores of job performance after the ODI showed an increase (3.91) but it was not statistically significant. Based on the qualitative data, the managers stated that they needed to continuously improve job performance. From this statement it seemed that both the employees and the managers/Director felt 'happy' about job performance, and that the job performance was already good or up to standard. This could be another reason why the job performance showed an insignificant improvement following the ODI.

## CONCLUSION

Workplace spirituality has been demonstrated to play an important role in inducing employee engagement, organizational commitment, job satisfaction and job performance as confirmed by previous studies. This study proved that the ODI was effective in enhancing the transformational leadership of the leaders, and that there was a correlation between transformational leadership and workplace spirituality. As workplace spirituality increased, the other variables, such as employee engagement, organizational commitment, job satisfaction, and job performance also increased. As in previous studies, workplace spirituality had a positive relationship with the other four variables.

Secondly, based on the problem faced by Boga Group Jawa Timur, OD interventions were designed and

implemented to improve transformational leadership and workplace spirituality. The ODI consisted of five sessions of training to transform the leaders of Boga Group Jawa Timur to be more transformational leaders with a clear purpose. Besides this training, coaching and mentoring were also carried out to enable the leaders to practice transformational leadership and to create workplace spirituality.

Thirdly, in the post-ODI phase, the results showed that the ODI was effective in facilitating the leaders of Boga Group Jawa Timur to be more transformational, to create workplace spirituality, and to improve organizational performance by means of improving employee engagement, organizational commitment, job satisfaction, and job performance. Results of both the quantitative and qualitative data validated each other. While it was proven that there was a significant difference in each of the observed variables except job performance, the results of the interview also showed improvement in each of the observed variables. However, among the observed variables, job performance showed an insignificant improvement following the intervention.

## PRACTICAL IMPLICATIONS & RECOMMENDATIONS

This study has practical implications for Boga Group Jawa Timur, as well as for other players in the hospitality industry such as restaurants. ODI can be followed to involve individual leaders to apply transformational leadership. This can be done by coaching and mentoring between the senior and junior leaders. The more transformational leaders there are in an organization, the better the workplace spirituality will be, as well as employee engagement, organizational commitment, job satisfaction, and job performance.

The utmost challenge of hospitality organizations in general is how to provide service from 'the heart', meaning that the service provider/staff is always ready to give their best service and go the extra mile. Reward and punishment very often are not enough to motivate employees to do their best. The findings of this study indicate that transformational leadership is needed in hospitality organizations in order to encourage workplace spirituality. By creating workplace spirituality which allows employees to experience meaningful work, alignment of values, sense of community and personal responsibility, employees will be more engaged and committed to their jobs and their organization. Based on the findings of this study, transformational leadership correlates with workplace spirituality. Transformational leadership can be best achieved by facilitating leaders to lead, by stressing the importance of having a purposeful life and a purpose-driven mindset (Leider, 2015; Tabrizi & Terrell, 2013).

Learning and practicing transformational leadership should begin with understanding the life calling of each individual. This can be

facilitated by providing training where managers are encouraged to reflect on their life and find their life calling. Training should encourage leaders to reflect on their own lives and experiences, focusing on what they feel most happy about in life, what they are good at, what interests them most, what makes them feel alive and what they want to accomplish in their own lives. By doing this reflection, they will come to a belief and even conviction about what their life calling is. This belief and conviction will be the source of authenticity and charisma which is essential in transformational leadership. This process can be facilitated by practicing WBL which activates holistic thinking, where the brain is 'trained' to reflect on the purpose of life from the four brain quadrants (Tayko & Agloro, 2012). When managers are aware of their life calling, they will be more receptive toward the alignment of vision, mission and the core values of the organization.

When workplace spirituality is stronger, the engagement of employees will also be higher, as well as their organizational commitment, job satisfaction, and job performance. These can be accomplished by means of enhancing the transformational leadership of leaders.

Lastly, this study mainly focused on the effectiveness of the ODI and the correlation between transformational leadership and workplace spirituality. Further study is recommended, regarding the mediating effect of workplace spirituality toward the other dependent variables: employee engagement, organizational commitment, job satisfaction, and job performance.

## RESEARCH LIMITATION

This study involved an eight month period of intervention. Other possible conditions, such as the opening of seven new outlets of the restaurant group, may have influenced the final result of the intervention and the study. Most of the observed variables showed significant improvement following the ODI, with only one variable, job performance, showing an insignificant improvement. This could have happened due to time constraints and or other possible conditions.

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