

Workplace Spirituality for Small and Medium Enterprises Performance in the Changing Technological Era

Satish Chandra Mishra¹, Dr. Pankaj Kumar²

¹Research Scholar, Department of Management Studies, DIT University,
satishcmishra.10@gmail.com

²Assistant Professor, Department of Management Studies DIT University,
pankaj.kumar@dituniversity.edu.in

The objective is to examine the significance of workplace spirituality for survival of small and medium enterprises (SMEs) in the present dynamic market of the technologically advanced automation, robots, and artificial intelligence in the Industry 4.0 era and Industry 5.0 that recognizes the importance of cooperation, human creativity and ethical concerns. Organisations are transitioning to a hybrid workforce model by establishing digital workplaces and work from remote. The result of smart technologies and human robotic co-working, human engagement with each other has reduced physical communication among the employees and with the customers, the consequence is, increase of human-related issues, work-life imbalance, family and social issues, that is a matter of concern and very few research have been conducted to establish the negative impact on employees and their wellbeing. With the two sets of samples size consisting of 319 participants and 251 participants analysed separately, were considered for the research and concludes that in SMEs, there is a positive and significant impact of workplace spirituality on the organizational performance, however with regards to the small enterprises the impact of workplace spirituality is moderately positive on the organizational performance, but with regards to the medium enterprises the impact is strongly positive on the organizational performance. This finding is important and useful for the stakeholders to understand the factors that can help them to improve the SMEs performance, to remain competitive in the advanced technological era and for their sustainability. Academic and managerial implications, suggestions for future research, and limitations has been provided.

Keywords: Workplace Spirituality, Industry 5.0, Organizational Performance, Sustainability

1. Introduction

Workplace spirituality (WS) pertains to the perception of significance, direction, and camaraderie that employees encounter inside their work environment and establishes conducive workplaces that promote employee's sense of connection to a broader mission, cultivate their well-being, and empower them to fully express themselves in the workplace. Organizations like Apple, Ford, Yahoo, Google, and IBM, have experienced productivity enhancements directly attributable to the adoption of a spiritual workplace culture (Garg, 2020). In SMEs, the presence of WS and fairness, influences employee's commitment, work dynamics, and organizational commitment among employees(Mapuranga et al., 2021). WS helps in improving employee's loyalty towards organization (Aboobaker et al.,2020). WS demonstrated how organizational resilience for survival is enhanced during a crisis and spiritually guided organization provides solutions for employees who, due to remote work settings and hybrid work models, experience demotivation and isolation in the absence of in-person engagement (Yin & Marhous, 2022).

The new technological era of Industry 5.0 signifies, the forthcoming paradigm shift in the manufacturing and commercial operations, emphasising human-centric methodologies, synergy between humans and robots, and sustainability and their impact on human beings is not clear (Ikumapayi et al., 2023), and establishes essential role of ethics, human values and creativity in promoting sustainable business practices, stimulating innovation, and fostering a more cohesive work environment, while Industry 4.0 largely focused on the automation, robots, and artificial intelligence. Industry 5.0 aims to augment the human element of work by creating settings that promote emotional, mental, and spiritual well-being among employees, and focuses on the cooperation between humans and modern technology to provide more environmentally friendly and human-centred work environments (Demir, 2022; Grabowska et al., 2022), and with its human centric approach reintegrate humans into the production process by emphasizing customized manufacturing and harnessing the innovative problem-solving skills of human workers (Ivanov & Webster, 2019; Nahavandi, 2019). Industry 5.0 emphasizes technical progress, human-machine cooperation, and ecological methods. Furthermore, research on WS frequently overlooks the consequences of developing technology and the Industry 5.0 paradigm. This void in the existing body of knowledge gives a chance for more thorough exploration of how spirituality might integrate with the technical progress of Industry 5.0. In the future, when factories achieve complete automation and digitization, human employment in physical labour will diminish and they will have greater responsibility for decision-making and problem-solving within the increasingly intricate socio-cyber-physical industrial system (Darwish,2024).

Small and Medium Enterprises (SMEs) constitute 90% of all global organizations and constitute around 98% of entities in the Asia-Pacific region by contributing over 17% to the GDP of low-income countries like India, 40% in Pakistan, and almost 50% in high-income countries such as Singapore and Malaysia and SMEs are essential for economic progress by providing employment, reduces geographical disparities, alleviate income inequities, and by substantially enhancing GDP (Iqbal et al., 2021; Manaf et al.,2022 ; Chandra, 2024; Pawar & Sangvikar, 2019; Shelly et al., 2020) and SMEs faces challenges of insufficient resources, inadequate investment in research and development, obstacles to market entrance, and the

financial resources are limited (Amoah et al., 2022; Oduro & Mensah-Williams, 2023; Rehman et al., 2019). The fast progression of artificial intelligence, robots, and intelligent technologies necessitates substantial investment in infrastructure, skilled workforce, and innovation, which are frequently restricted in SMEs owing to limited financial and human resources (Öztemel & Gursev, 2020).

This study is to access the relevancy of WS for the performance of small sized enterprises and with the performance of medium sized enterprises in the technological era of Industry 4.0 & 5.0 and with hybrid work culture and lack of human to human interaction as hybrid work culture is a reality and will give direction to organizational performance. There are very few research in this area (Gutiérrez-Broncano et al., 2024; Mishra & Kumar, 2024; Nahavandi, 2019). Most studies on WS focused on large enterprises that possess the ability and resources to implement human-centred initiatives comprehensively (Karakas, 2021; Mousa & Alas, 2021). In contrast, SMEs operates under several constraints, including limited financial resources, simplified organizational structures, and closer interpersonal interactions (Singh & Mishra, 2023). Moreover, the lack of research on the interplay between WS and the challenges faced by SMEs, including flexibility, creativity, and ethical decision-making in the era of Industry 5.0, intensifies this deficiency. Industry 5.0 emphasizes technical progress, human-machine cooperation, and ecological methods, and research on WS frequently overlooks the consequences of developing technology and the Industry 5.0 paradigm. This void in the existing body of knowledge gives a chance for more thorough exploration of how spirituality might integrate with the technical progress in the changing technological era. While much study has been carried out on Industry 5.0 and WS separately, there are few researches that has investigated the amalgamation of the two. This research seeks to bridge the gap by meticulously analysing the specific advantages that WS may offer to SMEs within the context of Industry 5.0 in the new technological era. The shift towards sustainability and resilience in Industry 5.0 requires SMEs to revamp their business models, focusing on eco-friendly production and adaptability to societal needs (Rojko, 2022).

2. Literature Review

WORKPLACE SPIRITUALITY AND ORGANIZATIONAL PERFORMANCE

WS enhances organizational performance (OP) as evidenced by the findings of Neck & Milliman (1994). Mitroff and Denton (1999) propose that WS includes individuals' intrinsic motivation to derive meaning and purpose from their job, while also cultivating a feeling of community and interdependence. Studies on WS in organizations indicate that it enhances corporate performance (Garcia-Zamor, 2003). Research has demonstrated that organizations that actively encourages at workplace, benefits from increased levels of employee engagement, contentment, and loyalty (Milliman et al., 2003). Spiritual orientation enhances efficiency, production, and profitability, hence improving corporate performance (Jurkiewicz & Giacalone, 2004). Research indicates that organizational commitment and productivity are directly affected by spiritual leadership (Bodia & Ali, 2012; Fry et al., 2005). Kolodinsky et al. (2008) observed a negative correlation exists between an organization's spirituality and the level of frustration encountered inside an organization.

The concept of WS has garnered significant interest in recent decades as organisations acknowledge the imperative of comprehensive employee well-being (Gotsis & Kortezi, 2008). Rego and Pina e Cunha (2008) established a favourable correlation between WS and organisational effectiveness that enhanced the level of employee engagement, creativity, and well-being resulting from spiritually rich work settings for this correlation. Spirituality possesses the capacity to enrich individual's lives, foster environmental awareness, and motivate a transcendence of materialism (Vasconcelos, 2015). Existing literature suggests that WS contributes to enhancing organizational performance (Driscoll et al., 2019).

A CRITICAL ANALYSIS OF RELEVANCY OF WORKPLACE SPIRITUALITY IN THE TECHNOLOGICAL ADVANCED ERA

In this context where human creativity and innovation play a prominent role, WS can serve as a catalyst for fostering innovation and adaptation. The Industry 5.0 revolution distinguishes itself from previous industrial revolutions by emphasizing human creativity, ethics and social responsibility rather than automation and efficiency (Nair & Bhattacharyya, 2021). A healthy work atmosphere is created in the workplace by spirituality, where individuals collaborate in a good and creative approach to accomplish greater outcomes and where spirituality helps businesses embrace technological advancements with more staff engagement and excitement (Singh, 2019). The technologically advanced Industry 4.0 has generated significant uncertainty among the workforce, where individuals for securing their positions are dedicating more time to continuous work in an effort to demonstrate their value and secure their positions that results to workload and pressure and individuals began to neglect their health and well-being that leads to stress, anxiety, fatigue, hypertension, sleep disorders, and a lack of contentment in their daily lives and a strong sense of spirituality enables an employee to attain enhanced capabilities and competencies with sufficient support from the organization, including training in spirituality at the work so that employees can cultivate a positive outlook to enhance their ability to manage their jobs, workloads, and relationships effectively(Saharan & Sharma, 2022). Spirituality in the workplace alleviates pressures by fostering mindfulness, self-awareness, and emotional resilience and activities, including meditation and mindfulness exercises, reduced stress and anxiety levels in workers. (Petchsawang & Duchon, 2009). WS has increasingly been acknowledged as a factor that enhances employee engagement, contentment, and corporate performance that establishes organizational culture that enables a feeling of importance, purpose, and interconnectedness between the employees, leading to increased motivation, ethical behaviour, and innovation (Gupta et al., 2021). According to Karakas (2021) WS fosters the holistic expression of individual's identities in the workplace, hence enhancing creativity and collaboration, which are vital elements for success in the technological era. Mousa and Alas (2021) assert that spiritual workplaces are superior in talent retention, since workers prefers to remain in the company where they feel a purpose and their values are aligned with the organizational values. The attributes of ethical decision-making, integrity, and a sense of community are crucial for small enterprises aiming to attain sustainable growth within the context of Industry 5.0 (Fernando & Chowdhury, 2021). The notion of spirituality in the workplace possesses the capacity to enhance resilience within SMEs, allowing employees to uncover a sense of purpose amid periods of uncertainty or stress, challenges that are commonly encountered by smaller organizations (Rehman et

al.,2019). SMEs often exhibit more horizontally structured organizational frameworks and enhanced interpersonal relationships, thereby promoting the incorporation of spiritual principles throughout the organization (Singh & Mishra, 2023).

The relationship between workplace spirituality and employee engagement

The notion of WS is closely linked to employee engagement, which is essential for enhancing performance in the technological era. Recent studies reveal that when organizations foster spiritual concepts like purpose, integrity, and connection, employees exhibit heightened engagement, leading to improved creativity and innovation (Mousa & Alas, 2021). Engaged individuals are more likely to collaborate with advanced technology, hence adhering to the human-machine collaboration model essential to Industry 5.0 (Ozdemir, 2023). Moreover, empirical research has shown that workers who get spiritual value from their work are less likely to experience burnout, a crucial element for maintaining sustained performance in highly automated environments (Khari & Sinha, 2021; Saks, 2022).

Overview of human-centric methodology and ethical decision-making

A fundamental aspect of Industry 5.0 is emphasis on human-centric concepts, particularly in the process of decision making. The notion of WS enhances this focus by advocating for ethical behaviour, essential for firms seeking to align technological progress with social responsibility. Research by Afsar and Badir (2020) demonstrates that spiritual workplaces are more likely to cultivate a culture of ethical decision-making, since they enhance individual's intrinsic motivation to act in alignment with their personal and corporate values. The implementation of this ethical framework by companies is essential to address the growing public demand for corporate social responsibility(CSR) and their sustainability in context of Industry 5.0 (Nair & Bhattacharyya, 2021).

The principles of resilience, adaptation, and performance

Moreover, WS has a crucial role in bolstering organizational resilience and adaptability, which are vital for efficiently navigating the swift transformations associated with advanced technologies. Research by Rahman et al.(2022) indicates that individuals experiencing spiritual fulfilment in their work has improved capabilities to handle stress and uncertainty. Spirituality enhances resilience by offering employees a clear sense of purpose and connection, therefore enabling them to maintain motivation and flexibility amid technological disruptions. Zohar and Marshall (2020) demonstrate that spiritual intelligence enables individuals to extract meaning from challenges, hence improving their overall professional performance.

The principles of invention, creativity, and cooperation

The significance of WS is particularly pronounced in fostering innovation and creativity, both of which are vital elements of Industry. Karakas (2021) indicates that research demonstrates that spiritual work environments foster psychological safety, hence encouraging employees to undertake risks and propose innovative solutions. This setting promotes collaboration between man and machine, an essence of Industry 5.0 (Scharmer, 2022). The development of spiritual values cultivates cohesiveness and interdependence among personnel, therefore enhancing the probability of effective cooperation and

Nanotechnology Perceptions Vol. 20 No.6 (2024)

eventually elevating the overall performance of the organization (Gupta et al., 2021).

Sustainability and its enduring impacts

WS aligns with the primary goal of sustainability, which is essential to the tenets of Industry. Spiritual personnel in firms that include spiritual ideas into their workplace culture are likely to adopt long-term, sustainable practices by prioritizing ethical and ecologically responsible behaviours (Fernando & Chowdhury, 2021). Singh and Mishra (2023) assert that these principles allow enterprises to mitigate their environmental effect and contribute to the overarching societal goal of creating a sustainable and inclusive economy. Thus, WS improves organizational performance and promotes a transition to a more sustainable and human-centric industrial future.

RESEARCH GAP AND HYPOTHESIS DEVELOPMENT

Amidst the increasing fascination of advanced technological thrust with Industry 5.0, there exists a notable deficiency of studies regarding the impact of spirituality on improving the performance of small enterprises and medium-sized enterprises. The majority of research on WS concentrates on big firms, which have the capacity and resources to fully execute human-centred initiatives (Karakas, 2021; Mishra & Kumar, 2024; Mousa & Alas, 2021). The absence of study on how WS interacts with the specific issues of SMEs, such as flexibility, innovation, and ethical decision-making in the advanced technological age, exacerbates this gap. Thus, this study aims to narrow the divide by precisely examining the particular benefits that WS may provide to SMEs during advanced technological era of Industry 5.0.

The following hypothesis has been developed.

- H1: Workplace spirituality has positive impact on the performance of small and medium enterprises.
- H2: Workplace spirituality has positive impact on the performance of small enterprises.
- H3: Workplace spirituality has positive impact on the performance of medium enterprises.

3. Research Methodology

Prior study has utilized several research strategies, including qualitative, quantitative, and hybrid approaches (Williams, 2007). The purpose is to provide clarification on the research methodology used in this research, as described by Dana and Dana (2005). A quantitative technique was employed for this investigation in accordance with our research aims.

Sample

Teddlie and Yu (2007) indicated that purposive sampling is referred to as nonprobability sampling, purposeful sampling, or qualitative sampling." Babbie (2008) states that a purposive sampling technique is selected by those conducting studies for the samples that are expected to possess knowledge and provide valuable insights regarding the phenomenon.

The study's participants were selected using purposive and convenience sampling methods, particularly using snowball sampling techniques. The identification of small enterprises and medium enterprises was executed in compliance with the Government of India's SME category criteria.

Data collection

This study examined two sample sets from personnel involved in small and medium-sized firms (SMEs) in Delhi and the National Capital Region (NCR), India, encompassing owners, managers, officers, supervisors, and workers. The sample approach utilized was a combination of purposive and convenience sampling, augmented by the snowball sampling methodology.

SET 1: 400 questionnaires were distributed to SMEs participants, out of which 319 were considered appropriate for inclusion in the analysis of this study. This consisted of 263 (82.4%) responses from the participants of medium enterprises and 56 (17.6%) responses from the participants of small enterprises.

SET 2: 275 questionnaires were distributed to SMEs participants, out of which 251 were considered appropriate for inclusion in the analysis of this study. This consisted of 58 (23.1%) responses from the participants of medium enterprises and 193 (76.9%) responses from the participants of small enterprises.

Research tool

This investigation employed Smart PLS software to construct a precise model demonstrating the connection between WS and OP. The application of the Partial Least Squares Structural Equation Modeling (PLS-SEM) method was supported by numerous scholarly references (Barroso et al., 2010; Hair et al., 2013; Reinartz et al., 2009). Initially, Smart PLS 4.0 was selected owing to its suitability for lower sample sizes, in contrast to other statistical approaches, given the restricted size of the data set. Secondly, the study's emphasis on predictive modelling of WS and OP required a method capable of successfully addressing this dimension. Ultimately, PLS-SEM, especially via Smart PLS 4.0, is widely acknowledged for its effectiveness in clarifying intricate behavioural phenomena (Fassott et al., 2016), thus validating its choice for this study project.

Research Instrument

a) Workplace spirituality (WS): The measurements were derived from the scale that was created by Ashmos and Duchon (2000). The assessment of meaningful work comprised six components. The sense of community was assessed through seven measures, whereas alignment with organizational values was assessed through eight items. The evaluation utilized a five-point Likert scale, where (1) denoted strong disagreement and (5) signified strong agreement.

b) Organizational performance (OP): The study analysed the four components of organizational performance: effectiveness, efficiency, development, and innovation, as defined by Katou and Budhwar (2007). A 5-point Likert scale was utilized for this assessment, where (1) represents strong disagreement and (5) denotes strong agreement.

4. Result Analysis and Findings

This study recognizes SMART PLS 4.0 as a frequently utilized program for doing Structural Equation Modeling (SEM) analysis. In this context, WS is identified as the principal exogenous latent variable, whereas OP serves as an endogenous variable, initially examined in its whole. The research subsequently does a comprehensive analysis, focusing on the three dimensions of WS as exogenous latent variables and OP as the endogenous variable. In this study, the exogenous latent variables denote the three dimensions of WS, whereas OP signifies the endogenous variable under scrutiny.

Exploratory Factor Analysis: A loading value approaching one indicates a superior alignment of variables with the factor response, whereas loadings of 0.70 or above are considered satisfactory. This initial assessment included twenty-one items pertaining to WS, each necessitating careful consideration. The software was programmed to terminate operations following 300 attempts.

1) SET 1, SAMPLE: DEPICTED AT FIGURE 1:

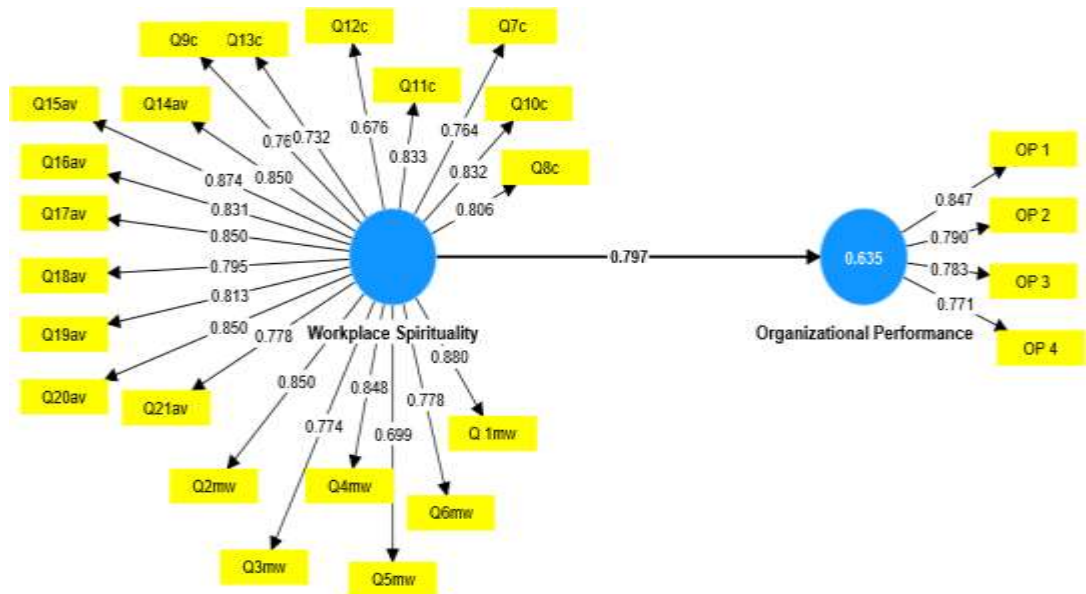


FIGURE 1 : RELATIONSHIP BETWEEN WORKPLACE SPIRITUALITY AND ORGANIZATIONAL PERFORMANCE

The provided structural equation model (SEM) illustrates the relationship between WS and OP. The model demonstrates a direct and significant positive effect of WS on OP, as evidenced by the path coefficient of 0.797. This suggests that with the increase of WS, the organizational performance also improves substantially.

WS is measured by multiple indicators, all showing strong loadings, indicating that they are good measures of the construct. These indicators include Q1 AV, Q2 MW , Q3 C, with factor loadings ranging from 0.676 to 0.880. The reliability and validity of the WS construct are supported by these high factor loadings, as all values exceed the commonly accepted

threshold of 0.60.

On the other hand, OP is also measured by multiple indicators, including OP1 (0.847), OP2 (0.790), OP3 (0.783), and OP4 (0.771). These high loadings indicate that the items are reliable indicators of organizational performance.

The R-squared value for organizational performance is 0.635, indicating that approximately 63.5% of the variance in organizational performance is explained by WS. This high explanatory power underscores the significant impact that WS has on organizational outcomes.

The SEM analysis reveals a strong and significant positive relationship between WS and OP. The high factor loadings for both the constructs confirm the reliability and validity of the measurement items. The findings imply that organizations that cultivate a spiritually enriching workplace environment are likely to experience enhanced performance outcomes. This highlights the practical importance of integrating spiritual values and practices in the workplace to achieve better organizational performance.

2) SET 2, SAMPLE: DEPICTED AT FIGURE 2:

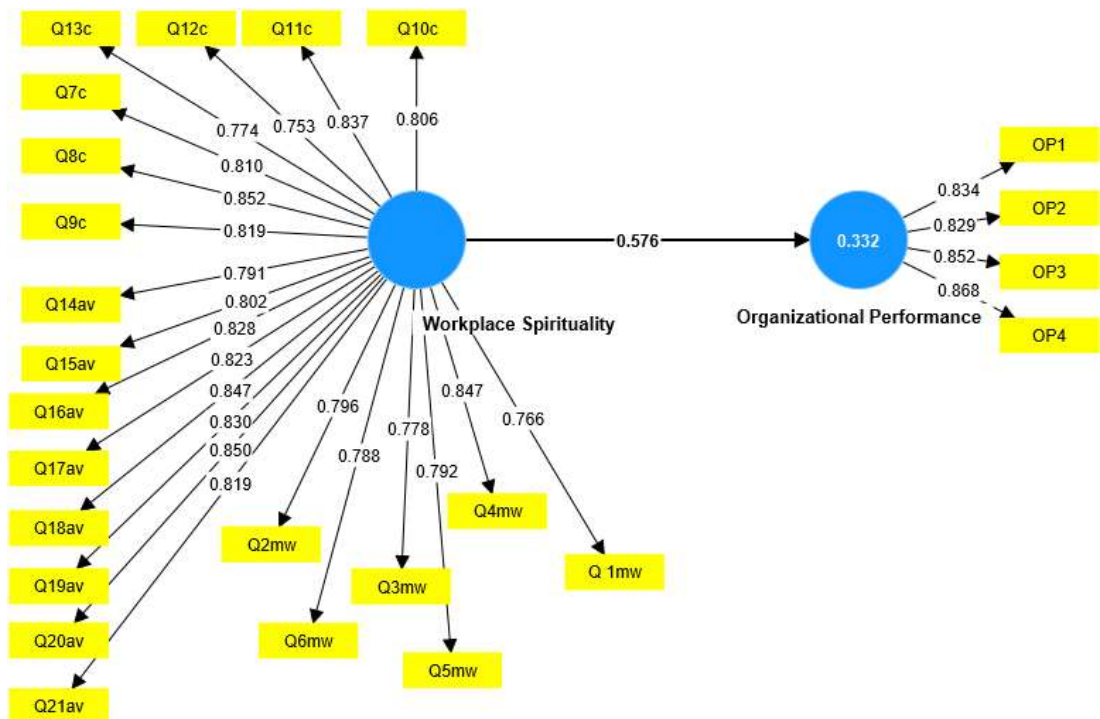


FIGURE 2: RELATIONSHIP BETWEEN WORKPLACE SPIRITUALITY AND ORGANIZATIONAL PERFORMANCE

The path coefficient from WS to OP is 0.576, indicating a positive and moderate relationship between the two constructs. This suggests that higher levels of WS are associated with better OP.

Composite Reliability (CR) and Cronbach's Alpha. Factor Loadings: All items have loadings above 0.70, which indicates strong item reliability. Loadings range from 0.753 to 0.852 for WS and from 0.829 to 0.868 for OP.

R^2 for OP is 0.332. This indicates that 33.2% of the variance in OP is explained by WS. This value reflects a moderate explanatory power.

The SEM result shows a significant positive impact of WS on OP, with a path coefficient of 0.576. The model appears to be well-specified, with good construct reliability and validity.

The positive relationship explains that WS positively influences OP with high construct reliability that indicated strong factor loadings, with Moderate Explanatory Power of 33.2% of the variance in OP is explained by WS,

In comparing Figures 1 and 2, the relationship between WS and OP is depicted using Structural Equation Modeling (SEM) analysis. Both figures illustrate the latent construct of WS, represented by multiple observed variables, and its direct effect on OP.

Figure 1, demonstrates a stronger relationship between WS and OP, with a path coefficient of 0.797. The explained variance is higher in this model, with 63.5% ($R^2 = 0.635$) of the variance in OP being explained by WS. This indicates a strong positive relationship, suggesting that WS plays a more significant role in influencing OP in this model compared to Figure 2. The factor loadings in Figure 2 are also robust, with most variables loading above 0.75, supporting the reliability and validity of the measurement model.

This establishes that hypothesis H3, 'workplace spirituality has positive impact on the performance of medium enterprises' is strongly established.

Figure 2 shows a path coefficient of 0.576 from WS to OP, with a significant explained variance of 33.2% ($R^2 = 0.332$). This suggests that WS accounts for a substantial proportion of the variance in OP, indicating a moderate positive relationship. The factor loadings for the observed variables in the model are all above 0.7, indicating good convergent validity.

This establishes that hypothesis H2, 'workplace spirituality has positive impact on the performance of small enterprises' is moderately established.

5. Discussion

Workplace Spirituality effect on Organizational Performance: A Comparative Analysis

WS, which includes employees' sense of their meaningful work, sense of community, and alignment with organizational values has been identified as a crucial element affecting OP. This relationship is frequently analysed in terms of the influence that spiritual values and practices within an organization have on its overall success metrics. Figures 1 and 2 present a visual analysis of the structural equation modelling (SEM) results, illustrating the impact of WS on OP in two distinct contexts or data sets.

In Figure 1, it is evident that a significant majority, approximately eighty two percent (82.4%) of participants from medium enterprises, indicated that WS exerts a considerable positive influence on OP, as demonstrated by a path coefficient of 0.797. This indicates that

when employees' spiritual needs are fulfilled, their impact on organizational success becomes increasingly evident. In contrast, Figure 2 illustrates where a significant majority, approximately seventy-seven percent (76.9%), of participants from small enterprises show a less robust relationship between WS and OP, indicated by a path coefficient of 0.576. This suggests a comparatively subdued influence of WS on organizational outcomes within this specific context or dataset. This may indicate differences in the perception or implementation of various elements of WS. The factor loadings for OP in Figure 2 are notably higher, ranging from 0.829 to 0.868. This suggests that, although the influence of WS may be less direct, the indicators of OP remain strongly measured. An examination of these figures indicates that WS typically exerts a beneficial influence on OP; however, the intensity of this connection may fluctuate based on contextual elements. Figure 1 indicates a significant and direct impact of spirituality on performance, likely illustrating a work environment in which spiritual values are thoroughly embedded within the organizational culture. Conversely, Figure 2 indicates a more moderate influence, potentially reflecting an environment where spirituality is present but not deeply ingrained, or where alternative factors may exert greater influence. The connection between WS and OP is clearly illustrated in both the figures, though the degree of its influence differs. This indicates that although promoting a spiritually enriched work environment can typically improve OP, the actual results are contingent upon the extent to which these spiritual values are woven into the organizational structure.

The analysis of the two models provides significant understanding regarding the impact of WS on OP. The model illustrated in Figure 1, with major representation of medium enterprises, indicates that WP exerts a significant and direct impact on performance of organizations. This suggests that in settings where spiritual values are thoroughly integrated into the organizational culture, the advantages to performance become more evident. This may be linked to a more integrated work environment in which employees experience a heightened sense of purpose and alignment with the organization's objectives.

While for the model depicted in Figure 2, with major representation from small enterprises, illustrates a more moderate relationship, suggesting that additional factors, including organizational structure, leadership style, or external market conditions, could have a more substantial impact on performance in this particular context. The elevated factor loadings for OP depicted in Figure 2 indicate that, although WS could be a contributing element, the overall OP appears to rely less on spirituality alone and may be more significantly affected by other variables. Small business leaders have hurdles in incorporating WS as they often have informal, personal leadership, with the owner or a few important personnel influencing the culture and lack of formal organizational structures prevent them from being integrated into company practices or policies. (Rego & Pina e Cunha, 2008).

The findings emphasize the significance of context in comprehending the effects of WS. Organizations aiming to utilize spirituality to improve performance must evaluate the extent to which these values are embedded in the daily practices and culture of the workplace. The distinctions between the two models highlight the necessity for a customized strategy in the implementation of WS, ensuring it corresponds with the unique requirements and context of the organization. WS improves job satisfaction (Hassan et al.,2016), increases and knowledge sharing attitude (Khari & Sinha, 2018), job performance(Daniel,2019),

improves employee organizational citizenship behaviour (Ranasinghe,2021), reduces employee burnout and increases organizational trust and employee performance (Khari & Sinha, 2021), improves employee learning and information sharing behaviour (Khan et al., 2022)

This establishes that hypothesis H1 ‘workplace spirituality has positive impact on the performance of small and medium enterprises’ (moderately to strongly) is established .

6. Findings and Conclusion

The research illustrate a comparative analysis of the impact of WS on OP using SEM. The results indicate that while WS generally contributes positively to organizational outcomes, the strength of this relationship varies depending on the organizational context. However, the variability in the results also points to the influence of other factors that may moderate this relationship. Trust, commitment, communication, and conflict management impacts SMEs performance (Prabhudesai et al.,2023). In small enterprises employees saw elevated degrees of relational, ethical, servant, and participative leadership shown by the owners of SME, where relational leadership, ethical leadership, and servant leadership were found to significantly enhance employee’s commitment towards organization and their job satisfaction (Kupangwa, et al. 2015).

This suggests that a deeper integration of spiritual values into the organizational culture can lead to more significant performance gains in the Industry 5.0, technologically advanced atmosphere with remote and isolated work stations as this reduces stress and employees burnout (Khari & Sinha, 2021; Yin & Marhous, 2022) improves job performance, job satisfaction, employee learning and information sharing behaviour and knowledge sharing attitude, and organizational citizenship behaviour (Daniel,2019;Hassan et al.,2016 ;Khan et al., 2022; Khari & Sinha, 2018; Ranasinghe,2021) and by acknowledging the significance of fostering good outcomes, SMEs may customize their methods to create a spiritually uplifting work environment, hence improving overall efficiency and market competitiveness. SMEs must cultivate spirituality at workplace and implement measures to foster employee trust in this initiative (Chandra,2024). A feeling of sense of community may be cultivated within SMEs work culture to enhance cooperation, coordination and foster effective collaboration (Mishra & Kumar,2024). Spirituality inspires employees to do their responsibilities with integrity and a purpose that transcends just financial gain for themselves and their organizations (Iqbal et al., 2021; Van Dierendonck, 2004).

Research on workplace spirituality emphasized that commitment to work, integrity in job performance, equity among individuals, and the welfare of everyone contribute to enhanced organizational performance and foster prosperity and positivity among employees (Garg et al., 2019; Kumar et al., 2022).

Future research should explore in greater detail the effect by segregating small enterprises and medium enterprise with large sample sizes, different geographical locations and culture, effect of government policies with regards to technological advanced era of Industry 5.0 and as well as examine the long-term effects of workplace spirituality on organizational performance. Additionally, investigating the role of leadership in fostering a spiritually

enriched workplace could provide further insights into how organizations can effectively integrate these values into their operations.

References

1. Aboobaker, N., Edward, M., & Zakkariya. (2020). Workplace spirituality and employee loyalty: an empirical investigation among millennials in India. *Journal of Asia Business Studies*, 14(2), 211–225. <https://doi.org/10.1108/jabs-03-2018-0089>
2. Afsar, B., & Badir, Y. F. (2020). Workplace spirituality, ethical leadership, and environmental sustainability: Does organizational commitment mediate the relationship? *Sustainability*, 12(10), 4212
3. Amoah, J., Odoom, R. K., Yankey, E. A., Baidoo, P., & Aidoo, B. (2023, November). Reassessing the Inhibiting Factors of Entrepreneurship Development in the SME Segment. In *European Conference on Management Leadership and Governance* (Vol. 19, No. 1, pp. 593–598).
4. Ashmos, D. P., & Duchon, D. (2000). Spirituality at work: A conceptualization and measure. *Journal of Management Inquiry*, 9(2), 134–145.
5. Babbie, E. (2008). *The basics of social science research*. Thomson Wadsworth.
6. Barroso, C., Carrión, G. C., & Roldán, J. L. (2010). Applying maximum likelihood and PLS on different sample sizes: Studies on SERVQUAL model and employee behavior model. In *Handbook of Partial Least Squares* (pp. 427–447). Springer Berlin Heidelberg.
7. Bodia Ali Bodia, M. A., & Ali, H. (2012). Workplace spirituality: A spiritual audit of banking executives in Pakistan. *African Journal of Business Management*, 6(11), 3888–3897.
8. Chandra, S. (2024). " Interrelation of Workplace Spirituality, Organizational Trust, and Performance in Small and Medium Enterprises (SMES): A Synergistic Approach. *J. Electrical Systems*, 20(10s), 2368–2381.
9. Dana, L. P., & Dana, T. E. (2005). Expanding the scope of methodologies used in entrepreneurship research. *International Journal of Entrepreneurship & Small Business*, 2(1), 79. <https://doi.org/10.1504/ijesb.2005.006071>
10. Daniel, J. L. (2019). Trust as a mediator of workplace spirituality and job performance. *Journal of Business and Behavioral Sciences*, 31(2), 80–103.
11. Darwish, D. (2024). Human-AI Collaboration in Industry 5. In *Human-Machine Collaboration and Emotional Intelligence in Industry 5.0* (pp. 44–70). IGI Global.
12. Demir, H. (2022). Industry 5.0: Human-machine collaboration and the future of industrial work. *Journal of Industrial and Organizational Innovation*, 15(3), 45–62.
13. Driscoll, C., McIsaac, E. M., & Wiebe, E. (2019). The material nature of spirituality in the small business workplace: from transcendent ethical values to immanent ethical actions. *Journal of Management Spirituality & Religion*, 16(2), 155–177. <https://doi.org/10.1080/14766086.2019.1570474>
14. Driscoll, C., McIsaac, E. M., & Wiebe, E. (2019). The material nature of spirituality in the small business workplace: from transcendent ethical values to immanent ethical actions. *Journal of Management Spirituality & Religion*, 16(2), 155–177. <https://doi.org/10.1080/14766086.2019.1570474>
15. Fassott, G., Henseler, J., & Coelho, P. S. (2016). Testing moderating effects in PLS path models with composite variables. *Industrial Management + Data Systems*, 116(9), 1887–1900. <https://doi.org/10.1108/imds-06-2016-0248>
16. Fernando, M., & Chowdhury, R. M. (2021). Workplace spirituality and sustainability: The role of mindfulness and ethical decision-making. *Journal of Business Ethics*, 168(1), 155–174.

17. Fernando, M., & Chowdhury, R. M. (2021). Workplace spirituality and sustainability: The role of mindfulness and ethical decision-making. *Journal of Business Ethics*, 168(1), 155-174.
18. Fry, L. W., Vitucci, S., & Cedillo, M. (2005). Spiritual leadership and army transformation: Theory, measurement, and establishing a baseline. *The Leadership Quarterly*, 16(5), 835–862. <https://doi.org/10.1016/j.leaqua.2005.07.012>
19. Garcia-Zamor, J.-C. (2003). Workplace spirituality and organizational performance. *Public Administration Review*, 63(3), 355–363. <https://doi.org/10.1111/1540-6210.00295>
20. Garg, N. (2020). Promoting organizational performance in Indian insurance industry: The roles of workplace spirituality and organizational citizenship behaviour. *Global Business Review*, 21(3), 834–849. <https://doi.org/10.1177/0972150918778983>
21. Garg, N., Punia, B. K., & Jain, A. (2019). Workplace spirituality and job satisfaction: exploring mediating effect
22. Gotsis, G., & Kortezi, Z. (2008). Philosophical foundations of workplace spirituality: A critical approach. *Journal of Business Ethics*, 78(4), 575-600. <https://doi.org/10.1007/s10551-007-9369-5>
23. Grabowska, S., Saniuk, S., & Gajdzik, B. (2022). Industry 5.0: improving humanization and sustainability of Industry 4.0. *Scientometrics*, 127(6), 3117-3144.
24. Gupta, M., Singh, K., & Verma, P. (2021). Impact of workplace spirituality on employee well-being and organizational performance: Evidence from emerging economies. *International Journal of Organizational Analysis*, 29(2), 376-391.
25. Gutiérrez-Broncano, S., Rubio-Andrés, M., Linuesa Langreo, J., & Sastre-Castillo, M. A. (2024). Hybrid strategy and its effect on the market performance of family-business SMEs: the mediating role of innovation. *International Journal of Organizational Analysis*.
26. Hair, J. F., Jr, Ringle, C. M., & Sarstedt, M. (2013). Partial least squares structural equation modeling: Rigorous applications, better results and higher acceptance. *Long Range Planning*, 46(1–2), 1–12. <https://doi.org/10.1016/j.lrp.2013.01.001>
27. Hassan, M., Bin Nadeem, A., & Akhter, A. (2016). Impact of workplace spirituality on job satisfaction: Mediating effect of trust. *Cogent Business & Management*, 3(1), 1189808. <https://doi.org/10.1080/23311975.2016.1189808>
28. Ikumapayi, O. M., Afolalu, S. A., Ogedengbe, T. S., Kazeem, R. A., & Akinlabi, E. T. (2023). Human-robot co-working improvement via revolutionary automation and robotic technologies—an overview. *Procedia Computer Science*, 217, 1345-1353.
29. Iqbal, Q., Ahmad, N. H., & Ahmad, B. (2021). Enhancing sustainable performance through job characteristics via workplace spirituality: A study on SMEs. *Journal of Science and Technology Policy Management*, 12(3), 463–490.
30. Ivanov, S., & Webster, C. (Eds.). (2019). *Robots, artificial intelligence, and service automation in travel, tourism and hospitality*. Emerald Publishing Limited.
31. Jurkiewicz, C. L., & Giacalone, R. A. (2004). A values framework for measuring the impact of workplace spirituality on organizational performance. *Journal of business ethics*, 49, 129-142.
32. Karakas, F. (2021). Spirituality and innovation in the workplace: A multi-level perspective. *Journal of Management, Spirituality & Religion*, 18(2), 130-146.
33. Karakas, F. (2021). Spirituality and innovation in the workplace: A multi-level perspective. *Journal of Management, Spirituality & Religion*, 18(2), 130-146.
34. Katou, A. A., & Budhwar, P. S. (2007). The effect of human resource management policies on organizational performance in Greek manufacturing firms. *Thunderbird International Business Review*, 49(1), 1–35. <https://doi.org/10.1002/tie.20129>
35. Khan, J., Usman, M., Saeed, I., Ali, A., & Nisar, H. G. (2022). Does workplace spirituality influence knowledge-sharing behavior and work engagement in work? Trust as a mediator. *Management Science Letters*, 12(1), 51–66. <https://doi.org/10.5267/j.msl.2021.8.001>
36. Khari, C., & Sinha, S. (2018). Organizational spirituality and knowledge sharing: A model of

- multiple mediation. *Global Journal of Flexible Systems Management*, 19(4), 337–348. <https://doi.org/10.1007/s40171-018-0197-5>
37. Khari, C., & Sinha, S. (2021). Workplace spirituality: An antidote to employee burnout. In *The Palgrave Handbook of Workplace Well-Being* (pp. 671–693). Springer International Publishing.
 38. Kolodinsky, R. W., Giacalone, R. A., & Jurkiewicz, C. L. (2008). Workplace values and outcomes: Exploring personal, organizational, and interactive workplace spirituality. *Journal of Business Ethics*, 81(2), 465–480. <https://doi.org/10.1007/s10551-007-9507-0>
 39. Kumar, S., Lochab, A., & Mishra, M. K. (2022). Mediating role of Job Involvement between Workplace Spirituality and Work Satisfaction-An Evidence from Indian MSMEs. *Ramanujan International Journal of Business and Research*, 7(1), 31–42.
 40. Kupangwa, W., Farrington, S. M., & Lillah, M. R. (2015). *The Influence of Contemporary Leadership Styles on the Job Satisfaction and Organisational Commitment of SME Employees* (Doctoral dissertation, Nelson Mandela Metropolitan University).
 41. Mapuranga, M., Maziriri, E. T., Rukuni, T. F., & Lose, T. (2021). Employee organisational commitment and the mediating role of work locus of control and employee job satisfaction: The perspective of SME workers. *Journal of Risk and Financial Management*, 14(7), 306. <https://doi.org/10.3390/jrfm14070306>
 42. Milliman, J., Czaplewski, A. J., & Ferguson, J. (2003). Workplace spirituality and employee work attitudes: An exploratory empirical assessment. *Journal of Organizational Change Management*, 16(4), 426–447. <https://doi.org/10.1108/09534810310484172>
 43. Milliman, J., Czaplewski, A. J., & Ferguson, J. (2003). Workplace spirituality and employee work attitudes: An exploratory empirical assessment. *Journal of Organizational Change Management*, 16(4), 426–447.
 44. Mishra, Satish Chandra, & Kumar, P. (2024). Power of workplace spirituality dimension for enhancing performance in small and medium enterprises. *International Journal of Religion*, 5(11), 6778–6790. <https://doi.org/10.61707/qw2pcm11>
 45. Mitroff, I. I., & Denton, E. A. (1999). *A spiritual audit of corporate America: A hard look at spirituality, religion, and values in the workplace*. Jossey-Bass.
 46. Mousa, M., & Alas, R. (2021). Workplace spirituality and organizational outcomes: A review of literature. *International Journal of Management*, 12(6), 1-18.
 47. Nahavandi, S. (2019). Industry 5.0—A human-centric solution. *Sustainability*, 11(16), 4371.
 48. Nair, P., & Bhattacharyya, S. S. (2021). Workplace spirituality and corporate social responsibility: A study of their linkages. *Journal of Business Ethics*, 171(3), 529-545.
 49. Neck, C. P., & Milliman, J. F. (1994). Thought self-leadership: Finding spiritual fulfilment in organizational life. *Journal of Managerial Psychology*, 9(6), 9–16.
 50. Oduro, S., & Mensah-Williams, E. (2023). Marketing Capabilities and Competitive Performance in the SMEs Context: A Bi-Theoretical Perspective. *Journal of Small Business Strategy*, 33(2), 17-35.
 51. Ozdemir, V. (2023). Human-centered technology and spiritual engagement in Industry 5.0. *Technological Forecasting and Social Change*, 184, 121-137.
 52. Öztemel, E., & Gursev, S. (2020). Industry 5.0: A review of enabling technologies and potential applications. *Journal of Manufacturing Systems*, 55, 35-45.
 53. Pawar, A., & Sangvikar, B. V. (2019). Understanding the SME: role and distribution in India. In *International Conference on Innovation of Small Medium-sized Enterprise*.
 54. Petchsawang, P., & Duchon, D. (2009). Measuring workplace spirituality in an Asian context. *Human resource development international*, 12(4), 459-468.
 55. Prabhudesai, R., Pangarkar, N., Prasad, C. V., & Sinha, A. K. (2023). Performance impact of behavioural factors in alliances by SMEs: an empirical analysis. *International Journal of Productivity and Performance Management*, 72(6), 1819-1839.

56. Rahman, M. T., Ahmed, A., & Akter, S. (2022). Workplace spirituality, resilience, and adaptive performance: Exploring the relationship. *Management Research Review*, 45(4), 589-605.
57. Ranasinghe, V. R. (2021). IMPACT OF WORKPLACE SPIRITUALITY ON EMPLOYEE ORGANIZATIONAL CITIZENSHIP BEHAVIOUR AND EMPLOYEE ENGAGEMENT: MEDIATING EFFECT OF TRUST. *International Journal on Global Business Management & Research*, 10(2), 9–20.
58. Ur Rehman, N., Çela, A., Morina, F., & Sulčaj Gura, K. (2019). Barriers to growth of SMEs in Western Balkan countries. *Journal of Management Development*, 38(1), 2-24.
59. Rego, A., & Pina e Cunha, M. (2008). Workplace spirituality and organizational commitment: An empirical study. *Journal of Organizational Change Management*, 21(1), 53-75. <https://doi.org/10.1108/09534810810847039>
60. Reinartz, W., Haenlein, M., & Henseler, J. (2009). An empirical comparison of the efficacy of covariance-based and variance-based SEM. *International Journal of Research in Marketing*, 26(4), 332–344. <https://doi.org/10.1016/j.ijresmar.2009.08.001>
61. Rojko, A. (2022). Sustainability and resilience as the key concepts of Industry 5.0. *Procedia CIRP*, 104, 111-116.
62. Saharan, T., & Sharma, H. (2022). Intellectual Impact of Spiritual Wellbeing, Self-Determination, and Employee Outlook on Industry 5.0. In *Handbook of Research on Innovative Management Using AI in Industry 5.0* (pp. 118-135). IGI Global.
63. Saks, A. M. (2022). Workplace spirituality and employee engagement: Examining the spiritual dimension of engagement. *Journal of Organizational Psychology*, 22(3), 75-90.
64. Scharmer, C. O. (2022). Innovation in the age of Industry 5.0: The role of workplace spirituality. *Journal of Transformative Innovation*, 9(1), 65-82.
65. Shelly, R., Sharma, T., & Bawa, S. S. (2020). Role of micro, small and medium enterprises in Indian economy. *International Journal of Economics and Financial Issues*, 10(5), 84.
66. Singh, S. (2019). The impact of workplace spirituality on employees' productivity and their wellbeing. *Global Journal of Enterprise Information System*, 11(1), 54-63.
67. Singh, S. K., & Mishra, A. (2023). Workplace spirituality and sustainability: Implications for Industry 5.0. *Sustainable Production and Consumption*, 37, 241-250.
68. Teddlie, C., & Yu, F. (2007). Mixed methods sampling: A typology with examples. *Journal of Mixed Methods Research*, 1(1), 77–100.
69. Van Dierendonck Van Dierendonck. (2004). The construct validity of Ryff's scales of psychological well-being and its extension with spiritual well-being". *Personality and Individual Differences*, 36(3), 629–643.
70. Williams, C. (2007). Research methods. *Journal of Business & Economics Research (JBER)*, 5(3).
71. Yin, E., & Mahrous, A. (2022). Covid-19 global pandemic, workplace spirituality and the rise of spirituality-driven organisations in the post-digital era. *Journal of Humanities and Applied Social Sciences*, 4(2), 79–93. <https://doi.org/10.1108/jhass-11-2021-0177>
72. Zohar, D., & Marshall, I. (2020). *Spiritual capital: Wealth we can live by*. Berrett-Koehler Publishers.