**Abstract**

In the 21st century the organizations around the globe are experiencing a leadership crisis, mainly to satisfy the demands for effective, capable and sincere leaders with integrity. Ethical dilemmas in organization can arise because of the situational circumstances, decision making process and the conditions in which they are made. Academic theories offers a few insights into analyzing the ethical decision making, those include suggestions on how to deal with the ethical dilemmas. Now a day we are hearing about numerous distinguished company’s scandals were reported in the media. More focus is on looking into the character of a individual person, personality and belief system which influence the morale of the persons behavior. One such individual focused technique is morel decision making is based on spiritual leadership. Spiritual leadership is an organizational development and transformable model, which has a capability to make organizational evolution in to a more ethical path and goodness of human with in t business as a basis to attain most appropriate performance. Lack of spirituality in workplace is a reaction of declining or even loss of fundamental values of employees in the organization. Organization which serves for public benefit requires a good control over the management. Good organizational performance is strongly influenced through a good leadership ability. This century marked the upward thrust of the need to set up a lifestyle driven by values, inspiring the individuals to raise for the shared vision. This may be performed through an effective and innovative motivating leadership in the organization. Ultimately, the tasks and processes of spiritual leadership focus on the objective of building and operating a learning organization that is continually improving. They aim to liberate people who create a mental state of inner peace in leaders, their followers, and other stakeholders.