

## Workplace Spirituality and Employee Performance: Can it be Moderated?



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**ABSTRACT:** This research focuses on workplace spirituality and employee performance. This study aims to identify the influence of workplace spirituality on employee performance by moderating employee engagement. This research was conducted using a survey method with government staff respondents in Yogyakarta, Indonesia. The sampling technique used purposive sampling which collected 340 questionnaires. The data analysis method uses Moderated Regression Analysis (MRA).

The study results show that workplace spirituality has a positive effect on employee performance. This study found interesting results, namely, employee engagement moderates and strengthens the influence of workplace spirituality in improving employee performance. The implications of this study describe how spirituality in the workplace, strengthened by employee engagement, affects employee performance. The findings of this study instill spiritual beliefs and practices in the workplace as a culture to stimulate employees to achieve performance.

**KEYWORDS-**Workplace spirituality, employee performance, employee engagement

### INTRODUCTION

Workplace spirituality is growing very rapidly in the context of organizations in the public sector (Ekanayaka, EMMK; Sajeevanie, 2020). In most organizations, employees are a source of competitive advantage (Do, 2018), so that organizations seek to strengthen the performance of their human resources to gain competitive advantage. Organizations must look for alternative strategies to improve employee performance because organizations understand that employees are satisfied not only with materialistic things (money), but also want things that give a feel of spirituality (Dandona, 2017). Workplace spirituality is a concept that emerges as a spiritual form or positive employee mood that can improve employee performance (Dandona, 2017). Besides that, employees also have meaning in their work which can improve their performance (Osman Gani; Junaidah Hasim; Yusuf Ismail, 2012). In response to this, many organizations began to focus on creating a work environment that carries greater meaning and purpose.

Many organizations are encouraging the development of this new trend because they believe a humanistic work environment creates a win-win situation for both the employee and the organization (Jean-Claude Garcia -Zamor, 2003). Therefore, the organization also tries to create a spiritual environment within the organization to meet employee expectations and increase the performance level of the employees. For employees, religious beliefs can have significant meaning. For example, (Osman Gani; Junaidah Hasim; Yusuf Ismail, 2012) noted that religious beliefs can change the behavior of employees and the way they work, providing a structure in which decisions can be made, especially in multi-religious and multi-cultural communities and environments. Undoubtedly, the better the work-life balance of employees, the better their performance (Soomro et al., 2018). Even though there is much research on employee performance management, there are still opportunities to conduct research on certain variables that affect employee performance, especially in government agencies such as workplace spirituality and employee engagement.

The phenomenon that occurs in the behavior of civil servants in the Yogyakarta city government is that there are still employees who have low self-esteem towards work and have not been able to align work behavior with organizational values so that employee performance is still low. This is also reinforced by the results of research gaps which state that workplace spirituality does not affect employee performance (Mousa, 2020). Workplace spirituality that is implemented properly by the organization has an impact on positive psychosocial behavior by increasing employee performance (Rahman et al., 2019); (Jena, 2021); (Osman Gani; Junaidah Hasim; Yusuf Ismail, 2012); (Ekanayaka, EMMK; Sajeevanie, 2020). However, on the other hand, previous research provides a statement of concern, that "spirituality can be used as a persuasive tool in many organizations to

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manipulate the psychosocial needs of employees for their benefit" (chocolate, 2003; Fernando, 2005; Pradhan and Jena, 2016).

Therefore, increasing productivity through the integration of spirituality as a strategy remains a contentious issue and requires a systematic review of the inconsistencies of workplace spirituality and employee performance (Lekuket al., 2005); Giacalone et al. (2005). So as to provide an opportunity for researchers to analyze in the workplace spirituality domain to empirically validate the effect of workplace spirituality on employee performance.

On spirituality at work that is good for employees with reinforced by employee attachment(Sun & Bunchapattanasakda, 2019)high levels of involvement in work, enthusiasm for work, commitment and extra effort by employees will improve individual performance. This is a manifestation of employee engagement which will be able to strengthen workplace spiritualityfor employees in improving employee performance. The purpose of this research isanalyze the effect of workplace spiritualityon employee performance and moderation of employee engagement in the relationship between the two. While the urgency of this research is research that can encourage psychosocial behavior in the form of increasing workplace spiritualitywhich is strengthened by employee engagement in improving employee performance.

### **LITERATURE REVIEW**

#### **1. Workplace Spirituality**

Workplace spiritualityis linked to values that fall into the fundamental spiritual survival dimension of vocation and membership(Duchon & Plowman, 2005). Workplace spiritualityis an individual's self-understanding as a spiritual being whose soul requires maintenance at work with all the values that exist within him; experience a sense of purpose and meaning in their work; as well as experiencing a feeling of being connected to other people and the community in which the individual works(Ashmos & Duchon, 2000).

#### **2. Employee Engagement**

Employee engagement are positive feelings that individuals have, measured towards their work accompanied by a willingness to devote the abilities and energy that arise through my behavior, where they will feel they have an interest, can focus on work,intense feeling at work, and have high enthusiasm with their work(Schaufeli et al., 2006).Employee engagement is the passion organizational members have for their jobs where they work and express themselves physically, cognitively, and emotionally while doing their jobs(Kahn, 1990).

#### **3. Employee Performance**

According to (Koopmans, 2014) Performance is a pattern of employee behavior or actions that is in line with company goals. Performance has several aspects, namely task performance, contextual performance .

### **DEVELOPMENT HYPOTHESES**

#### **1. Workplace Spirituality and Employee Performance.**

Previous studies suggest that from an HR perspective, spiritual inclinations can provide support for the mission, values, and performance of individuals and organizations (Jena and Pradhan, 2014); form mutual trust (Sonntag, 2003). The results are strengthened by research conducted by(Rahman et al., 2019);(Jena, 2021);(Osman Gani; Junaidah Hasim; Yusuf Ismail, 2012);(Ekanayaka, EMMK; Sajeevanie, 2020) which states that workplace spirituality has a positive effect on employee performance. Hence, we expect that:

H1: Workplace spirituality has a positive effect on Employee Performance

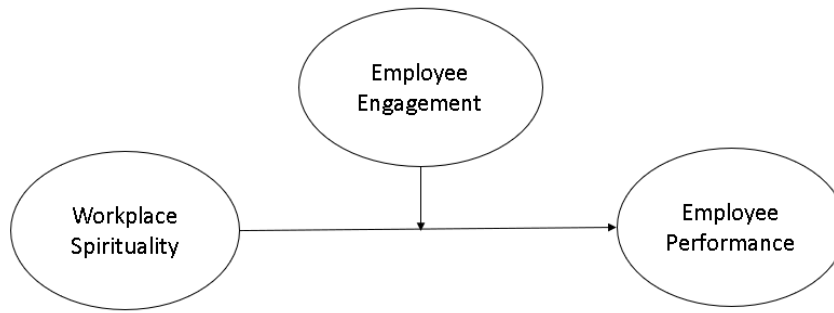
#### **2. Workplace Spirituality, Employee Performance and Employee Engagement.**

Several previous studies regarding employee engagement were either a predictor or a dependent variable. As for employee engagement as a predictor of influencing employee performance (Gutermann et al., 2017; Kapil and Rastogi, 2017; Khan and Malik, 2017; Kim and Koo, 2017; Nazir and Islam, 2017; Nazli and Sheikh Khairudin, 2018; Park et al ., 2017; Rahman et al., 2017; Reijseger et al., 2017;; Suhartanto and Brien, 2018). Research result(Sax, 2019) showed that skill variety is the main job characteristic and organizational support predicts employee engagement and employee engagement predicts job satisfaction, organizational commitment, organizational citizenship behavior and intention to quit and mediates the relationship between antecedents and consequences. Based on the results of previous studies, employee engagement has the opportunity to become a reinforcement in the influence of workplace spiritualityon employee performance. Hence, we expect that:

H2: Workplace spirituality has a positive effect on employee performance with moderation of employee engagement

Research frameworks and hypotheses are illustrated in figure 1 the following:

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**Figure 1. Research Framework**

### METHODOLOGY

#### 1. Data collection and participants

The participants in this study were government staffs in Yogyakarta, Indonesia, totaling 340 respondents. The sample technique used is purposive sampling, which is sampling based on the criteria of employees with at least 1 year of service.

#### 2. Measurements

The measures of employee performance (5 items) were adapted from (Koopmans, 2014). The items of Employee engagement (10 items) were adapted from (Schaufeli et al., 2006). Measures of workplace spirituality were adapted from (Ashmos & Duchon, 2000). Likert scale was used to measure the level of agreement for all the study variables. The scale was anchored by 1 (Strongly Disagree), 2 (Disagree), 3 (Neutral), 4 (Agree) and 5 (Strongly Agree).

#### 3. Data Analysis

In this study, Moderated Regression Analysis (MRA) is used to test the hypothesis (Dalal & Zickar, 2012). The analytical tool used is simple linear regression to determine the relationship between the influence of Workplace spirituality on employee performance moderated by employee engagement.

### RESULTS

The data collection technique in this study utilized a questionnaire distributed online. Of the samples that met the criteria set by the researchers, the number of respondents to government staffs in Yogyakarta, Indonesia was 340 respondents. Of the 340 respondents involved in this study, 121 (36%) were female, and 219 (64%) were male. The average working period is 10 years and the average education is a bachelor's degree.

**Table 1. Descriptive Statistics**

Variables	Means	Std. Deviation
Workplace Spirituality	4.39	0.59
Employee engagement	4.42	0.53
Employee Performance	4.35	0.58

The data processing results in Table 1 show that (1) the mean workplace spirituality value was 4.39, so the government staff's workplace spirituality was classified as good, with an average standard deviation of 0.59, (2) the mean employee engagement value was 4.42, so the government staffs employee engagement was classified as good, with an average standard deviation of 0.53, (3) the mean employee performance value was 4.35, so the government staff employee performance was classified as good, with an average standard deviation of 0.58. From the results of the validity test in table 2 it is known that the question items from the workplace spirituality, employee engagement and employee performance variables are valid at significance  $\leq 0.05$  (Ghozali, 2016). Likewise the reliability results in table 2 for these variables are reliable with results  $\geq 0.60$  (Ghozali, 2016).

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Table 2. Validity and Reliability Results

Variable	Indicator	Loading Factor
<b>Workplace Spirituality , Reliability = 0.841</b>		
Workplace Spirituality	I like the tasks and work that have been assigned to me	0.435
	I like the tasks and work that have been assigned to me	0.481
	Work is an activity that is worth worship, not just looking for income	0.694
	I always go to the office with enthusiasm and joy.	0.428
	By doing my best to help others, I feel life becomes more meaningful.	0.515
	I feel that my work is closely related to the things that I consider important in life	0.585
	I am always willing to work with my colleagues to get the job done and really appreciate their help.	0.743
	I believe that people will support each other.	0.553
	I am free to express or express opinions and ideas in the work unit where I work	0.652
	I feel that the employees really care about each other	0.355
	I feel that every employee works together to achieve one goal	0.439
	I consider all co-workers to be like brothers and the organization is one big family	0.525
	The organization has sufficiently made efforts to improve the conditions and conditions of all its employees according to the capabilities of the organization.	0.520
	The place where I work cares about the health of employees	0.358
	I feel partly responsible for the achievement of organizational goals.	0.431
	I have to work and try my best to participate in realizing the goals of the organization.	0.565
I feel there is a match/compatibility with the values and culture of the organization.	0.644	
The organization always pays attention to the morale of the employees and makes real efforts to motivate them	0.426	
<b>Employee Engagement, Reliability = 0.844</b>		
Employee Engagement	I am enthusiastic in doing the task given	0.519
	I am serious about solving problems related to my work	0.618
	I try my best to get the job done	0.649
	I try to always maintain the quality of work	0.701
	I feel proud of my work	0.622
	I feel my work makes people respect me	0.623
	I feel my work is a challenge that I must conquer	0.696
	I am willing to put in a lot of time to get the job done	0.712
	I don't let personal matters affect me at work	0.723
Small problems at work do not interfere with my concentration at work	0.592	
<b>Employee Performance, Reliability = 0.692</b>		
Employee Performance	I do the work according to the plan so that I can complete the work according to the target	0.885
	I do optimal activity planning in career development as a civil servant	0.902
	I always keep in mind the result (goal) that should be attained as civil servants	0.906
	I am able to isolate the main problem from other problems at work	0.877
	I am able to do my job well, with time and effort as efficiently as possible	0.862

Sign \* $\leq$  0.05. Source : own research

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The results of the regression model test from this study are in table 3 that is the output shows that F count is 16,535 with a significance/probability level of  $0.000 < 0.05$ , so the regression model can be used to predict employee performance. Where as mark determination ( $R^2$ ) of 0.119 which implies that the influence of workplace spirituality on employee performance.

The results of the MRA analysis, the direct effect of workplace spirituality on employee performance is known that workplace spirituality has a positive and significant effect on employee performance ( $\beta=0.318$ ,  $p<0.05$ ). While the results of employee engagement moderation on the influence of workplace spirituality on employee performance are moderate and significant ( $\beta=0.359$ ,  $p<0.05$ ). Therefore, hypotheses H1 and H2 were supported.

**Table 3. Moderated Regression Analysis (MRA) : Moderation of Employee Engagement on the influence of Workplace spirituality on Employee Performance**

	Standard Error	Standardized Coefficient Betas	t	sign	Results
Spirituality at work	0.033	0.318*	3,708	002	H1 supported
Spirituality Interaction in the workplace and Employee Performance	0.001	0.359*	4.102	.009	H2 supported
F Values	16,535				
R square	0.119				

\*Sign at the 0.05 level

## DISCUSSION

Workplace spirituality influences employee performance with a significance value of 0.00 with a significance level limit of less than 0.05 (Gujarati et, 2009) and a standardized coefficient of 0.318. The results support/accept hypothesis 1 which states that workplace spirituality has a positive and significant effect on employee performance. The results of this study are also in accordance with the results of previous studies conducted by (Jena and Pradhan, 2014); form mutual trust (Sonntag, 2003). The results are strengthened by research conducted by (Rahman et al., 2019); (Jena, 2021); (Osman Gani; Junaidah Hasim; Yusuf Ismail, 2012); (Ekanayaka, EMMK; Sajeevanie, 2020). Make it can be concluded that workplace spirituality has a positive and significant effect on the performance of staffs in the Yogyakarta city government . When government staffs of the Yogyakarta city government apply workplace spirituality on employee performance increases. This can be seen from the descriptive results that the average workplace spirituality and the performance of ASN employees in the Yogyakarta city government are good with an average of 4.39 and 4.35 (likert scale 1-5). These results illustrate that government staffs in Yogyakarta, Indonesia who have meaningful of work, sense of community and alignment of values organizational as a form of workplace spirituality increase their ability to complete work effectively and efficiently so that employee performance increases.

Based on the results of the MRA analysis, namely the interaction of workplace spirituality multiplied by employee engagement on employee performance, the result is 0.359 with a significance level of 0.09 below 0.05. The results stated that employee engagement was able to moderate/strengthen the effect of workplace spirituality on employee performance at government staff in Yogyakarta, Indonesia. This supports hypothesis 2 which states that: Workplace spirituality influences employee performance with moderation of employee engagement. The results of this study support the results of the study (Sax, 2019). The results of this study based on the results of descriptive statistics can be seen that workplace spirituality in the form of self-determination, a sense of connectedness with co-workers or superiors as well as the alignment of attitudes and behavior of employees with the good organizational values of the government is strengthened by enthusiasm for work, seriousness in work , being proud of work as a form of employee engagement will improve the performance of Yogyakarta City government staffs.

## CONCLUSION

This study illustrates that provide empirical evidence to management in ensuring that workplace spirituality can improve employee performance. Government staffs of Yogyakarta city more effective if employee engagement strengthens employee behavior and attitudes in the implementation of spiritual workplaces so that employee performance increases. In order for this to be realized, Government staffs of Yogyakarta city need to increase awareness of organizational culture and employee soft skills so as to create awareness of the importance of self-determination at work, a sense of connectedness and alignment with organizational values which is strengthened by high dedication in the form of training and socialization of organizational culture.

## DISCLOSURE AND CONFLICTS OF INTEREST

This research has no element of interest.



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