

THE EFFECT OF SPIRITUALITY ON PERFORMANCE AND TURNOVER INTENTION IN ISLAMIC BANKING IN INDONESIA

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ABSTRACT

Workplace spirituality is a part of the subject of organizational culture, which is an element of the study of Sociology. Sociologists contribute to the organizational behavior regarding the study of group behavior in organizations. Workplace spirituality can also be interpreted as a framework of enterprise value that is showed in an organizational culture that encourages the experience of every individual through work procedures, helping employees to have a sense of connection with members of the organization so that they reach happy feelings. The four core components in workplace spirituality include engaging work, spiritual connections, sense of community, and mystical experience. This article presents a conceptual and propositional model design to broaden understanding and knowledge of workplace spirituality, performance, and turnover intention in the Islamic banking sector. This article explains the dimensions of workplace spirituality (engaging work, spiritual connections, sense of community, and mystical experience) on performance and turnover intention. This conceptual model is expected to provide an overview and reference for further research in the future.

KEYWORDS: spirituality, engaging work, spiritual connection, sense of community, mystical experience, performance, turnover intention.

INTRODUCTION

The success of an organization in achieving its goals and various predetermined targets will significantly depend on the performance of its employees. In other words, at the most fundamental level, the effectiveness of an organization relies on the individual work performance of its employees (Gibson et al., 2012). Performance is a potential that must be possessed by each employee to carry out every duty and responsibility given by the company to employees. By doing a good performance, every employee can solve all company obligation effectively and efficiently so that problems that occur in the company can be resolved properly. Performance is the result of work that can be achieved by a person or group of people in an organization following their respective authorities and responsibilities, in the context of efforts to achieve the organization's goals legally, not violating the law, and in accordance with morals and ethics.

Factors that can empirically affect employee performance are workplace spirituality. As stated by Milliman et. al. (2003), the value of spirituality has a positive effect, both on personal well-being and performance. The more spiritual values and aspirations that congruent with the organization, the more possibilities that the employees will find true meaning at the workplace. In workplace

spirituality, there are four important dimensions in an organization including Engaging work, Spiritual connection, Mystical experience, and A sense of community (Kinjerski & Skrypnik, 2006a). Employees must have a connection with the duties given by the company, as well as give a person's enthusiasm in working on the actual spiritual while working. The connection refers to confidence in a higher power to the company. Therefore, the members of the organization must have a sense of calm, happiness, love, and certainty in doing work. In addition, every member of the organization must have a shared belief that the members' needs will be met through a commitment to the company.

The dimensions of workplace spirituality can affect performance, in which it turns out that performance has an impact that must always be considered, which is a turnover intention or the desire to change jobs. According to Zimmerman & Darold, (2009), employees who are not competent or have low performance tend to have high turnover intention. Moreover, if employees work properly but they do not receive what they expect, they can think quit from the organization. However, if high performance can be valued well, it leads to increased job satisfaction so that employees will think of staying in the organization for longer periods.

Banks are one of the institutions that have a significant role in the economy of a country as financial intermediaries. In article 1, paragraph (2) of Law Number 10 of 1998 concerning amendment to Law Number 7 of 1992 concerning banking, bank is a business entity that collects funds from the public in the form of deposits and distributes them to the public in the form of credit or loans and other forms in order to improve the lives of many people. The development of Islamic banking is marked by the approval of Law Number 10 of 1998, in which the law stipulates in detail the legal basis and types of businesses that can be operated and implemented by Islamic banks.

The turnover phenomenon is experienced by Islamic banking in Indonesia. Edy Setiadi, Executive Director of the Islamic Banking Department of Bank Indonesia, stated that in 2009, the turnover rate at Islamic banks was only 5%, but it increased to 10% in 2010. A high level of turnover intention is a serious problem that must be considered by the company considering that minimizing the level of turnover intention is not easy for the company. The problem of turnover intention can be found in all banking financial institutions, one of which is Islamic banking.

LITERATURE FRAMEWORK AND RESEARCH PROPOSITIONS

Engaging work and performance

Engaging work is characterized by extraordinary feelings of well-being, the belief that a person who is interested in meaningful work will have higher goals, awareness of equality between employee values and beliefs with the organization, and feelings of being what they are. According to Wrzesniewski (2003), engaging work relates to duties and work that are cognitively meaningful that generate pleasure, thus connecting employees with better things. If engaging work increases, employee performance also increases. In short, engaging work is represented by a sense of well-

being, the idea of individual involvement with meaningful work that has higher goals, the enlightenment of the alignment of value-work-belief, and feelings of being authentic (Kinjerski & Skrypnek, 2006). This finding is supported by a study (Do, 2016) showing that engaging work has a positive effect on employee performance.

P1: Engaging work has a positive effect on performance.

Spiritual connection and performance

Spiritual connection can be defined as the focus of a person's spirit at the workplace in efforts related to his or her work. Spiritual connection refers to the belief (faith) of greater power, an awareness that is able to provide a sense of peace, satisfaction, confidence, and hope (Emmons, 2000). Chalofsky (2010) argued that the relationship between individual life and spiritual life can help their work become happier, more balanced, more meaningful, and more spiritually nourished. Besides, because of this integration, a person can expect others to be more ethical and more productive employees who will be very useful. Furthermore, the dimension of spiritual connection bears a striking resemblance to the broader and standard concept of spirituality, in the context of the workplace.

Every individual who experiences a workplace spirituality can have an awareness of greater connections than himself, such as: greater power, greater source, or the presence of God. Additionally, when each individual feels a deep connection with humans or nature, the connection can affect his or her work (Kinjerski & Skrypnek, 2006a),

P2: Spiritual connection has a positive effect on performance.

Sense of community and performance

Sense of community can be described as "a feeling that individuals have a sense of belonging, a sense that individuals are meaningful to each other and are meaningful to the group, and have a shared belief that the members' needs will be met through a commitment to the company" (McMillan, 2001). There are some researchers who support the relationship between sense of community and performance. The community at the workplace refers to the assumption that people consider themselves connected to each other and that there are several types of connections between an individual's and others' inner selves. In short, this element in workplace spirituality bears a striking resemblance to "the idea of sharing, shared obligations, and commitments that connect people with each other" (Duchon & Plowman, 2005).

A study conducted by Vanover (2014) examined the influence of sense of community on performance. The findings of the study showed that the higher the value of their sense of community, the higher the value of their performance. It is in line with the findings of the previous study conducted by Do (2016) in his study that showed that the sense of community has a positive effect on employee performance. Based on these studies, the fourth hypothesis in this study is formulated as follows:

H3: Sense of community has a positive effect on performance.

Mystical experience and performance

Mystical experience is characterized as positive energy, perfect feelings, experiences beyond human understanding, and feeling extraordinary happiness and joy. Mystical experience as a form of religious experiences in the philosophical tradition is often expressed with a metaphysical approach. Mystical experience describes a positive state in which individuals encounter natural mystics at work. At this point, they not only forget about time and place, but they also get

happy and joy feelings (Kinjerski & Skrypnek, 2006a). This finding is in line with a study by Do (2016), in which there is a non-statistically significant relationship between mystical experience and performance, which is contrary to Hunt (1995), as cited in Susan (2010). Employees see the idea of „mystical experience“ as something that is too abstract, unfamiliar, and not related to the work environment around. Therefore, it can be concluded that the mystical experience does not bear a striking resemblance to the quality and performance of employees.

P4: Mystical experience has a positive effect on performance.

Performance and turnover intention

By doing a good performance, it is expected to reduce the level of turnover intention. Turnover intention is something that can be related to an employee's desire to quit his or her job or organization. According to Kuvaas, (2006), turnover intention refers to the possibility of employees to quit their jobs and organization on their own. When turnover increases, turnover and absence rates also increase.

Turnover intention is the final action that will be taken by an individual to quit from the organization due to factors that encourage the individual to wish to quit from the organization. In this case, performance is considered to be able to affect the turnover intention with complicated and complex mechanisms. This is proofed by a study by Zimmerman and Darnold (2009), which shows that performance has a negative relationship on turnover intention. Furthermore, a study conducted by Mulki (2018) shows the results that performance does not indicate a significant relationship to turnover intention.

P5. Performance has no effect on turnover intention

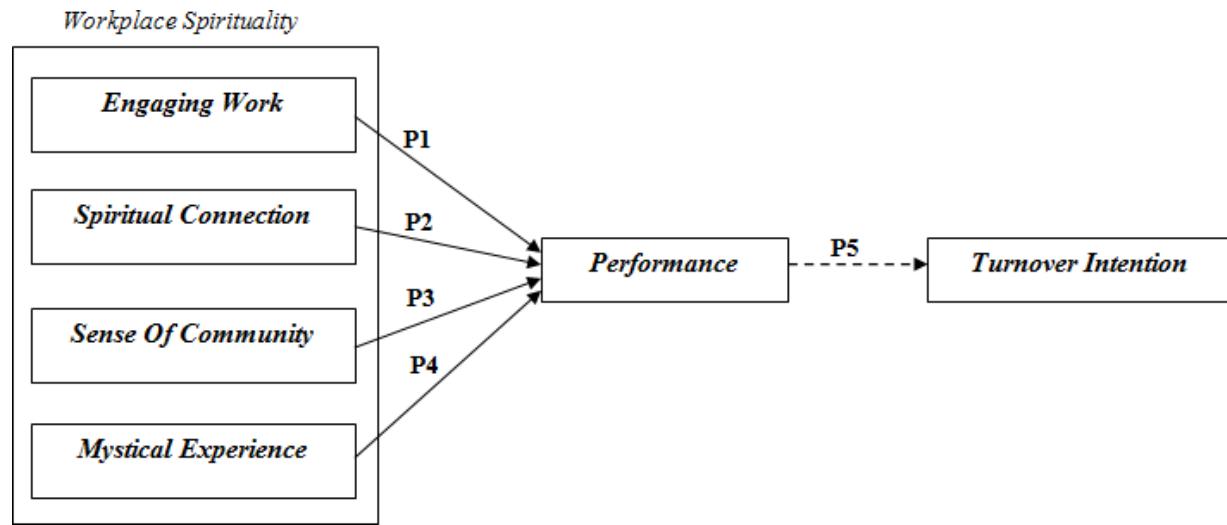


Figure 1. Research Model

DISCUSSION

The theoretical framework described in this article is an attempt to explain the relationship between the dimensions of workplace spirituality (engaging work, spiritual connection, sense of community, and mystical experience) on performance, and performance on turnover intention.

This article focuses to show the importance to pay attention to workplace spirituality to improve employee performance, and by doing a good performance, it can reduce the level of turnover intention. The conceptual model that the authors expected is that it can provide an overview and increase knowledge about variables that can affect performance and turnover intention. Moreover, it can be used as a guideline for future research.

FURTHER RESEARCH

In future research, it is expected to provide an overview of how the research model can be applied in the non-banking sector, such as the sectors of manufacture, tourism, and government agencies. Besides, future research can develop this research model by reviewing other variables that can improve employee performance.

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