

Islamic Spiritual Leadership: Implementation And Its Influence on Bank Syariah Indonesia

Helmi Muhammad

Universitas Islam Raden Rahmat, Malang, Indonesia
helmimuhammad@uniramalang.ac.id

ABSTRACT

For the advancement of organizational leadership practices, the Islamic spiritual leadership model is critical. Particularly, to bridge the gap between the principles of Islamic teachings and their application, such as in Islamic banking. This study seeks to determine the implementation of Islamic spiritual leadership and its influence on Bank Syariah Indonesia. For the research design, I used exploratory descriptive with a holistic single-case design focus. The selection of informants was carried out using purposive and snowball sampling, while the data were obtained through in-depth interviews. The obtained data were further analyzed using an interactive model which had previously been triangulated. The study results show that the Islamic spiritual leadership model can be applied in Bank Syariah Indonesia with an inclusive cultural approach to facilitate the employee to participate in various activities, inducing their sense of pride. Besides, Islamic spiritual leadership's positive principles inherently inspire people, both internally and externally, which fosters the employees' sense of community and belonging. These values increase organizational commitment, social sensitivity, and life satisfaction.

Keywords: Leadership; Spiritual Leadership; Islamic Spiritual Leadership; Bank Syariah Indonesia

ABSTRAK

Model kepemimpinan spiritual Islam sangat penting untuk kemajuan praktik kepemimpinan organisasi. Terutama untuk mengisi kesenjangan antara prinsip-prinsip ajaran Islam dan praktiknya seperti dalam praktik perbankan Islam. Tujuan penelitian ini adalah untuk mengetahui bagaimana implementasi kepemimpinan spiritual Islam dan pengaruhnya di Bank Syariah Indonesia. Rancangan penelitian ini adalah diskriptif eksploratori dengan fokus *holistic single-case design*. Pemilihan informan dengan teknik *purposive* dan *snowball sampling* dilakukan untuk mendapatkan data dengan wawancara mendalam. Teknik analisis data yang digunakan dalam penelitian ini adalah *interactive model* yang sebelumnya dilakukan triangulasi. Hasil penelitian menunjukkan bahwa model kepemimpinan spiritual Islam dapat diterapkan di Bank Syariah Indonesia dengan pendekatan kultural inklusif. Substansinya adalah partisipasi karyawan dalam berbagai aktivitas sehingga ada perasaan bangga pada dirinya. Nilai-nilai positif variabel kepemimpinan spiritual Islam secara intrinsik memotivasi diri sendiri dan orang lain yang menciptakan rasa memiliki dan menjadi bagian dari komunitas karena penghargaan yang mendalam bagi karyawan. Nilai-nilai tersebut meningkatkan komitmen organisasi, kepekaan sosial, dan kepuasan hidup yang lebih tinggi.

Kata Kunci: Kepemimpinan; Kepemimpinan Spiritual; Kepemimpinan Spiritual Islam; Bank Syariah Indonesia

A. INTRODUCTION

Experts recognize spiritual leadership as a new paradigm of the current multi-disciplinary leadership model (Klaus and Fernando 2016; Oh and Wang 2020). Spiritual leadership is considered to have complemented previous leadership virtue such as charismatic, democratic, transactional, contingency-based, authentic, and transformational leadership (Banks et al. 2016; Gardner et al. 2011). Alternative spiritual leadership is used as a solution for unethical practices in modern workplaces or organizations. Even 21st-century leaders face widely disappointing leadership failure due to traditional moral and leadership factors that are practiced based on ineffective bureaucratic and mechanistic elements (Copeland 2014). Therefore, an alternative to overcome various problems such as mistrust, lack of morality, and rudeness in the workplace is necessary.

Copeland (2014) explains that value-based leadership has been adopted to overcome various leadership problems today, including spiritual leadership. This is in line with the trend of organizational discussions that are increasingly focused on incorporating ethical values in leadership to address moral decadence as a global challenge (Fry et al. 2017; Kanter 2010; Klaus and Fernando 2016). Even leaders incorporate spiritual and religious principles into their work as a response to the strange and hedonistic nature of modern leadership philosophies (Moten 2011). Additionally, many experts view modern leadership as a failure because it lacks moral principles and ethical standards for leaders' personal conduct (Abbasi, Rehman, and Bibi 2010). Accordingly, modern leadership is defined as a leadership model that separates and distinguishes spiritual and worldly activities while only regarding specific leadership attributes such as experience, expertise, and skills, concerning personal interests (Abbasi, Rehman, and Bibi 2010).

In contrast, a different approach is provided by spiritual leadership, which explicitly includes conscious reflection and contemplation of God and faith as the foundation for ethical responsibility and the motivation to perform good deeds based on spiritual values like faith, patience, compassion, and forgiveness (Egel and Fry 2017). Spiritual leadership focuses on a person's spiritual level that can be implemented within religious and non-religious organizations (Benefiel, Fry, and Geigle 2014; Fry 2003). Therefore, spiritual leadership is seen as a fundamental need of leaders and their followers during this century, through calling and membership, to achieve the organization's vision. Previous studies have examined the importance of spiritual leadership, focusing on spiritual qualities and their impacts on organizations. For instance, the studies reporting that spiritual leadership positively correlates with workplace safety compliance (M. Ali et al. 2020), increases

creativity in business (Zsolnai and Illes 2017), increases employee commitment and interpersonal relationships (Dehaghi, Goodarzi, and Arazi 2012), influences workplace spirituality, so that it affects intrinsic motivation and environmental enthusiasm (Afsar, Badir, and Kiani 2016) and positively affects spiritual health in old age, in general (Ahmad and Khan 2016).

Spiritual leadership that incorporates reflection of awareness and contemplation of faith as the basis for motivation to practice good deeds highly corresponds with Islamic teachings. Spiritual quality, as the core of Islamic teachings, has the potential to serve as the foundation of an Islamic leadership model established based on Islamic principles. In their study, Egel & Fry (2017) reported that spiritual leadership can be implemented as a model of Islamic leadership with the basis of the Qur'an and Sunnah. Egel & Fry (2017) also explores a general proposition of a spiritual leadership theory approach using transposition theory to provide an Islamic leadership model, especially for organizations that integrate spiritual or religious beliefs into their employees' activities. In essence, Islamic leadership constructs a vision through the calling of leaders and followers, as well as an organizational culture that is built on the principles of altruism and love so that executives and employees feel a sense of loyalty to and ownership in the organization. Spiritual leadership is derived from religious life (spirituality), implemented through the practice of religious doctrines tied to God's strength as horizontal support. This spiritual leadership mechanism is compatible with the implementation of Islamic sharia, as they both position Allah's blessing as their primary goal, so implementation of the Islamic leadership model is ideal.

However, the Islamic-based spiritual leadership proposed by Egel & Fry (2017) is still at the conceptual level that has not been studied comprehensively in empirical research. A comprehensive investigation of the implementation of spiritual leadership based on Islamic understanding has not received much attention (Smith, Achoui, and Harb 2007). At the same time, the Islamic spiritual leadership model is significant for advancing organizational leadership practices in government and private organizations, such as in the banking and Islamic finance industry, filling the gap between the principles of Islamic teachings and their practice. Despite its rapid growth, critics of the Islamic banking and finance industry, especially on its correlation with conventional finance, keep showing up. Meanwhile, in the global economy, the basic idea of Islamic ethics and the economic system, such as avoiding the risk of usury (interest), is only used as a financial tool (Zaman and Asutay 2009). Another study also reported that Islamic banks are unable to overtake the leading position among conventional banks (Jawadi, Idi Cheffou, and Jawadi 2016). One of the factors affecting

their inability to lead is the implementation of a leadership model applied to improve organizational performance.

Therefore, this study attempts to fill the gap by investigating the implementation Islamic leadership model based on spiritual leadership (Egel and Fry 2017), along with its influence on Islamic financial institutions in Indonesia. Aside from developing an Islamic-based spiritual leadership model, this study is also essential to refute the criticisms conveyed by Zaman & Asutay (2009). PT Bank Syariah Indonesia Tbk (BSI) was chosen as the research site since it is the most prominent established Islamic bank in Indonesia. BSI is a merger of PT Bank BRI Syariah Tbk, PT Bank Syariah Mandiri, and PT Bank BNI Syariah, which requires a leadership model combining the management of those institutions that had previously engaged in competition with various personalities. The BSI leaders' ability to combine the previous banks' leadership styles will determine its sustainability. Our preliminary survey data suggested that BSI needs the working passion of its leaders and followers, along with their sense of belonging to BSI, since, as a new organization, it needs an organizational culture to achieve universal and global Islamic bank visions, which is linear with elements of spiritual leadership.

B. RESEARCH METHODS

This qualitative research used an exploratory design, a descriptive manner (Brink and Wood 1998), and a holistic focus on single-case design (Yin 2014). The research was conducted during 2021-2022 at Bank Syariah Indonesia, Malang area for two main reasons. First, its unique leadership style does not separate the elements of spirituality and business in Islamic financial institutions. Second, following the argument of Fry (2003) that the spiritual leadership theory corresponds with leadership typology based on religion and ethics. The key informant in this research was an area business banking manager, who was selected by purposive sampling. To determine the next informant, a snowball sampling technique was used based on information from key informants, focusing on the cross-sectional informant. In the end, our informants consisted of the retail banking relationship manager, collateral valuation officer, area service officer, area financing risk manager, back-office staff, consumer financing executive, area consumer financing manager, and employees (Patton 2002). The primary data were collected through in-depth cross-functional and face-to-face interviews, conducted in one to two hours. For the interview guide, we referred to the question items of the Spiritual Leadership Questionnaire (Fry and Nisiewicz 2013). Further, the interview data was supported by secondary evidence from non-

participant observations and archive data. The obtained data were analyzed using an interactive model consisting of data reduction, data presentation and conclusion drawing (Miles, Huberman, and Saldaña 2014). To maintain quality standards of research, inspection, validity, data comparison, and data verification were carried out by triangulation, consisting of data triangulation, method and source triangulation and member check (Patton 2002).

C. RESULTS AND DISCUSSION

The Islamic spiritual leadership model consists of four elements, namely intrinsic motivation (emphasizes individual spiritual needs), religiosity (focuses on altruistic care and love for others), ethics (responsibility to achieve reciprocal results), and values (creating an organizational atmosphere that supports performance). The field observation results regarding the implementation of the elements of Islamic spiritual leadership are discussed in the following.

1. Inner life (*Fitrah*)

The inner life essentially means *qudrati* or absolute (human innate nature from God). The spirit breathed into the human body leads to good qualities and authentic human as they have connectivity with God. With the inner life, humans are expected to carry out religious activities, increasing their faith and maintaining their purity of heart. In the context of an organization, with pure heart, humans can obey the rules and conduct a series of positive activities. In BSI, the leaders' efforts in maintaining the employees' inner life were observed, such as in the implementation of collective prayer, reading Qur'an before starting activities, congregational prayers and systematic religious studies. Those activities were attended by all employees, from area managers to the lowest line, except those on duty. Besides, the area Business Banking Manager emphasized that this religious activity is strived to become a work culture even though it is not stated in the written regulation.

In addition, BSI leaders were also observed to continuously empower the employees to reach their maximum potential so that they participate in every religious activity. Also, the leaders trust and respect the credibility of the employees and position them as collegial collectives to maintain their interpersonal relationships. The entire BSI staff was also encouraged to cultivate a deep relationship with God intensely. Leaders set an example by coming on time, inspiring the staff, and promoting goodwill. In Islam, those deeds are known as *qudwah* (an exemplary role model) (Antonio 2008). Meanwhile, from a modern perspective, that quality is named 'charisma,' showing the ability to strongly influence

society and increase public trust (Bass 1990). This leadership practice is in line with the inclusive leadership philosophy that empowers individuals to reach their maximum potential while carrying out organizational goals and ensuring the attainment of harmony (Muhammad and Sari 2021).

From a spiritual perspective, religious events are the practice of sharia discipline to obtain pure heart and mindfulness. Hendrawan (2009) proposes a mind efficiency activity, which attempts to cleanse the employees' character, resulting in numerous benefits for modern organizations' management, like BSI. The practice of spiritual leadership at BSI originates from a clean inner life, leading to responsible behaviour. Through the spiritual leadership, we can construct the correlation between the mind efficiency activities and God. The spiritual leadership practices observed in BSI strengthen the argument of Egel & Fry (2017), explaining that humans tend to do horrible things if they do not have a close relationship with God. In addition, religious practices at BSI lead to the sharpness and sensitivity of the employees' hearts, resulting in correct behavior. Linearly, Covey (2004) stated that the primordial level of someone's heart toward God produces employees' positive attitude in the organization.

2. Spiritual Leadership

In the context of workplace spirituality, spiritual leadership is a transcending construction required to motivate organizational members. Egel & Fry (2017) explain that the fundamental components of spiritual leadership are vision, hope or belief, and altruistic love, which are then interpreted as *ihsan & falah*, faith & Islam and *rahmah*.

a. Vision (*Ihsan* and *Falah*)

The element of vision requires leaders to pay attention to the organisation's future direction due to the recent intense global competition and technology development. Vision carries three essential functions, namely clarifying the direction of change, simplifying complex decisions, and helping coordinate actions quickly and efficiently. A compelling vision inspires people, clarifies objectives, reflects high aspirations, gives work purpose, and inspires optimism and assurance (Daft and Lengel 1998). From an Islamic perspective, vision is the long journey of human life with the aim of worshiping and believing in Allah. Meanwhile, from the business and Islamic perspective, vision can be linked with the spiritual framework and foundation of faith. Therefore, in Islam, it is recommended to conduct business to achieve happiness in this world and the hereafter. In this context, BSI's vision

means business and worship. As stated by the leaders, BSI's vision is to become a leading and modern Islamic bank. In detail, the BSI vision is described, as follows:

- for customers: BSI is the bank that provides benefits, peace, and prosperity;
- for employees: BSI is a bank that provides opportunities for conducting trustworthy business and developing professional careers;
- for investors: BSI is a trusted Indonesian Islamic financial institution that continue to provide sustainable value.

BSI has a noble vision that provides customers with benefits, reassurance, and prosperity. In terms of goods, services, and other functions provision, BSI is particularly concerned about delivering client benefits. Additionally, it also attains support from the National Sharia Council (DSN) in the form of fatwa on its product and transaction contracts, reassuring customers as DSN is oriented towards halal responsibility (Muhammad, 2020). Besides, BSI also provides professional career opportunities to employees based on trust, allowing employees to have equal career development opportunities based on their merit. This process involves many structures and units. During the management process, the leader trusts the employees below him with the collegial collective principle to maintain integrity, honesty, and interpersonal trust. Besides, as the most prominent Islamic financial institution, BSI also provides sustainable value to investors based on mutual trust.

All of those BSI visions are oriented toward long-term sustainability. To instil the BSI vision's philosophical values in the employees, the leaders always mention it in regular weekly and monthly meetings. Additionally, BSI's vision is also written and posted in various strategic angles of their office to remind all employees. In BSI, this leadership is carried out by maintaining the integrity of the collective character without neglecting other responsibilities. Meanwhile, in the modern leadership perspective, the BSI leadership's vision is interpreted as an imaginative and unusual way of looking ahead (Merriam-Webster 2020), even if the BSI's vision can awaken the spirit and passion of employees in carrying out their duties (Blanchard, Hybels, and Hodges 1999). From the perspective of Islamic spiritual leadership, the development of BSI's vision and disclosing the vision to employees aim for the actualization of excellence (*ihsan*) and success (*falah*) in this world and the hereafter.

b. Hope/Belief (Faith and Islam)

Hope is defined as a desire that must be realized with solid conviction. Meanwhile, belief is an inner drive that cannot be observed. In the Islamic perspective, faith is intrinsic motivation encouraging people to act based on a pure heart to achieve the perfect character of *ihsan* and *falah*. The basis of a belief is values, attitudes, and behaviors, indicating certainty that what is expected will happen. Leaders with solid hopes or beliefs direct their followers to achieve goals and face various challenges (MacArthur 1998). During the interviews, our informants admitted that the BSI leaders present strong hope or belief. They are very confident that the vision and mission of BSI will be realized, following faith and Islamic law correctly. Besides, BSI leaders move the inner life of employees by instilling that the achievement of their goals merely relies on Allah's blessing. This finding supports the concept that faith influences all actions, beliefs, and thoughts within the obedience to Allah and implementation of Islamic sharia (AlSarhi et al. 2014).

Our empirical data explains that to achieve its expected vision, mission, and goals, BSI leaders invite all employees to speak honestly and be creative. Also, BSI leaders always advise employees to go through all the processes properly, as the results follow the process. In addition, they assign duties and responsibilities to employees proportionally. BSI leaders regularly motivate employees with new knowledge. In managerial practice, the BSI leader positions are divided into area managers, with several supervisors assisting their respective expertise. BSI leaders also emphasize the creation of unique working programs for employees, such as green boxes in the morning and evaluation in the afternoon. In the end, to achieve all its goals, BSI leaders always involve their subordinates.

The spiritual character of BSI leaders is broadly divided into three, namely, developing an attractive vision, developing focused strategies, as well as empowering and maximizing employee involvement. From the strategic management perspective, those characters are popular as triangles of primary leader activity (Latham 2013). In BSI, their vision is translated through a focused strategy that inspires optimism and confidence in accomplishing their goals. BSI fully engages and empowers employees in various organizational activities to achieve their vision. As their guiding principle, faith provides motivation and perseverance in the pursuit of accomplishment throughout life. With these spiritual characters, BSI leaders cultivate the authority, along with the aspects of faith. The lifestyle of a spiritual leader is important because it inspires and becomes an example for his followers. This spiritual leadership approach corresponds with the argument of Fry (2003) that the orientation of spiritual leadership is to develop followers' commitment, productivity, and spiritual growth.

c. Altruistic Love (*Rahmah*)

Fry (2003) defines altruistic love in spiritual leadership as a sense of wholeness, harmony, and well-being produced through care, concern, and appreciation for themselves and others. In another perspective, altruistic love is interpreted as a common set of morally upright beliefs and ways of thinking that are advised to new members (Schein 2010). Two aforementioned definitions indicate that love has the power to resolve the adverse effects of destructive emotions. Experts state that emotions such as weakness, fear and anger will disappear along with the emergence of love (Fry, Vitucci, and Cedillo 2005; Seligman and Csikszentmihalyi 2000). In Islam, altruistic love is known as *rahmah* (love) (Egel and Fry 2017). The values of grace refer to God's love for humanity and all other creatures, as well as the love of fellow humans. Therefore, the leaders' value of love shows their level of spirituality. The higher spirituality of a leader enables them to manifest love to his subordinates.

Love (*rahmah*) is exhibited dominantly by BSI leaders, as described by our informants. BSI leaders implement the values of altruistic love through mentoring and nurturing. For leaders, structural positions are a medium to guide and love their subordinates, not a mere instructive tool. Consequently, family ties between leaders and the subordinates can be transparently observed in BSI. Also, BSI leaders are able to impart wisdom and are willing to be good listeners. Consequently, employees recognize that harmonious family relationships and fair recognition provide organizational management autonomy, along with equal opportunities to attain achievement and self-actualization. This pattern of appreciation psychologically boosts subordinates' respect for the leader in return, as they are respected by their leaders (Boezeman and Ellemers 2014). In addition, our informants also explain that this pattern of appreciation can increase the employees' self-esteem so that they become loyal individuals (Xiong Chen and Aryee 2007).

The BSI leaders' guidance and care are manifested through regular discussion on their strategy and field implementation and problems experienced by employees, along with special coaching at less productive branch offices, giving no high work pressure but building mutual understanding relationships, trying to understand employee difficulties and providing appreciation as an integrated extrinsic motivation. In realizing the value of love (*rahmah*), BSI leaders maintain the integrity of the collective character without neglecting their responsibilities. The BSI leaders' spiritual character, primarily in the element of altruistic love, was positively confirmed by the employees. Thus, leadership ability is a

source of a leader's professional authority and credibility, while the combination of the two will create respect and trust from others (Turner 2019).

3. Spiritual Well-Being

The spiritual leadership of leaders influences the employees' spiritual well-being, as their altruistic love becomes an example for employees to achieve a shared vision with robust faith and will, termed as 'do what it takes' (Fry 2003). The estuary of this spiritual leadership is the calling, representing the conviction that one's life must be meaningful, purposeful, and impactful. When leaders and followers engage in this process, a sense of mutual care and concern will be generated, resulting in the sense of belonging as their presence are appreciated. From the Islam perspective, spiritual well-being is a natural human condition that is filled with happiness and peace of mind because, psychologically, they feel close to God. Welfare or a good life (*hayatan thoyyibah*) can be attained by anyone who practices righteousness and has faith, while also worshipping Allah and practicing the human's role as caliph.

a. Calling (Caliph and *Ubudiyah*)

The term calling has long been used in the terminology of professionals (Fry et al. 2017). These professionals are experts in their fields who seek meaning and social worth in addition to self-competence through their work. These people are very dedicated, maintain high levels of professionalism, and have a selfless work ethic. They believe that their chosen profession is precious and essential to society, so that they are proud of their profession. That pride is closely related to the organization's mission and clear leadership direction. However, professionals face challenges in constructing the same sense of calling to other employees through job involvement. In BSI, the leaders overcome this issue using the spiritual approach by reaffirming the human's essential attributes as caliphs through effort and prayer. The BSI leader stated that human activity as caliph must be directly proportional to his servitude and submission to Allah.

The calling of BSI leaders and employees is manifested through their responsibilities in completing work quickly, having a positive outlook since they are inspired by the development of BSI in Indonesia, completing annual evaluations to identify their performance, willingness to carry out self-development through education, being consistent in providing the best service, maintaining the good name of the organization, being independent in solving problems and willing to learn in new problems, be responsive by the obtained feedback, respecting the time and presenting optimism. Besides, our informants

also express their satisfaction with their leadership transformation. That transformation is also embodied in provision of excellent service to customers and the community. As experts referred to as intellectually intensive, the quality of Islamic banking services depends on human intellect and intelligence (Barathi Kamath 2007). Therefore, in BSI, the leaders empower the employees' maximum potential and sense of calling to achieve their organization goals and achieve the harmony.

The calling of BSI members is induced by their high organizational commitment and integrity. From the perspective of modern leadership, this state is known as authentic or ethical leadership (Leroy, Palanski, and Simons 2012). Latham (2013) states that the sense of accomplishment in making a difference and resolving issues with integrity leads to the fulfillment of the organization's members. In Islam, the calling is demonstrated through a series of efforts and prayers to Allah while also being conscious that they should working in harmony as the caliph (*ummah*). The sense of calling only emerges when the heart and mind are in a pure state, so they are aware that the goal of life is to provide meaning (*ubudiyah*). Philosophically, following the foundation of leadership, BSI leaders emphasize that every employee must integrate and become a part of the community. Meanwhile, Moten (2011) affirmed that the orientation of this principle is the creation of an Islamic social order that benefits the organization.

b. Membership (*ummah*)

Fry (2003) explains that membership encourages someone's sense of belonging to the organization, as they are understood and valued. Membership comprises a person's affiliation with the organization's cultural and social system. Reciprocity, connection through social interaction, and membership foster a sense of mutual understanding and respect, which is recognized as a basic human need (James 2009). Someone experiences membership if they have a sense of belonging to a community (*ummah*) in both the cultural and social structures. Additionally, spiritual leaders are people who are a part of the community (*ummah*) and who are responsible for implementing the Islamic social order (Moten 2011) and positive employee values (Egel and Fry 2017). The sense of belonging to the organisation becomes essential because positive interactions are built through spiritual leadership. Leaders should appreciate employees not only for their work performance but also for their commitment and dedication to the organisation.

Membership is an expression of a sense of belonging that is marked by the desire to be understood by other community members. In BSI, we observed a sense of belonging presented by each individual in the organization, which was also confirmed by our

informants. In cultivating the staffs' sense of belonging, several attempts were made, such as by establishing goals prior to work, cultivating mutual understanding, maintaining communication that follows ethics, fostering an understanding mindset (especially between female employees), and recognizing one another's workplace issues and resolving them. Besides, BSI leaders also constructed specific cultures and moral values to grow employees' sense of belonging and avoid leader domination. From a modern leadership view point, BSI leaders practice the act of risk sharing, where they behave as if they want to share feelings, roles, and authority (Yukl and Gardner 2020). In this case, BSI leader learns from subordinates to enhance self-quality rather than only assigning risk responsibility to them.

Following its central concept, BSI employees work in teams to improve the organization and maintain and enhance their performance. This leadership practice in BSI aligns with the argument of Latham (2013) that leaders who respect and trust employees grow the employees' sense of belonging to the community, as they are highly appreciated. With great appreciation to the employees, BSI's aligned and consistent teamwork strengthens its organizational performance. This kind of leadership will result in a supportive and caring workplace environment, enabling the employees to grow their kinship with great mutual loyalty. In the end, the consistently grown sense of belonging will yield employee commitment to spiritual leadership.

4. The Influence of Islamic Spiritual Leadership Values

The results indicate the essential roles of spiritual leadership for BSI. The impact of spiritual leadership can be seen in tangible ways in the values of commitment, social awareness, and life fulfillment. Our informant expressed numerous expressions that imply these positive values, such as "in this pattern, commitments are made jointly by leaders and employees," "we will build BSI in togetherness", "BSI will grow with mutual understanding", "the members are jointly committed to their duties", "the members become more sensitive with the growing culture," "even though their duties are different, but they help each other", "BSI becomes a common partner," "BSI work culture draws us closer to God," "we found other things at BSI", "integration of *ikhtiyar* (effort) and prayer characterizes BSI's work", "there is inner satisfaction as we regard work as part of worship", "preaching through BSI", and "developing BSI means growing Indonesia".

Those informants' statements indicate that Islamic spiritual leadership enhances employees' work commitment, social values, and life satisfaction. This finding shows that a leadership model articulates hope or faith in its vision to create a sense of calling is

essential for the organization. Besides, leadership built with altruistic love develops the employees' sense of membership to the community (*ummah*), carrying vital role for the organization, as inner life bolsters spiritual leadership (Jeon et al. 2013). Therefore, it is crucial for an institution to regard their employees' inner life, as what we have observed in BSI spiritual leadership practice. BSI leaders continuously disseminate that happiness is not found through selfish and egoistic behavior but rather attained by "being someone else." Our findings of Islamic spiritual leadership in BSI also linear with previous studies that have been conducted quantitatively (Fry et al. 2017; Jeon et al. 2013; Latham 2013).

In addition to improving the employees' social sensitivity, Islamic spiritual leadership at BSI is also practiced through corporate social responsibility (CSR). The CSR program includes three subjects. First, the *ummah* partner program that aims to develop micro-small businesses through particular activities, such as providing training, business capital, access to marketing, and work facilities. Second, educating the *ummah* program focuses on developing the knowledge of the poor children (*dhu' afa*). This program is given in the form of scholarships, educational facilities assistance, and worship facilities. Third, the *ummah* sympathy program which carried out by providing health services for the community. The main activities of BSI's CSR are carried out based on values, morals or ethics (Baskentli et al. 2018; Kolk 2016), as the result of the Islamic spiritual leadership. The successful implementation of Islamic spiritual leadership at BSI grows employees' commitment and social sensitivity while also enhancing their life satisfaction. The guiding principle of worship and service to God has given purpose to each and every aspect of BSI employees' lives, both personally and communally. Besides, the CSR practice also affirms that good companies combine financial and social reasoning to build sustainable success (Kanter 2011).

The implementation of Islamic spiritual leadership at BSI is based on local characteristics, specifically, a cultural humanistic approach, without relying on structural principles. BSI leaders mingle with employees in teams and collective work to integrate Islamic spiritual leadership values. The values of Islamic spiritual leadership practices at BSI are summarized in Table 1.

Table 1. Islamic Spiritual Leadership Values

Islamic Spiritual Leadership Model	Islamic Spiritual Leadership Values	Inculcation of Islamic Leadership Value	Impact
------------------------------------	-------------------------------------	---	--------

<p>Inner Life/ <i>Fitrah</i></p>	<ul style="list-style-type: none"> ▪ Pray together ▪ Reading the Qur'an before starting the activity ▪ Conduct congregational prayers and periodic religious studies ▪ Being more closely aligned with God ▪ Leaders set an example ▪ Providing motivation and attracting kindness 	<p>Empowering individuals to reach their maximum potential</p>	<p>Commitment, social sensitivity, and life satisfaction</p>
<p>Vision (<i>Ihsan</i> and <i>Falah</i>)</p>	<ul style="list-style-type: none"> ▪ For customers, BSI provides benefits, peace, and prosperity ▪ For employees, BSI provides trustworthy and professional career opportunities ▪ For investors, BSI provides sustainable value 	<p>Maintain the integrity of the collective character without neglecting other responsibilities</p>	
<p>Hope/Belief (Faith and Islam)</p>	<ul style="list-style-type: none"> ▪ Speaking honestly ▪ Instructs carefully following all procedures ▪ Proportionately assigning duties and responsibilities ▪ Motivating employees with new knowledge ▪ Dividing positions based on the respective expertise ▪ Creating unique work programs for employees 	<p>Instruct subordinates to present maximum participation</p>	
<p>Altruistic Love (<i>Rahmah</i>)</p>	<ul style="list-style-type: none"> ▪ Providing guidance and sustenance ▪ Viewing a role as a medium to guide and love ▪ Maintaining family ties between leaders and subordinates in a collegial collective pattern ▪ Leaders convey words of wisdom and being a good listener ▪ Self-actualization as a leadership award 	<p>Maintain the integrity of the collective character without neglecting other responsibilities</p>	
<p>Calling (<i>Caliph & Ubudiyah</i>)</p>	<ul style="list-style-type: none"> ▪ Being responsible at work ▪ Conducting annual evaluation enthusiastically ▪ Willingness to do self-development through education ▪ Being consistent in providing the best service ▪ Maintaining the excellent name of the organization ▪ Being responsive, valuing time, and being optimistic ▪ Changing for the better 	<p>Presenting maximum potential to attain the organizational goals and achieve alignment</p>	

Membership (<i>ummah</i>)	<ul style="list-style-type: none"> ▪ Setting intentions before starting work ▪ Instructing mutual understanding and compassionate ▪ Maintaining communication that follows ethics ▪ Understanding each other's problems and finding solutions together 	Develop a culture based on values and morality to avoid domination of the leader	
--------------------------------	--	--	--

D. CONCLUSION

The Islamic spiritual leadership model can serve as an alternative ethical leadership that ensures the fulfillment of leaders' and their followers' needs. Islamic spiritual leadership reflects awareness and contemplation of God (*fitrah*). In this model, the estuary is spiritual welfare which obtained through calling (caliph and *ubudiyah*) and membership (*ummah*), creation of a harmonious vision (*ihsan* and *falah*) based on belief (*iman*), and values of love (*rahmah*). Consequently, this model induces greater commitment, social sensitivity, and life satisfaction. As argued by Egel & Fry (2017), the Islamic spiritual leadership model can be applied in Indonesian Islamic banks with an inclusive cultural approach, allowing employee participation in various activities that grows their feeling of pride. Besides, with cultural approach, we can empower employees to reach their maximum potential, maintain the integrity of the collective character without neglecting other responsibilities, present maximum participation to achieve organizational goals and harmony, as well as develop a culture based on values and morality to avoid leader domination.

In addition to supporting previous research, this research offers a practical design of leadership development programs for personal and organizational development. Islamic spiritual leadership involves all members and emphasizes the process of collective social influence. Therefore, organizations must integrate workplace spirituality and employees' inner lives to aid employees in finding meaning and purpose in life through their work. Further, this research can be replicated in the future using a different research design, for example, a phenomenological design or quantitative analysis using secondary data. Additionally, other Islamic faith-based organizations (such as multi-national companies) can be the research focus to investigate the potential application of Islamic spiritual leadership.

REFERENCES

- Abbasi, Abdus S., Kashif U. Rehman, and Amna Bibi. 2010. "Islamic Leadership Model an Accountability Perspective." *World Applied Sciences Journal* 9 (3): 230–38.
- Afsar, Bilal, Yuosre Badir, and Umar Safdar Kiani. 2016. "Linking Spiritual Leadership and Employee Pro-Environmental Behavior: The Influence of Workplace Spirituality, Intrinsic Motivation, and Environmental Passion." *Journal of Environmental Psychology* 45 (March): 79–88. <https://doi.org/10.1016/j.jenvp.2015.11.011>.
- Ahmad, Mahjabeen, and Shamsul Khan. 2016. "A Model of Spirituality for Ageing Muslims." *Journal of Religion and Health* 55 (3): 830–43. <https://doi.org/10.1007/s10943-015-0039-0>.
- Ali, Abbas J. 2009. "Islamic Perspectives on Leadership: A Model." *International Journal of Islamic and Middle Eastern Finance and Management* 2 (2): 160–80. <https://doi.org/10.1108/17538390910965167>.
- Ali, Moazzam, Shahzad Aziz, Tan Nhat Pham, Mayowa T. Babalola, and Muhammad Usman. 2020. "A Positive Human Health Perspective on How Spiritual Leadership Weaves Its Influence on Employee Safety Performance: The Role of Harmonious Safety Passion." *Safety Science* 131 (November): 104923. <https://doi.org/10.1016/j.ssci.2020.104923>.
- Almoharby, Darwish, and Mark Neal. 2013. "Clarifying Islamic Perspectives on Leadership." *Education, Business and Society: Contemporary Middle Eastern Issues* 6 (3/4): 148–61. <https://doi.org/10.1108/EBS-02-2011-0008>.
- AlSarhi, Naji Zuhair, Lailawati M. Salleh, Mohamed Za, and Amini Aa. 2014. "The West and Islam Perspective of Leadership." *International Affairs and Global Strategy* 18 (0): 42.
- Antonio, Muhammad Syafi'i. 2008. *Muhammad SAW: the super leader super manager*. Jakarta: ProLM Centre.
- Ayoub, Mahmoud M. 2013. *Islam: Faith and History*. Simon and Schuster.
- Banks, George C., Kelly Davis McCauley, William L. Gardner, and Courtney E. Guler. 2016. "A Meta-Analytic Review of Authentic and Transformational Leadership: A Test for Redundancy." *The Leadership Quarterly* 27 (4): 634–52. <https://doi.org/10.1016/j.leaqua.2016.02.006>.
- Barathi Kamath, G. 2007. "The Intellectual Capital Performance of the Indian Banking Sector." *Journal of Intellectual Capital* 8 (1): 96–123. <https://doi.org/10.1108/14691930710715088>.
- Baskentli, Sara, Sankar Sen, Shuili Du, and C.B. Bhattacharya. 2018. "Consumer Reactions to Corporate Social Responsibility: The Role of CSR Domains." *Journal of Business Research*, August. <https://doi.org/10.1016/j.jbusres.2018.07.046>.
- Bass, Bernard M. 1990. "From Transactional to Transformational Leadership: Learning to Share the Vision." *Organizational Dynamics* 18 (3): 19–31. [https://doi.org/10.1016/0090-2616\(90\)90061-S](https://doi.org/10.1016/0090-2616(90)90061-S).
- Beekun, Rafik I. 2012. "Character Centered Leadership: Muhammad (p) as an Ethical Role Model for CEOs." Edited by Wafa El Garah. *Journal of Management Development* 31 (10): 1003–20. <https://doi.org/10.1108/02621711211281799>.
- Beekun, Rafik Issa, and Jamal A. Badawi. 1999. *Leadership: An Islamic Perspective*. 1st ed. Beltsville, Md: Amana.

- Benefiel, Margaret, Louis W. Fry, and David Geigle. 2014. "Spirituality and Religion in the Workplace: History, Theory, and Research." *Psychology of Religion and Spirituality* 6 (3): 175–87. <https://doi.org/10.1037/a0036597>.
- Blanchard, Kenneth H., Bill Hybels, and Phil Hodges. 1999. *Leadership by the Book: Tools to Transform Your Workplace*. 1st ed. Colorado Springs, CO : New York: WaterBrook Press ; William Morrow.
- Boezeman, Edwin J, and Naomi Ellemers. 2014. "Volunteer Leadership: The Role of Pride and Respect in Organizational Identification and Leadership Satisfaction." *Leadership* 10 (2): 160–73. <https://doi.org/10.1177/1742715012467487>.
- Brink, Pamela J., and Marilynn J. Wood, eds. 1998. *Advanced Design in Nursing Research*. 2nd ed. Thousand Oaks, Calif: Sage Publications.
- Chapra, M. Umer. 1992. *Islam and the Economic Challenge*. Islamic Economics Series 17. Leicester, UK : Herndon, VA: Islamic Foundation ; International Institute of Islamic Thought.
- Copeland, Mary Kay. 2014. "The Emerging Significance of Values Based Leadership: A Literature Review." *International Journal of Leadership Studies* 8 (2): 105–35.
- Covey, Stephen R. 2004. *The 7 Habits of Highly Effective People: Restoring the Character Ethic*. Rev. ed. New York: Free Press.
- Daft, Richard L., and Robert H. Lengel. 1998. *Fusion Leadership: Unlocking the Subtle Forces That Change People and Organizations*. 1st ed. San Francisco: Berrett-Koehler Publishers.
- Dehaghi, Morteza Raei, Masoud Goodarzi, and Zahra Karimi Arazi. 2012. "The Effect of Spiritual Values on Employees' Organizational Commitment and Its Models." *Procedia - Social and Behavioral Sciences* 62 (October): 159–66. <https://doi.org/10.1016/j.sbspro.2012.09.025>.
- Egel, Eleftheria. 2014. "Islamic Leadership." In *Another State of Mind*, edited by Robert J. Blomme and Bertine van Hoof, 91–111. London: Palgrave Macmillan UK. https://doi.org/10.1057/9781137425829_8.
- Egel, Eleftheria, and Louis W. Fry. 2017. "Spiritual Leadership as a Model for Islamic Leadership." *Public Integrity* 19 (1): 77–95. <https://doi.org/10.1080/10999922.2016.1200411>.
- Fry, Louis W. 2003. "Toward a Theory of Spiritual Leadership." *The Leadership Quarterly* 14 (6): 693–727. <https://doi.org/10.1016/j.leaqua.2003.09.001>.
- Fry, Louis W., John R. Latham, Sharon K. Clinebell, and Keiko Krahnke. 2017. "Spiritual Leadership as a Model for Performance Excellence: A Study of Baldrige Award Recipients." *Journal of Management, Spirituality & Religion* 14 (1): 22–47. <https://doi.org/10.1080/14766086.2016.1202130>.
- Fry, Louis W., Laura L. Matherly, and J.-Robert Ouimet. 2010. "The Spiritual Leadership Balanced Scorecard Business Model: The Case of the Cordon Bleu-Tomasso Corporation." *Journal of Management, Spirituality & Religion* 7 (4): 283–314. <https://doi.org/10.1080/14766086.2010.524983>.
- Fry, Louis W., and Melissa Sadler Nisiewicz. 2013. *Maximizing the Triple Bottom Line through Spiritual Leadership*. Stanford, California: Stanford Business Books, an imprint Stanford University Press.

- Fry, Louis W., Steve Vitucci, and Marie Cedillo. 2005. "Spiritual Leadership and Army Transformation: Theory, Measurement, and Establishing a Baseline." *The Leadership Quarterly* 16 (5): 835–62. <https://doi.org/10.1016/j.leaqua.2005.07.012>.
- Gardner, William L., Claudia C. Cogliser, Kelly M. Davis, and Matthew P. Dickens. 2011. "Authentic Leadership: A Review of the Literature and Research Agenda." *The Leadership Quarterly* 22 (6): 1120–45. <https://doi.org/10.1016/j.leaqua.2011.09.007>.
- Hendrawan, S. 2009. *Spiritual Management*. PT Mizan Publika. <https://books.google.co.id/books?id=kgObMCRjAAYC>.
- Huda, Miftachul, Jimaain Safar, Ahmad Kilani Mohamed, Kamarul Azmi Jasmi, and Bushrah Basiron, eds. 2020. *Global Perspectives on Teaching and Learning Paths in Islamic Education: Advances in Educational Technologies and Instructional Design*. IGI Global. <https://doi.org/10.4018/978-1-5225-8528-2>.
- James, William. 2009. *The Varieties of Religious Experience: A Study in Human Nature*. Lexington, KY: Seven Treasures Publications.
- Jawadi, Fredj, Abdoukarim Idi Cheffou, and Nabila Jawadi. 2016. "Can the Islamic Bank Be an Emerging Leader? A Panel Data Causality Analysis." *Applied Economics Letters* 23 (14): 991–94. <https://doi.org/10.1080/13504851.2015.1125426>.
- Jeon, Ki Seok, David L. Passmore, Chan Lee, and William Hunsaker. 2013. "Spiritual Leadership: A Validation Study in a Korean Context." *Journal of Management, Spirituality & Religion* 10 (4): 342–57. <https://doi.org/10.1080/14766086.2013.801026>.
- Kanter, Rosabeth Moss. 2010. "Leadership in a Globalizing World," January. <https://www.hbs.edu/faculty/Pages/item.aspx?num=36891>.
- . 2011. "How Great Companies Think Differently," November. <https://www.hbs.edu/faculty/Pages/item.aspx?num=41441>.
- Klaus, Lauren, and Mario Fernando. 2016. "Enacting Spiritual Leadership in Business Through Ego-Transcendence." *Leadership & Organization Development Journal* 37 (1): 71–92. <https://doi.org/10.1108/LODJ-04-2014-0078>.
- Kolk, Ans. 2016. "The Social Responsibility of International Business: From Ethics and the Environment to CSR and Sustainable Development." *Journal of World Business* 51 (1): 23–34. <https://doi.org/10.1016/j.jwb.2015.08.010>.
- Latham, John R. 2013. "A Framework for Leading the Transformation to Performance Excellence Part I: CEO Perspectives on Forces, Facilitators, and Strategic Leadership Systems." *Quality Management Journal* 20 (2): 12–33. <https://doi.org/10.1080/10686967.2013.11918095>.
- Leroy, Hannes, Michael E. Palanski, and Tony Simons. 2012. "Authentic Leadership and Behavioral Integrity as Drivers of Follower Commitment and Performance." *Journal of Business Ethics* 107 (3): 255–64. <https://doi.org/10.1007/s10551-011-1036-1>.
- MacArthur, John. 1998. *In the Footsteps of Faith: Lessons from the Lives of Great Men and Women of the Bible*. Wheaton, Ill: Crossway Books.
- Merriam-Webster. 2020. "Definition of Vision." Merriam-Webster.Com Dictionary. 2020. <https://www.merriam-webster.com/dictionary/vision>.
- Meyer, Christopher, and Julia Kirby. 2012. "Runaway Capitalism." *Harvard Business Review*, January 1, 2012. <https://hbr.org/2012/01/runaway-capitalism>.

- Miles, Matthew B., A. M. Huberman, and Johnny Saldaña. 2014. *Qualitative Data Analysis: A Methods Sourcebook*. Third edition. Thousand Oaks, California: SAGE Publications, Inc.
- Moten, Abdul Rashid. 2011. "Leadership in the West and the Islamic World: A Comparative Analysis." *World Applied Sciences Journal* 15 (3): : 339-349.
- Muhammad, Helmi, and Niki Puspita Sari. 2021. "IMPLEMENTATION OF THE SYNERGY OF TRANSFORMATIONAL-SERVANT LEADERSHIP CHARACTER IN ISLAMIC BOARDING SCHOOL." *Journal of Leadership in Organizations* 3 (2). <https://doi.org/10.22146/jlo.65642>.
- Oh, Jihye, and Jia Wang. 2020. "Spiritual Leadership: Current Status and Agenda for Future Research and Practice." *Journal of Management, Spirituality & Religion* 17 (3): 223–48. <https://doi.org/10.1080/14766086.2020.1728568>.
- Patton, Michael Quinn. 2002. *Qualitative Research and Evaluation Methods*. 3 ed. Thousand Oaks, Calif: Sage Publications.
- Schein, Edgar H. 2010. *Organizational Culture and Leadership*. 4. ed. The Jossey-Bass Business & Management Series. San Francisco, Calif: Jossey-Bass.
- Seligman, Martin E. P., and Mihaly Csikszentmihalyi. 2000. "Positive Psychology: An Introduction." *American Psychologist* 55 (1): 5–14. <https://doi.org/10.1037/0003-066X.55.1.5>.
- Smith, Peter B., Mustafa Achoui, and Charles Harb. 2007. "Unity and Diversity in Arab Managerial Styles." *International Journal of Cross Cultural Management* 7 (3): 275–89. <https://doi.org/10.1177/1470595807083374>.
- Turner, Paul. 2019. "The Importance of Professional Credibility." In *Leadership in Healthcare*, by Paul Turner, 173–202. Cham: Springer International Publishing. https://doi.org/10.1007/978-3-030-04387-2_7.
- Xiong Chen, Zhen, and Samuel Aryee. 2007. "Delegation And Employee Work Outcomes: An Examination Of The Cultural Context Of Mediating Processes In China." *Academy of Management Journal* 50 (1): 226–38. <https://doi.org/10.5465/amj.2007.24162389>.
- Yin, Robert K. 2014. *Case Study Research: Design and Methods*. Fifth edition. Los Angeles: SAGE.
- Yukl, Gary A., and William L. Gardner. 2020. *Leadership in Organizations*. Ninth edition. Boston: Pearson Education, Inc.
- Zaman, Nazim, and Mehmet Asutay. 2009. "Divergence between Aspirations and Realities of Islamic Economics: A Political Economy Approach to Bridging the Divide." *IJUM Journal of Economics and Management* 17 (January): 73–96.
- Zsolnai, László, and Katalin Illes. 2017. "Spiritually Inspired Creativity in Business." *International Journal of Social Economics* 44 (2): 195–205. <https://doi.org/10.1108/IJSE-06-2015-0172>.

