

# Measuring Spiritual Capital as a latent variable

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<http://www.researchmethods.org/4capital.htm>

# Defining Spiritual Capital as religion capital

- **Roger Finke (2003)**
  - The degree of mastery of and attachment to a particular religious culture.
- **Laurence R. Iannaccone & Jonathan Klick (2003)**
  - Patterns of religious beliefs and behavior, over the life-cycle, between generations, and among family and friends.
- **Peter Berger & Robert Hefrer (2004)**
  - Spiritual capital might be thought of as a sub-species of social capital, referring to the power, influence, knowledge, and dispositions created by participating in a particular religious tradition.
- **Spiritual Capital Research Program (2003)**
  - Spiritual Capital is the effects of spiritual and religious practices, beliefs, networks and institutions that have a measurable impact on individuals, communities and societies

# Defining Spiritual Capital as what makes life meaningful

- **Samuel D. Rima**
- In literal sense, spiritual capital should be understood as that which gives vitality, life and animation to wealth, profit, advantage, and power.
- **Zohar and Marshall (2004)**
- The spiritual in human beings makes us ask why we are doing what we are doing and makes us seek some fundamentally better way of doing it. It makes us want our lives and enterprises to make a difference.
- Capital is, per Exford English Dictionary, that which confers wealth, profit, advantage or power.
- Spiritual comes from its Latin root Spiritus that which gives life or vitality to a system.
- **Alex Liu (2007)**
- Spiritual Capital – power or advantage not rooted in material, intellectual, social realms, see 4Capital theory at <http://www.researchmethods.org/be4capital.htm>

# Defining Spiritual Capital as attachment to God

- **Ken Eldred (2005)**
  - as the faith, trust and commitment that others will do what is right in the eyes of God.
- **Alex Liu (2007)**
  - Spiritual capital refers to the power and influence created by attaching to the God.
- **Dean R. Lillard & Masao Ogaki (2005)**
  - intangible objects in the form of rules for interacting with people, nature and spiritual beings and believed knowledge about tangible and spiritual worlds.

# Spiritual Capital at Three Levels

- **Individual level**
- Zohar & Marshall (2004), Chu (2007)
- **Organizational level**
- Lawrence Miller (2006)
- **Country level**
- Ken Eldred (2005) A Liu (2007)
- **The RM Institute** develops Spiritual Capital Index at Country, Organizational and Individual Level see

<http://www.researchmethods.org/4capital.htm>

# My definition of Spiritual Capital

**Spiritual capital refers to the power, influence and dispositions created by a person or an organization's spiritual belief, knowledge and practice.**

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# Measuring Spiritual Capital

## - the Lawrence Miller approach

- Worthy purpose
  - - 5 indicators
  
- Shared value
  - - 5 indicators

# Measuring Spiritual Capital

## - the Zohar & Marshall approach

- Measuring SQ of individuals
- Measuring culture shifts of organizations
- - self-awareness, vision-led, positive of adversity, holistic, compassion, diversity, independence, fundamental why, reframing, spontaneity, vocation, humility

*A psychological measurement approach.*



# How to measure spiritual capital - our operationalization

- Everyone has some spiritual assets.
- The materialization and use of spiritual assets create spiritual capital.
- This type of materialization creates power and advantage that are observable.
- In other words, we can observe spiritual capital from reading certain indicators.

# Measuring Spiritual Capital

## - as latent variable at country level

- *A composite index approach*
- Spiritual Capital as a latent variable
- Structural Equation Modeling to be used
- Spiritual Capital consists of religious capital, that generates social justice & morality, and that produces happiness & life satisfaction.
- Spiritual Capital measure consists of three sub-measures of spiritual belief, spiritual knowledge and spiritual practice.

# Indicators of Spiritual Capital

- Positive indicators
  - “showing integrity, being accountable and honest, offering hope, being loyal and trustworthy, loving and encouraging others, exhibiting good stewardship, being fair, creating order and serving others” – Ken Eldred
  - “love, honest, trust, mercy, altruism, ...” by Alex Liu
- Negative indicators
  - **corruption, cheating, ...**

# Data sources for indicators

- World Value Survey
- Panel Study of Income Dynamics
- Corruption Index by **Transparency International**
- ...

# The RM Spiritual Capital Index

- The RM Institute is working to develop a spiritual capital index (SCI) to rank countries.
- The first ranking of countries by spiritual capital is expected to be release on November of 2008.
- Dr. Alex Liu is the leading expert for this SCI project.
- For SCI at organizational level and individual level, please visit <http://www.researchmethods.org/4capital.htm>
- For more, please visit <http://www.researchmethods.org/sci/sci.htm>

# References

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