

Spiritual Capital Influenced by Transformational Leadership in Improving Cooperative Performance in North Sulawesi.

Alfindo Mongkol¹, Victor Easter Kalawat Lengkong², Olivia Syanne Nelwan

¹(Doctoral Student in Management Science Faculty of Economics and Business, Sam Ratulangi University Indonesia)

²(Lecturer, Faculty of Economics and Business, Sam Ratulangi University Indonesia)

³(Lecturer, Faculty of Economics and Business, Sam Ratulangi University Indonesia)

Abstract:

Background: This study aims to determine the direct influence of the spiritual capital dimension on improving cooperative performance which is influenced by transformational leadership

Materials and Methods: the research focuses on the leadership and employees of cooperatives with a sample of 36 cooperatives, where data is collected utilizing questionnaires and interviews, and data analysis is carried out using SmartPLS Version 3.2.9 to analyze Structural Equation Modeling (SEM). **Results:** The results of this study confirm that Transformational Leadership has a positive and significant effect on business performance mediated by Spiritual Capital

Conclusion: The dimensions that have been tested are expected to make useful contributions to academics, professionals, and business people

Key Word: Spiritual Capital; transformational leadership; business performance.

Date of Submission: 15-06-2022

Date of Acceptance: 30-06-2022

I. Introduction

Presidential Regulation Number 20 of 2021 concerning the Procurement of Government Goods and Services Chapter IX concerning Small Business, Domestic Products, and Sustainable Procurement wherein article 65 the Participation of Small Businesses or Micro Enterprises includes Cooperatives the Value of Packages for Procurement of Goods/Construction Works/Other Services up to Rp. 15,000,000,000, - (fifteen billion) intended for small businesses and/or cooperatives. Goods and Services Government Secretariat of Minahasa Regency. Until now, there has never been a Small Business and/or Cooperative that has participated in a tender or won an auction for the procurement of government goods and services, so in Government Banks, both BUMN and BUMD, Small Businesses and/or Cooperatives have never applied for credit for financing based on government procurement contracts. in these areas.

The pattern of leadership and belief in conquering the great opportunities available is a must for cooperatives. Responding to this demand, researchers found several patterns of leadership style that are closely related to the operational context of cooperative organizations. In a competitive industrial setting, the leadership style most often used by developers in various types of business is the transformational leadership style, this is evidenced by the number of studies on the topic of transformational leadership compared to other topics. [1] Based on local wisdom that can be used as strength to complete the requirements in improving the performance of cooperatives, namely; Transformational leadership and spiritual capital. Spiritual capital has been identified as individual characteristics that are formed based on the collective religious power of the layers of groups in society and economic activity [2].

The importance of this spiritual capital is the same as the roots of trees. Without roots, a tree will not be able to live let alone grow. Spiritual capital has an increasingly important role because efforts to build intelligent humans with high IQs and humans who are good at managing their emotions in influencing others do not bring humans to a meaningful life [3]. Moreover, the prevailing work culture in North Sulawesi, both in the private and public sectors, before starting work activities in the morning, always begins with a prayer together and there is even a spiritual shower. In essence, professionalism, high intellectual capability, and competence are indeed needed, but if all of this is not based on and not controlled by good spirituality, the decline in ethical and moral values will be stronger.

In general, to assess the performance of cooperatives based on financial statements. Although the dimensions of the financial statements have not been able to provide a comprehensive picture to assess the

performance of the Cooperative is good or not, at least there is a real assessment that can assist in making business decisions. Because the financial statements only present an assessment of the financial aspects, which of course is not enough to represent what the performance of the cooperative looks like. Because to assess overall performance, it must also be seen from the side of human resources, internal business processes, customers, and future opportunities.

For the reasons mentioned above, this study aims to investigate more deeply spiritual capital which is influenced by transformational leadership style in improving organizational performance in North Sulawesi as mentioned above with the support of related literature. Oxford University research shows that spirituality develops because humans have a crisis of meaning, so the presence of an organization should also give meaning to what the organization's goals are.[4] The meaning that appears in an organization will make everyone who works in it more able to develop themselves. As a result, they can also show better performance. Structured studies on these relationships are expected to make valuable contributions to the relevant literature as well as to the business practices of cooperatives and other organizations.

II. Material And Methods

2. Theoretical background and hypotheses

2.1. Transformational leadership

Transformational leadership is one of the leadership styles whose approach shows the behavior and ability of the leader to inspire his employees so that employees can work well and produce the desired performance. Transformational leadership was originally introduced by Burns (1978) and Bass (1985) to explain the impact of leaders on subordinate reactions and to describe the process by which leaders create strong relationships with followers, attend to their personal needs, and help them reach their best potential. This initial definition, defines transformational leadership as a leadership style in which "leaders and followers influence each other to move to a higher level of morale and motivation"[5].The transformational leader is a leader who is seen as someone who can have a great influence on his followers to create an inspiring situation for his followers to achieve an organizational goal that exceeds the limits of the leader's wishes[6]. Transformational leaders are usually able to generate a sense of self-confidence (intrinsic motivation), commitment, and high loyalty and develop a leadership spirit in others[7]. In conclusion, transformational leadership is part of a delivery process in providing an overview of the organization's vision where the key to its success lies in the role and expertise of a leader in convincing its members to carry out all organizational achievement targets. The best achievement of transformational leaders is to provide opportunities for followers to develop skills so that they can generate internal motivation and an attitude of commitment to work for followers due to a support system, namely a leader who inspires followers.

The dimensions of transformational leadership were seen [7] from various literature reviews, which they then defined in five dimensions of transformational leadership, namely:

1. In the leadership style based on vision, the leader defines the ideal picture of the future based on the values of the organization. Determining a progressive future, leaders hope to encourage followers to follow the desired behavior .[8]
2. A leadership style based on inspirational communication uses appeals and emotional statements to excite and motivate followers.
3. A leader with a supportive leadership style expresses concern for followers and is attentive to their individual needs. Strive to show concern for the welfare of subordinates, and create a friendly and mutually supportive work environment.[9]
4. When leading using intellectual stimulation, leaders enhance followers' ability to think about problems in new ways (Bass, 1985), thereby increasing their ability to map problems and improve the quality of the solutions they provide.[10]
5. Finally, leaders with a self-awareness style deeply appreciate and praise followers' efforts and accomplishments.

2.2. Spiritual Capital

Economic and sociological literature tends to view religious and spiritual capital as part of social and cultural capital, especially as a social and cultural resource derived from participation in religious knowledge, practice, and society. "Religious" and "spiritual" models tend to be used interchangeably. Distinguishing the two can be seen in terms of the degree of institutionalization, namely religious capital that comes from participation in organized religious communities, and spiritual capital as a more fluid and vague version. The economic and sociological construction of spiritual capital tends to define it as a functional resource that will be used to obtain something.

In the book, Hidden Forms of Capital [11] define spiritual capital in functional terms, as "a set of resources of religious origin and available for use in economic and political development." According to the

author, the word 'use' should be loosely interpreted as a kind of influence process. The concept of spiritual capital has emerged in several bodies of literature: (a) in the field of leadership and management, through efforts to bring the individual concept of spiritual intelligence to the individual/organizational level [12]; (b) in the economic field, through efforts to assess the value of spirituality and religion in economic terms (egMetanexus Institute, 2003); (c) in sociological theory, involved with the work of Bourdieu[13]; and (d) in theological terms, through efforts to understand the operation of faith in social service [14].

Zohar & Marshall view spiritual capital as a transformational resource, starting at the individual level and progressing outward to the community level. For them, social transformation begins at the individual level and requires spiritual capital. To apply this concept to an organization rich in spiritual capital is not only sustainable, but can transform itself into a connected, adaptive, and self-organizing system." Spiritual capital is defined as wealth that helps sustain future humanity and wealth that nurtures and sustains the human spirit.

The importance of spiritual capital is the same as humans living without a purpose. Spiritual capital has an increasingly important role because efforts to build intelligent humans with high intellectuality and humans who are good at managing their emotions in interacting with others will lead humans to a meaningful life[15]. In essence, professionalism, high intellectual capability, and competence are indeed needed, but if it is all without being based on and not controlled by good spirituality, then destruction will occur. The four dimensions that will be the focus of researchers who have studied from several sources to measure spiritual capital are 1. Faith, 2. Emotions, 3. Religious knowledge and 4. Ethical values.

2.3 Business Performance

Generally business is an activity that cannot be separated from production, buying, selling, and exchanging goods and services involving people or companies to generate profits".[16]. [17] also said that business performance is described in a formal control system, performance measures include financial and non-financial measures. According [18], the term performance or performance is often associated with the company's financial condition. Performance is an important thing that must be achieved by every company everywhere because performance is a reflection of the company's ability to manage and allocate its resources.

Objection [19]explains the notion of performance as follows: "Performance is a description of the achievements achieved by the company in its operational activities both regarding financial aspects, marketing aspects, aspects of raising funds and channeling funds, technological aspects, and aspects of human resources". According to [20]quoting Indra Bastian gives the understanding that performance is the result of the work of a series of activities carried out in realizing the goals, objectives, mission, and vision of the organization contained in the formulation of an organization's strategic scheme (strategic planning). Furthermore,[21] gives the understanding that performance is the achievement of all components of the company to achieve the desired strategic goals based on the expected actions.

Regarding indicators in business performance, [22]distinguish between performance in 2 (two) categories; first, performance measures based on costs (cost-based performance) such as profit measures and performance measures based on revenue (revenue-based performance) such as sales and market share. [23]states that some companies and researchers have focused on financial performance while others have concentrated on operational performance. Meanwhile, Wiklund (1999) in [24] explains that two indicators can be used to evaluate business performance. These indicators are indicators of growth/sales performance and financial performance.

H1: Transformational Leadership has a significant effect on Business Performance

Leaders who have a transformational leadership style are far from authoritarian, but seek to be partners to achieve the best performance, contribute to each other, and seek to increase each other's capacities and capabilities [25]. Goethals [26] says that the transformational leadership style inspires his subordinates through his identity as a leader so that his followers as humans can find ideas and ideas to achieve their goals. From these definitions and explanations, it can be concluded that the transformational leadership style is a leadership style by brings followers to develop and achieve the best performance for a common goal.

H2: Transformational Leadership has a positive and significant effect on Spiritual Capital

[27]define transformational leadership style as a leadership style that occurs when the leader involves his subordinates and ensures that both parties are elevated to a higher level of motivation and morality while working on a common goal. [28] define the transformational leadership style as an interaction between leaders and followers who mutually increase the degree of the human value of each other towards a higher level of morality and motivation.

Getting to a high level of morality requires a touch of spiritual capital. Spiritual capital is defined as wealth that helps sustain future humanity and wealth that nurtures and sustains the human spirit [12]. According to [29]spiritual capital is very important in individuals and organizations that can influence the way an entity

or company is managed, ensure business operations run according to laws and standards, and are honest in terms of finances, which in turn will increase the degree of compliance with human values.

H3: *Spiritual Capital has a positive and significant effect on Business Performance*

Every individual has a different way of giving meaning to his life. Spiritual capital is broader and not limited to religion. The differences that each individual has will make the results of their work different. Oxford University research shows that spirituality develops because humans have a crisis of meaning, so the presence of an organization should also give meaning to what the organization's goals are. The meaning that appears in an organization will make everyone who works in it more able to develop themselves. As a result, they can also perform better.

Several research results have been conducted that spiritual capital has a positive effect on organizational performance. Research conducted [29], shows that spiritual capital affects organizational performance. Spiritual Capital can affect organizational performance where the higher spiritual capital will significantly improve organizational performance.

H4: *Transformational Leadership has a positive and significant effect on Business Performance mediated by Spiritual Capital*

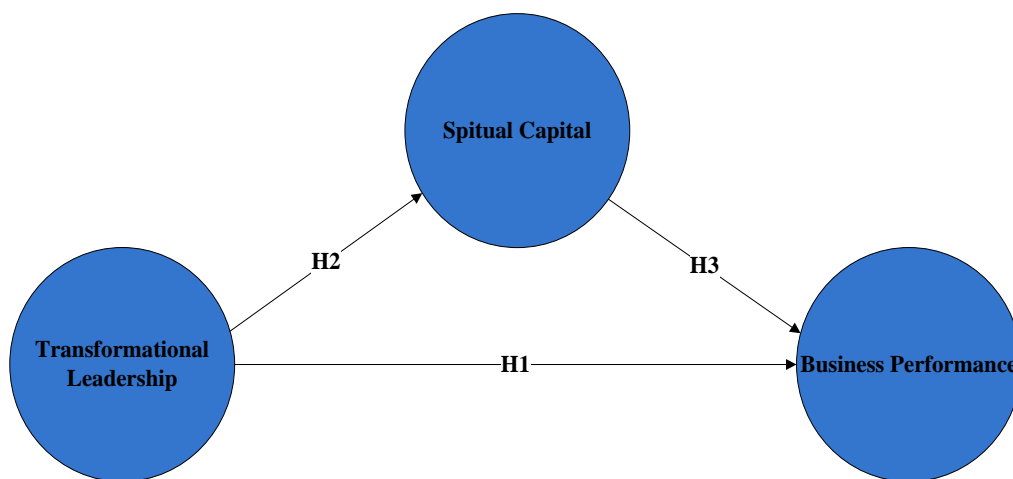


Figure 1 Research Model

Study Design:In this study using a quantitative approach. Data analysis was performed using SmartPLS Version 3.2.9 to analyze Structural Equation Modeling (SEM)

Study Location: This research was held in North Sulawesi Province, Indonesia

Study Duration:Maret 2022 to June 2022.

Sample size: 36cooperative organization.

Sample size calculation: The population/unit of analysis & the total population of this research is the head of cooperatives in North Sulawesi, totaling 200 units.Sampling Technique Tested for validity, reliability, autocorrelation, and multicollinearity of items related to each dependent variable..Data Collection Methods The process of interviewing and distributing questionnaires with 36 samples collectedData Collection Instruments Data were collected by the researcher himself.

Subjects & selection method: Total Sample The number of respondents who are expected to fill out the questionnaire is 50 people

Inclusion criteria:The unit of analysis is the owner or manager of the Cooperative

Exclusion criteria:Owner or manager of the Cooperative

Procedure methodology

The characteristics of the respondents who have filled in are the cooperative leaders and/or those in charge who are spread across Manado City, Bitung City, and Tomohon City. These three areas were chosen with the consideration that they have similar characteristics, making it easier to distribute questionnaires randomly regardless of the type or scale of the business currently being carried out by the cooperatives

Statistical analysis

Data analysis was performed using SmartPLS Version 3.2.9 to analyze Structural Equation Modeling (SEM).

III. Result

Data analysis was performed using SmartPLS Version 3.2.9 to analyze Structural Equation Modeling (SEM). The characteristics of the respondents who have filled in are the cooperative leaders and/or those in charge who are spread across Manado City, Bitung City, and Tomohon City. These three areas were chosen with the consideration that they have similar characteristics, making it easier to distribute questionnaires randomly regardless of the type or scale of the business currently being carried out by the cooperatives.

3.1. Outer Model

Outer Model Analysis is an analysis carried out to see the relationship between latent variables and each indicator. There are several tests carried out on the Outer Model including Convergent Validity, Discriminant Validity, Composite Reliability, Average Variance Extracted (AVE), and Cronbach Alpha.

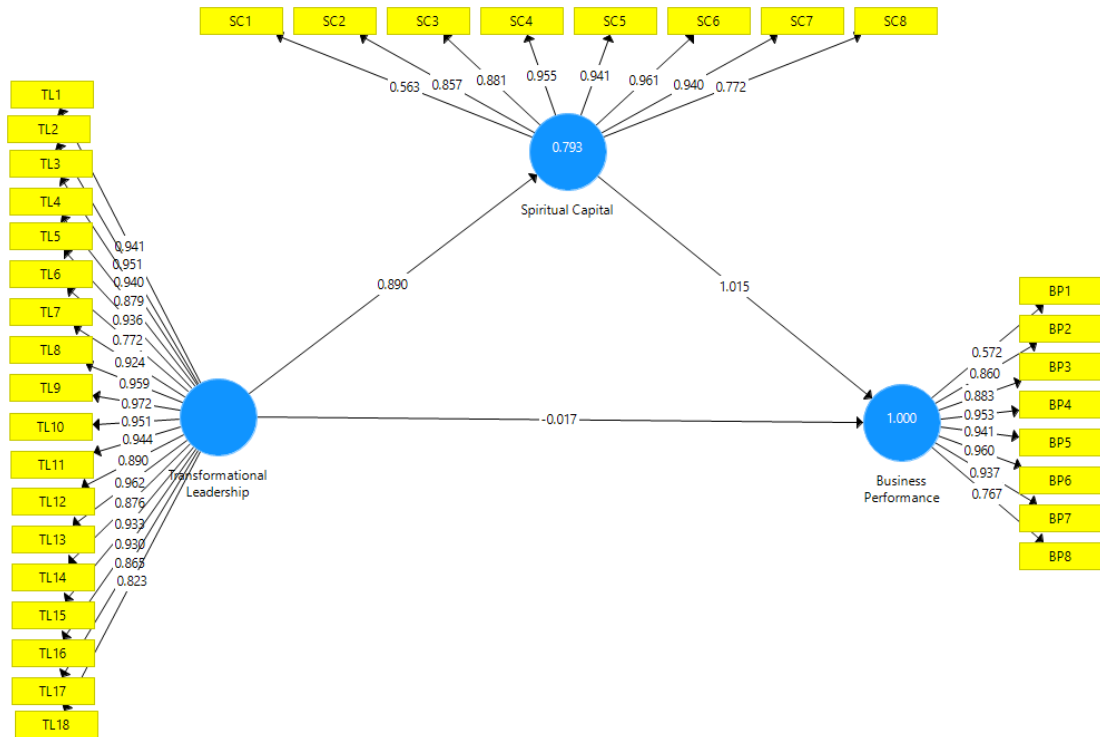


Figure 2. Output Path Coefficient

Based on the path coefficient output in Figure 2 above, indicators that have a loading factor coefficient below 0.7 are dropped from and recalculated for further data processing. The indicators that are dropped are SC1 and BP1, as shown in Figure 3.

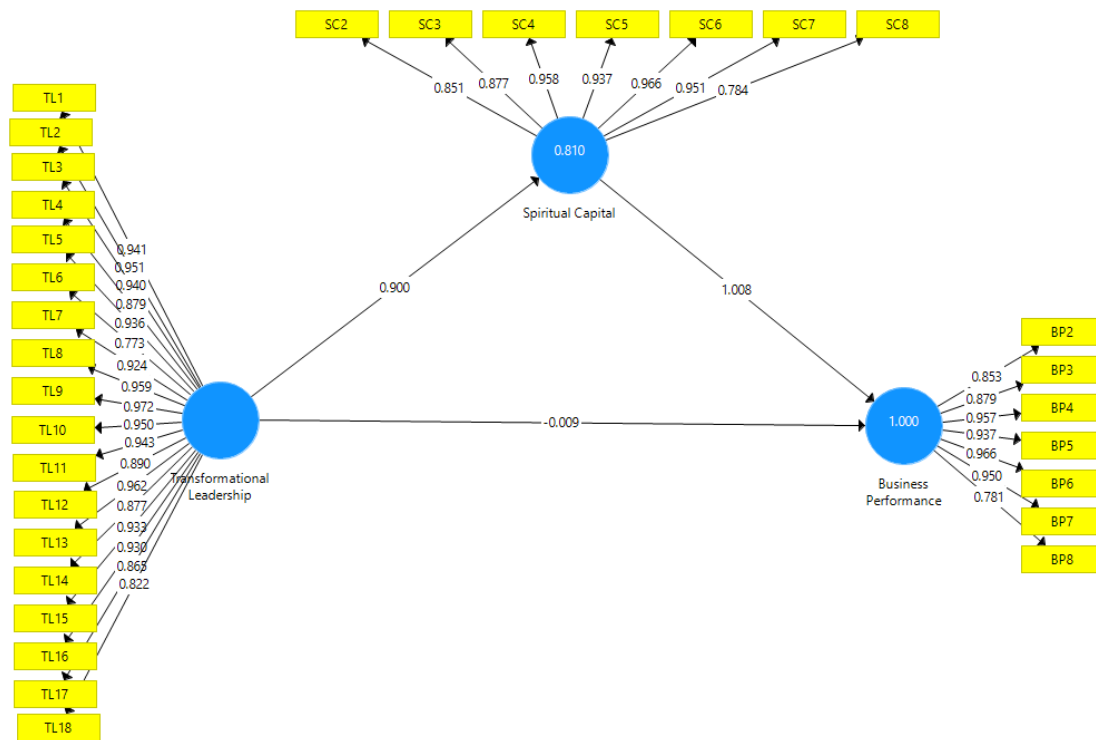


Figure 3. Output Path Coefficient Fit

As the results of processed data can be seen in Figure 3 that all loading factor coefficients > 0.7, further analysis is carried out by selecting (i) convergent validity as seen from the loading factor and AVE values, (ii) discriminant validity seen from the square root value of AVE and correlation between latent constructs, (iii) for the reliability test can be seen from the value of composite reliability and Cronbach's alpha.

Tabel No 1. Outer Loading Value

	Business Performance	Spiritual Capital	Transformational Leadership
BP2	0,853		
BP3	0,879		
BP4	0,957		
BP5	0,937		
BP6	0,966		
BP7	0,950		
BP8	0,781		
SC2		0,851	
SC3		0,877	
SC4		0,958	
SC5		0,937	
SC6		0,966	
SC7		0,951	
SC8		0,784	
TL1			0,941
TL10			0,950
TL11			0,943
TL12			0,890

	Business Performance	Spiritual Capital	Transformational Leadership
TL13			0,962
TL14			0,877
TL15			0,933
TL16			0,930
TL17			0,865
TL18			0,822
TL2			0,951
TL3			0,940
TL4			0,879
TL5			0,936
TL6			0,773
TL7			0,924
TL8			0,959
TL9			0,972

3.2 Construct Validity Test

The steps taken in measuring the Construct Validity Test are Convergent Validity and Discriminant Validity

a. Convergent Validity

The stages carried out on convergent validity are by looking at the value of the loading factor and the average variance inflation factor (AVE). The validity of the indicator can be seen from the value of the loading factor (LF). Based on the general rule (rule of thumb), the LF indicator value of 0.7 is said to be valid. Referring to Figure 3 after calculating the PLS Algorithm, shows that the Loading Factor (LF) value of each indicator is 0.7, so all indicators are declared fit.

Table No. 2. Construct Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Business Performance	0,962	0,966	0,969	0,820
Spiritual Capital	0,962	0,967	0,969	0,820
Transformational Leadership	0,988	0,990	0,989	0,838

Reliability. Cronbach's Alpha value for all constructs must be 0.7. Based on Table 2, the AVE value in each construct already has a value of 0.50. That is, the construct is categorized as valid. While the value of Cronbach's Alpha and Composite Reliability. Cronbach's alpha values for all constructs must be 0.7 so that they have good reliability or are categorized as reliable.

b. Discriminant Validity

This value is the value of the cross-loading factor that is useful for determining whether the construct has an adequate discriminant, namely by comparing the loading value on the intended construct, which must be greater than the loading value with other constructs.

Table No. 3. Cross Loading Value

	Business Performance	Spiritual Capital	Transformational Leadership
BP2	0,853	0,851	0,675
BP3	0,879	0,877	0,726
BP4	0,957	0,958	0,876
BP5	0,937	0,937	0,865
BP6	0,966	0,966	0,854
BP7	0,950	0,951	0,898
BP8	0,781	0,784	0,784

SC2	0,853	0,851	0,675
SC3	0,879	0,877	0,726
SC4	0,957	0,958	0,876
SC5	0,937	0,937	0,865
SC6	0,966	0,966	0,854
SC7	0,950	0,951	0,898
SC8	0,781	0,784	0,784
TL1	0,877	0,879	0,941
TL10	0,856	0,857	0,950
TL11	0,845	0,847	0,943
TL12	0,757	0,760	0,890
TL13	0,825	0,828	0,962
TL14	0,788	0,790	0,877
TL15	0,827	0,829	0,933
TL16	0,795	0,797	0,930
TL17	0,753	0,755	0,865
TL18	0,725	0,727	0,822
TL2	0,883	0,885	0,951
TL3	0,882	0,883	0,940
TL4	0,763	0,765	0,879
TL5	0,879	0,879	0,936
TL6	0,686	0,687	0,773
TL7	0,889	0,890	0,924
TL8	0,864	0,865	0,959
TL9	0,851	0,852	0,972

c. Reliability Test

To test whether the variables used are valid, the stages of the construct validity test are carried out. In SEM-PLS, for the Reliability Test stage, by looking at the value of Cronbach's alpha and composite reliability. Based on Table 2, it can be seen that all the data displayed have Cronbach's alpha and composite reliability >0.7, where the Cronbach's alpha value for each construct is Transformational Leadership (0.969), Spiritual Capital (0.969), and Business Performance (0.989). While the composite reliability values for each construct are digital leadership (0.820), digital skills (0.820), and organization performance (0.838). So it can be said that all constructs have a high-reliability value.

3.3 Inner Model Analysis

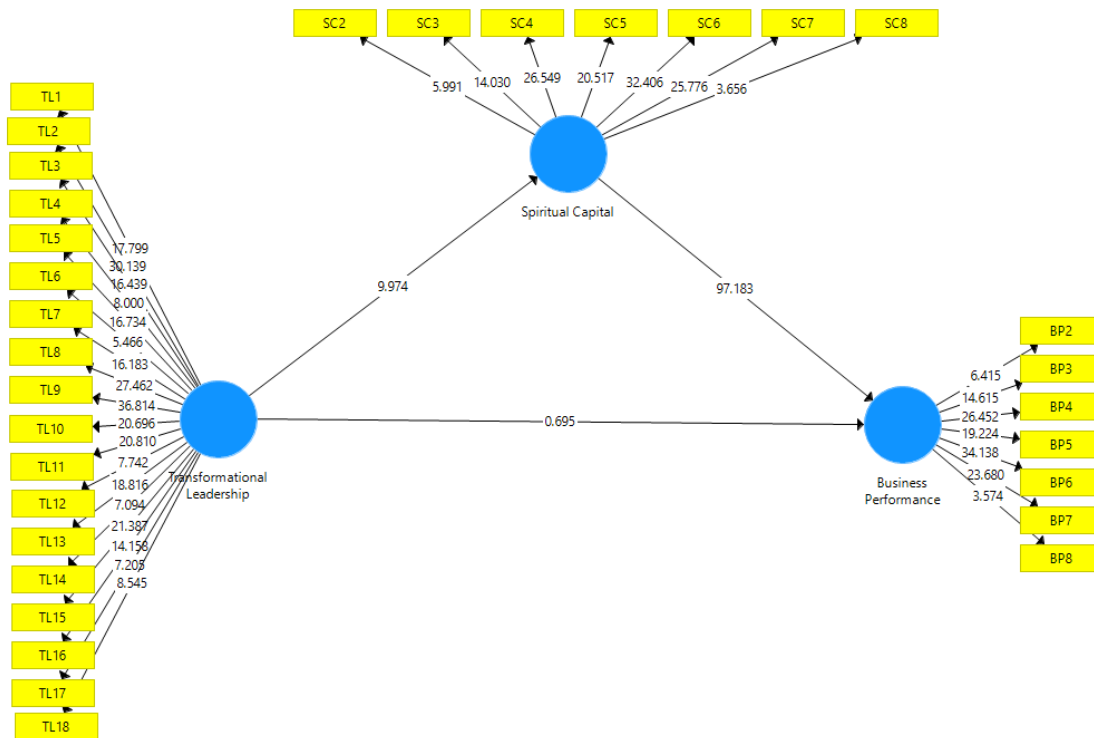


Figure 3. Inner Model Display

a. R-Square. Value

Evaluation of the measurement model or inner model is done by looking at the criteria for the R-Square value and significance.

Table No 4. R-Square. Value

	R Square	R Square Adjusted
Business Performance	1,000	1,000
Spiritual Capital	0,810	0,804

According to [30] that the reference value for R Square is 0.75 strong category, 0.50 moderate category, and 0.25 weak category. Based on the output in table 4, the R-square value for the Business Performance variable is 1,000 and the Spiritual Capital variable is 0.810. In conclusion, the R-Square value for the Digital Skill (DL) variable in the model is 100% which can be explained by the Business Performance variable and is included in the strong category. As for the Spiritual Capital variable in the model, 81.3% is included in the strong category.

b. Path Coefficients

Based on the output of the analysis, it can be concluded that Spiritual Capital has a positive and significant effect on Business Performance as indicated by the parameter coefficient value of 1.080, the significance value is indicated by the T-statistic value of 97,183 which is greater than the t-table of 1,989. Transformational Leadership has a negative and insignificant effect on Business Performance as indicated by the parameter coefficient value of -0.009, and the significance value is indicated by the T-statistic of 0.695 which is smaller than the t-table, which is 1.989. While Transformational Leadership has a positive and insignificant effect on Spiritual Capital as indicated by the parameter coefficient value of 0.000, it does not have a significant effect as evidenced by the T-statistical value of 9.974 which is smaller than the T-statistic of 1.989.

Table No 5. Path Coefficients Nilai Value

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Spiritual Capital -> Business Performance	1,008	1,013	0,010	97,183	0,000

Transformational Leadership -> Business Performance	-0,009	-0,016	0,013	0,695	0,487
Transformational Leadership -> Spiritual Capital	0,900	0,870	0,090	9,974	0,000

Based on the output of the analysis, it can be seen in table 6 that the value of the Indirect Effect for Transformational Leadership on Business Performance mediated by Spiritual Capital is 0.907, and the significance value is 0.000 where this figure is smaller than the P-Value, which is <0.05. In addition, the T-statistic value of 10.173 is greater than the t-table which is 1.989. This means that Transformational Leadership has a positive and significant influence on Business Performance if mediated by Spiritual Capital.

Table No. 6. Indirect Effects Value

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Transformational Leadership -> Spiritual Capital -> Business Performance	0,907	0,881	0,089	10,173	0,000

3.4. Hypothesis Testing

Based on the data analysis that has been carried out, it can be concluded that the hypothesis that was built is that hypothesis 1: Transformational Leadership has a significant effect on Business Performance is accepted, hypothesis 2: Transformational Leadership has a positive and significant effect on Spiritual Capital is accepted, Hypothesis 3: Spiritual Capital has a negative and insignificant effect on Business Performance so that this hypothesis is not accepted. Meanwhile, for hypothesis 4: Transformational Leadership has a positive and significant effect on Business Performance mediated by Spiritual Capital, it is accepted

IV Conclusion

This study obtained evidence that spiritual capital plays important theoretical and practical implications. Initially, this study proved the relationship presented through 3 hypotheses, namely transformational leadership with business performance, transformational leadership with spiritual capital, and spiritual capital on business performance. Only spiritual capital has a significant negative impact on business performance. As a result, other researchers can easily carry out developments that are felt to be related to spiritual capital from different dimensions. Moreover, by finding a completely different view of perceived differences compared to other studies this study adds even more support to this area.

Managerial Implications

This study has contributed significantly to the practical implications of the theory of perceived leadership style, especially for significant changes in improving cooperative performance in North Sulawesi. Initially, the leaders of cooperatives felt less confident in increasing the scale of their business to enter as providers of government goods and services. In addition, the other main reason is the difficulty of obtaining capital through bank loans. Therefore, when cooperative leaders practice a transformational leadership style that is influenced by spiritual capital, it can increase confidence and self-confidence to improve cooperative performance towards independence and prosperity.

Limits of Research

This research has several limitations. First, because there are still social restrictions due to COVID-19, in the data collection method, questionnaires are distributed to respondents at random, excluding the scale, type of business, and the existence of cooperatives. Second, most of the respondents are cooperatives that have a relatively low to medium-income each month and the number of employees is under 50 people. Therefore, the research results must be applied and generalized to cooperatives that have the same characteristics as described. Although the recommended research model has known the relationship between these variables, future research should replicate similar studies to investigate the factors that influence transformational leadership style to improve organizational performance. Finally, future research can avoid the limitations of data collection methods by using more than one way to collect data such as longitudinal studies, focus groups, and in-depth interviews.

Reference

- [1] J. Antonakis, N. Bastardo, Y. Liu, and C. A. Schriesheim, "What makes articles highly cited?," *Leadersh. Q.*, vol. 25, no. 1, pp. 152–179, 2014, doi: 10.1016/j.leaqua.2013.10.014.
- [2] M. J. Neubert, S. W. Bradley, R. Ardianti, and E. M. Simiyu, "The Role of Spiritual Capital in Innovation and Performance: Evidence from Developing Economies," *Entrep. Theory Pract.*, vol. 41, no. 4, pp. 621–640, 2017, doi: 10.1111/etap.12172.
- [3] K. Healy, "A theory of human motivation by Abraham H. Maslow (1942)," *Br. J. Psychiatry*, vol. 208, no. 4, p. 313, 2016, doi:

- 10.1192/bjp.bp.115.179622.
- [4] J. Dahlan, "Spiritual Quotient (SQ) Menurut Danah Zohar & Ian Marshall dan Ary Ginanjar Agustian Serta Implikasinya Terhadap Domain Afektif Dalam Pendidikan Islam," *Tesis*, pp. 1–148, 2019, [Online]. Available: <http://repository.iainpurwokerto.ac.id/6173/>
- [5] I. Keskes, J. M. Sallan, P. Simo, and V. Fernandez, "Transformational leadership and organizational commitment: Mediating role of leader-member exchange," *J. Manag. Dev.*, vol. 37, no. 3, pp. 271–284, 2018, doi: 10.1108/JMD-04-2017-0132.
- [6] D. A. Van Seters and R. H. Field, "Evolution of Leadership Theory The Evolution of Leadership Theory," *J. Organ. Chang. Manag.*, vol. 3, no. 3, pp. 29–45, 2012.
- [7] E. Manik, "The Influence of Transformational Leadership on Achievement Motivation and Organizational Climate and Employee Performance," *Int. J. Acad. Res. Bus. Soc. Sci.*, vol. 6, no. 12, 2016, doi: 10.6007/ijarbs/v6-i12/2522.
- [8] J. E. Barbuto, "Taking the charisma out of transformational leadership," *J. Soc. Behav. Pers.*, vol. 12, no. 3, pp. 689–697, 1997.
- [9] R. P. Vecchio, J. E. Justin, and C. L. Pearce, "The utility of transactional and transformational leadership for predicting performance and satisfaction within a path-goal theory framework," *J. Occup. Organ. Psychol.*, vol. 81, no. 1, pp. 71–82, 2008, doi: 10.1348/096317907X202482.
- [10] J. Seltzer and B. M. Bass, "Transformational Leadership: Beyond Initiation and Consideration," *J. Manage.*, vol. 16, no. 4, pp. 693–703, 1990, doi: 10.1177/014920639001600403.
- [11] D. A. Palmer and M. Wong, *Clarifying the Concept of Spiritual Capital*, vol. 3, no. July. 2013. [Online]. Available: <http://www.socsc.hku.hk/ExCEL3/wp-content/uploads/2014/05/Concept-of-Spiritual-Capital.pdf>
- [12] Zohar & Marshall, *Spiritual Capital*. San Francisco, California: Barrett-Koehler Publishers, Inc, 2004. [Online]. Available: https://books.google.co.id/books?hl=id&lr=&id=igrqyNDlpCOC&oi=fnd&pg=PR7&dq=Zohar+%26+Marshall,+2004+:+Spiritual+Capital&ots=rw1AeqH5Nb&sig=kgQccvSiyohwegtK7KFjM8c0-0&redir_esc=y#v=onepage&q=Zohar+%26+Marshall%2C+2004+%3A+Spiritual+Capital&f=false
- [13] E. M. Horvat, "The interactive effects of race and class in educational research: Theoretical insights from the work of Pierre Bourdieu," *Penn GSE Perspect. Urban Educ.*, vol. 2, no. September, pp. 1–25, 2003.
- [14] B. F. Michael O'Sullivan, *Spiritual Capital: Spirituality in Practice in Christian Perspective*, Second. New York: Routledge, 2016.
- [15] N. Aziza, "Analisis Perbandingan Pemikiran Abraham H. Malow dan Imam Al-Ghazali tentang Konsep Kesejahteraan dan Relevansinya di Indonesia," *Repos. UIN Jambi*, no. Ekonomi Islam, pp. 1–97, 2021, [Online]. Available: <http://repository.uinjambi.ac.id/7912/>
- [16] S. B. Dransfield, N. I. Fisher, and N. J. Vogel, "Using statistics and statistical thinking to improve organisational performance," *Int. Stat. Rev.*, vol. 67, no. 2, pp. 99–122, 1999, doi: 10.1111/j.1751-5823.1999.tb00417.x.
- [17] A. Fusva et al., "Loyalty formation and its impact on financial performance of Islamic banks – evidence from Indonesia," *J. Islam. Mark.*, vol. 12, no. 9, pp. 1872–1886, 2020, doi: 10.1108/JIMA-12-2019-0258.
- [18] L. Al-Hakim and W. Lu, "The role of collaboration and technology diffusion on business performance," *Int. J. Product. Perform. Manag.*, vol. 66, no. 1, pp. 22–50, 2017, doi: 10.1108/IJPPM-08-2014-0122.
- [19] Jumingan, *Analisis Laporan Keuangan, Pertama*. Jakarta: Jakarta Bumi Aksara, 2006.
- [20] I. Fahmi, *Manajemen Sumber Daya Manusia: Teori dan Aplikasi*, Cetakan Ke. Bandung: Bandung: CV Alfabeta, 2016.
- [21] Mulyadi, *Sistem Perencanaan dan Pengendalian Manajemen: Sistem pelipatganda kinerja perusahaan*, Third Edit. Jakarta: Jakarta: Salemba Empat, 2007.
- [22] S. Hartono, P. M. Bisnis, P. S. Manajemen, U. K. Petra, and J. Siwalankerto, "1154-2095-1-Sm," vol. 1, no. 3, pp. 1–5, 2013.
- [23] A. T. Eshlaghy and A. Maatofi, "Learning orientation, innovation and performance: Evidence from small-sized business firms in Iran," *Eur. J. Soc. Sci.*, vol. 19, no. 1, pp. 114–122, 2011.
- [24] C. W. Yang, "The relationships among leadership styles, entrepreneurial orientation, and business performance," *Manag. Glob. Transitions*, vol. 6, pp. 257–275, 2008, doi: 10.1016/j.jbusvent.2004.01.001.
- [25] T. Singh and A. Modassir, "Relationship of Emotional Intelligence with Transformational Leadership and Organizational Citizenship Behavior," *SSRN Electron. J.*, no. October, pp. 2–21, 2012, doi: 10.2139/ssrn.2145266.
- [26] G. R. Goethals and C. L. Hoyt, *Women and Leadership: History, Theories, and Case Studies*, Digital ed. Massavhusetts: Barkshire Publishing Group LLC, 2017. [Online]. Available: https://books.google.co.id/books?hl=id&lr=&id=EWi9DwAAQBAJ&oi=fnd&pg=PP1&dq=goethals+2005+leadership&ots=k1Q2LQbmlT&sig=Vlnp5kd_k7nYANIWRxIdkRTmNwId&redir_esc=y#v=onepage&q=goethals+2005+leadership&f=false
- [27] S. T. A. Phipps and L. C. Prieto, "The Influence of Personality Factors on Transformational Leadership: Exploring the Moderating Role of Political Skill," *Int. J. Bus. Leadersh. Stud.*, vol. 6, no. Regent University, pp. 431–447, 2011.
- [28] Thorndike, "A review and critique of emotional intelligence measures," *J. Organ. Behav.*, vol. 440, no. January, pp. 433–440, 2005.
- [29] D. F. Abdullah and S. Sofian, "The Relationship between Intellectual Capital and Corporate Performance," *Procedia - Soc. Behav. Sci.*, vol. 40, no. 6, pp. 537–541, 2012, doi: 10.1016/j.sbspro.2012.03.227.
- [30] J. F. Hair, C. M. Ringle, and M. Sarstedt, "PLS-SEM: Indeed a silver bullet," *J. Mark. Theory Pract.*, vol. 19, no. 2, pp. 139–152, 2011, doi: 10.2753/MTP1069-6679190202.

Alfindo Mongkol. Et. al. "Spiritual Capital Influenced by Transformational Leadership in Improving Cooperative Performance in North Sulawesi." *IOSR Journal of Business and Management (IOSR-JBM)*, 24(06), 2022, pp. 19-29.