CHAPTER I

INTRODUCTION

A. Background of the Research

The gain of competition in the present business world has induced the emergence of challenges encountered by leaders in an attempt to manage their employees. Inasmuch as employees have been viewed as invaluable assets for organisations, leaders endeavour suitable and faithful strategies to accomplish organisational goals. Elnaga and Imran (2014) and Meyerson (2012) ascertain that organisational success depends on the contribution of employee empowerment. Additionally, Meyerson (2012) considers that employee empowerment has strong relationships with the result in the enhancement of employee empowerment, employee job satisfaction and employee commitment.

The enhancement of the communication level between employers and employees intending to the attainment of organisational goals are apparently influenced by the implementation of well-developed employee empowerment (Timothy & Abubakar, 2013). Empowerment derives from the verb "empower" meaning to give somebody the power or authority to act (Hornby, 1995, p. 378). In the context of employee empowerment to accomplish given tasks, an organisation can provide valuable and comprehensible lessons to the

employees for sharing responsibility and power at all levels aiming at increasing the employees' self-esteem, and motivate them for better performances. In organisations, some leaders are arguably enabled to authorise their employees to have autonomy for performing their job. They are encouraged to discover resolutions creatively that they are encountered, and that the problems can be immediately overcome without expecting the leader's direction and decision overlong. Providing that the problems concern customers' needs, the exceedingly prompt respond, and solution will improve employees' performances affecting the customer satisfaction. As a result, the employee's excellent creativity will facilitate the attainment of organisational goals and determine the success of organisations. Besides, Timothy and Abubakar (2013) affirm that employee empowerment affects service quality since employees have the most direct contact with customers.

One of the most common techniques of employee empowerment is called delegation, which can be presumably performed well when there is a clear communication between leaders and subordinates. Empowered employees are trusted to hold great responsibilities that enable them to be motivated to come up with an ingenious idea. However, the more employees are extended latitude, the more innovative they exceed constraints that sometimes hamper employees' performances. Sahoo and Das (2011) propose that the enhancement of teamwork is such another characteristic of employee empowerment, encouraging employees' meaningful participation towards the fulfilment of organisational effectiveness. With the employee empowerment,

employees have prodigious opportunities to participate in decision-making processes, in which they are more inspired to take appropriate actions and devote new brilliant ideas. On the contrary, leaders occasionally confront some obstacles to develop teamwork in a workplace. The practice of employee empowerment is required to the actual realisation of giving support, respect and trust to other employees (Sahoo & Das, 2011).

Greasley, Bryman, Dainty, Price, Soetanto, and King (2004) argue leaders' significant roles, such as proposing, implementing, and maintaining empowerment, are great influences to the success in employee empowerment in the workplace. Leaders should succeed in identifying as well as evaluating their employees in order to devise proper strategies motivating employees to willingly participate and involve in the organisation's activity. Even though, in fact, some leaders infrequently have experiences in adversity to initiate empowerment strategies due to diversity in the workplace.

Nowadays, as predicted by Patricia Aburdene in her book entitled *Megatrends* 2010, the greatest megatrend is possibly spirituality in the workplace. Marschke, Preziosi, and Harrington (2009, p. 33) state that workplace spirituality is associated with people who realise that they are spirited beings, whose spirits desire and need to be energized through work. Spirituality will positively transform not only in an individual level, but also in an organisational level. With spirituality in the workplace are goals and values inspiring people to achievements beyond his/herself. People who recognise themselves as spirited beings initially contribute towards their

organisation's capability to survive and exist in a high level of competition. A couple of researchers have concluded that spirituality and leadership are interconnected. Reave (2005) in Boorom (2009, p. 3) agrees that spirituality helps leaders to think out the possible idea of integrating character and behaviour, having effects on employees, and attaining organisational goals. Reeve's finding has been supported by Naidoo (2014), agreeing that workplace spirituality potentially have a considerable bearing on the quality of leadership evolving into an integral part of both leaders' and employees' commitment and productivity.

The advance progression of leadership in the workplaces was investigated by Fry (2003, p. 711) who have defined spiritual leadership as the necessary values, attitude, and behaviour that stimulate intrinsic motivation for one's self and others so that they have a sense of spiritual survival through calling and membership.

Leaders who are credence that spiritual exists in the workplace have immense encouragement to create right values and behave properly. Hence, leaders should be a role model inspiring employees and spiritually stimulating them to be involved in the process of attaining organisational goals. In fact, leaders are demanded to create supportive atmosphere facilitating employees to work delightful. Therefore, spiritual leadership can apparently realise such atmosphere for leaders hold concepts that all the people in an organisation should have a meaning and passion to work. Healthier and happier environment in the workplace will also minimise some confrontation

encountered by leaders and employees as they have a similar perception of the membership in the organisation, whose goals are to promote the organisation's growth. Indeed, the attainment of organisational goals is seemingly fulfilled, only if leaders sense spiritual leadership, and they willingly empower employees.

B. Statement of the Problem

The currently high competition among organisations offering foreign language training programs in Yogyakarta has been identified significantly increasing for the last years. Not only are the training programs provided by the organisations under formal institutions, like universities, but there are also many private language-training program organisations have emerged. As a result, the organisations are presently vying to offer excellent services for the training candidates. Besides, the impact on the competition has driven the organisation's leader to the advancement of productivity as well as the employees' commitment in the workplace. The productivity is possibly enhanced provided that the employees are demonstrating their ability to perform well, and the employees' commitment have impact on positive advantages to the organisations since the employees' turnover can be minimised.

However, some leaders frequently encounter obstacles to enhance productivity and employees' commitment. Mostly, they do not have ideas

how to cope with the obstacles and enhance productivity as well as employees' commitment. Following Cummings and Worley (2008), employee empowerment has a significant role in the improvement of productivity. In addition, Ripley (1992) and Spatz (2000) in Sahoo and Das (2011) have concluded that employee empowerment can also determine employees' commitment. Even though some leaders agree that employee empowerment is such an effective strategy to attain organisational goals, and to the betterment of productivity and employees' commitment, few might have a better knowledge and understanding of this strategy. The identification of leaders and employees' perceptions of empowerment should be discovered and then fostered. Besides, the leaders' ways to empower their employees are necessary to be acknowledged in order the leaders are able to practically delegate their power to the subordinates effectively.

For any organisations which provide foreign language training programs, demonstrating outstanding service and quality to customers become a priority. Employees are in the front line to deliver services to customer, which means that customer satisfaction seemingly relies on employees' roles. As an illustration, managers should not provide any information related to the list of training programs offered by an organisation in the front office. Managers should not teach students in language training programs. Managers should not design any instructional materials intended for students. Managers should not administer any proficiency tests. In fact, services delivered by employees will be experienced and evaluated directly

by customers. Therefore, employee empowerment is crucial to be implemented, especially in an organisation providing foreign training services.

In fact, leaders seemingly have a notable role to the implementation of employee empowerment. Employee empowerment emphasises on the power delegation to the employees, meaning that leaders should have better knowledge and skills to realise it, so they are required to have high quality in the leadership. Aligned with the realisation of employee empowerment and the leadership style, Fry (2011) has found that spiritual leadership can be the best alternative to be adapted towards the enhancement of employees' commitment and productivity by empowering employees.

Notwithstanding some studies about employee empowerment, research on spiritual leadership in the workplace is seemingly few, especially in Indonesia. Some probably associate spiritual leadership with religious teachings and others may define it as people's belief. In addition, there are few studies examining the relationship between spiritual leadership and employee empowerment. This research would fathom the meaning of spiritual leadership and employee empowerment, to provide better understanding of them.

C. Questions of the Research

1. How do the employees perceive employee empowerment?

2. How do the employees perceive spiritual leadership?

3. How do the head and departmental heads empower their staff?

4. How does spiritual leadership relate with employee empowerment in the workplace?

D. Purpose of the Research

This research aims at disclosing the realisation of spiritual leadership and employee empowerment in the workplace and grasping the relationship among them. However, perceiving the employees' perception of spiritual leadership and employee empowerment is intended for discerning the realisation. Hence, the employees' experiences related to what they understand about spiritual leadership and employee empowerment, and how they realise them in their daily activities at work are significant to reveal facts what really happens in the organisation. Additionally, this research proposes to identify the phases in employee empowerment, in which it should be eminently implemented. By finding out spiritual leadership and employee empowerment practices in the organisation, the realisation leads to how they are interconnected. The investigation should also bring the understanding in the managerial implications.

E. Benefit of the Research

This research aims at investigating the relationship between employee empowerment and spiritual leadership. Considering that employee empowerment can positively enhance employees' commitment and productivity, an organisation is essential for supplying knowledge and skills to leaders. Therefore, spiritual leadership are the leadership style that should be adapted and embodied by leaders. This research is designed for the development of spiritual leadership as well as employee empowerment theory. The findings of this research will provide clear and detailed insight of both the employees' and leaders' perceptions of empowerment and spiritual leadership. Thus, the better knowledge and understanding of empowerment and spiritual leadership can contribute towards practical implications for business that the leaders and employees might adapt.