



The relationship of workplace spirituality, job characteristics employee engagement, and employee wellbeing

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ABSTRACT

Due to the decreasing of shariah financial business performance, wellbeing of employees come a big problem during pandemic. How to improve wellbeing from psychological perspective, especially from employee engagement, spirituality at work and job characteristics are important to be researched. The purpose of this research is to examine and analyze the effect of workplace spirituality and job characteristics on employee engagement and their impact on the wellbeing of millennial employees in Islamic financial institutions. This research is applied research by survey design. Questionnaire was used for collecting data and distributed by Google Form. Data was analyzed by Partial Least Square. The results of this study indicate that workplace spirituality and job characteristics have a positive effect on employee engagement, and employee engagement has significant influence towards employee wellbeing

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INTRODUCTION

The pandemic and post-pandemic situations forced the company to reformulate its business priorities, including in managing human resources. The psychological needs of employees are often not prioritized (De-La-calle-durán & Rodríguez-Sánchez, 2021). The focus is more on efforts to maintain performance, but pays less attention to aspects of employee wellbeing. This happens because employee wellbeing is always associated with material things provided by the company. In fact, wellbeing can be in the form of things that are psychological in nature and do not have to be met with salary only. Employee wellbeing needs to be considered as individual health, happiness and job satisfaction (M. and Rana, 2020). From the employee's perspective, wellbeing is an important requirement that is expected when working. We can see that well-being is the result of interaction between subjective factors and workplace characteristics (Veshne, 2017). Because in any condition, be it a pandemic or a normal situation, wellbeing should be part of the program in human resource management. Fulfillment of employee wellbeing allows employees to get optimal psychological experience. Employees who get welfare from the organization are productive employees who will affect organizational performance (Wilson et al., 2021). Furthermore, this well-

being in a broader context includes a combination of subjective well-being, well-being at work, and psychological well-being (Rahman et al., 2020).

Rahman et al., (2020) in his research confirms that job satisfaction can reflect the special wellbeing of employees in the company. Employees who have positive psychological experiences will feel more prosperous (Saad Alkahtani et al., 2020). So it is important for companies to approach well-being from a psychological perspective. Companies can carry out programs that make employees comfortable and attached to the company. (Rehman et al., 2021) in his research confirms that companies can carry out programs that can increase employee engagement in the company whether through work or system development and organizational conditions. Yang et al., (2019) mention that employee engagement and well-being can have a positive impact on efficiency, productivity and performance in an organization.

Employee engagement programs can be carried out to increase employee engagement In every organization, work engagement is very important, because it can provide motivation to show high achievement (Yansens et al., 2021). Employees who have attachment will have positive affect and positive thinking related to work which is characterized by vigor, dedication, and absorption. This approach, otherwise known as the work task involvement approach, views an employee with a positive state of mind as strong dedication in work-related activities (Bailey et al., 2017). Schaufeli, (2012) said that employee engagement at work, which is referred to as work engagement as a positive state of mind, a feeling of satisfaction, feeling related to work characterized by vigor, dedication and absorption. Attachment refers to a more persistent and prevalent emotional cognitive state that is not focused on a particular object, event, individual, or behavior. In his research Rahman et al., (2020) said that employee engagement can act as a factor affecting employee wellbeing. Employee engagement indirectly affects employee wellbeing. An employee who feels involved in a job and works with colleagues for the benefit of the organization (Zondo, 2020). When employees have high engagement, they tend to feel better wellbeing.

An important condition that companies can strive for, but which is rarely done is to build spirituality in the workplace. This is supported by research results Iqbal et al., (2021) which proves the importance of workplace spirituality. The research also revealed that there is a relationship between workplace spirituality and employee attitudes and employee engagement. Spirituality is a theoretical construct in individual cognition and decision making both internally and outside the business enterprise (Anderson & Burchell, 2021). Spirituality in the workplace is felt by employees when they work. Spirituality in the workplace is felt when employees get meaning, purpose and fulfillment according to the desires and meaning that work is meaningful (Iqbal et al., 2021). According to Aboobaker et al., (2020) spirituality in the workplace is about having a spiritual structure and corporate culture that is reflected in a spiritual self, passion and caring, a sense of belonging, acceptance, honesty, kindness and wholeness.

Robbin et al., (2011) in Rehman et al., (2021) said that spirituality relates to giving freedom to employees to choose, make different decisions, choose to use resources creatively and discover their talents and potential. The development of workplace spirituality will further promote a balanced and healthy relationship between the individual and work (Mónico & Margaça, 2021). Spirituality stimulates employees or each individual to develop an inner life and is nurtured through the work done. Spirituality in the concept of organizational behavior is also related to values and ethics. The term commonly used is workplace spirituality or workplace spirit. In this study it is suspected that the workplace spirituality factor effect on employee engagement. Workplace spirituality encompasses both organizational and individual perspectives (Iqbal et al., 2021).

Another factor that influences employee engagement is job characteristics. Kangure et al., (2014) in his research stated that job characteristics have a significant positive relationship with employee engagement. Job characteristics have an active role in employee engagement because employees will try to be very enthusiastic when they do their job (Sayuti et al., 2021). Another

study by Hackman *et al*, (1976) dalam Ayob & Mat Nor, (2019) found that job characteristics can refer to job attributes that have a motivational function for an employee. Job characteristics are job attributes that can be intrinsic motivation for employees Hackman & Oldham, (1976) dalam Ayob & Mat Nor, (2019). Job characteristics consist of five core job dimensions, namely skill variety, job identity, job significance, job autonomy, and job feedback. Job characteristics are factors that indicate job characteristics, or traits that distinguish the job from other types of work.

Noting that wellbeing is an important condition in improving performance as research results Nawfal, (2021) both in pandemic and post-pandemic conditions, this study is important to do. Apart from that, paying attention to the phenomenon of declining wellbeing provided by the company to employees, this condition is not in accordance with the expectations of millennial employees who place wellbeing as an important part needed at work. This study focused on millennial employees is important because the age structure of most of the employees is millennials. According to Dewi, (2022) quoted in fortune.id said that 73.8 percent of BSI employees are millennials, so it becomes a challenge in HR management.

Quoted from hajikerja.com, salaries for Islamic bank employees in Indonesia range from IDR 1,800,000 – IDR 28,000,000, these salaries are grouped according to the position held by the employee. In this salary grouping, the lowest salary is held by the relationship officer training program, while the highest salary is held by the IT Manager. For several employees in the same field, however, employees get different salaries even though the salary grouping is based on the position held by the employee. This is also related to employee engagement where Dody as Deputy Governor of BI (2020) quoted on Bisnis.com said that one of the problems faced by Islamic Banks is the inadequate quality of human resources. Furthermore, according to the Deputy Governor of BI, it is important to continue to encourage the development of human resources in the sharia economic sector. The reason is, human resources are needed who can manage very large public funds.

Based on the problems that have been described, this study aims to examine and analyze the effect of workplace spirituality and job characteristics on employee engagement and its impact on milenial employee wellbeing in sharia financial institutions. The hypothesis in this study are: H1: The workplace spirituality factor has a significantly positive effect on employee engagement. H2 : Job characteristics significantly have a positive influence on employee engagement. H3 : Employee engagement has a positive influence on employee wellbeing.

RESEARCH METHOD

This research was conducted by survey design and using a quantitative approach. Data was collected by distributing questionnaires using Google Form. There are 120 respondents who filled the questionnaires but, 38 respondents did not meet the criteria (respondent has been working at Islamic financial institutions in East Java with more than 1 year). So, the respon rate is 68,33%.

The variables in this study are workplace spirituality with indicators of meaningful work measurement, a sense of community, harmony in organizational values (Milleman *et al.*, (2003) in (Khan *et al.*, 2022)), job characteristics with indicators measuring the diversity of skills, job identity, job significance, job autonomy, job feedback (Hackman & Oldham (1976) in (Ayob & Mat Nor, 2019)), employee engagement with a scale measuring vigor, dedication, absorption (Schaufeli, 2012), and employee wellbeing with indicators measuring subjective well-being, workplace well-being, psychological well-being (Page & Vella-Brodrick, 2009). In this study the measurement of variables using a Likert scale whose measurement range consists of 1: totally disagree, 2 : disagree, 3 : netral, 4 : agree dan 5 : very agree. In this study the researchers used a construct validity test, where the test can be said to be valid if the AVE is greater than the correlation between variables. The reliability test can be seen from the value of crobach alpha with a condition of > 0.6. Validity and reliability test results are presented in the Table 1.

Table 1. Validity and Reliability Test Results

Variable	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Workplace Spirituality	0.943	0.946	0.952	0.688
Job Characteristics	0.952	0.953	0.957	0.568
Employee Engagement	0.940	0.942	0.949	0.675
Employee Wellbeing	0.935	0.940	0.944	0.531

Source: Data processed (2023)

Based on table 1, the results of the reliability test have been obtained which can be seen from the cronbach alpha which obtained a result of > 0.6 , meaning that it can be concluded that the reliability test is reliable. In testing the validity where the test can be said to be valid if the AVE has a value of > 0.5 , it can be concluded in the table that the results of the validity test can be said to be valid. After all instruments have valid and reliable, referring to the objective of the the research, data was analyzed by Partial Least Square by using SMART PLS 4.0.

RESULTS AND DISCUSSIONS

Before discuss the result, Based on the results of data analysis that has been carried out on 82 millennial employee respondents in Islamic financial institutions, it can be described an overview of the respondents from this study as presented in Table 2. Table 2 shows the profile of respondents based on age, gender and years of service.

Table 2. Characteristics of Respondents

No	Variable	Classification	N	%
1	Age	24 - < 27	72	88%
		27 - < 30	7	9%
		30 - < 33	2	2%
		33 - < 36	0	0%
		36 - 39	1	1%
2	Gender	Man	24	29%
		Woman	58	71%
3	Years of service	1 - < 3 years	63	77%
		3 - < 5 years	16	20%
		5 - < 9 years	1	1%
		> 9 years	2	2%

Source: Data processed (2023)

Reffering on Table 2, it is known that the majority of respondents are female employees with a percentage of 71%. When viewed from the age of the respondents, some of the respondents in this study had an age range of 24-27 years with a percentage value of 88%. It can be seen that most of the respondents have a working period of 3 - < 5 years with a percentage of 63%. The description of the respondents shows that the respondents are employees whose career development is still in the early stages or the exploration stage, where the working period is still around 3-5 years. It is not easy for companies to build employee engagement during these working periods because the tendency to explore and see other career alternatives generally occurs at this age and working period. The results of data analyzed is presented in Figure 1.

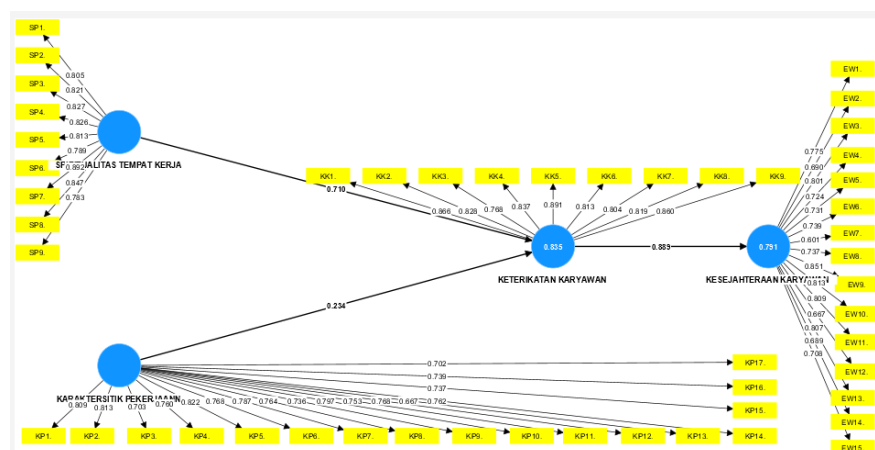


Figure 1. research results model

The results of testing the hypothesis to answer the objectives of the study are presented in Table 3.

Table 3. Hypothesis Test Results

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T-statistics (O/STDEV)	P values
Workplace Spirituality -> Employee Engagement	0,744	0,740	0,072	10,324	0,000
Job Characteristics -> Keterikatan Karyawan	0,189	0,192	0,084	2,255	0,024
Employee Engagement -> Employee Engagement	0,871	0,866	0,044	19,799	0,000

Source: Data processed (2023)

Based on the results of the hypothesis testing presented in Table 3, the important findings of this study can be explained. Referring to table 3, it can be concluded that the coefficient value of workplace spirituality on employee engagement is 0.744 with a t-statistic of 10.324 so it can be said to be significant, because the probability value (p values) is 0.000 which means it has a value <0.05 meaning H_1 : Workplace Spirituality has a significantly positive effect on acceptable employee engagement. The results of this study support and confirm previous research conducted Rehman et al., (2021) which says that workplace spirituality has a positive and significant effect on employee engagement. Employees who feel positive things at work, feel meaningful at work and also feel that their work is important or valuable will like their job. Employees will be engaged and enthusiastic at work. This condition creates attachment to employees. Because it can be explained why the higher the spirituality in the workplace, the higher the engagement will encourage employees. Under these conditions employees will involve themselves in their work.

The results of the analysis for the second hypothesis are testing the effect of job characteristics on employee engagement. In the results of testing the hypothesis H_2 gets a coefficient value of 0.189 with a t-statistic value of 2.255 meaning that the t-statistic can be said to be significant with a p value of 0.024 so that H_2 : Characteristics of work significantly positive influence on employee engagement can be accepted. The results of this study also support previous research that has been conducted by Ayob & Mat Nor, (2019) which shows that job characteristics have a positive relationship to employee engagement. Job characteristics are part of job resources which can become internal motivation for employees. Job characteristics are designed with the aim

that employees are comfortable with their work. Jobs that are varied and allow employees to use their various potentials will make employees happy and this will encourage employees to be attached to their work.

The results of testing the third hypothesis are testing employee engagement on employee wellbeing. In the test results it can be shown with a coefficient value of 0.871 with a t-statistic of 19.799 meaning that the t-statistic can be said to be significant with a p-value of 0.000 which means it has a value of <0.05 , so it can be interpreted that H_3 : Employee engagement has a significant positive effect on employee wellbeing which is acceptable. The results of this study support previous research conducted by Rahman et al., (2020) shows that employee engagement has a positive effect on employee wellbeing, so that when employee engagement increases it will increase employee wellbeing. Employees who work passionately, are dedicated and bring out all their potential because they are happy, because there is an attachment to them, they will feel prosperous at work. To assess the accuracy of the resulting model, the results of the R2 coefficient of determination test and the accuracy test of the model will be presented below (Table 4 and Table 5).

Tabel 4. R-Squares Results

Variable	R-square	R-square adjusted
Employee Engagement	0,758	0,755
Employee Wellbeing	0,816	0,812

Source: Data processed (2023)

Based on the test results from table 4 it shows that the R Square results on the intervening variable namely employee engagement is 0.758 or 75.8% which can be interpreted that the influence between work spirituality variables (X1) and job characteristics (X2) is 75.8% with the remainder being of 24.2% which can be influenced by other factors not written in this study. The value obtained for the employee wellbeing variable shows a value of 0.816 or 81.6% which can be interpreted that the employee engagement variable can affect employee engagement and the remaining 18.4% is influenced by other variables not written in this study.

Tabel 5. Model Fit results

	Saturated model	Estimated model
SRMR	0,072	0,082
d_ ULS	6,594	8,569
d_ G	7,495	7,667
Chi-square	2196,980	2223,592
NFI	0,568	0,563

Source: Data processed (2023)

The SRMR test aims to describe the fit of the correlation matrix in the model. The criterion in this test is if the SRMR value is below 0.1 then there is a match between the correlation matrix and the model. Based on the tests that have been carried out in table 5, it shows a saturated value of 0.072 and an estimated model value of 0.082, it means that the SRMR test results meet the criteria, namely a value below 0.1 so that there is a match between the correlation matrices in the model.

CONCLUSION

Based on the results of the tests that have been carried out in this study, it can be concluded that workplace spirituality has a positive effect on employee engagement in employees of Islamic financial institutions. So when spirituality at work increases, employees will feel attached to their work. The impact later is to increase the productivity of the company. In this study it is also known that Job Characteristics has a positive effect on employee engagement, apart from workplace

spirituality, job characteristics possessed by an employee can make employees feel attached to their work. Besides that, in this study it was also found that Employee Engagement has a significant effect on employee wellbeing, when employees feel attached to their work, employees will want employee wellbeing that can support their work in the company. Companies need to provide wellbeing to each of their employees because this can also benefit the company. Employees who get wellbeing in a job make these employees more motivated to be able to do other jobs in the company.

Suggestions for further research can add other factors that can affect employees of Islamic financial institutions, in particular to analyze the role of demographic variables in influencing the relationship of existing variables and also examine the role of engagement as a mediating variable that has not been studied in this study. Future researchers can also expand the research area and the number of samples to enrich the research that has been done.

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