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# Impact of Spiritual Leadership on Project Innovativeness, with Moderating Role of Absorptive Knowledge Capacity and Mediating Role of Internal and External Social Capital

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**Abstract:** This research focuses on the relationship between project manager Spiritual Leadership (SPLE) and Project Innovativeness (PINO), with Internal and External Social Capital (IESC) as a mediating factor and the moderating role of information absorptive ability as a moderator. This study takes place in a project-based organization in Pakistan, specifically in Islamabad, Azad Kashmir. A questionnaire was used to gather data from 302 workers employed in various project-based organizations. The cross-sectional data collection method is used to collect data in this study. The project manager's spiritual leadership was strongly correlated with PINO. It is also proven that IESC plays a mediating function. In addition to the above, the moderation outcome contradicts our assumption. Practical implications are also discussed..

**Keywords:** Spiritual Leadership (SPLE), Project Innovativeness (PINO), Internal and External Social Capital (IESC), Absorptive Knowledge Capacity (KBC)

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## INTRODUCTION

## **Background**

The success of the company is primarily based on its human resource group. Members and followers of every organization carry on many jobs. The achievement of its goals depends, in particular, on managers and their management style (Mosadeghrad, 2003). According to Barnett (2011), leadership is a mechanism by which one member affects others to accomplish collective or organizational goals. It is indeed a management role that spends most of its time focused on individuals and social contact, analogous to the approach to transferring people in order for them to meet the organization's objectives (Barnett, 2011).

Leadership style can be seen in many situations as the development of management efficiency, procedures, traits, and skills based on individual and authoritative potential, the well-being of managers, and the steady standard of members (Mosadeghrad, 2003; Pimonratanakan, 2017). Nonetheless, no management style is ideal for any situation since a leader who has the information and skills to function efficiently in one situation cannot do so as well in another (Mosadeghrad, 2003).

Leaders must continue to use good leadership styles to enhance representative occupation satisfaction, accountability, and profitability to remain strong (Fry, 2003). Nonetheless, Fry (2003) concluded that previous leadership hypotheses centered on at least one aspect of the emotional, bodily, or passionate elements of human mutual aid in organizations while ignoring the metaphysical portion. SPLE was described by Carnegie (2017) as an all-encompassing approach in which the leader seeks to inspire workers with a sense of essentialness and interconnectedness.

SPLE enhances members' action execution, according to the literature (Yang et al, 2019). SPLE, according to Fry, Vitucci, and Cedillo, (2005) is the cornerstone of a learning association that incorporates members' inner motivation to affect organizational change. According to the study, a spiritually sound person will inspire coworkers, be filled with faith, trust in their own decisions, and be dedicated to achieving essential effort, life, and lifetime

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goals(Lawrence & Duggal, 2001). Although the advantages of SPLE are well recognized, there is a need to highlight the significance of this leadership element, specifically in project-based enterprises.

According to the literary works, PIO is the most frequently asked about issue in project management issues; nevertheless, there's still some space to establish such forecasting parameters that are crucial to project performance. SPLE, according to Chen and Yang (2012), is one of these predicting influences that unambiguously forecast PIO.

A successful manager has largely determined how they can use the classified spending strategy and implement the three variables (such as degree, expenditure, and time) to help a company meet its priorities and goals (Shrunhur, Levy & Dvir, 1997).

Project leadership has become an integral aspect of the truth of most organizations (Anggraini & Bhakti, 2017; Midler, 1995). According to existing, achieving high project management pronominalization will help individual projects perform better.

The explanation for management religiousness is to make the complex, the dedicated meeting also particular levels conform to the vision and worthwhileness, and eventually to foster more meaningful stages of executive accountability and performance. Construction innovativeness is a crucial prerequisite for companies to formulate and execute innovations that are both realistic and sustainable (Dulaimi, Nepal, & Park, 2005). The innovativeness of the construction industry is the many implementations of new projects, procedures, goods, or management techniques that are intended to enhance operational performance. Therefore, this study aims to display the background role of project innovation product and process and the effect of SPLE on project innovation in Pakistan's construction industry.

# Problem Definition/ Research Gap and Significance of Study

The literature on leadership lists many leadership theories and their potential influence on organizational management and project innovation. The perception of leadership models and their consequences is weak in the case of transient project organizations. According to the Full-Range Leadership Theory (FRLT), there are three forms of leadership; transformational, transactional, and laissez-faire. Because of their importance to projects and their administration (Yang et al., 2011), the first two leadership models (transformational leadership and transactional leadership) have piqued the attention of project management researchers.

The effect of the SPLE study on the organization, product & project performance, and employee creativity was examined as per the new findings; however, its effect on project innovation still has not been studied from Pakistan's viewpoint. Studies have identified various crucial performance drivers that positively influence project innovation. The project manager's leadership position is the most influential of all predictors (Banihashemi et al., 2016; Banihashemi et al., 2017). The purpose of this work is to close such gaps.

From the perspective of project-based firms in Pakistan, this current research is meant to evaluate the causal relation. It offers many ways for such companies to accomplish the overall innovativeness of the project. Although prior work has focused on the conclusion of SPLE on unimportant individual and firm outcomes in a certain region Fry, Vitucci, and Cedillo (2005), there has been very little investigation of the relationship between SPLE and potential organizational outcomes to date. A further aspect that may affect PINO is SCI (Kanwal et al., 2019).

This preceding debate poses subsequent problems: does SPLE affect PINO, and does IESC influence SPLE and PINO in a discretionary manner? Also, there are several aims of the current study:

- Establish IESC as a useful lens for recognizing the value of project teams' interactions, both within and outside of the enterprise, and offer objective evidence of its dependent impact on PINO.
- To add to SPLE literature by presenting analytical proof of the influence of SPLE on the innovation of the initiative.

Consequently, with both the participation of absorptive knowledge ability about SCI, the whole research test aims to test the influence of SPLE on PINO since this research is being undertaken in Pakistan in order to assist and help organizations in the construction and energy sectors.

## LITERATURE REVIEW

### **SPLE and PINO**

SPLE, based on the distinctive self-criticism and consciousness of staff, was characterized by naming and registering the leader's strengths, mental structure, and practice. Consequently, spiritual leaders will assist single

motivation for a high career by telling members that initiatives are relevant and that leaders' expertise has been dramatically modified (Chen & Yang, 2012; Fry et al., 2005). Project 'innovativeness conduct' and moral Leadership, In turn, Leadership is the mechanism by which leaders control teams and staff based on their qualities, personality, expressions, and behavior (Yang et al., 2020). SPLE is the set of beliefs, actions, and activities that empower representatives and others to feel spiritually alive due to their tasks and involvement in the community.

SPLE can empower workers inherently by fulfilling their necessities for SPI continued existence centered on task and organizational affiliation, and more per the intrinsically motivating principle (Wang et al., 2019). Calling and membership are two spiritual survival requirements of adherents enabled through SPLE. Membership focuses on offering followers a feeling of identity or culture while calling emphasizes helping workers find value and motivation in their lives. According to the intrinsic motivation principle, moral Leadership leads subordinates to meet higher success goals by triggering followers' spiritual necessities. In the end, the intrinsic motivation of adherents is awakened, and the subordinates view the accomplishment of the output objective as the restoration of the jobs, culminating in career success.

Internal incentive criteria of workers' creative actions are fulfilled by the three aspects of moral leadership. Second, leaders should help workers set specific priorities and visions to improve their sense of purpose by organizing and creating a strong road map for their growth (Yang et al., 2020). Around the same time, spiritual leaders' vision stresses the convergence between personal desires and corporate objectives such that workers can devote their power to the organization's success and growth, including taking on some creative risks. Second, SPLE successfully inspires workers to be positive for their own and the organization's potential growth. Via spiritual transformation and motivation, spiritual leaders can make workers feel energized and strong. They can directly relate their work with the interests of their organizations Covey (1989), which is advantageous to growing the motivating energy for workers to participate in creative conduct.

Eventually, SPLE is worried about workers' well-being and fosters a healthy and joyful organizational climate within the company (Yang et al., 2020). Staff members can bring forward more time for the company in a happier setting founded on the concept of mutual recognition (Khalili, 2018; Yang et al., 2020). Individualized leadership treatment and harmonious inner connections, on the other side, tend to reduce the possibility of innovation and enable workers to take chances in introducing creative practices in programs. Scholars learned that church leaders' altruistic affection enhances adherents' innate desire to work hard on challenging assignments (Anderson & Sun, 2017; Yang et al., 2020). Meanwhile, more than 50 observational studies indicate that value-based leader action has a substantial influence on subordinate morale and efficiency, with an effective value of 0.50 or higher in most instances (Yang et al., 2020). As a consequence, the following theory is put forth:

**H1:** SPLE has a positive impact on PINO.

#### **SPLE and IESC**

SPLE "requires the beliefs, actions, and actions needed to intrinsically empower oneself as well as others so they'll have a level of inner existence by calling and involvement," according to Wikipedia. Leadership based on devotion, support, and existence is also known as SPLE (Fry & Melanie, 2009). Dignity, honesty, and rationality, which are often called theological idealizations, are most often found in unsuccessful leadership activities. Common faith rituals in daily life also speak to the value of spirituality in leader behavior (Fry, Matherly, & Vitucci, 2006).

Citizenship activity, according to scholars, is vital to the success of every organization. According to research, corporate citizenship activity refers to a collection of voluntary and personal behaviors that are not designed specifically by the firm's formal recognition programs but increase the overall efficacy and performance. The creation of SCI in an institution aids citizen-ship actions, enhancing the company's effectiveness. As a result, institutions must build and grow spiritual resources to build citizenship actions. Spiritual capital is a power that propels and energizes organizations, allowing them to grow and excel (Zohar & Marshall, 2004).

In reality, what sets these companies apart is their capacity to develop a long-term capital base. Organizations can broaden and grow their inner lives and connect further with their environments due to spiritual resources. Spiritual capital is spiritual—mental pleasure, strength, and vitality that is generated as a result of human beings' psychological relation to the mighty god's special power that contributes to purposeful and optimistic actions and patients in terms of achieving small and large goals. To put it another way, a corporation with spiritual resources

becomes a scalable, adaptable system that can reorganize itself if required. Organizations and communities with this capacity have a stronger sense of responsibility for the world they work. In contrast to companies and communities that only recognize their needs, they are often more likely to have a more sustainable competitive edge.

In reality, spiritual capital is at the center of a paradigm change in corporate and social Leadership and management. Spiritual capital in an enterprise is much more important than financial capital. It can serve as the basis for major corporate evolutions by assisting them in achieving their objectives and optimizing their growth. Spiritual capital, according to this concept, can contribute to the expression of corporate citizenship activities. Spiritual qualities are the most powerful and animating power of one's life, which is considered to be an intangible, life-affirming drive. Furthermore, numerous studies have shown the value of moral qualities and workers at work, which cannot be underestimated.

Having an organization instill moral knowledge and practice in its workers is a challenging task; rather, it is a massive challenge (Bencsik, Godany, & Mathe, 2019; Fry & Slocum, 2008). Almost everybody possesses a spiritual component. It is often fueled by religious ideals. At other times, it is fulled by nonreligious convictions (Fruzzetti, 2006). Similarly, everybody has a spirit and a body in the office. Leadership in the workplace fosters this spirit (Brown, 2017). Furthermore, there are different perspectives on spirituality and financial issues among workers. According to certain perspectives, money is the primary impediment to spiritual progress, and spirituality contributes to financial benefits (McDonald, 2018).

It also helps in helping with the personal needs of workers who are having a tough time living in the workplace. Individuals' basic desires include the need to make a difference in their jobs and the desire to be a member of a team. It benefits companies and their pioneers in this way; any concept of workplace spirituality must demonstrate its benefits by affecting implementation, turnover, performance, and other associated adequacy requirements (Bush, 2010).

**H2:** SPLE has a positive impact on SCI.

#### **IESC and PINO**

We agree with scholars who say that SCI produces a value important for cultures and economies to function effectively. A few other researchers have been using the idea of the "innovative climate" to explain whether SCI impacts geographic creativity. Institutional and regulatory components, the local labor market, and an eagerness to understand are all features of a creative climate. 'The world is a framework for growth, which strengthens and directs creative agents to be able to evolve and coordinate with several other creative representatives.

The academic framework on innovative settings, on the other hand, has been chastised for lack of clarification because of the cause and effect course. Does innovation arise due to the presence of the milieu, or does the milieu grow as a result of the presence of innovation in an area. Several research on SCI and society's general well-being back up the statements that SCI has a positive influence on creativity. For example, in an analysis of SPI in 29 market economies, SCI was related to enhanced economic efficiency. We present hypotheses that relate these various facts of SCI to creativity in the following sections. Previous studies have shown that confidence will promote creativity both within and through organizations. Second, confidence has been crucial to creativity within organizations because it eliminates the necessity for hierarchical mechanism structures. Some governments, such as the U.S, have a much more pessimistic view, choosing to formalize many aspects of international trade by contracting and other monitoring and deterrence measures. The above brief description of how confidence is conceptualized will help our study of the role of trust in fostering innovation at the social level. We discuss two styles of faith, each of which is linked to a particular focus, such as individuals or organizations. In any cultural context, the first element is people's confidence in one another reflects the interpersonal reality of confidence, which incorporates the trigonometry (namely, the pragmatic) and intimacy (positive emotion) fields of faith mentioned previously. "Generalized confidence" is the word for this case. The main principle is people's confidence in institutions or entities in a given society; in previous research, this has been referred to as institutional trust. This sort of confidence, in particular, catches the deterrent base for faith.

Customers are more willing to participate and take risks in their relationships with others if environmental organizations are perceived as successful at mediating commerce and shielding individuals from a lack of trust. For example, in societies where patent registry and protection regulations are effective, one might be more able

to engage in a cooperative relationship, such as a joint R&D project, believing that there are trustworthy and efficient mechanisms in place to deter a participant from violating faith in the future. Regulatory frameworks and organizations are inefficient or non-existent; on the other side, they are more inclined to focus on working with those stakeholders with which one has an enhancing social confidence connection. As a result, we see generalized and reciprocal trust as variables that minimize the need for surveillance while growing people's and organizations' capacity to interact and share knowledge, skills, and other capital.

The existence of such organizations in a community, as well as high engagement in them, enhances in foals facts sharing mutually at individual besides executive levels, thus a key factor in promoting innovation. Previous claims are consistent with resource dependency theory and its application to a company's shareholders as a framework of interrelated areas of responsibility. Senior executives are frequently selected as a method to mitigate environmental ambiguity. Directors who relate to several potential institutions and societies serve as true partners, helping to link businesses within a group to the outside world, and providing opportunities to develop skills and other critical resources. Organizational frameworks, in particular, provide company professionals with a rich range of concepts and resources for new, innovative approaches. They act in a better context than non-managerial systems and partnerships since they have their unique collection of values.

In brief, the range of inter-organizational spheres to which one corresponds (e.g., societies, voluntary entities, & trade unions) helps one to navigate a variety of domains that may provide unique channels of expertise, financial funding, or political patronage, among many other useful resources that increase the potential of creativity (Knack & Keefer, 1997). Norms like this serve as unspoken mechanisms that regulate predatory, self-interested activity and allow citizens to care more about the common good. Individuals that are devoted to the well of their culture and society as a whole would be most inclined to engage in several local communities and expose up to other people's beliefs for the shared purpose of finding a stronger consensus for all. However, the two meanings are separate and do not necessarily advance in the same course.

Finally, though contributing to an association can offer a forum for civic engagement, people who see being a responsible citizen and providing for society's greater well-being as a personal crusade have a range of options. In summary, we argue that associational behavior, civic norms, and trust are three facts or modules that, as a group, characterize SPI at the communal level. The former study has looked at 'communal participation at both the organizational and social levels. For example, a study of small towns in Iowa found that community engagement in a group must have a constructive effect on industry performance. Likewise, other studies contended that some regions have been extra economically productive than others as they are extra democratic.

H3: SPI has a meaningful positive effect on PINO.

## The Mediating Role of IESC

Word "social capital" refers to an "asset found in social interactions and networks" (Rass et al., 2013). Even though the word "social capital" was first used to stress the worth of close individual associations for loyalty, and collaboration, besides financial growth in municipal societies Coleman et al. 1988 presentation of a more elaborate definition of SPI, as well as his study of the impact of SPI on human capital, is known as the "founding document" on SPI philosophy (Payne et al. 2011).

Though current management knowledge has shed more light on numerous dimensions of SCI, researchers have mainly used it as an independent variable and concentrated on its relationship to various success results (Adler & Kwon, 2002). The Individual-level examination has looked at the impact of SPI on intellectual capital, job accomplishment (Rass et al., 2013), information development (McFadyen et al., 2009), innovation as well other influences (Perry-Smith, 2006).

Adler and Kwon (2002) found that while concepts are broadly identical, they differ in terms of their emphasis in their study of SPI studies. To continue meanings discuss the content, origins, and consequences of SPI in various ways. Second, they vary in how they reflect on the performer's relationships, the arrangement of relationships within a collectivity, or cooperation. According to Adler and Kwon (2002), most SPI studies take either an internal or an external approach. A new analysis (Payne et al., 2011), which categorizes concepts that have arisen ever since Coleman's (1988) initial study on SPI, confirms this claim. This research uses the two-dimensional unit of research (individual) vs. (collective SPI) and locus of operation to provide a typology of SPI concepts by Adler and Kwon

2002, some scholars emphasize relationship consistency and specifically build on the bonding view of SPI (Rass et al., 2013), which reflects on internal connections within collectivities.

According to this opinion, actors can profit from the unity engendered by close links and thick linkages, as well as from a greater desire to part implicit information (Adler & Kwon, 2002). Further, researchers emphasize relationship building and attraction (Rass et al. 2013), bridging the perception of SPI, which stresses a performer's external links (Adler & Kwon, 2002). Thus, Adler and Kwon (2002) suggest that an impartial concept of SPI is preferable because it is independent of viewpoint or unit of analysis and can solve the dilemma that IESC viewpoints are not mutually exclusive. 'SPI is the kindness accessible to people or organizations,' these scholars write, seeking to integrate between fields and advance discourse across viewpoints. The nature and substance of the actor's social interactions are the basis of it. Its results are a function of the knowledge, power, and unity offered to the performer (Adler & Kwon, 2002; Rass et al., 2013).

SPI is the goodwill accessible to people or organizations, these scholars write, seeking to integrate between fields and advance discourse across viewpoints. The nature and substance of the actor's social interactions are the basis of it. Its results are a function of the knowledge, power, and unity it offers to the performer (Adler & Kwon, 2002; Rass et al., 2013). Indeed, many scholars now hold a wider perspective of SPI, and many of them use this term specifically (Payne et al., 2011; Rass et al., 2013). Rass et al. (2013) incorporated an IESC that includes the individual as well as the collective level in their generally accepted system of corporate SPI.

**H4:** SPI mediates the relationship between SPLE and PINO in such a way people with high SPLE will have high SPI, and the SCI will have, in turn off more PINO.

## **Moderating Role of KBC**

KBC is characterized as a capacity of a company to understand the importance of new external information, integrate this into the internal knowledge sources of a firm, and use that for business reasons, such as creativity, as described earlier. Although the rapid increase in the number of marketplaces and export volume may help companies learn more about culture, community, business and social activity (Lahiri, 2010), and even some western technical and marketing expertise, it may also make it more difficult to acquire such external knowledge (Yeoh, 2004). These were attributed to a combination of organizational structure and expenses and other information processing issues associated with accelerated intelligence absorption (Hilmersson & Johanson, 2016).

Companies, on the other hand, are diverse in their control of IESC and capacities, and LBE is supposed to be impacted by this heterogeneity. For example, as enterprises begin working rigorously beyond their boundaries, information acquired from external stakeholders such as vendors, consumers, and buyers has been described as among the most effective ways for inter-nationalizing businesses to identify prospects Johanson and Kalinic (2016) and acquire global business information (Silva et al., 2012).

Organizations that undergo rapid transition across many export parameters ought to be able to minimize time compression inefficiencies and also knowledge complexity, and administrative capability problems by exploiting prior international cooperation arrangements, enabling management to make more effective decisions. Furthermore, the presence of frameworks for enforcing global partnerships and information transfer will mitigate the need for adopting new processes during a time of speedy internationalization by enabling companies to use current mechanisms for knowledge sharing, decreasing costs, and administrative pressure. Along those lines, Yeoh et al. (2004) noted that the spillovers obtained from internationalization operations might not translate into higher profitability for the organization if not the firm learns how to set up the knowledge it has accumulated. An organization's internal skills, for example, R&D strength and technical reasoning charts, can impact a company's ability to search, classify, and learn the most important types of information (Love & Ganotakis, 2013). Moreover, research concluded that businesses with a higher learning focus are more likely to choose to retain or extend their exporting.

It is because those companies ought to be able to grasp and interpret international expertise quite easily, mitigating problems such as information overload and insufficient managerial ability, as well as the need to build additional operational routines for transferring knowledge and, as a result, possessing a high degree of internal expertise or experience in developing international cooperation arrangements, acts as a collection of skills (Hilmersson & Johanson, 2016) for introducing a learning network that can theoretically moderate (lighten) the

firm's perceptive limitations and engross the challenges in knowledge transfer in the event of speedy transition in post-entry.

**H5:** Knowledge absorptive capacity moderates the mediated relationship through IESC between SPLE and PINO in such a way when KBC is high, it would make a stronger relationship.

#### Research Model

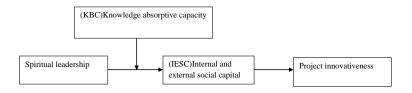


Figure 1: Research Thesis Model

#### RESEARCH METHODOLOGY

The analysis method is the structured way to address research questions (Kothari, 2004). It demonstrates how analysis has to be conducted in a real way. The analysis approach is applied more widely than the research form used in research activities. The testing technique offers a justification for which a certain process is used to conduct an analysis, the reasoning for choosing a process, and its precedence over another. Research methods are the tools, methods, and protocols used by investigators to clarify the effects of research issues. Analysis approaches are classified into two primary forms of research, qualitative and quantitative. We used the quantitative analysis approach to collect data in the present study.

## Research Design

The study structure has the advantage of having a framework that helps researchers to collect and disassemble details to fix the issue at hand. This has to do with how researchers plan their methods after piloting studies (Babbie & Mouton, 2001). This explanation explains how a study plan offers a well-organized method for performing research. To exploit the meaning of the examination findings, the design of this study requires the coordination, layout, and implementation of the analysis (Blanche et al., 2006). During the study time, data for such research was obtained. The details are cross-sectional. We got 302 total and practical answers.

This process takes 3.5 months to finish in all. Survey participants completed questionnaires on-site after operating hours. Quantitative analysis stresses the use of structured polling and employs numerical studies to analyze and predict variables. It's important to remember that quantifiable approaches take the example of positivism literally, which explains the pragmatic attitude to humanoid research and supports adductive experimental methods. Quantitative studies are the most important and appropriate for studies that involve validity and hypothesis testing to validate relevance and conduct hypothesis testing (Hair et al., 2008). As a consequence, the analysis approach used in this analysis is quantitative. The following are the components of the project plan: study form, time range, design interface, configurations, and testing units.

*Nature of study:* The analysis was planned to evaluate the influence of SPLE on PINO in the presence of a recognized position for knowledge absorptive ability among SPLE and IESC.

Study setting: The questionnaires were answered by project-based construction organizations from Rawalpindi, Islamabad, Mirpur, and Muzaffarabad. Staff members from the construction market who were employed on different projects took part in the latest survey. They were called and asked to complete a survey in their usual work setting.

*Time horizon:* Around three months, the data were taken (December 2020 - February 2021). Structured questionnaires were used to gather data.

*Research interference:* There is little or slight analysis intervention here. This inspection is based on a site visit. Throughout that examination, cross-section data was collected. Self-managed polling directions are practically

redundant. This approach helps participants maintain calm throughout the survey and devote the time necessary to provide genuine and well-considered answers.

*Unit of analysis:* Each portion of an analytical sample is referred to as a unit, and a section of the population is referred to as a unit of study. A unit is a member of the association, and a segment of the study is a component of the population. Individuals, meetings, unions, and communities may also be used as empirical units. Since data from organizations are harder to achieve, this study focused on employees in private construction projects in Rawalpindi, Islamabad, Mirpur, and Muzaffarabad.

## **Sampling Technique:**

Employees from the building and energy sectors in Rawalpindi, Islamabad, Mirpur, and Muzaffarabad make up the study's population. We developed a convenient sampling methodology utilizing confined surveys to meet schedule and budget restraints. These experiments were only undertaken for a brief time. Three hundred and two questionnaires were filled out and received.

#### Measure of variables:

To gather participant responses, all relevant factors in this sample were measured using a 5-point Likert continuum ranging from Highly Disagree = 1 to Highly Agree = 5.

*SPLE:* A 17-item scale built by Fry et al. (2005) was used to evaluate SPLE. A few examples of items to examine are "My leader understands and is committed to the organization's vision.s."

*KBC*: Sujinda et al. (2013) created a scale of 8 items that can calculate KBC. Examples of the scale that you can include "moderating effect of human resource management practices on the relationship between KBC and project performance in project-oriented companies."

*IESC*: Internal SPI was assessed using Merlo et al. (2006) 08-item scale, while external SCI was estimated using Maurer and Eber's (2006) 04-item scale.

*PINO*: The PINO was evaluated using a 17-point scale proposed by Aviv et al. (2012). A few examples of items to examine are "Testing an organizational innovativeness integrative model across cultures."

## **Reliability Analysis:**

The Cronbach's alpha for each of the variables in the test model is listed in table 3.5. A study of reliability was used to assess the Cronbach alpha variables. Cronbach's alpha is used to reflect the accuracy and stability of the quality scale used in the assessment. Cronbach's Alpha values are all greater than 0.7, implying that an instrument is accurate if it reaches the minimum degree of permissibility (Nunnally & Bernstein, 1994).

Table 1: Reliability of Measures

Variable Detail	Items #	$(\alpha)$
Spiritual Leadership	17	.920
Knowledge Absorptive Capacity	08	.829
Social Capital	08	.857
Project Innovativeness	17	.924

# **Collection of Data**

Data from the construction and energy sectors in Pakistan's large cities were collected using a closed questionnaire arranged by self-study with professional connections.

# **Data Analysis Tools**

SPSS and Amos were used to apprehend the research. Descriptive statistics are used to explain data. According to literature, the primary objective of statistical research is to evaluate the relationship among the variables mentioned in the model, which is achieved by the use of computer-based software named SPSS. The findings were then translated, which is included in the statement's results portion.

## RESULTS

The data processing is carried out using data tools such as SPSS and AMOS. The AMOS is used to determine model health and carry out a Confirmatory Factor Analysis (CFA). The application SPSS is often used to evaluate the research techniques used, including predictive analysis, descriptive statistics, correlation analysis, and regression analysis.

# **Descriptive Statistics**

Descriptive figures are used to demonstrate the essence of the data. The aggregated consequence of minimum, median, sample size, standard deviation, and average is displayed using descriptive statistics. Table 1 summarizes the data's basic characteristics.

Table 2:	Descriptive	Statistics
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Variables	Sample	Mean	Standard Deviation
Spiritual Leadership	302	4.18	.58
Knowledge Absorptive Capacity	302	4.13	.56
Social Capital	302	4.12	.59
Project Innovativeness	302	4.18	.57

The variables included in the analysis, as well as their values, are described in table 1. The input columns are listed in the table's first section. The response rate, average, and standard deviation are defined by two, three, and four components, respectively. There were 302 participants in the survey. SPLE is an independent variable (IV) with a mean of 4.18 and a standard deviation of 0.58. The moderator information absorptive potential has a mean of 4.13 and a standard deviation of 0.56. Additionally, the mediator, who comprises all IESC, has a mean of 4.12 and a standard deviation of 0.59. Eventually, the dependent variable, PINO, has a mean of 4.18 and a standard deviation of 0.57.

# **Procedure**

The study was accompanied in a cross-sectional fashion relating to scheduling and financial concerns.

# **Hypotheses Testing**

Control variables: Afterward, closely analyzing the analysis on (D.V) dependent variables, it was determined that gender, age, education, occupational level, work designation, and position had been selected as (CNV) control variables (from between demographics) intended for this examination. The importance and irrelevance of variables have been calculated with the aid of a mathematical test called one-way ANOVA, which was able to validate the results of ANOVA. Below, we go into more detail regarding the findings of ANOVA with F statistics and p values.

While results show negligible gaps between Age, Experience, Designation, and Status regarding project innovation, results do show that no major changes were seen for creative ability among those groups. According to the findings, there was no substantial difference in SC performance for men of different ages (F = 0.142, p > 0.05). The final results, in line with this experiment's findings, revealed that gender and qualification were unchanged when performing regression analysis.

# **Correlation Analysis**

It was important to estimate the relationship among the variables currently analyzed. This was achieved using the Pearson correlation coefficient. The survey findings demonstrate the correlation between diversity (which is indicated by the scale of the value) and business supremacy (for both positive + and negative - measures). A (+) positive mark means that there are 2 (two) dissimilar movements that are moving in a similar direction, besides a (-) negative sign means that they are two distinct moves going in a reverse direction. Regression analysis is used to evaluate correlation coefficients with Pearson's tool. The meaning can be somewhere between 1.00 and -1.00.

Table 3: Correlation Analysis

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	1	2	3	4
Spiritual Leadership	1			
Knowledge Absorptive Capacity	.603**	1		
Social Capital	.733**	.677**	1	
Project Innovativeness	.674**	.727**	.676**	1

<sup>\*\*\*</sup>Correlation is significant at 0.01 level (two(2)-tailed)

In table 4, the three columns on the left indicate that SPLE is strongly and favourably associated with project KBC (r = .603, p < .01), SCI (r = .733, p < .01) and PINO (r = .674, p < .01). It has been shown that an information absorptive capacity that is both strongly positively and substantially associated with both IESC (r = .677, p = .01) and PINO (r = .727, p < .01) is present. Finally, project success is strongly and substantially associated with IESC (r = .676, p = .01).

## **Regression Analysis**

We will use Haye's (2012) process approach for analysis because it is more convenient and fitting for this research.

The regression analysis findings using Haye's (2012) processing are seen in Table 5 below.

**H1:** SPLE has a positive impact on PINO.

Approving the first assumption, Table 5 reveals that spiritual Leadership has a strong and important association with PINO (B = .36, t = 6.25, p = .001). p-value shows a greater degree of validity, suggesting that the theory has a reasonable chance of being adopted.

**H2:** SPLE has a positive impact on SCI.

Approving the second assumption, table 5 indicates that SPLE has a constructive and important association with SCI (B = .73, t = 17.36, p .001). p-value suggests higher importance, offering a stable basis for H2 adoption.

**H3:** SCI has a significantly positive effect on PINO.

Approving the third assumption, table 5 indicates that SPLE has a constructive and important association with SPI (B = .37, t = 6.57, p = .001). p-value suggests higher importance, indicating that H3 is likely to be acknowledged.

**H4:** SCI mediates the relationship between SPLE and PINO in such a way people with high SPLE will have high SPI, and the SCI will have, in turn, off, more PINO.

The average indirect impact of SPLE on PINO through the mediation of project objective SPI is important, as seen in table 5. With a 95% confidence level except zero, the bootstrapping value range is .27. These findings indicate that SCI plays a role in mediating the interaction between spiritual Leadership and PINO. As a consequence, the fourth theory is accepted as well.

## Test of Hypothesis: 1-4

Table 4: Regression Analysis of IV to DV, Mediation to DV, and Mediation Effect of SC between SPLE and PINO

Variables	В	SE	t	p	LL	UL
					95%CI	95%CI
Spiritual Leadership → Project Innovativeness	.36	.05	6.25	.00	.26	.48
Spiritual Leadership $\rightarrow$ SC	.73	.04	17.63	.00	.65	.81
$SC ext{-Project}  o Innovativeness$	.37	.05	6.57	.00	.26	.48
Spiritual Leadership $\rightarrow$ SC-Project Innovativeness	.64	.04	14.65	.00	.55	.72
Bootstrap results in an indirect effect		Indirect	LL	UL		
		Effect	95%CI	95%CI		
		.27	.15	.41		

p < .05, p < .01, p < .001

**H5:** Knowledge absorptive capacity moderates the mediated relationship through internal and external SPI between SPLE and PINO in such a way when KBC is high, it would make a stronger relationship.

At last, the observations in table 6 do not confirm hypothesis 5 (B = .05, t = 1.62, p = .10), which argues that absorptive information ability moderates the relationship between spiritual leadership and social resources (B = .05, t = 1.62, p = .10). As a result, hypothesis 5 is ruled out.

Table 5: Regression Analysis of IV to DV, Mediation to DV, and Mediation Effect of SC between SPLE and PINO

Variables	В	SE	t	p	LL 95%CI	UL 95%CI
$KC \rightarrow SC$	.41	.04	8.58	.00	.31	.50
$SL \times KC \to SC$	.05	.03	1.62	.10	012	.13

p < .05, p < .01, p < .01, p < .001

Table 6: Summary of Hypothesis

SR	No. Hypothesis Statement	Results
H1	Spiritual Leadership has a positive impact on PINO	Accepted
H2	SPLE has a positive impact on SCI	Accepted
Н3	SCI has a significantly positive effect on PINO	Accepted
H4	SCI mediates the relationship between SPLE and PINO in such a way	Accepted
	people with high SPLE will have high SPI, and the SPI will have, in turn off, more PINO	
H5	Knowledge absorptive capacity moderates the mediated relationship	Rejected
	through internal and external SPI between SPLE and PINO in such a	
	way when KBC is high, it would make a stronger relationship	

## DISCUSSION AND CONCLUSION

#### Discussion

This research aim is to look into the connection between SPLE and PINO, specifically, the processes through which SPLE influences PINO, with the mediation effect of IESC and the moderating effects of KBC. In Islamabad, Rawalpindi, Mirpur, and Muzaffarabad, data were obtained from several project-based workers working in the energy and construction sectors. But for moderation, all of the theoretical model associations suggested in the research article are backed by empirical evidence. This section describes what you'll find when you've evaluated the results. For this part, we look at the consequences of our study of the data gathered. The study's findings give a detailed interpretation of the model for each variable. The quantitative analysis is carried out using SPSS and AMOS, as defined below.

We find that SPLE and PINO are strongly and positively related. These results show that as the degree of SPLE (H1) grows, so does project creativity. Project 'innovativeness conduct' and spiritual leadership, In turn, Leadership is the mechanism by which leaders control teams and staff based on their specific selves, style, words, in addition behavior (Yang et al., 2020). The findings of the regression analysis show that SPLE and IESC have a significant and supportive relationship. This shows how SPLE can increase SPI. The conception of SPI in an institution aids project innovation, enhancing the organization's effectiveness. As a result, institutions must build and grow spiritual capital to grow project innovation. The findings of the regression study indicate that PINO is closely linked to both internal and external SPI. As a result, SPI can raise project innovation levels. The finding from this study is inconsistent with prior studies in the field. As the name suggests, several reports on SPI and society's general well-being back up the cases for SPI's positive effects on creativity.

The role of IESC in mediating the relationship between SPLE and PINO (H4) was examined. The connection between SPLE and project innovation was found to be influenced by SPI, according to the findings. "SPI is an element of a person in a social environment," according to the theory. Intentional behavior can be used to accumulate social wealth, which can then be transformed into traditional economic benefits. Information absorptive ability moderates the mediated partnership between SPLE and PINO across IESC in such a way that when KBC is strong, the relationship is enhanced. The findings challenged the hypothesis that the beta of the engagement

concept is negative, undermining the main effect of structured partnership. The multiple stages of moderating have shown that moderated mediation has a negative effect.

#### Conclusion

SPLE improves PINO across a mediating process of IESC, according to this research. This research fills a gap in the existing literature by exploring pathways that haven't been explored before. The present study aims to explore how SPLE contributes to increased SPI, which then, in turn, leads to increased project creativity. It also discusses how KBC affected SPI and how the relationship between SPI and knowledge absorptive capacity strengthens the connection between SPLE and SCI.

# MANAGERIAL /PRACTICAL IMPLICATIONS

This study has some practical implications for firms in terms of growing competitiveness, sustainability, and a constructive mindset, as well as fulfilling utilitarian functions: First and foremost, leaders are crucial in the growth of spirituality at the employee, group, and institutional levels. Leaders may inspire their followers by modeling positions, attributes, and behaviors that make them want to call or log. Superior management must stand in front, behind, or beside the staff to follow, comfort, or socialize as a spiritual leader. Second, spiritual leaders shall hold the following characteristics: Loving-kindness (permanence, empathy, generosity, light lines, boldness, credibility, erect, forgiveness, and dedication). Expectations/trust (brilliance, compensation/motivation for achievement, goal-setting, taking the required steps, patience, and persistence). Third, to accomplish workplace spirituality and a progressively effective work climate, leaders must embody kindness in the institution's strategy and priorities.

## THEORETICAL IMPLICATIONS

The current research brings three significant theoretical contributions to the growing academic literature.

- For the first time, the study found an association between SPLE and PINO in Pakistan.
- Furthermore, the existing research looked at an essential internal and external SPI mediation process among SPLE and PINO.
- The role of SPI in mediating the exceptionally critical impact of SPLE on PINO was ignored in the prior studies
- Existing research looks into the comfortable function of knowledge absorptive ability in connecting SPLE and SPIs.

# LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

Our analysis has some theoretical and functional implications, but it also has some drawbacks that could be discussed in future scientific research.

- We only targeted representatives of construction and energy sector organizations to gather data, which may be a deterrent to the findings being generalizable across companies.
- Furthermore, since the data is cross-sectional, it could be susceptible to situational variables. To prevent these problems, future researchers should gather data with a time lag.
- Since the current research focused on self-reporting input from workers rather than a dyadic relationship, the findings will vary if a dyadic relationship is examined.
- In the future, the current model may be used by public project-based organizations since different target markets could produce different outcomes. Future researchers must also exercise caution.
- They should examine the effect of other forms of Leadership in Pakistan, such as laissez-faire Leadership and ethical Leadership, on PINO and project fallouts.
- In future studies, mediators such as employee self-efficacy, project team potency, and task engagement, as well as moderators such as corporate culture, may be investigated by these leadership types.

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