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# THE INFLUENCE OF WORKPLACE SPIRITUALITY AND WORKPLACE CLIMATE ON EMPLOYEE PERFORMANCE (STUDY ON SHARIA BANKS IN EAST KALIMANTAN PROVINCE)

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**Abstract**:

The objective of this study was to determine the influence of workplace spirituality and workplace climate on employee performance in Sharia Banks in East Kalimantan Province. The samples in this study were 160 employees of the marketing division, using the probability sampling technique and the method used was stratified random sampling. The type of data used was in the form of cross-sectional data, while the source of the data used was primary data. The data collection method used a questionnaire, using a scale of one to five (Likert scale) that has been tested previously by testing the validity and reliability. The data analysis technique used multiple linear regression analysis, t test, f test, and determination test. Based on data analysis using SPSS 20 for windows, it can be concluded that the partial and simultaneous tests of workplace spirituality and workplace climate have an influence on the employee performance inSharia Banks in East Kalimantan Province.

**Keywords:** Workplace Spirituality, Workplace Climate, Performance

#### 1. 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., 2014). 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.8

Factors that can empirically affect employee performance are workplace spirituality. As stated by Milliman et. al. (1999), the value of spirituality has a positive effect, both on personal well-being and performance. Spirituality at work realizes that humans have an inner life that grows and is grown by meaningful work that takes place in a community context. Organizations that support spiritual culture acknowledge that humans have mind and soul, seek to find meaning and purpose in their work, a desire to connect with others, and become part of a community.

In workplace spirituality, 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

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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 workplace climate is based on the quality of an organization's internal environment that lasts a long time, is influenced by its members, and influences the behavior of its members so that it can be illustrated into an attribute that distinguishes one organization from another. It can be said that the workplace climate becomes something unique and only belongs to each organization. A conducive workplace climate is a factor that cannot be ignored in a company's management system. A conducive workplace climate is important for the company because the duties will be accomplished well if an atmosphere of workplace climate is created that fosters high spirit to work, and will then process the completion of duties that are the responsibility of the employees.

The development of sharia banking in Indonesia is very rapid, marked by an increase in the number of office networks throughout the country. Director of Sharia Banking Regulations and Licensing of OJK, Deden Firman Hendarsyah, said that to encourage the growth of sharia banking, his party is currently preparing a road map for sharia banking. This road map is expected to answer strategic issues, such as technology and digitalization. The issue of technology and HR (Human Resources) competition will be of concern. Based on OJK data, there are 14 Sharia Commercial Banks (SCB) up to now. Of the number, seven SCB are from the commercial bank conversion, while six Islamic commercial banks are the result of a spin off. Besides, there are still 20 Sharia Business Units (SBU), consisting of 13 SBU of Regional Development Banks (RDB), and seven SBU of National Private Commercial Banks (NPCB) that will determine the action of conversion or spin off.

The development of sharia banks has consequences for the increasing demands of the labor market. Based on Bank Indonesia data, the number of laborsjoining the sharia banking sector has continued to increase in the last five years. The average development of HR demands in the last five years is 17.01% (Source: Sharia Banking Statistics, 2016). Based on the explanation of the phenomenon above, it can be concluded that the problems faced by sharia banking in Indonesia are the inadequate quality of human resources, which will have an impact on employee performance. Therefore, this study will highlight aspects of workplace spirituality and workplace climate in relation to improving employee performance.

#### 2. Theoretical Review

#### 2.1. Performance

Employee performance evaluation is a crucial provision in a company. In this case, it provides important information regarding the productivity of an employee and the allocation of benefits that becomes the characters of the provision. In addition, periodic assessments act as a driving force to design improvement in employee performance. Conducting a fair performance assessment is very important to avoid unreasonable prejudice and promote employee objectivity, productivity, and responsibility. Gomes (2003) explained the definition of performance as: "Expressions of output, efficiency, and effectiveness that are often associated with productivity".

Performance refers to an activity in which an individual is able and successfully completing the duties assigned to him or her, obeying the rules or procedures in the utilization of available resources. Furthermore, Mangkunegara (2010) defines employee performance as a result of the quality and quantity of work achieved by an employee in carrying out their duties following the responsibilities given by the company to him or her.

As research indicators of employee performance, in accordance with the theory of Wright, Kacmar, McMahan & Deleeuw (1995), the dimensions of the performance variable used as a

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measurement include quantity, quality, time and cost with a measuring scale consisting of 10 statement items. There are 3 (three) dimensions, consisting of:

- a. Quantity, the indicators in this case are the volume of completing duties, completing all work, working according to standards, working on time.
- b. Quality, the indicators in this case are meeting the standard, according to the norm, the work is checked, working carefully, the work is in accordance with the procedure.
- c. Time, the indicators in this case are working on time, time discipline, working onthe target, working with calculations.

## 2.2 Workplace Spirituality

Workplace spirituality is the main part of the discussion of organizational culture, which is part of the study of Sociology. Sociologists contribute to organizational behavior studies regarding group behavior in organizations, especially formal and complex organizations (Robins and Judge, 2008).

Spirituality can be seen from several levels. Paloutzian& Park (2005) suggested two levels of spirituality at work. *First*, the individual level, refers to a set of values that encourage individual's transcendent experiences through the work process, and facilitates feelings of connection with others while providing a feeling of complete and happy. *Second*, the organizational level, refers to a framework of values of the organizational culture that encourages employees' transcendent experiences through the work process, facilitating feelings of connection with others while providing a feeling of complete and happy. Workplace spirituality at this level is related to the vision and values of the organizational culture.

Assessment indicators of workplace spirituality are defined as a framework of values of the organizational culture that encourages employees' transcendent experiences through the work process, facilitating feelings of connection with others while providing a feeling of complete and happy. The dimensions used in this study are from Kinjerski&Skrypnek (2006), consisting of: Engaging Work, Spiritual Connection, Mystical Experience, Sense of Community.

## 2.3 Workplace Climate

Dutton & Dukerich (1991) stated that the workplace climate seems to be a series of attitudes, values, and beliefs that tend to cover work units. According to Bowen & Ostroff (2004), workplace climate is conceptualized as two types: organizational climate and psychological climate. Employees can be influenced by the organizational climate originating from perceptions about how the company deals with policies, routines, practices, and rewards. The psychological climate applies to employees in their own specific work contexts, based on evaluations following an experience of what people "see" and tell them as they are.

A good workplace climate will build a good culture or habits for members of the organization. The rise of a feeling of mutual respect for opinions and mutual support in work will establish more conducive workplace climate. Workplace climate covers the existing environment or the environment faced by individuals in an organization that affects an individual who is doing a duty or a work. In an organization, individuals consider the workplace climate as an attribute, in which this attribute is used in the realization of their existence in the organization. The workplace climate is at the individual and organizational level, meaning that when the workplace climate enters the individual order, it is called a psychological climate, whereas if the assessment of the climate has been felt by many individuals in an organization, it will be called an organizational climate.

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Workplace climate is a concept that illustrates the quality of the organization's internal environment that affects the behavior of organizational members in carrying out their work. The dimensions used in this study are from Elsa Peña-Suárez, et al. (2013), in which organizational climate has five required dimensions, consisting of: Relationship, Work Organization, Cooperation, Participation, and Attachment to work.

#### 3. Research Methods

This type of study was quantitative research that emphasized testing theories through measurement of research variables with numbers aimed at testing hypotheses. This research method was designed using the causality method. The causality method is intended to explain the existence of a cause-effect relationship or the relationship influences and is influenced among several concepts or variables analyzed. The type of data used was in the form of cross-sectional data, because it collected data only during field research (Ghozali, 2012). While the data source used was primary data. The primary data is data collected directly from respondents. The data collection techniqueused a questionnaire.

The subjects in this study were employees of Sharia Banks in East Kalimantan Province. This study used convenience sampling, in which 160 questionnaires were distributed in several sharia banks in East Kalimantan Province. The sampling technique is the process of selecting a sufficient number of elements from the population (Sekaran et al., 2013). The sampling in this study used probability sampling technique and the method used was stratified random sampling. The subjects in this study were 160 employees. The criteria of the subjects in this study include: 1. Permanent employees, with the consideration that the organization will pay attention to employees who are permanent workers compared to outsourcing workers and interns. 2. Marketing employees, with the consideration ofthe tendency of employees to move if the target is not achieved. 3. The work period of at least 2 years, with the consideration that the employees are considered to have understood and comprehended working conditions, duties, and conditions at the company/organization where the subject works.

The data collection method used a questionnaire. The questionnaire is a document containing questions or statements that can provide information about each variableanalyzed. The questionnaire also leads to a greater possibility of non-response and non-response errors (Sekaran & Bougie, 2013). While the measuring instrument in this study used a scale of one to five (Likert scale). A Likert scale is a scale that is designed to examine the extent to which a subject strongly approves something (Sekaran & Bougie, 2013). The scoring order is as follows: Strongly Disagree (SD): Score 1, Disagree (D): Score 2, Neutral (N): Score 3, Agree (A): Score 4, Strongly Agree (SA): Score 5.

The assessment of workplace spirituality is assessed by four dimensions, including: Engaging Work, Spiritual Connection, Mystical Experience, and Sense of Community, which areassessed by 17 question items developed by Kinjerski & Skrypnek (2006). Meanwhile, to assess workplace climate, it is assessed by five dimensions, including: Relationship, Work Organization, Cooperation, Participation, and Work Attachment which are assessed by 6 question items developed by Elsa Peña-Suárez, et al. (2013). Whereas to assess performance, it is assessed by three dimensions, including: Quantity, Quality, and Time consisting of 10 items of statements developed by Wright, Kacmar, McMahan & Deleeuw (1995).

Before the scale is used in the study, the researchers conducted validity and reliability tests. In this case, the researchers conducted a trial with a sample of 30 employees of Sharia Rural Bank that are different from the subjects of the study. Once the scale items are declared valid and reliable, then the hypothesis test used a statistical tool of SPSS 20.

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## 4. Results and Discussion

#### 4.1 Results

## **Characteristics of Respondents**

After the study was conducted on 160 employees of Marketing division in Sharia Banks, the results shown are as follows:

**Table 1. Characteristics of Respondents** 

Notes		Frequency	Percentage
Cov	Male	86	53.8%
Sex	Female	74	46.2%
	2-3 Years	73	45.6%
Work Period	4-5 Years	48	30.0%
	More than 5 Years	39	24.4%
	D3	51	31.9%
Education	S1	93	58.1%
	S2	16	10.0%

Source: Primary data, processed (2020)

Based on table 1 above, the characteristics of respondents in sharia banks in East Kalimantan Province are 160 respondents, in which based on the sex, including male of 86 respondents and female of 74 respondents. Based on the work period, there are 3 categories, including 2-3 years of work period of 73 respondents, 4-5 years of work period of 48 respondents, and more than 5 years of work periodof 39 respondents. Then, based on the education, there are 3 categories, including D3 education level of 51 respondents, S1 education level of 93 respondents, and S2 education level of 16 respondents.

## **Research Instrument Test**

To test the validity and reliability of the questionnaire in this study, it is carried out by conducting a questionnaire distribution trial to 30 respondents, and then processed using the SPSS version 20 for windows program. If r = 7 count r = 7 table, then it can be said that the question item is valid. With the number of samples (n) = 30 and the value of df that can be calculated = 30 - 2 = 28 and alpha = 0.05, it obtained r = 7 table = 0.374. Based on the results of the research instrument test, the results of the validity of all items are valid because the results of r = 7 count r = 7 table.

Meanwhile, to assess reliability, it was tested using the Cronbach Alpha ( $\alpha$ ) statistic. A variable is categorized as reliable if it provides a Cronbach Alpha value > 0.60. Based on the results of the reliability test analysis, it can be seen that the Cronbach Alpha value for each variable > 0.60. Thus, it can be concluded that all variables in this study are reliable.

## Multiple regression analysis

Multiple regression analysis was carried on to analyze the extent of the influence between workplace spirituality and workplace climate variables.

**Table 2: Result Summary of Multiple Linear Regression Analysis** 

Variable	Coefficient	T count	Sign
Constant	12.161	8.624	0.000
Workplace Spirituality	0.098	2.507	0.003
Workplace Climate	0.835	21.302	0.000
F Count	356.670	Sign 0.000	

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R Square	0.790

Source: Primary data, processed (2020)

Based on the results of calculations using SPSS 20 for windows, it can be seen that the multiple linear regression equation is:

## Y = 12.161 + 0.098X1 + 0.835X2

- a. A constant of 12.161 states that if there are no safety variables and workplace spirituality (X1), workplace climate (X2), then the value of employee performance (Y) is 12.161.
- b. The regression coefficient X1 of 0.098 states that if the increase in the workplace spirituality variable is one unit, the increase in employee performance will rise by 0.098.
- c. The regression coefficient X2 of 0.835 states that if the increase in the workplace climate variable is one unit, then the increase in employee performance by 0.835

## T Test

Based on the results of testing the significance of the workplace spirituality variable (X1) on employee performance (Y), with a significance level using  $\alpha = 0.05$  with df = (number of data-2), 160-2=158, it obtained the results of t table of = 1.655, while t count is 2.507. Based on these calculations, it shows that t count = 2.507 > t table = 1.655, so that the workplace spirituality variable has a significant effect on employee performance. It can be concluded that the results of data processing indicate that there is a significant influence between occupational safety and health, which is indicated by probability =  $0.003 < \alpha = 0.05$ .

Based on the results of testing the significance of the workplaceclimate variable (X2) on employee performance (Y), with a significance level using  $\alpha = 0.05$  with df = (number of data-2), 160-2=158, it obtained the results of t table of = 1.655, while t count is 21.302. Based on these calculations, it shows that t count = 21.302 > t table = 1.655, so that the workplace climate variable has a significant effect on employee performance. It can be concluded that the results of data processing indicate that there is a significant influence of work discipline, which is indicated by probability =  $0.000 < \alpha = 0.05$ .

#### F Test

Based on the results of testing the significance between workplace spirituality and workplace climate variables on the employee performance of sharia banksin East Kalimantan Province, it shows that from the results of hypothesis testing with a level of confidence  $\alpha=0.05$  and df (degrees of freedom) = 158, it obtained F count = 356.670, while F table = 2.66. Based on these calculations, it shows that F count 356.670 > F table 2.66, meaning that workplace spirituality and workplace climate have a significant effect on the employee performance of the Islamic Banks in the Province of East Kalimantan Ha is accepted.

This can also be seen from the value of sign count of 0.000 < alpha ( $\alpha$ ) = 0.05, which means that both the workplace spirituality and workplace climate variables have a significant effect on employee performance.

## Coefficient of Determination (R2) Test

In this study, the coefficient of determination (R²) shows a value of 0.790. In this case, it means that 79.0% of the employee performance of sharia banks in East Kalimantan Province can be explained by the workplace spirituality and workplace climatevariables as independent variables, while 21.0% of the dependent variable (performance) is explained by variables other than the workplacespirituality and workplace climate.

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#### 4.1 Discussion

Based on the results of data analysis, the results of t count = 2.507 > t table = 1.655, with probability =  $0.003 < \alpha = 0.05$ . These results indicate that workplace spirituality has an influence on the employee performance of sharia banks in East Kalimantan Province. The results of this study are in line with the results of a previous study by (Fuko fuka, S. 2007), in which workplace spirituality has a positive effect on employee performance. It is because the employees have a high level of engaging work, spiritual connection, mystical experience, and a sense of community towards the company. The employees also have a relationship with the duties assigned by the company, as well as the focus and enthusiasm of employees in working on the true spirit of work, and the employees have positive energy towards religious experience in the company, and most importantly, the employees have feelings that are experienced by every member of the organization.

Then, the results of testing the significance of the workplace climate variable on employee performance show t count = 21.302 > t table = 1.655, which is indicated by probability =  $0.000 < \alpha = 0.05$ . These results show that the workplace climate has a significant relationship on the employee performance of sharia banks in East Kalimantan Province. The results of this study are consistent with Bowen & Ostroff's (2000) study, which shows that the workplace climate is correlated and improves employee performance. It is because the employees of sharia banks in East Kalimantan Province have felt supporting workplace and infrastructure, good relationships between superiors and subordinates as well as between colleagues, and attachment to work that has been attached to the company.

While testing simultaneously or jointly between workplace spirituality and workplace climate on the employee performance of sharia banks in East Kalimantan Province shows the results of F count 356.670 > F table 2.66, with the value of the sign count of 0.000 < alpha ( $\alpha$ ) = 0.05. These results indicate the results that workplace spirituality and workplace climate together have a significant effect on employee performance.

Based on the results of the study showed that workplace spirituality and workplace climate have a contribution of 79.0% on the employee performance of sharia banks in East Kalimantan Province. This shows 21.0% of other factors than workplace spirituality and workplace climate. Based on the results of the discussion above, basically, the concept of workplace spirituality and workplace climate can be used as one of the strategies to improve employee performance. Therefore, companies must always apply workplace spirituality and create a good workplace climate so that employee performance can be improved.

## 5. Conclusion

Based on the results of the study and discussion above, it can be concluded that the workplace spirituality and workplace climate have an influence on employee performance. These results can be interpreted that the higher the workplace spirituality and workplace climate, the better the employee performance in sharia banks in East Kalimantan Province.

The suggestion for sharia banks in East Kalimantan Province is that they should always pay attention to workplace spirituality and organizational climate, because both can improve employee performance. While the suggestion for future researchers is to try to add variables that can affect performance, and examine other objects, such as government agencies or manufacturing companies. Also, for further researchers, the performance assessment should be assessed by supervisors/superiors or among employees.

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