

# THE RELATIONSHIP BETWEEN SPIRITUAL LEADERSHIP AND FIRM VALUE: THE MODERATING EFFECT OF ORGANIZATIONAL CLIMATES

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## Abstract

Competition and continual changes have increased significantly in recent times; therefore, the way of running business has changed. The purpose of this research was to investigate the relationship between spiritual leadership and organizational creativity, examine the impact of organizational creativity on firm value and explore the moderating effect of an organizational climate on spiritual leadership and organizational creativity. Dynamic capabilities theory and spiritual leadership theory were implemented to explain the relationships between spiritual leadership and organizational creativity and firm value. The data were collected using a survey of 1,093 auto parts SMEs in Thailand, of which 159 were derived from the managing directors or managing partners. The response rate was 14.85% through the use of a questionnaire. The statistics used to analyze was the ordinary least square regression. The results showed that spiritual leadership positively impacted organizational creativity and firm value. Moreover, the organizational creativity had a positive influence on the firm value. The empirical evidence of this research suggests that the managing directors or managing partners should promote and encourage their employees to have creativity in business operations. In addition, the auto parts SMEs in Thailand can enhance spiritual leadership by focusing on the development of emphasizing the spirit of an organization, working motivation, creativity and working enthusiasm. As a result, employees will be full of energy and an organization can be developed and have effective products.

**Keywords:** Spiritual leadership; auto parts SMEs; organizational creativity; firm value

## **Introduction**

In the new century, there are social and organizational changes all over the world. Due to the increased instability and new challenges which organizations are facing within dynamic environments (Tyssen et al., 2014), many organizations' managers tend to aim at building a clear vision, favorable culture and an inspiration for employees in order to gain organizational advantages (Chen and Li, 2013; Chen et al., 2013). One way to support that management concept is being a spiritual leader who has vision, hope, belief and love which will motivate oneself and other people to realize spiritual survival (Chen et al., 2013). Therefore, this style of leader points out the method of how to encourage employees to be willing to work not only for their responsibilities but also for the whole group. The topic is broadly interesting, nevertheless, there are very few articles surveying the intersection of spirituality and leadership, especially focusing on leadership strategies.

These days, organization members have started to encounter some problems such as spiritual emptiness, psychological problems, depression, loneliness, being unreasonable, and being egocentric. In order to solve the problems of management science, the importance of universal human values was emphasized again. Leaders nowadays are trying to be organizational representatives and attempting to make their employees live their lives on their own. Therefore, they will realize humanistic society by sincerity, trust, love, affection, generosity, collaboration compassion, peace, honesty, mercifulness and altruism (Polat, 2011).

In the context of SMEs in Thailand, most of the leaders and business owners are the same persons. Spiritual and ethical leaders will be mostly seen in Thai society based on interdependence and mutual support. Therefore, it is interesting to study the spiritual leadership topic because a number of scholars are increasingly interested in this topic. Moreover, it has been proved that spirituality is essential in an organization for ethical behavior, creativity, job satisfaction, employee commitment, efficiency and competitive advantages (Benefiel, 2005).

SMEs are the core for driving economic growth in Thailand, so supporting SMEs entrepreneurs in the same direction can drive the country's

economy to be in line with the goals of the era of Thailand 4.0. In this research, auto parts SMEs in Thailand were the population. The businesses were chosen as the population due to the auto parts business being a highly significant factor for the country to help increase and expand the Thai economy in terms of economic growth and stability (Panya and Ussahawanitchakit, 2013). Some previous research has been carried out on spiritual leadership in the context related to the organization's creativity for creating new ideas. Consequently, the researcher found a gap in the study of spiritual leadership and then studied more about it by integrating the context of the organization into the concept of creativity. The research contributed to the new concept of the spiritual leadership in order to address the gap in the spiritual leadership. Furthermore, the research aimed to expand empirical studies to find out more about the spiritual leadership, and to increase the value in the Thai context, specifically auto parts SMEs.

### **Research Objectives**

1. To investigate the relationship between spiritual leadership, organizational creativity and firm value.
2. To examine the impact of organizational creativity on firm value.
3. To explore the moderating effect of organizational climate on spiritual leadership and organizational creativity.

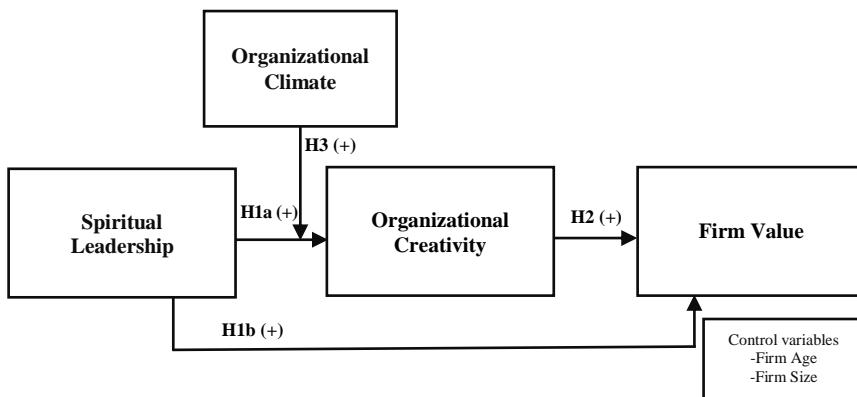
### **Research Questions**

1. How does spiritual leadership affect organizational creativity and firm value?
2. How does organizational creativity affect firm value?
3. How does an organizational climate moderate the relationship between spiritual leadership and organization creativity?

### **Literature Review**

In this research, the dynamic capabilities and spiritual leadership theories were applied to draw a conceptual framework and develop a set of

hypotheses. It presented the theory of interaction to clarify the relationship of each variable that focused on examination for fulfilling the research questions and objectives. Dynamic capabilities theory was implemented to explain the ability of firms that integrated, built and reconfigured internal and external competences, which led to the accomplishment of organizational creativity and innovation. Spiritual leadership theory was used in an explanation in order to create a vision where both leaders and followers (members) experience a calling to make their life more meaningful and beneficial to others, and to be understood and appreciated (Fry et al., 2017). In addition, spiritual leadership can eventually make both the leader and a follower more organizationally engaged and productive (Chen and Yang, 2012). Therefore, innovation and creativity in the workplace have become increasingly important determinants of organizational performance, success, and longer-term survival. The relationship spiritual leadership, as well as the formulation of research hypotheses, is described below.



**Figure 1:** Conceptual Model of Spiritual Leadership

### **Spiritual Leadership**

Leadership is the key factor for reaching higher levels of development (Sanders et al., 2003). In the same way, when applying leadership into the continuous development process, an organization's development can increase. As a result, there are positive effects on employees and organization's

performance (Neck and Milliman, 1994). In addition, organizational transformation uses spiritual leadership which is a leadership theory to create employees' motivation and natural learning. Moreover, Hernandez (2008) stated that spiritual leadership combines the three vital P's of Profit, People, and Planet. Profit represents transformation of employees to know their self-worth to achieve goals, People represents empowering employees and sharing power and responsibility, and Planet represents using stewardship, confucianism, and encouragement of moral values. They are important for an organization so that leaders focus on all of them (Afsar et al., 2016).

Spiritual leadership pays attention to originating vision and value congruence over the strategic, empowered team and individual levels and, ultimately, in order to encourage higher levels of organizational commitment and productivity (Fry et al., 2005). Therefore, spiritual leadership has an important role in assisting us to understand the spiritual life that supports, takes care of people and is supported by meaningful work happening in the context of community. It also brings about spirituality in people and organizations (Duchon and Plowman, 2005).

Spiritual leaders in the Thai context have characteristics of individuals who live on the basis of a firm belief in something and faith. They interact with things that they count on until they can feel spirit that can stimulate the mind, including love, forgiveness, peace, politeness, humility, patience, etc. Living the life with the spirit will bring people to deeply understand the truth of life and have inspiration to do things for the benefit of the public and others. Moreover, these people are polite, cannot be discouraged by any obstacles, see the real value of work and value and honor other people. With all those characteristics, they can be role models and affect the beliefs, faith and determination of the team for work dedication without leaders' orders. (Fairholm, 1997).

Creativity and innovation are not so simple. They are multi-level phenomena that have developed over time, so they need practiced leadership for expanding the benefits of working (Anderson et al., 2014). Furthermore, there is a connection between leaders' behavior and creativity. For example, Amabile et al. (2004) said that supervisors who are encouraging can formulate

a work environment that supports creativity. Creativity can be produced when leadership fosters, encourages and supports it (Coman and Bonciu, 2014). An organization that has spiritual leaders inspiring their employees by motivating, giving employees freedom to create work, working together and giving opinions on various tasks, can create creative and beneficial ideas for the organization and operations. Moreover, spiritual leaders are a major social driving force who are confident in their employees and sacrifice, have ideologies, and aim to benefit the public. Furthermore, spiritual leadership refers to a leader that has vision, attitudes and behavior essential for stimulating him or herself and others by being a trustworthy role model and inspiration (Fry, 2003). The theory of spiritual leadership was improved within an intrinsic motivation model including vision, hope/faith, and altruistic love, theories of workplace spirituality, and spiritual survival/wellbeing (Fry and Matherly, 2006). In addition, spiritual leadership theory states that leaders are people who find a vision that requires intrinsic self-significance and self-value of employees. The requirement is not an external behavior, but it makes employees feel that the tasks are special and meaningful. A leader shows a confident attitude that the vision is achievable to motivate employees with confidence in the vision. This feeling is the intrinsic reward for employee to create firmer beliefs and encourage the pursuit of a meaningful organizational vision (Chen and Yang, 2012). When employees trust their work, they can create new products to respond to and satisfy market's needs. Furthermore, there will be a positive effect on the business.

Hypothesis 1: Spiritual leadership has a positive influence on a) organizational creativity and b) firm value.

## **Organizational Creativity**

To have an ability to stay competitive, an organization needs to support creativity and adopt innovative practices, products, and services (Hyypia and Parjanen, 2013). Creativity is a considerable capability of an organization (Amabile, 1988), and it can be a possible factor for an organization to be effective and a factor of competitive advantage (Olszak et al., 2018). Therefore, creativity is usually understood as an essential part of the

conceptualization stage, and it influences different leadership styles (Kesting et al., 2015). Organizational creativity, described by novelty and usefulness, is positively related to performance (Bratnicka, 2013), which becomes recognized as an important factor in increasing competitiveness (Lee and Sohn, 2015). The creativity drives innovation and organizational success and pushes organizations to set up a work environment that can promote creative and innovative thinking (Ozaralli, 2015). Additionally, organizational creativity is positively affected by financial and non-financial compensation systems (Chandler et al., 2000) which can be a beneficial part of the organization's innovative performance (Sohn and Jung, 2010). Therefore, organization creativity means the ability to create new ideas and processes that are valuable and beneficial, by collaborating with people in society (Zhou and Ren, 2012). The organizational creativity will create new working styles or working ways that benefits the work of the organization and affects the operations' development. In addition, the operations' development is beneficial to work and can help the organizations to create value for their products and organization, both financial and non-financial. An important assumption of dynamic capability is that general creativity and specific design creativity can be managed and enhanced. Therefore, creativity is not a fixed trait (Azadegan et al., 2008). Teece (2018) stated that dynamic capability can be one factor supporting firms to generate value by designing suitable business models. Furthermore, Teece et al. (1997) described that dynamic capability is the firm's ability to create integrated modification and arrangement capabilities to deal with the environment's rapid changes, and apply to the market responsiveness and productivity to achieve the firm's performance (Sukdej and Ussahawanitchakit, 2015).

Hypothesis 2: Organizational creativity has a positive influence on firm value.

### **Organizational Climate**

Organizations which manage the essential resources have a powerful motivation to innovate. This supports and contributes to the creation of innovative ideas quickly and successfully (Popa et al., 2010). Isaksen and

Ekwall (2010) stated that the intentional arrangement of organizational climates that supports innovation is an important encouragement for the leader and manager of an organization. Therefore, the organizational climate has a relationship between the organization's leaders and the organization (Abdullah and Hasan, 2006). An appropriate organizational climate brings about innovation and inspiration in the organization, and it is an important part in achieving organizational objectives. In addition, organizational climate can positively affect creativity and innovation in organizations (Nybakk et al., 2011). Furthermore, organizational climate has such an essential role in organizational success and effectiveness (Maamari and Majdalani, 2017). Importantly, management requires certification that the organizational climate encourages, supports, and increases individual creativity (Hunter et al., 2007). Organizational climate in Thailand contributes to supporting, helping and happiness among employees. As a result, they are willing to learn and develop themselves regularly, and benefit operations within the organization. Therefore, organizational climate is operating environment in an organization that has flexible working style and motivating employees to cooperate learning internal and external organization's concepts.

Hypothesis 3: The relationships between spiritual leadership and organizational creativity will be positively moderated by organizational climate.

## **Research Methodology**

### **Data Collection**

The population of this research is 1,093 staff members of auto parts SMEs in Thailand. The data were collected from the database of the Office of SMEs Promotion (<http://www.sme.go.th>). The 1,093 mail surveys were directly distributed to the key informants: managing directors or managing partners of the auto parts SMEs in Thailand. These key informants were selected because managing directors or managing partners truly understand their business and can provide the most genuine and comprehensive knowledge regarding firm characteristics, corporate strategy and firm

performance. Twenty-five mail surveys were undeliverable because some firms were no longer in business or had moved to unknown locations. The undeliverable mail surveys were deducted from the original 1,093. Therefore, the total number of mail surveys was 1,071. Finally, 165 responses were returned. However, only 159 completed questionnaires were usable for data analysis. The effective response rate was approximately 14.85 percent. To test potential non-response bias, a comparison of the first and the second wave data as recommended by Armstrong and Overton (1977) is used. The instrument was developed based on spiritual leadership in the literature review, and its validity and reliability were tested by using a pre-test. Multiple regression analysis was used to improve all hypotheses testing.

### **Variable Measurement**

All constructs were measured using a 5-point Likert scale (range from 1 = strongly disagree to 5 = strongly agree), except for firm size, firm age and firm capital. Measurements of these constructs are self-developed from existing literature.

### **Control Variables**

There were two control variables, firm size and firm age, which may affect the relationship between the variables in the conceptual model. The firm size was the operational capital (Rothaermel and Deeds, 2006), measured by dummy variables: 0 (50,000,000 baht or less) and 1 (more than 50,000,001 baht), whereas the firm age referred to the period of time in business (Lau et al., 2008), measured by dummy variables: 0 (10 years or less) and 1 (more than 11 years).

### **Reliability and Validity**

The instrument was developed in reference to the literature review on spiritual leadership. The dependent variables, independent variables, and control variables were measured using a 5-point Likert scale as explained below. Spiritual Leadership was measured by vision, attitudes and behavior necessary for motivating self (Fry, 2003). Organization Creativity was

measured by creating new ideas and processes that are valuable and beneficial (Zhou and Ren, 2012). Firm Value was measured by the performance of a business that has grown efficiently, including acceptance from customers, creating of monetary and non-monetary value, good corporate governance and transparency (Dushnitsky and Lenox, 2006). Organizational Climate was measured by the degree of the created climate to motivate employees to work together, create managing operation to be flexible and stimulate employees to be creative.

Factor analysis and Cronbach's Alpha were used to verify the measurement validity and reliability. Table 1 illustrates the factor loading value and the Cronbach Alpha coefficients. The results show that the factor loading value of each construct range between 0.704-0.941 and higher than the cut-off 0.40. Meanwhile, the Cronbach Alpha coefficients are between 0.702 and 0.941 and higher than the standard score of 0.70 (Hair et al., 2010). Thus, all measures seemed to give internally consistent results. It means that these measures were accepted in both the validity and reliability for further analysis.

**Table 1:** Results of Measurement Validation

Variables	Factor Loading	Cronbach's Alpha
Spiritual Leadership (SL)	0.717-0.865	0.867
Organization Creativity (OC)	0.774-0.920	0.915
Firm Value (FV)	0.869-0.941	0.941
Organizational Climate (ORC)	0.704-0.795	0.702

### Statistical Techniques

This research employed the ordinary least squares (OLS) regression analysis to examine the hypothesized relationship provided in prior sessions. In order to understand the relationship, the equation was provided as follows.

$$\text{Equation: } SL = \alpha + \beta_1 OC + \beta_2 FV + \beta_3 ORC + \beta_4 ORC*OC + \varepsilon$$

**Table 2:** Descriptive Statistics and Correlation Matrix

	SL	OC	FV	ORC
<b>Mean</b>	4.313	4.078	4.147	4.113
<b>S.D.</b>	0.578	0.686	0.629	0.662
<b>SL</b>	1			
<b>OC</b>	0.601**	1		
<b>FV</b>	0.632**	0.691**	1	
<b>ORC</b>	0.600**	0.605**	0.640**	1

\*\*  $p < 0.01$   $N = 159$

From the findings in Table 2, all correlations are less than 0.80 as recommended by Hair et al. (2010). In addition to the correlations, Table 3 also suggests that the maximum value of VIF is 7.132, which is lower than the cut-off score of 10 (Hair et al., 2010). Both correlations and VIF ensure the non-existence of multicollinearity problems.

## Research Results

According to the demographic characteristics of the 159 participants with returned questionnaires, approximately 48.40 percent of respondents are male and 51.60 percent are female. Most participants are between 41 and 50 years old, and they are married. The majority of the education levels of the key informants obtained is bachelor's degree or lower. Of the respondents, 50.9 percent had working experience of more than 15 years. The average monthly income of the respondents at present is more than 90,000 baht. Finally, the majority of the respondents hold the position of managing director.

The results of demographic characteristics illustrate that the majority of the firm respondents have registered as a limited company and are located in the central region of Thailand. The number of employees in most firms are about 50-100, and the amount of current operational capital is mostly less than 25,000,000 baht. Approximately 34.00 percent of firm respondents have been operating in the auto parts industry for over 15 years. Most of the firm respondents have an average revenue per year of more than 60,000,000 baht.

The majority of firm respondent have total assets between 100,000,001-150,000,000 baht.

**Table 3:** Results of OLS Regression Analysis

Independent Variables	Dependent Variables		
	Organization Creativity (OC)	Firm Value (FV)	Organizational Climate (ORC)
Spiritual Leadership (SL)	<b>0.537***</b> (0.057)	<b>0.763***</b> (0.071)	
Organization Creativity (OC)		<b>0.911***</b> (0.076)	
Spiritual Leadership (SL)*			0.021
Organization Creativity (OC)			(0.029)
Firm Age (FA)	0.072 (0.065)	0.007 (0.077)	0.069 (0.065)
Firm Size (FS)	0.043 (0.067)	0.112 (0.078)	0.039 (0.067)
Adjusted R <sup>2</sup>	0.356	0.474	0.354
VIF	1.042	1.009	7.132

Beta coefficients with standard in parentheses. \*p<0.10, \*\*p<0.05, \*\*\*p<0.01

First, the results indicate that the spiritual leadership has a significant positive effect on organization creativity ( $\beta_1 = 0.537$ ,  $p < 0.05$ ), and firm value ( $\beta_2 = 0.763$ ,  $p < 0.05$ ). There are a few studies about spiritual leaders in an organization because it is not well-known, especially for the spirit and creativity in the organization. Spiritual study in the Thai context is often considered as philosophy and religion. Therefore, in an organization, leaders must have good vision in terms of intelligence, emotion and spirit. However, running a business must also focus on social capital and spiritual capital. When the spiritual leader is a good example for employees, the employees can also be motivated to perform their work at the best of their ability and there will be continuously good results for the organization.

This is consistent with Muceldili et al. (2013) who found that leaders play a critical role in enabling and supporting the awakening and fostering of creativity and innovation. Moreover, Woodman et al. (1993) stated that leadership is important to creativity. In addition, not only is leadership an important factor that helps an organization to achieve the goals, but it is also spirit in the organization. The spirit in the organization benefits employees, can gain benefit for the organization, positively affects the attitude of the employees and allows the employees to understand their spiritual values as well. When employees realize that the organization has the spirit, they are more creative and more sincere than before, and they trust in the organization more. Today, organizations can be considered as spiritual organizations as people spend most of time in their workplace, so the spiritual identity is deeply penetrated in organizations (Benefiel, 2005). Moreover, this is also consistent with Fry et al. (2010) who found that the spiritual leadership lays the basis for improving the learning, creativity, empowerment, and innovation and is needed to drive processes and outputs of organizational excellence.

Intellectual discourse and dialogue are used for leading people by spiritual leaders who support making people's moral decisions for the improvement of society and describe the meaning and objective of their work roles. These behaviors are extremely related to cause creativity behavior's concept (Fairholm, 1996). Because leaders place an importance on spiritual needs in the workplace and provide advantageous results for individuals and the organization, spiritual leadership can bring about positive effects on employees' health, their psychological and spiritual well-being, organizational commitment, productivity and organizational performance (Fry, 2005). When an organization has leaders who inspire their employees by motivating, giving them freedom to create work, working together and allowing employees to give opinions on various tasks, they can create creative and beneficial ideas for the organization and operations. Furthermore, fulfilling the spiritual needs has an improved effect on human psychology and health since the spiritual leaders who use the spiritual values can reach their goals in bringing about motivation and creating added value for the organization (Polat, 2011). **Thus, Hypothesis 1 is supported.**

Second, the results also present that organizational creativity affects firm value positively and significantly ( $\beta_3 = 0.911, p < 0.05$ ). This is consistent with Uslu and Cubuk (2015) who found that creativity and innovation are extremely significant to successful performance results in the organizations. Creating a concept about the process and new management methods regularly can help achieve goals successfully. A number of researchers accept that creativity is a key factor for the long-term survival of organizations since it makes organizations stay competitive in a quickly changing environment and achieve competitive advantages (Beheshtifar and Kamani-Fard, 2013). That is why creativity has been acknowledged as an important objective for many organizations, and it has an influence on performance of an organization (Parjanen, 2012). If the organization achieves good results in the present, it is likely to have positive results in the future as well. ***Thus, H2 is supported***

Finally, these results do not find the significant effects of spiritual leadership, and organizational creativity will be positively moderated by organizational climate ( $\beta_4 = 0.021, p > 0.05$ ). This indicates that when the climate needs any change and responsibility, a leadership style that may endanger such leader's behavior are most likely to have an influence on performance loss. For this reason, it should be considered in the leader's decision making and the organizational climate (Haakonsson et al., 2008). This understanding is not improved by the fact that the field is identified by a variety of organizations concerning climate as well as leadership, making it difficult to bring about an overall understanding. The organization climate affects the organization, but it is not specified whether the organization climate can have an effect on the organization for good results or it is a motivating factor in being an ethical and creative leader. Due to the changes in the current organization climate that may adversely affect the organization, employees may resist or they feel it difficult to be accepted such changes. ***Thus, H3 is not supported.***

## Conclusion

This study confirms that hypothesis 1 and 2 are supported that spiritual leadership has positive effect on organizational creativity and firm value. As a result, organizational creativity provides positive influence on firm

value. If an organization realizes the important value and benefits of creativity, it can develop and improve itself continuously. This is consistent with Hamidianpour et al. (2015) who found that several scholars show that the behavior of management and the leadership style are the most important factors affecting organization creativity. Therefore, employees' creativity and innovation can only be achieved if there are an effective leadership style and a supportive climate or culture in the workplace (West and Sacramento, 2012). This is consistent with Wu and Cormican (2016) who found that the positive effect of shared leadership on creativity has been studied by some recent empirical research work. On the other hand, organizational climate does not moderate the relationship between spiritual leadership and organizational creativity. In the context of Thailand, there may be different characteristics of leaders and industry groups. In addition, the period of the study, government policy, and politics may be the reason why the organizational climate is not the moderator between leaders and creativity. However, other general leader studies found that effective leadership is also a crucial factor to flourish employee creativity. A leader's role is as great importance in an organization as one inspires and motivates employees of all levels. Motivation of employees facilitates knowledge transfer into result-oriented activities (Khattak et al., 2017).

## **Discussion**

The research results show that organizations should maintain standards and develop the spirit of their leaders. Therefore, an organization should place importance on employee development of strong intentions to meet organization targets and make employees trust one another. As a result, employees will feel that they are part of the organization, and then they can create ideas and better results for their organization. The leader is an important factor in leading the organization to success. Every organization has a leader who drives the organization towards the goal. If the organization has a leader who has morality, ethics, knowledge, ability and experience, it will be able to achieve the goals as well. Therefore, organizations need a professional leader who will lead them to success. In this research, spiritual leadership involves motivating and inspiring workers through a vision and a culture based on altruistic values to create a more motivated, committed and productive

workforce (Fry and Slocum, 2008). That is consistent with Yoder (2004) who suggested that emotionally intelligent leaders are the key to create positive organization creativity that motivates employees to do their best. Whenever the leader has spirit for working that is full of determination, effort and confidence both on himself and others, the leader will be able to combine ideas and working intentions better. This is because working with intentions results in a positive impact on leader's operations and the organization.

From the research of the auto parts industry, it stated that the effective spiritual leader has an important role, such as setting the vision, planning clear operational goals and being a good listener to understand the feelings of employees and supporting the employees sincerely. When an organization has changed and placed more importance on spiritual leaders, the employees will feel that they are part of an organization, are trusted by their leader and are more willing to work with the organization. For the organizations or businesses that would like to adapt the research results on management and spiritual leader usefully, they should choose leaders who have spiritual leadership, believe in others' abilities, respect and trust their colleagues and employees. For this reason, the colleagues and employees will feel that they are valuable and part of the organization, so they will have motivation and inspiration to do their best when working. This will be good for both the management and business performance in the present and the future. This research expands knowledge and literature related to important factors of spiritual leaders. Empirical evidence from the research might be used as a guide to auto parts businesses in developing spiritual leaders' potential by focusing on ethical leaders with knowledge and ability to promote creativity within an organization in accordance with technological progress. Moreover, the spiritual leaders should promote new knowledge gained to develop auto parts and can respond to customer needs.

## **Contributions**

The study shows the importance of spiritual leadership to improve firm value and support organizational creativity. First, managing directors and managing partners encounter intense pressure from business competition, especially in the high-tech industry as well as in the auto parts business. Therefore, companies need to be updated and developed frequently by

strategically aligning with the internal and external environment of the business. Second, managing directors and managing partners should maintain standards and develop the spirit of the leader. Moreover, organizations should give priority to the employees' development, make employees trust one another, create morale, and dedicate effort to the full potential of the operation. Accordingly, employees will feel that they are part of the organization and then, they can create ideas and work successfully. Finally, managing directors and managing partners should pay attention to persuasion and motivation to achieve the objectives of the organization. When leaders have effective spiritual leadership, they are able to provide inspiration for employees, and then the employees will keep the organization's principle and work actively.

### **Suggestions**

As the population only contained one group, these findings can not be generalized to other industries. Therefore, future research should look to collect data from other industries. The moderating effect of organizational climate have no significant positive influence on the relationship between spiritual leadership and organizational creativity. Future research should consider other moderator variables such as knowledge management and organizational learning that might have a greater influence on the relationship between spiritual leadership and organizational creativity. This research employed quantitative methods which might not cover all features. Furthermore, future research may employ both quantitative and qualitative or mixed methods such as conducting in-depth interviews of the managing directors or managing partners to seek the other aspects of constructs and more perspectives of other aspects of research.

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