



The Relationship Between Small Business Employee's Work Performance and Workplace Spirituality

Ngozi Oriaku^{1*}

Ebere Oriaku²

Kingsley Nwala³

^{1,2,3}Elizabeth City State University, North Carolina, USA.

*Email: noriaku@ecu.edu

Abstract

The paper examines the relationship between small business employee's performance and workplace spirituality. Specifically, the paper investigated whether any relationship existed between the two variables. To that effect, a survey of randomly selected 160 focus group consisting of business owners and employees of ages 25-50 in the state of North Carolina was conducted to gather data on how workplace spirituality affects business employee's performance. SPSS software, regressions, and analysis of variance (ANOVA) were utilized to conduct statistical analyses of the collected data. The Pearson correlation's result shows the existence of a strong positive relationship between employee's work performance and workplace spirituality. The ANOVA results also show strong relationship between employee's work performance and workplace spirituality as culture in a business organization's environment. In conclusion, small business employee's work performance and workplace spirituality have strong positive relationship. Also, workplace spirituality positively affects small business employee's performance. This strong positive effect will in turn boost small business organization's overall performance. The boost will occur through the positive effect of workplace spirituality on the employee's work performance.

Keywords:

*Workplace spirituality
Employee performance
Customer service
Small business performance.*

Licensed:

*This work is licensed under a
Creative Commons Attribution 4.0
License.*

Publisher:

Scientific Publishing Institute

Received: 7 August 2020

Revised: 10 September 2020

Accepted: 25 September 2020

Published: 5 October 2020

Funding: This study received no specific financial support.

Competing Interests: The authors declare that they have no competing interests.

1. Introduction

Many small businesses in emerging markets like Thailand embrace workplace spirituality into their daily business activities. The inclusion of workplace spirituality helps in recognizing and appreciating the roles and values businesses placed on their fellow human beings towards their business performances. The word spirituality means engaging businesses and employees on a foundation of compassion and moral values in a business place. Businesses must understand the relationship between workplace spirituality as culture and how it impacts business performances. Turner (1999) stated that spirituality is about a person's morals, values, ethics, and how it plays a role in people's life, employee's performance, and satisfaction in the workplace. From another point of view, workplace spirituality is a culture in which organizational values promote a sense of purpose through meaningful work taking place in the community. If businesses have a spiritual culture, the employees will find meaning and purpose in their work. They will also have the desire to connect with other human beings and be part of that community.

Workplace spirituality as a culture in any organization is about creating an emotional resilience for employees, Davis (2014). Emotional resilience is the power to handle and cope with various challenges in business. It is also the ability to stay composed and stable while serving the customers and completing other tasks delegated by supervisors or owners of businesses. Business owners or supervisors should encourage workplace spirituality among their employees based on their beliefs, because emotional stress can affect employee's behaviour and how the individual interacts with good customers. A stressful employee in a business or workplace can influence other employees by creating an uncomfortable business environment.

It is strongly believed that when spirituality culture is embraced by any business organization, its employees tend to have better customer relations and higher productivity. Vallabh and Vallabh (2016) said that workplace spirituality as culture should be the most valued aspects of any business formed in today's business environment. Whether it is religion or self-motivation that impacts an employee, the job must be done one way or the other. If workplace spirituality as a culture is properly communicated with the right employees, the goals of a business organization can be achieved. Since much research has not been devoted to spiritual practice in United States' workplaces, it becomes necessary for businesses to understand its importance in motivating their employees. Not only are the employees motivated, they provide good customer service, and increase their overall performance. Also, those businesses that incorporate workplace spirituality as a culture in their everyday business transactions with their partners and customers make better decisions that are more fruitful to all stakeholders. As more and more studies are being conducted on this topic, this paper intends to add to the body of literature by exploring if a strong positive relationship exists between employee's performance and workplace spirituality as a culture in a business organization.

2. Literature Review

Heathfield (2015) stated that culture appears to be the environment that surrounds the business all the time. She also stated that culture should be used as a powerful element to help convert a business into an excellent working enjoyment, business relationships, and the business processes. In her article, she further stated that culture is something that you cannot really see but can be expressed through its physical appearances in your workplace. The work environment can help boost the confidence of employees to get work done. The strength of her article is the way she felt about culture in the workplace and its core values on employees and productivity.

Bobinski (2014) expressed that new managers encounter troubles because of many responsibilities on their shoulders. They are responsible to plan, lead, delegate, communicate, and solve problems. Managers' roles are very complex, demanding, and risk taking. For these reasons, managers place their focus on task-oriented instead of people-oriented. A good manager with good heart must apply more of people-oriented than task-oriented leadership style to breed good culture and spirituality into the organization.

Groth (2013) explained that businesses could perish or survive due to their adopted internal culture. In this instance, if any employee is ineffective, employee productivity may be badly impacted. Employers should always focus on employee skills instead of centring on adaptation of culture. If that becomes the case, wrong employees may be hired. To correct the mistakes, employers should focus on hiring employees who have broad based focus that will enhance company's growth and effectiveness. Groth used examples of several authors in stressing the validity of culture in the success of any organizations. Environment may induce employees to be more productive, and managers should recognize diversity of culture. In effect, when managers set standards of performance recognizing culture, productivity is bound to occur. Salary adjustment may be of less importance to productivity if cultural accommodation is enhanced.

Groth (2013) article also mentioned that one of the most influential leadership books in recent years is known as tribal leadership, which shows how important culture is over nearly anything else. She further mentioned that there are five stages of leadership and culture within tribal leadership, with the 5th leading to a "no fear" environment. This inspires innovation and maximum productivity. She further mentioned that in the tribal leadership, tribal leaders focus their efforts on building the tribe and upgrading the tribal culture. If they are successful, the tribe recognizes them as the leaders. Loyalty, tolerance, morality, and a track record of success are also emphasized. The strength of this article is that the culture allows tribal leaders to set the standard of performance in the businesses, from productivity and profitability to employee retention. They are talent magnets, with people being so eager to work for the leader that they may take a pay cut if necessary. This is true in some of the countries in Africa like Nigeria, the workers are so grateful to have a place they can go and show their talents and competency while on the job.

Fawcett, Brau, Rhoads, Whitlark, and Fawcett (2008) stated that employees are the "bridge or barrier" to the solutions for improved workplace and business productivity. She also said that employees that have ideas, knowledge, experience, and useful skills are the most important value to a business. She further emphasized that the greatest source of advantage to organizations in general is its workforce. While many managers place high values on their workforce, others fail to cultivate an organizational spirit that leverage their people's creativity. A company must not limit their workers' involvement; instead, embrace a workplace that involves contributions and inspires creativity. Organizations must create environments that foster belonging and competence, as they have always emerged as critical elements of a people-centred, inspiring organizational culture.

3. Research Methodology

A surveyed was administered to 160 focus group from ages 25-50 years to collect data on workplace spirituality as culture and how it is viewed by employees and small business owners.

SPSS software, regressions, and analysis of variance (ANOVA) were utilized to conduct statistical analyses of the data collected. A hypothesis was tested to determine the relationship between employee performance and workplace spirituality. Other statistical tests were also conducted to determine how workplace spirituality, customer relations, and business performance relate to employee's performance.

3.1. Hypothesis Statements

Null Hypothesis: There is no relationship between employee performance and workplace spirituality.

Alternative Hypothesis: There is a relationship between employee performance and workplace spirituality.

Hypothesis formulation:

$H_0: \alpha_i = 0$

$H_1: \alpha_i \neq 0$

$$\text{Employee performance (EP)} = \alpha_0 + \alpha_1\text{WS} + \text{et} \dots (1)$$

Equation 1 was developed to see if a relationship existed between employee's work performance and workplace spirituality. The study also developed Equation 2 to see if there are relationships between employee performance, workplace spirituality, customer relations and business performance. A multiple regression estimation will be performed on the expressed model below. The variables in the model are Employee Performance (EP), Workplace Spirituality (WS), Customer Relations (CR) and Business Performance (BP).

$$\text{Employee performance (EP)} = \alpha_0 + \alpha_1\text{WS} + \alpha_2\text{CR} + \alpha_3\text{BP} + \text{et} \dots (2)$$

4. Data Results and Analyses

The paper provides the theoretical framework upon which the study was based. Correlation analyses were conducted to examine the relationships that existed between workplace spirituality, business performance, customer relationship, and employee performance. Multiple regressions were also performed to determine the effects or changes to employee performance resulting from the changes in the independent variable such as workplace spirituality, customer relations and business performance.

4.1. Correlation Results Analyses

Table-1. Correlations.

		Workplace Spirituality	Employee Performance
Workplace Spirituality	Pearson Correlation	1	.860**
	Sig. (2-tailed)		.000
	N	160	160
Employee Performance	Pearson Correlation	.860**	1
	Sig. (2-tailed)	.000	
	N	160	160

Note: **. Correlation is significant at the 0.01 level (2-tailed).

Table 1 shows a strong positive correlation between employee performance and workplace spirituality. The Pearson's coefficient of correlation is 0.860, which is about 86% positive correlation. The result indicates a strong positive correlation. As workplace spirituality is introduced in a business organization, employee performance also increased.

4.2. Multiple Regression and Analysis of Variance Analyses

In addition to correlation determination or tests, a multiple regression was also performed using SPSS. The regression wanted to know if employee's performance is impacted by workplace spirituality, customer relations and business performance. Employee performance is the dependent variable while workplace spirituality variable is the independent variable.

The results from the Table 2 are all significant at the 5% significant level since $p < 0.05$. The result encompasses the effects of all the explanatory variables on employee performance. The result shows that employee performance and workplace spirituality are positively related. A coefficient of estimation of 0.525 indicates that a one-unit increase in workplace spirituality in a business entity increases the employee performance by approximately 0.525 units.

This finding is still significant at a 1% level given that $p < .001$. As result shows, the significant (Sig.) level is 0.000 and strongly less than 0.05 selected significant level. The result of the relationship between employee performance and customer relationships is negative. The coefficient is -0.257, and the sign is

different from what was expected. There is a positive relationship between employee performance and customer satisfaction. A hard working and self-conscious employee in a spirituality workplace environment is expected to give a better customer service. However, this coefficient indicates the opposite. The answer is apparently questionable. However, a critical review of the stepwise regression analysis revealed that when employee's performance, workplace spirituality and customer relationship were regressed, customer relationship had a positive coefficient of 0.178 and was significant at $p = 0.038$. However, as another dependent variable-business performance was added to Model 3, the coefficient became negative indicating that one other independent variable in that model is correlated with customer relationship.

Therefore, the marginal effect of customer relationship on employee performance was weakened by another independent variable in the model. On the other hand, employee's work performance and business performance have strong relationship with a coefficient of estimation value of 0.836. This signifies that a 1unit increase in business performance increases employee performance by 0.836 units. As business performance increases, employee performance also increases, and the result is also significant at $p < 0.001$.

Table-2. Coefficients.

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.714	.150		4.753	.000
	Workplace Spirituality	.835	.039	.860	21.214	.000
2	(Constant)	.427	.202		2.113	.036
	Workplace Spirituality	.718	.068	.740	10.518	.000
	Customer Relationship	.178	.085	.147	2.089	.038
3	(Constant)	-.345	.139		-2.481	.014
	Workplace Spirituality	.525	.045	.541	11.551	.000
	Customer Relationship	-.257	.062	-.212	-4.165	.000
	Business Performance	.836	.055	.660	15.115	.000

Note: a. Dependent Variable: Employee Performance. Test statistics is at a 5% significant level.

Table-3. Model summary.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.860 ^a	0.74	0.739	0.55453
2	.864 ^b	0.747	0.744	0.54872
3	.947 ^c	0.897	0.895	0.35065

Note:

a. Predictors: (Constant), Workplace Spirituality.

b. Predictors: (Constant), Workplace Spirituality, Customer Relationship.

c. Predictors: (Constant), Workplace Spirituality, Customer Relationship, Business Performance.

As shows in the above Table 3, Models 1, 2 and 3 have high R-Squares and Adjusted R-Squares of 0.739, 0.744, and 0.895 respectively. All 3 models estimated showed strong explanatory power of the independent variables on the dependent variable- employee's performance. How well an employee performs in a business organization can be determined by the changes in the independent variables. This conclusion is reached because of the high r^2 values. For example, Model 1 has a high r^2 value of 0.740 which shows that the independent variable has explained 74% of the variations in the dependent variable- employee performance. The explanatory variables explain what happens to employee performance as they change over time. Even the Adjusted R^2 at 0.739 still shows 74.9% explanatory power by the independent variable. In addition to the explanatory powers of the independent variable, the model also showed strong positive correlations between employee performance and the independent variables. The correlation coefficient value r is 0.947. This certainly indicates a very strong positive relationship.

Table-4. ANOVA^a.

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	138.390	1	138.390	450.043	.000 ^b
	Residual	48.585	158	.308		
	Total	186.975	159			
2	Regression	139.704	2	69.852	231.995	.000 ^c
	Residual	47.271	157	.301		
	Total	186.975	159			
3	Regression	167.794	3	55.931	454.896	.000 ^d
	Residual	19.181	156	.123		

Table 4 Analysis of variance (ANOVA) shows the inferences about the mean. This general test shows the survey responses. This helps to determine if the null hypothesis will be rejected or accepted based on the significant levels. Survey questionnaires were used. Consequently, level of significance indicates the level of risk in rejecting a null hypothesis. Model 1 test result shows an F-statistics value of 454.896. The high F-value of 454.89 validates the rejections of the null hypotheses and acceptance of the alternative hypotheses. Null hypothesis of no relationship between employee's performance and workplace spirituality is rejected because the F- statistics indicates the existence of strong relationships and marginal effects greater than zero obtained from the estimated regression coefficients. In Model 2, with F-statistics value of 231.99 indicates strong relationship between employee's performance, workplace spirituality and customer relations. These independent variables of workplace spirituality and customer have reliably predicted the dependent variable, employee's performance. In Model 3, F-value is 454.9 indicates strong relationship between employee's performance, workplace spirituality, customer relations and business performance. These independent variables- workplace spirituality, customer relations and business performance have reliably predicted the changes in the dependent variable, employee's performance.

5. Study Implications

The study shows that employee's performance is positively correlated with workplace spirituality. Establishing a culture of workplace spirituality in a business organization brings positive interactions among co-workers and managers. It also brings increases in employee's and business performances. Employee's productivity tends to increase in this business environment as well. It also shows that workplace spirituality promotes stress free work environment and encourages team building. This eventually leads to increases in employee's productivity and more revenues for the business through the production of quality goods, services, and quality customer service.

6. Study Limitations

The first limitation of this study is workplace spirituality data collection using surveys. Determining the focus group, sample size, questions to include in the questionnaire, and collecting reliable responses were problems. Secondly, little research work on workplace spirituality has been done in the past. The limited number of studies on this subject matter of workplace spirituality made it difficult to obtain a broad consensus on its effect on employee's performance. However, the limitation was to some degree overcome by the researcher's collection of primary data responses through the survey from the focus group. The results of the survey were tabulated, analysed, and used in the statistical tests conducted.

7. Conclusions

Employee's performance in a small business organization is positively affected by workplace spirituality. As **Table 1** shows, the Pearson correlation of 0.860 indicates a very strong positive relationship between employee's performance and workplace spirituality. **Table 2** results show that employee's performance is also affected by other independent variables such as customer relations and business performance. All estimated coefficients are statistically significant with $p < 0.05$ values. **Table 3** shows the results from all 3 estimated models. Their R^2 values are: 0.739, 0.744 and 0.895 respectively, and indicate that the independent variables included in each model were able to explain the variations occurring with the dependent variable- employee's performance. The explanatory powers of these independent variables on employee's performance range from 73.9% to 89.5%. **Table 4** shows all strong F-Values indicating that the included independent variables- workplace spirituality, customer relations and business performance have strong relationships with employee's performance. The variations occurring in employee's performance have also been explained by these independent variables in the models.

Overall, workplace spirituality positively affects employee's performance. If employee's performance increases, business performance will increase. Workplace spirituality enhances employee's performance through motivation, tolerance, and moral authority to perform. Positive employee performance leads to better customer relations and positive revenue generation. Conversely, employees responsible for serving the customers will strive to uphold the business core values. This will be feasible through the relationships between employee-to-customer and employee-to- business performance. The employees subsequently become more tolerant in providing excellent customer services. These relationships subsequently position the business well and increase their overall performance. Business organizations should adapt workplace spirituality as a culture and implement it as policy. Implementation of this practice might help to elevate any tension or stress any employee might encounter on their way to work, or in the job environment, and subsequently increase the business's financial performance.

8. Recommendations and Future Research

This study has shown that workplace spirituality increases employee's performance. However, how effective workplace spirituality culture affects employee's performance depends on how well it is implemented. Implementation is the key factor. Business owners should be motivated to practice spirituality in their

workplace and allow their employees to do the same. This opportunity will allow the employees to reflect and be organized before facing the day's work. In this way, it becomes a culture for everyone in the business to embrace, and to be tolerant to other co-workers. This also boosts employees' energy to serve their customers well with cheerfulness, and in a respectful manner. Employees should be willing to have empathy and trust among fellow co-workers to successfully work together. Successful good management skills should be the bedrock for businesses to flourish.

Finally, it is the recommendation of this paper that all businesses should benchmark and copy best practices such as kindness, patience and caring attitudes towards their employees and customers without frustrations. Additionally, it would be interesting for more research to be conducted on workplace spirituality. It will provide opportunities to share information that will help to strengthen the wellbeing of business employees and their finances.

References

- Bobinski, D. (2014). Why new managers encounter trouble. Retrieved from: <http://www.management-issues.com>. [Accessed August 20, 2019].
- Davis, L. (2014). Resilience in the workplace: How to be more resilience at work. Retrieved from: <https://positivepsychology.com/resilience-in-the-workplace/> [Accessed August 20, 2019].
- Fawcett, S. E., Brau, J. C., Rhoads, G. K., Whitlark, D., & Fawcett, A. M. (2008). Spirituality and organizational culture: Cultivating the ABCs of an inspiring workplace. *Intl Journal of Public Administration*, 31(4), 420-438. Available at: <https://doi.org/10.1080/01900690701590819>.
- Groth, A. (2013). Workplace culture is more important than anything else Retrieved from: <http://www.businessinsider.com/workplace-culture-is-important-2013-1>. [Accessed August 22, 2019].
- Heathfield, S. (2015). Culture: Your environment for people at work. Retrieved from: <http://humanresources.about.com/od/organizationalculture/a/culture.htm>. [Accessed August 25, 2019].
- Turner, J. (1999). Spirituality in the workplace. *caMagazine*, 132(10), 41-52
- Vallabh, P., & Vallabh, G. (2016). Role of workplace spirituality in relationship between organizational culture and effectiveness. Retrieved from: <https://journals.sagepub.com/doi/abs/10.1177/0258042X16668989?journalCode=mlsa> [Accessed September 20, 2019].