

## Relationship between the Spiritual Leadership and Organizational Entrepreneurship with Regard to the Mediating Role of Organizational Learning

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### ABSTRACT

This study aims to investigate the relationship between the spiritual leadership and organizational entrepreneurship with regard to the mediating role of organizational learning in metal industries of Kaveh Industrial City of Iran in 2011. The population of the research included 4700 employee involved in metal industries of Kavek Industrial City, among whom 355 subjects were selected as the research sample by using Cochran formula and sampling method of relational stratified random sampling method. We applied the Structural Equation Modeling (SEM) method and Smart PLS 2 to analyze the collected data of the questionnaire. This analysis was done in two sections: measurement model and structural model. In the first section, technical features of the questionnaire were investigated with index reliability, convergent validity and discriminate validity of the questionnaire. In the second section, structural coefficients were used to test our proposed hypotheses. Our results showed that spiritual leadership has a significant effect on the organizational entrepreneurship. The findings also showed that the variable of organizational learning has a mediating role in the relationship between spiritual leadership and the organizational entrepreneurship.

**KEYWORDS:** Innovation, Metal Industries, Organizational Entrepreneurship, Organizational Learning, Spiritual Leadership.

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### INTRODUCTION

Metal industry is the driving engine of the industrial growth and development of any country. Since Iran has very rich mines and resources of the metal, if it properly uses these resources and if it has a clear strategic plan for exploiting such resources, this industry can meet the internal needs and even promote its position in global markets by exporting its products outward. Like all other industries, the metal industry faces some problems among which one can refer to the unsuitability of the human resources structure quantitatively and qualitatively; governmental nature of the structure of most metal industry manufacturers and the state monopolies of this section; its dependency on the domestic markets and neglecting the development of the exports and international markets; the weakness in supplying the raw materials for the manufacturers; sanctions; the high price of the foreign currencies and its effect on producing the needed raw materials of the manufacturing units (Shahravan & Khoushchin Bahar, 2011). Customer satisfaction manifests the internal activities of the organization. If the internal procedures fail to work properly, then the product/ service will not be offered properly and subsequently, the customer will be dissatisfied. Hence it is extremely important to pay attention to the internal factors. In this research we have dealt three factors out of internal factors, i.e. spiritual leadership, organizational entrepreneurship, and organizational learning. In our today's societies, all people are looking for their lost spirituality in the mainly materialistic world. In such conditions, many fields talk about the spirituality' accordingly the subject of spirituality has found its way in the management and organizations. Spirituality is indeed a plan that was proposed at the ending years of the 20<sup>th</sup> and the beginning years of 21<sup>st</sup> century to link the modern and traditional values and to grant a sense and meaning to the healthy organizational relations (Howard, 2003). Spiritual leadership is effective on many organizational factors such as the development of entrepreneurial activities and the improvement of the entrepreneurship in organization (Fernando, 2007). Considering the need for innovation of the services and products in one hand, and having the innovative employees on the other hand has forced many organization to revise their leadership situations. These organizations consider the entrepreneurship and innovation as pieces of organizational culture so that the relevant organization lives its life more effectively (Ezzati and Seyyed Taqavi, 2009). Indeed, nowadays the entrepreneurs are considered as the engine of the economical development, investment promoters, main element of the technology transfer, main element of filling the market shortages, and the main element of job creation (Fadaei Keivani and Nassaj Hosseini, 2008). In this process, the organizational learning can play a very effective role, so that the values that are created by the suitable spiritual leadership can be spread in the all systems and mechanisms of the

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organization and lead to the improvement of the entrepreneurship in organization by organizational learning. Today, it is clear enough that the individual learning along with the team learning is extremely useful for meeting the public and organizational goals, and despite the conservative and traditional point of view, it is irrelevant to the transpiring of the confidential data of the organization. Entrepreneurial organization as a whole can learn many things relying on a culture that supports the individual and team learning (Argyris and Schon, 1987). Considering the importance and necessity of knowing the relationship between the three main inter-organizational variables, in this research our main objective is to study the mediating role of the organizational learning on the relationship between the spiritual leadership and organizational entrepreneurship.

## **Theoretical foundations of the research**

### **Spiritual leadership**

Spiritual leadership is a new concept that has recently entered in the literature of organization and management. To have a better understanding of the concept, we have to define it first. At the following paragraphs we will refer to some important definitions of the spiritual leadership.

Spirituality is the religious abilities. According to Griffin (1998), spirituality is fundamental specification of the human that refers to the meaning of the religion. According to this definition, spirituality is not an optional characteristic that we can choose to have or not to have it. Everybody has a sort of spirituality, whether a materialistic spirituality or a negativistic spirituality (Ghasemi, 2008).

Spirituality is the unremitting search for the meaning and goal of the life; spirituality is the deep understanding of the value of life, the extent of the world, the available natural forces, and the personal value systems (Jafari, 2007).

In other areas, the researchers have defined spirituality as a matter of moral subject and have stated that the spirituality encompasses the accuracy, truth, honesty, cognition, completeness, congruence, and teamwork (Dent and Higgins, 2008).

On the sensitivity of the definition of spirituality, Andre Hill (1995) in his book *Spiritual Life* says while we have to prevent any ambiguity and abstraction on one hand, we have to prevent any hard and precipitant definition on the other hand because no word in our human language is efficient to describe the spiritual facts (Ziaei, 2008).

In other yet more comprehensive definition of the term, spirituality is defined as any attempt to nurture the sensitivities against ourselves, others, natural environment, and the metaphysic while all such attempts are going to unify these sensitivities and to conduct the human toward the salvation and perfection (Nasehifar, 2009).

In their meta-analysis, Mitroff and Denton (1999) have studied different definitions of the spirituality to extract the key points of the concept. They have found that spirituality is not official, coherent and organized; it is completely universal and all-inclusive; it is the ultimate source of the meaning and goal of the life, it is an eternal source of the faith and will; it is the ultimate goal; it is beyond all sects; it is free of the time; the magnitude of a transcending existence; deep feeling of being in relationship with everything; feeling of internal peace and welfare.

### **Spirituality and leadership**

Spirituality has influenced many branches of science and knowledge and it has been manifested in different fields. Brack (1999) specifies three main pillars for the spiritual work space including internal aspect, external aspect, and combinational aspect. He then classifies these aspects into four different but related results that show the different dimensions of the manifestation of the spirituality in the organization as follow:

1. Leadership and organization: being interested in the employees, respecting the others, compatibility of the activities, and evident consciousness;
2. Employees: professional skills, promoting the knowledge, adjustment, and continuous performances;
3. External quality: compatibility, environmental awareness, and responsibility against the society; and
4. Mutual trust and following the common responsibilities in order of gaining the common interests.

The factors 1 and 3 are the external signs of a spiritual workspace from the employees' point of view; factor 2 explains some internal motivations of a spiritual employee; and the factor 4 refers to the mutual relationships between the involved groups in work (Sheikhinejad, 2009).

### **Levels of spirituality in the organization**

Before illustrating the levels of spirituality in the organization it is necessary to make a distinction between spirituality at work and spirituality in the workplace. These two words are usually used interchangeably, but they are different indeed. The spirituality at work refers to organizational aspect of the spirituality. Usually the spirituality at work manifests at the individual level and the spirituality in the workplace manifests at the organizational level. Some researchers have used the term *spirit at work* for the spirituality at work, i.e. the individual level, and the *spirit in the workplace* as the spirituality in the workplace, i.e. the organizational level (Nasehifar, 2009). In analyzing the levels of spirituality in organization, Gibbons (2002) refers to two main

levels. According to him, these two levels include the "individual spirituality in workplace" and "the organizational spirituality in the workplace". He believes that the individual spirituality in the workplace is a personal path and direction toward the unification of the work with the spiritual life, and the organizational spirituality in the workplace is the organizational path and direction toward the spirituality and can include all organizational attempts in order to create the individual spirituality in the workplace while its direction is conducted toward the fulfillment of the organizational goals (Rastegar, 2007).

Table 1 shows the suggested organizing framework for the spirituality in the workplace at individual and organizational levels with its both internal and external dimensions.

<b>Table 1. Suggested organizing framework for the spirituality in the workplace</b>			
<b>Levels</b>	<b>Dimensions</b>		<b>Internal</b>
	<b>External</b>		
<b>Individual</b>	<ul style="list-style-type: none"> <li>- Observable behaviors</li> <li>- Spiritual symbols and discourse</li> <li>- Spirituality and the improvement of the job direction</li> <li>- Experimental researches such as being good, being effective at work, motivation, etc.</li> </ul>		<ul style="list-style-type: none"> <li>- Personal meditation and praying</li> <li>- Creating the spiritual attitudes about the work and coworkers</li> <li>- Deep beliefs about the nature and identity of god, existence, humanity, order/ disorder, beneficence, etc.</li> </ul>
<b>Organizational</b>	<ul style="list-style-type: none"> <li>- Structural features (like the hierarchy of the authority, reward systems, scales, etc.)</li> <li>- Spiritual goals (multilateral shareholders, immaterial consequences)</li> <li>- Spiritual ways (participatory, leisure times)</li> <li>- Borders (illustrating the spiritual policies in the workplace)</li> <li>- Creating individual spirituality (per the time and place)</li> </ul>		<ul style="list-style-type: none"> <li>- Organizing principles (like what explained by Mitroff and Denton)</li> <li>- Plans and programs about the values</li> <li>- The situations of the attitudes</li> <li>- Organizational mission and history</li> <li>- Culture, stories, and myths</li> </ul>

Source: Rastegar, 2007

Table 1 presents the organizational and individual aspects of the spirituality on the basis of the internal and external dimensions. External phenomena of the organization can be observed and assessed by the experimental methods, but the internal phenomena of the organization needs phenomenological, analogical and narrative methods. In analyzing the levels of the spirituality in the organization, the offered level by Milliam, et al (2003) are of importance because their analysis links with three levels of organizational behavior, i.e. the individual level, team level, and organizational level. Although the spirituality brings a deep philosophical and individual concept, but in all definitions that are provided by the scientific and academic centers, spirituality includes a sense of entirety, perfection, and unity in workplace and deep values at work. Thus the spirituality at the individual level is the individual attempt to find the meaning and goal of the work life; at the team level the spirituality is the strong ties between the coworkers and all who are involved in work; and at the organizational level, it is the coordination between the main beliefs and values of the organization (Rastegar, 2007).

**Spiritual leadership**

One of the first scientists that collocated and combined and words *spirituality* and *leadership* was Fairholm. In this regard, he proposed a model to illustrate the spirituality on the grounds of the leadership (Khaef Elahi, 2010). Other authors such as Bayerman, et al, (1999) have defined the spiritual leadership from a constructivist point of view and have stated that such a leadership is the set of moralities and values in the organization, the management of the feelings, and a charismatic, participatory and transformational leadership; but it is difficult to distinguish these constructs from each other and it requires a especial distinguish (Fry, 2003). In his book, *Leadership*, James Gregor Burns states that the spiritual leadership goes beyond the power and reaches to a step on which the relationship between the leader and followers is built on the basis of the wishes, needs, and desires of the parties. Spiritual leaders have to fulfill their promises. If a leader uses his/ her prominent features (such as his/ her charisma) to make the other obeyed, he/ she cannot be an index for evaluating the effective or successful leadership (Ziaei, 2009).

Indeed the spiritual leadership movement includes the leadership sever model, making the employees participate, and empowering them. Spiritual leadership emphasizes on the serving philosophy, providing services to the others, a general attitude toward the work, individual development, and joint decision making (Crack, 2002). Spiritual leadership means to create and fulfill the vision and to integrate the values. Spiritual leadership is beyond the strategic leadership. A spiritual; leadership pays attention to the values and present needed and necessary awareness and knowledge to his followers and asks them to lead the others. Another important issue in this regard is the relationship between the leader and the followers that has to be based on the moral principles (Dent & Higgins, 2008).

**Organizational entrepreneurship**

Up to the beginning years of the 1970s, studies on the entrepreneurship had focused on the individual activities and features. Consequently, the researchers found that the organizations themselves can do

entrepreneurial activities. Organizational entrepreneurship is a concept that focuses on the organization and organizational cultures and processes rather than the individuals (Cornwall & Perlman, 1990). The first step in understanding and describing the concept of organizational entrepreneurship is to study its evolution. The evolution of the organizational entrepreneurship during four decades of its development is illustrated in Fig 1 as follow (Hadizadeh Moqaddam and Rahimi Filabadi, 2005).

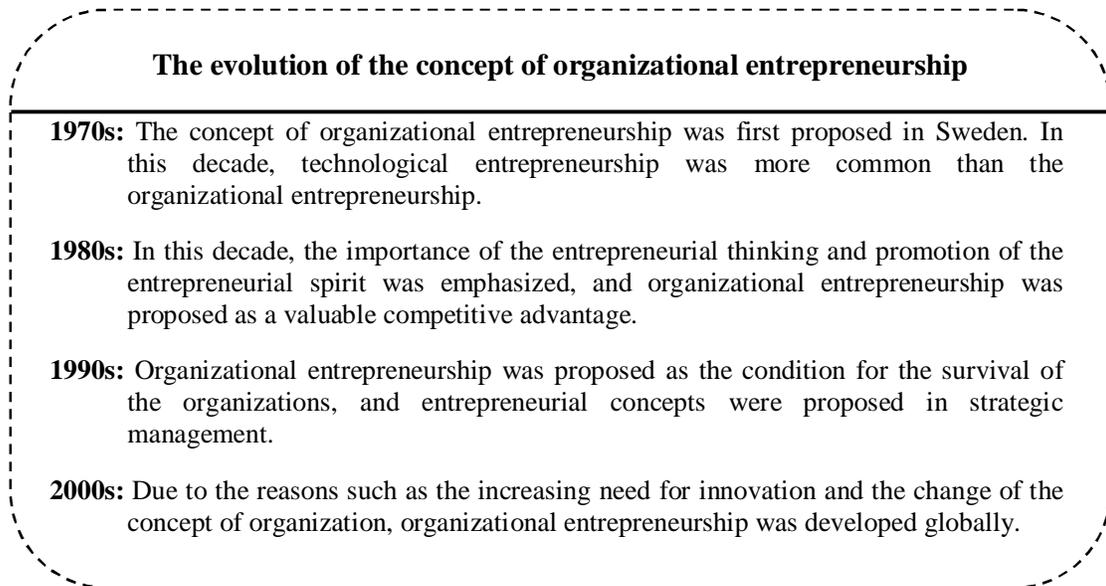


Fig 1: The evolution of the concept of organizational entrepreneurship

Collins & Moore (1970) were the first researchers who distinguished the independent entrepreneurship and organizational entrepreneurship in their researches. They stated that the independent entrepreneurs establish new organizations independently, while the organizational entrepreneurs create a new structure within their organization (Samad Aqaei, 2003). Organizational entrepreneurship is an approach that is proposed as a necessary and needed concept for the management. The common feature of the organizational entrepreneurship is its focus on the innovation and offering new products. The important point in this regard is that the managers cannot fulfill the organizational entrepreneurship without having highly motivated employees (Gaw and Liu, 2004). Entrepreneurship is a process in which a person starts risky activities in the organization. On the other hand, corporate entrepreneurship requires that the whole organization and its employees have an entrepreneurial spirit (Ahmadpur Dariani, 2005). Different definitions of the organizational entrepreneurship that have been proposed by different articles and books of the researchers are considerably similar. McKensy and Dicambo (1986) believe that the organizational entrepreneurial activity can include the development of a new product in order to create an effective process. Jennig and Young (1990) define the organizational entrepreneurship as the process of developing new products or markets. Kuratko, Montagno and Hornsby (1990) describe the organizational entrepreneurship as creating new businesses in the framework of holding companies. One of the most common ways of research about the dimensions of the organizational entrepreneurship is the way of Barringer and Bluedorn (1992) in which three aspects of the organizational entrepreneurship are introduced. These aspects include innovation, risk-taking, and pioneering.

### **Organizational learning**

According to Robbins (1998) learning is any relatively permanent change in the behavior that is resulted by the experience. In this definition, it is obvious that the learning cannot be observed itself, but its subsequent changes are observable. Learning includes four levels, mainly the individual level, group level, inter-group level, and organizational level. The learning takes place when the errors are detected and corrected or when the wants and results get coordinated for the first time (Argyris, 1995). There is at least two ways for correcting the errors. The first way is to change the behavior (e.g. reducing the habit of backbiting). This type of learning requires a monocyclic learning. But the second way of correcting the errors is to correct the programs that lead the people to backbite even if when they don't backbite. This is the bi-cyclic learning (Argyris & Schon, 1987). But organizational learning is a term that is probably used by R. M. Cyert and J. G. March for the first time. These researchers believe that the organizations produce, complete and organize the knowledge and internalize their activities through the organizational learning. According to these researchers, organizational learning is to make

changes in the goals and making changes in the searching principles that play important role in the organizational decision makings (Cyert & March, 1963). Many theorists have tried to define the organizational learning among which the most important ones are as follow:

Simon (1994) defines the organizational learning as the growth of the vision and the successful revision of the organizational problems that are reflected by the persons. Fayola and Lays (1996) believe that the organizational learning is the process of improving the activities through a better knowledge and more effective understanding. Moreover, Bob Guns believe that the o organizational learning is the acquisition and application of the effective knowledge, skills, values, attitudes, and opinions in order to preserve, grow, and develop the organization (Movahedi Sobhani, 2004).Organizational leaning is the capacity or the inter-organizational processes to preserve or improve the performance of the organization on the basis of the experiences. In other words, organizational learning is the process of collective acquisition and creation of the competences that changes the management of the conditions and leads to the change in all situations (Akoff, 2003).Organizational learning is not a fixed or limited goal but it is a continuous process of growth and being adjusted with the environmental conditions in which the inter-organizational groups are encourage to develop their skills and knowledge. Organizational learning contains a set of interactions between the individual, group, and organizational adjustments (Lusier, 2002).Organizational learning is considered as a dynamic process that enables the organization to be compatible to the changes as soon as possible. This process includes producing new knowledge, skills and behaviors. Organizational learning is the main way of creating knowledge and improving the efficiency of the organization (ibid); thus any successful organization has to be dynamic in its learning. According to David Garvin (1993), a learner organization is an organization that is skillful in creating, acquiring, and transferring the knowledge and in correctin its behavior in response to new knowledge and visions (Rezaeian, 2007). Peter Sange believe that the learner organization is an organization that uses its people, employees and subsystems to continuously change and improve its performance relying on the lessons and experiences. Sange introduces five main principles of the learner organization as follow: 1. Systemic thinking; 2. Personal dominance or capacities; 3. Mental models; 4. Common mission; and 5. Team learning. The definitions of these principles are summarized in table 2 (Sange, 2009).

<b>Table 2. Principles of the learner organizations</b>	
<b>Principle</b>	<b>Definition</b>
<b>1. Systemic thinking</b>	All members of these organizations learn how the whole organization works.
<b>2. Mental models</b>	All members leave the old ways of thinking.
<b>3. Personal dominance or capacities</b>	In these organizations the people are self-aware and deal openly with the others.
<b>4. Common mission</b>	All members of these organizations try to detect and define their practical plans and to come to an agreement on these plans.
<b>5. Team learning</b>	All members of these organizations cooperate each other to implement the agreed plans and programs.

Source: Sange, 2009

## LITERATURE REVIEW

The appearance of the concept of spiritual leadership in the literature of management and organizations has led to some researches on the factors that are affected by this variable. Some of the most important researches in this regard are as follow. Fry, et al, (2005) studied the effects of the spiritual leadership on the performance of the organization and concluded that spiritual leadership leads to the improvement of the organizational performance by promoting the situation of the spirituality in organization and improving the cultural conditions of the employees of the organization. These researchers have introduced the spiritual leadership from three perspectives, mainly the vision, the hope/ faith, and altruistic love. In another research, Raste Moqaddam (2005) studied four characteristics of the learner organizations in the case of an educational organization. the findings of this research showed that the case-studied organization lacked the characteristics of a learner organization and it is far from its own desirable situation, and the main reason of this shortage is the lack of respect to the organizational values among which the weakness of the spiritual leadership is one of the main reasons. In yet another research, Esmaeili and Qolipur (2008) studied the relationship between the inter-organizational factors and the organizational learning to conclude that the organizational structure of a learner organization is an organic and decentralized structure with the least scale of formalization in the workplace. The findings of other studies have shown that the type of the leadership is effective on the organizational structure and hence, a suitable spiritual leadership style can lead to the promotion of the learning in the organization. In his article entitled "the university as a learner organization", Smith (2003) presented a conceptual model to create a learner university. In this model, the formation of a learner organization that is organizationally entrepreneurial is affected by different factors. One of these factors is to be faithful to the values of the organization. Applying the spiritual leadership help the reinforcement of the values in the organization and subsequently it plays an

important role in formation of an entrepreneur organization. Sobhaninejad, et al, (2006) studied the characteristics of the organizational learning and extracted the main mentioned characteristics as follow:

- A complicated process: affected by the mutual relationship between diverse interpersonal, environmental, inter-organizational, and extra-organizational factors.
- Unplanned: it is not pre-determined like the training texts and materials of the official courses.
- Smart and purposeful: interesting climate of the learning and improvement dominates all individuals and groups of the organization, and the individuals and groups get willing to learn with high curiosity and in accordance with the organizational strategy.
- Unremitting and continuous: it is not limited to a specific date and time like the official training courses.
- Transformational and progressive: the mentioned interaction, dynamism and continuity bring the productivity to the organization and lead to the transformation, growth, and continuous organizational learning.

The characteristics of dynamism, continuity and transformation as mentioned by Sobhaninia, et al, require the creation of stable values in the organization and being respected by the employees. Spiritual leadership plays a considerable role in the establishment of such values. Linda Argot (2003) has studied three different yet close fields in the strategic change of inter-organizational factors and the organizational learning. He referred to the role of the experience in learning, knowledge transfer within and between the organizations, and the internalization of the individuals' knowledge in the organizational memory system and the trans-individual affairs as three close yet different fields of the organizational learning and the strategic change of the organizational structure. The knowledge that Argot refers in his research can be suitably current in all internal mechanisms of the organization through a suitable leadership style and this can lead to the improvement of the organizational entrepreneurship.

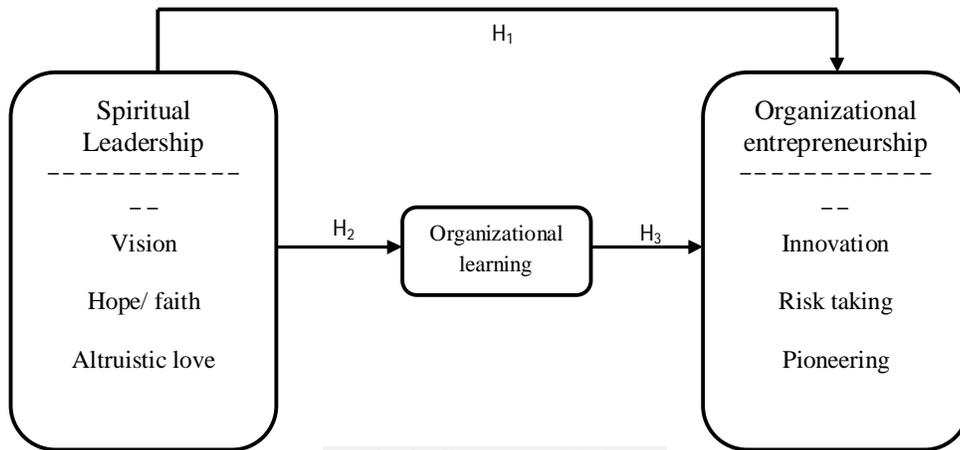
**Conceptual model of the research**

The conceptual model of the research is presented in Fig. 2. As shown in Fig. 2, we are looking to test the following hypotheses:

First hypothesis (H<sub>1</sub>): Spiritual leadership has effect in the organizational entrepreneurship.

Second hypothesis (H<sub>2</sub>): Spiritual leadership has effect in the organizational learning.

Third hypothesis (H<sub>3</sub>): Organizational learning has effect in the organizational entrepreneurship.



**Fig. 2: Conceptual Model**

**Methodology of the research**

The methodology of this research is functional according to its objective, and it is a descriptive survey according to its data collection method because it has polled the opinions of the involved subjects (employees of the metal industries in Iranian Kaveh Industrial City) to confirm its hypotheses. Moreover, this is a quantitative research with regard to the type of its collected data. Accordingly, we planned and distributed a series of questionnaires in order to collect the opinions of the employees of the metal industry of Iranian Kaveh Industrial City, and the collected results were recorded. Since in this research the causal relationship was going to be studied, the methodology of the research is causal with regard to the relationship between the variables; and we have used the structural equation model to come to a comprehensive analysis of our conceptual model. Structural equation model encompasses two models: measurement model and the structural model; and the variables of the model are divided into two groups: latent variables and observed variables (Kline, et al, 2010). Fig. 2 shows the latent variables if the

research along with their dimensions. Besides, we have used Smart PLS 2 software to analyze the data. The main reason for choosing this software is its capability to analyze the researches with limited data.

**Statistical population, sampling method, and sample size**

The population of the research contains all employees in the companies of metal industry in the Iranian Kaveh Industrial City, which includes 4700 employees. The companies of the metal industry in the Iranian Kaveh Industrial City (36 companies) were divided into 4 groups: aluminum metal manufacturing companies, non-aluminum metal companies, household appliances, and automobile. Relying on the relative stratified random sampling method, 12 companies out of the 36 active companies in the metal industry were selected as the sample. Then using the Cochran formula, we specified the sample size for our 4500 subject population. To use the Cochran formula it is necessary to consider its assumptions. The assumptions of the Cochran formula include:  $p=q=50\%$  (on the basis of probabilistic method);  $z$  is the standard statistic for normal distribution that is equal to 1.96 at the confidence level of 95%;  $d$  is the maximum allowable error (equal to 5% for this research); and  $N$  is the number of the employees in all relevant companies. The sample size ( $n$ ) is calculated according to equation 1 on the basis of the Cochran formula (Sarai, 2000):

$$n = \frac{z^2 pqN}{Nd^2 + z^2 pq} \tag{equation 1}$$

Thus using the equation 1, considering the number of the statistical population (4700), 355 subjects were selected as the statistical sample. At the last step, regarding the number of the employees of each company and the total sample, we calculated the sample of each company separately. It is to be mentioned that 370 questionnaires were distributed among which the number of 360 questionnaire were completed and got back (response rate of 97%), and 5 questionnaires were removed due to their incompleteness. Thus the statistical operation was conducted on 355 subjects.

**Data collection instrument**

The questionnaire of the research contains three parts. First part includes the questions of the spiritual leadership. In this part we used standard questionnaire of Fry, et al (2005) to test the relevant variable. This part includes 17 items (questions) with 5 questions for vision, 5 questions for hope/ faith, and 7 questions for altruistic love. The second part of the questionnaire relates to the organizational entrepreneurship adopted from standard questionnaire of Barringer and Bluedorn (1999). This part includes 9 questions with 3 questions for innovation, 3 questions for risk taking, and 3 questions for pioneering. The third and final part of the questionnaire relates to the organizational learning adopted from the standard questionnaire of Tippins and Sohi (2003). This part included 5 questions to test the organizational learning.

**Reliability**

In order to assess the reliability of the questionnaire we used PLS method. In this method, reliability is tested by assessing the value of Cronbach alpha and composite reliability (CR) in which the values higher than 0.7 indicate the acceptable reliability (Hulland, 1999). In this research, the results for these two criteria are shown in table 3; and as it is shown in the table, all values are higher than 0.7 and so the questionnaire of the research is reliable.

Table 3. Values of Cronbach alpha and composite reliability for assessing the reliability

Variables	Spiritual leadership			Organizational learning	Organizational entrepreneurship		
	Vision	Hope/ faith	Altruistic love		Innovation	Risk taking	pioneering
Cronbach alpha	0.713	0.792	0.802	0.801	0.833	0.801	0.780
Composite reliability	0.804	0.821	0.832	0.828	0.892	0.811	0.804

The validity of the questionnaire was tested by two criteria that are specific to the structural equation model, i.e. convergent and divergent validity criteria. In convergent validity, AVE<sup>1</sup> criterion was used. The acceptable value for AVE is 0.5 (Hulland, 1999). As shown in table 4, all AVE values of this research are higher than 0.5 and thus the validity of the questionnaire is confirmed.

Table 4. AVE values for assessing the convergent validity

Variables	Organizational structure			Entrepreneurial intent			Knowledge management			
	Complexity	Formalization	Centralization	Social context	Self confidence	Control center	Knowledge creation	Knowledge preserve	Knowledge transfer	Knowledge application
AVE	0.536	0.654	0.587	0.692	0.675	0.617	0.733	0.801	0.688	0.755

<sup>1</sup> Average Variance Extracted

On the other hand, in divergent validity, the difference between the items of a construct is compared to the items of other constructs of the model. To do this, the square root of the AVE in each construct is being calculated against the values of the correlation coefficient between the constructs. The output of Smart PLS 2 software in table of Latent Variable Correlations showed that the square root of the AVE in each construct is higher than the correlation coefficients of that construct against other constructs, and this show that the questionnaire of the research is divergently valid.

**Findings of the research**

In this phase, we have tested the causal relationships between the spiritual leadership, organizational learning, and organizational entrepreneurship. As shown in Fig. 3, the effect of the spiritual leadership on the organizational entrepreneurship is positive and significant, i.e. the reinforcement of the spiritual leadership will leads to the improvement of the entrepreneurship in organization. Moreover, the positive and significant effect of the spiritual leadership on the organizational learning, and the positive and significant effect of the organizational learning on the organizational entrepreneurship indicate the mediating role of the organizational learning in this research.

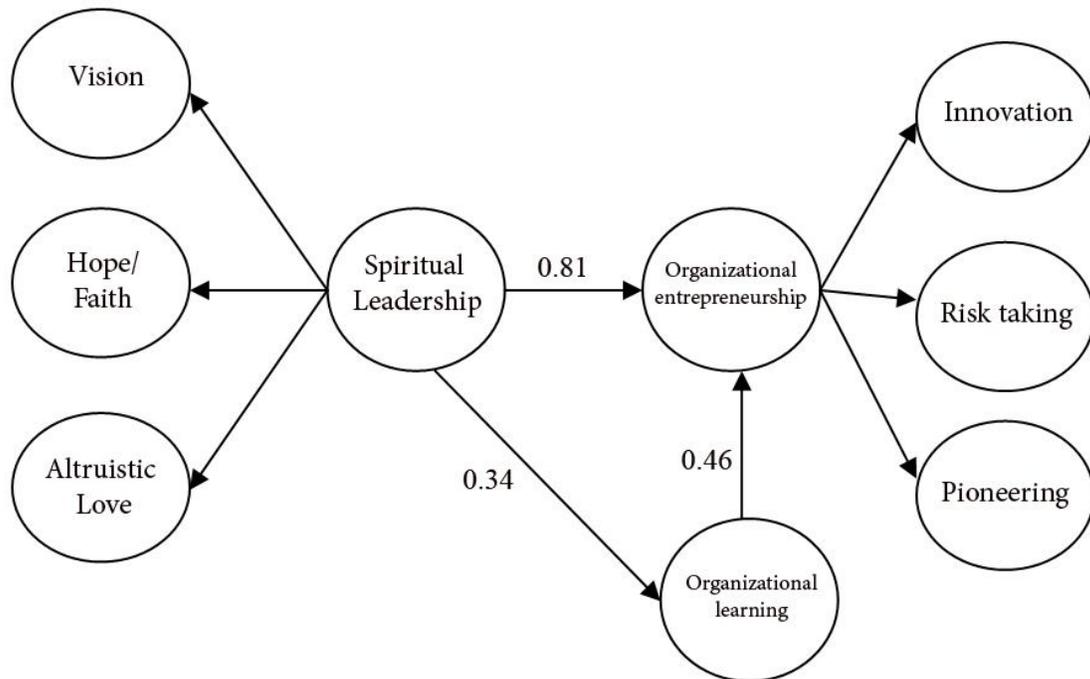


Fig. 3: Final Model of the research (the output of Smart PLS 2 software)

The output of the PLS confirms the hypotheses of the research as summarized in table 5. Since all t-values are higher than 1.96, thus all hypotheses are confirmed.

Table 5. Result of testing the hypotheses of the research

Hypotheses	Standardized coefficients	t-value	Result
Spiritual Leadership → Organizational entrepreneurship	0.81	11.46	confirmed
Spiritual Leadership → Organizational learning	0.34	13.19	confirmed
Organizational learning → Organizational entrepreneurship	0.46	14.02	confirmed

**CONCLUSION AND DISCUSSION**

Today, organizations are seeking innovative and effective survival is a basic requirement, and many organizations are increasingly looking for innovative and entrepreneurial approaches to improve the effectiveness, efficiency and flexibility are. Therefore, entrepreneurship rapidly becoming a weapon of choice for many organizations. Entrepreneurship and entrepreneurial skills and mindset to make the effort to build these features into the culture and mindset of the organization's activities (Astvnr, Freeman and Gilbert, 1995, translated Parsaeian and the Arabs, 1379, p 25). The hypothesis is based on research and discussion, we conclude:

First hypothesis: the spiritual leadership of CE is effective.

With the arrival of spirituality in organization and management challenges of the 21st century, managers and leaders of organizations should be required to deal with new phenomena. Stimulating intellectual leadership of staff Spiritual Perspectiveb And cultural backgrounds is based on humane values, enabling staff, highly productive, committed and motivated to train and develop. The spiritual leadership of such institutions require a change The spiritual leadership of such institutions requires change, success is empowering employees in continuous learning. As we stated in the theoretical foundations of the research, spiritual leadership is the systemic attempts of the managers of organizations to meet the challenging spiritual needs within the organizations. It is for long times that the researchers try to study this factor in efficient and successful leaders and several studies have been conducted in this regard (e.g. Wright & Quick, 2011; Dent & Higgins, 2008; Fry, 2006). According to the findings of these researches, the successfulness of the leadership can be studied from three points of view: first, the successfulness of the leader in leadership over the followers; second, the successfulness of the leader in leadership over the group; and third, the successfulness of the leader in personal aspects. In the first viewpoint, the role of the creation and transferring the knowledge is very important and prominent, so that the knowledge of a leader seems effective on the leadership style of the followers. If we consider this knowledge relevant to the organizational learning, then we can specify the relationship between the spiritual leadership and learning in organization. This conclusion is consistent with the confirmation of the second hypothesis of this research. Thus this research is consistent with the results of the mentioned previous studies. The second viewpoint refers to the success of the leadership in group. This leadership is affected by several factors among which the pioneering is the most important one. That is, the pioneering of the leader of organization in comparison to other leaders of the other organizations will lead to the attraction of the employees and will create a charismatic personality for the leader.

Second hypothesis: the spiritual leadership affects organizational learning.

As mentioned in the first hypothesis since the pioneering is one aspect of the organizational entrepreneurship, the first hypothesis of the research that implies the positive effect of the spiritual leadership in the organizational entrepreneurship is confirmed. Therefore, the results of this research are consistent with the results of the mentioned previous studies.

Hypothesis 3: Organizational learning has an impact on corporate entrepreneurship.

In the third viewpoint that refers to the personal aspects of the leader, the entrepreneurial characteristics of the leaders such as their innovation and risk taking are emphasized. A leader who cares for the new and creative methods and activities and takes the risks of such new activities will manifests some personal characteristics that make the employees follow him/ her. On the other hand, considering these two dimensions of the organizational entrepreneurship (innovation and risk taking), the organizational learning can reinforce the effect of spiritual leadership on the improvement of the conditions of entrepreneurship in organization. Hence the third hypothesis of the research is confirmed to indicate the positive effect of the organizational learning on the organizational entrepreneurship. Once again, the findings of this research are come to be consistent with the results of the mentioned previous studies.

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