

Religious Leadership and Islamic Leadership Ethics on Employee Performance at Bank Syariah Indonesia Pekanbaru

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ABSTRAK

Company leaders are required to have the ability to handle the complexity of competencies, regulations and new rules of the global market. In this case, not just any leader is needed by the company, but an effective leader, who can be relied upon to face challenges, take advantage of the flow of change and be able to lead followers to a common goal. Because leadership is one of the important elements in achieving, in this case the leader must be able to master any situation and condition, whether the condition does not threaten the company's survival or not, the company is in principle striving for sustainability in the future better, meaning the company seeks good profits, so that the company exists more in the future, therefore the company must have a reliable leader to be able to face global challenges that are so rapidly changing. The research method is a qualitative research method with a descriptive approach with a literature review research type. Literature review is collecting information or written works that are library in nature. Information collection is done by reviewing several written sources, namely journals, books, and other sources that are of course appropriate to the research object. Research results show that leadership is a critical factor in determining an organization's success in facing the ever-evolving dynamics and competition of business. The increasingly complex business environment demands that companies have leaders capable of adapting, making informed decisions, managing change, and directing all organizational resources toward achieving common goals. A company's sustainability depends not only on its business strategy but also on the quality of effective and visionary leadership, capable of facing global challenges.

INTRODUCTION

Digital transformation in the Islamic banking sector in Indonesia has changed the paradigm of financial services and created new challenges in building sustainable competitive advantage (Arner et al., 2020). The era of the industrial revolution 4.0 demands that Islamic financial institutions not only innovate in products and services, but also in building

leadership that is capable of integrating Islamic spiritual and ethical values with the performance demands of modern organizations (Schwab, 2016).

In carrying out their work, employees produce something called performance. Performance is the result of an employee's work in a certain period compared to possibilities, such as standards, targets/goals, or criteria that have been determined in advance and mutually agreed upon. Performance is the work results that can be achieved by an individual or group of people in an organization, according to their respective authorities and responsibilities in order to achieve the goals of the organization concerned illegally (Trisnayanthi et al., 2024).

Employee performance is an outcome of various complex organizational factors, including leadership, organizational culture, motivation, and performance management systems (Robbins et al., 2019). From the perspective of Islamic human resource management, employee performance is not only measured from material-worldly aspects such as productivity and efficiency, but also from spiritual-otherworldly aspects such as sincerity and integrity in work (Yousef, 2020). Basalamah's research shows that the implementation of Islamic values in human resource management increases job satisfaction and organizational citizenship behavior, which contribute positively to individual and organizational performance (Basalamah, 2024). However, empirical research linking Islamic spiritual and ethical leadership with employee performance in the context of Indonesian Islamic banking is still very limited (Munandar et al., 2026).

Recent globalization has had a significant impact on the survival of organizations. Globalization has also led to rapid changes in business, requiring organizations to be more adaptable to these changes. To anticipate such situations, company leaders are required to possess the ability to handle the complexities of competencies, regulations, and new rules of the global market. In this regard, companies need not just any leader, but effective leaders who can be relied upon to face challenges, take advantage of the currents of change, and are able to lead followers toward a common goal. Because leadership is a crucial element in achieving, maintaining, and improving organizational performance.

Spiritual leadership in the context of Islamic organizations is becoming increasingly relevant as a foundation for forming an organizational culture that is oriented towards transcendental values (Fry, 2003). Study by Fry et al. (2017) This study shows that spiritual leadership has a significant influence on organizational commitment and productivity by creating a sense of calling and membership within the organization. In the context of Islamic banking, spiritual leadership not only serves as a driver of organizational performance but also as a manifestation of the maqashid sharia (objectives of sharia) which prioritizes the public interest (Beekun & Badawi, 1999).

The ethics of Islamic leadership or the morals of leaders are a fundamental dimension that differentiates leadership in Islamic organizations from conventional leadership (Rangkuti, 2023). The Quran and Hadith provide comprehensive guidance on the characteristics of an ideal leader, which include shiddiq (honest), amanah (trustworthy), tabligh (communicative), and fathanah (intelligent) (Abd Rahman & Shamsudin, 2025). The implementation of Islamic ethical values in leadership has been proven to increase organizational trust and employee engagement, which in turn has a positive impact on organizational performance (Chaman & Siddiqui, 2023). However, the integration of Islamic ethical principles with modern management practices still faces various obstacles, especially in the context of measurement and operationalization of concepts that can be measured empirically (Santoso et al., 2026).

In theoretical development, spiritual leadership is built on the foundation of several classical and contemporary leadership theories. Fairholm identifies that spiritual leadership is rooted in Greenleaf's servant leadership theory, which emphasizes the leader's orientation to serving the needs of followers rather than personal interests (Fairholm, 1997). Reave conducted a meta-analysis of 150 studies and found that spiritual leadership practices consistently correlated positively with employee satisfaction, productivity, and organizational commitment, indicating that spirituality has a legitimate place in the study of organizational leadership (Rajni et al., 2025).

The theoretical perspective of spiritual leadership is also integrated with the workplace spirituality theory developed by Ashmos and Duchon. They identify three dimensions of workplace spirituality: inner life, which refers to an individual's need for meaning and purpose in life; meaningful work, which provides a sense of purpose; and sense of community, which creates deep interpersonal connections (Ashmos & Duchon, 2020). Giacalone and Jurkiewicz expanded this concept by integrating ethical and moral values as integral components of effective spiritual leadership (Giacalone & Jurkiewicz, 2023).

Ethics in Islam or morals is a comprehensive system of moral values that regulates human behavior in all aspects of life based on the Quran and Sunnah (Ahmad, 2022). In his book, *Ihya Ulumuddin*, Al-Ghazali defines morality as a characteristic embedded in the soul that gives rise to actions easily without requiring lengthy consideration and thought. This definition emphasizes that good morality is the result of the deep internalization of moral values, thus becoming an inherent character within an individual.

In the context of leadership, Islamic ethics provides a clear moral framework for how a leader should behave. Ahmad and Ogunsola identify that Islamic ethics in leadership stem from the fundamental principles of Islam: tauhid (the oneness of God), khilafah (leadership as a trust), isa (justice), ihsan (goodness), and *hablum minallah wa hablum minannas* (vertical relationship with God and horizontal relationship with humans) (Ahmad, 2022). These principles form an ethical compass that guides the decision-making and behavior of leaders within an organization.

Tawhid, as a fundamental principle, emphasizes that all actions must be intended to seek the pleasure of Allah SWT, not merely for personal gain or popularity (Kounsar, 2016). This principle creates a transcendent accountability that is higher than accountability to other people or organizations (Stuebs et al., 2026). The Caliphate emphasizes that leadership is a trust that will be accounted for before Allah, so leaders must exercise their leadership responsibly and not abuse their authority. It obliges leaders to act fairly towards all parties without discrimination based on ethnicity, race, religion, or social status (Shehu, 2007).

Ihsan encourages leaders to not only meet minimum standards but also to always strive for excellence in every action. The concept of ihsan, as embodied in the hadith, "Worship Allah as if you see Him; if you do not see Him, then truly He sees you," fosters a heightened spiritual awareness that every action is watched by Allah. The principle of *hablum minallah wa hablum minannas* emphasizes the importance of balance between the vertical (relationship with Allah) and horizontal (relationships with others) dimensions in Islamic leadership (Hashim et al., 2020).

Employee performance is a multidimensional construct that has been a primary focus of organizational behavior and human resource management research for decades (Robbins et al., 2019). Robbins and Judge define employee performance as a function of the combination

of ability, motivation, and opportunity, all of which must be present simultaneously for optimal performance to be achieved. Campbell developed a theory of performance that distinguishes between performance determinants, including declarative knowledge, procedural knowledge, and motivation, and performance components, including task performance, contextual performance, and adaptive performance (Campbell, 2019).

In conceptual development, Borman and Motowidlo distinguish between task performance, which refers to the effectiveness of carrying out technical tasks listed in a job description, and contextual performance, which refers to behaviors that support the organizational, psychological, and social environment in which technical tasks are carried out (Borman & Motowidlo, 2019). Contextual performance includes volunteering, persisting, helping, following rules, and endorsing organizational objectives, which collectively contribute to organizational effectiveness. Viswesvaran and Ones conducted a meta-analysis of performance dimensions and identified ten universal performance dimensions: productivity, effort, job knowledge, interpersonal competence, administrative competence, quality, communication competence, leadership, compliance with rules, and overall performance (Viswesvaran & Ones, 2020). This model emphasizes that employee performance cannot be measured from just one dimension but must encompass various aspects relevant to the job and the organization.

RESEARCH METHODS

This study employs a qualitative research method using a descriptive approach combined with a literature review. A qualitative descriptive approach is considered appropriate because it enables researchers to explore, interpret, and explain a phenomenon in depth based on existing theories and documented evidence. Rather than emphasizing numerical measurement or statistical analysis, this approach focuses on understanding concepts, ideas, and findings presented in relevant scholarly works. Through this method, the researcher is able to provide a comprehensive description of the research topic while maintaining consistency with the theoretical framework and the objectives of the study.

The literature review serves as the primary method for collecting research data. It involves gathering information and written materials of a bibliographic nature from various credible and relevant sources. These sources include peer-reviewed journal articles, academic books, conference proceedings, government publications, regulations, institutional reports, and other scientific documents related to the research topic. The collected literature is systematically reviewed, categorized, compared, and analyzed to identify key concepts, theoretical perspectives, research findings, and existing gaps in the literature. This process provides a solid foundation for developing a comprehensive understanding of the subject under investigation and ensures that the research is supported by reliable academic evidence.

Every scientific study should be grounded in a hypothesis, which functions as a tentative answer to the research problem and requires empirical verification. A hypothesis is formulated based on theoretical conclusions drawn from an extensive review of the relevant literature. It represents the most probable explanation for the research problem according to existing theories and previous studies. As stated by Sumardi Suryabrata (2016), a hypothesis is an answer to a research problem that is theoretically regarded as the most likely and possesses the highest degree of validity. Therefore, the formulation of a hypothesis is not based on assumptions alone but is derived from logical reasoning, theoretical analysis, and

evidence obtained through a systematic literature review. Consequently, the hypothesis serves as an essential guide for directing the research process and evaluating the consistency between theoretical expectations and empirical findings.

RESULTS AND DISCUSSION

Result

The Concept of Spiritual Leadership

Spiritual leadership is a leadership paradigm that has developed rapidly in the last two decades in response to the need for more holistic and meaningful leadership in modern organizations (Fry, 2008). Fry defines spiritual leadership as the values, attitudes, and behaviors necessary to intrinsically motivate oneself and others, fostering a sense of spiritual survival through calling and membership. This concept emphasizes the creation of an inspiring vision, hope or faith in that vision, and altruistic love, which foster a sense of membership and commitment within the organization (Fry, 2003).

Dimensions of Spiritual Leadership

Based on Fry and Slocum's research, spiritual leadership has five primary dimensions that form a holistic construct (Fry, 2003). The first dimension is vision, defined as a picture of the organization's future that inspires and provides direction for its members. An effective vision in the context of spiritual leadership is not merely materialistic but also encompasses transcendental values that provide deeper meaning to the work. Zhao and Lian found that clarity of vision and attractiveness of vision are two important aspects that determine the effectiveness of a vision in motivating followers (Zhao & Lian, 2026).

The second dimension is hope or faith, which refers to a strong belief that the organization's vision is achievable and that the future will be better than the current situation. Hope encompasses willpower, which provides energy to achieve goals, and waypower, which provides guidance on how to achieve those goals. Chen and Yang found that the hope dimension of spiritual leadership significantly predicts organizational resilience in the face of crisis and uncertainty (Chen & Yang, 2021). In the context of Islamic banking, which faces economic volatility and intense competition, the hope dimension is crucial for maintaining employee motivation and commitment.

The third dimension is altruistic love, which encompasses forgiveness, kindness, integrity, empathy, honesty, and courage. Altruistic love is a form of love that expects nothing in return, expressed through care, attention, and appreciation for oneself and others.

The fourth dimension is individualized consideration, which refers to a leader's attention to the individual needs, abilities, and aspirations of followers. Transformational leaders act as coaches and mentors, providing constructive feedback, providing learning opportunities, and delegating challenging tasks to facilitate follower development. Piccolo and Colquitt found that individualized consideration is the dimension with the strongest influence on employee development and career satisfaction (Watson, 2009).

The fifth dimension is membership, which reflects a sense of belonging, acceptance, and appreciation within the organization. Membership fulfills the fundamental human need to belong to a community and have meaningful social connections. Kolodinsky, Giacalone, and Jurkiewicz demonstrated that a strong sense of membership reduces turnover intention and increases organizational loyalty (Kolodinsky, Giacalone, & Jurkiewicz, 2020). Membership is developed through the creation of an inclusive, collaborative, and supportive organizational

culture where every member feels they are an important part of the team and their contributions are valued.

Spiritual Leadership from an Islamic Perspective

In the Islamic context, spiritual leadership has a strong theological foundation derived from the Quran and Hadith. The concept of khalifah fil ardh (leader on earth) in the Quran, Surah Al-Baqarah, verse 30, provides the foundation that leadership is a mandate (responsibility) from Allah SWT that must be carried out with full responsibility and accountability (Beekun & Badawi, 2021). Beekun and Badawi developed an Islamic leadership model that integrates the principles of tauhid (the oneness of God), khilafah (leadership), and islah (justice) as the main pillars of Islamic leadership (Beekun & Badawi, 2021).

Ali identified that spiritual leadership in Islam encompasses vertical (relationship with God) and horizontal (relationships with fellow human beings) dimensions that must be balanced. The vertical dimension is reflected in the practice of worship and obedience to Allah, while the horizontal dimension is reflected in ethical behavior, justice, and service to others (Ali, 2020).

CONCLUSION

Based on the above description, it can be concluded that leadership is one of the most crucial factors in determining an organization's success in responding to the increasingly dynamic and competitive business environment. Rapid technological advancements, globalization, changing consumer preferences, and economic uncertainty require leaders who possess the ability to adapt quickly, think strategically, and make effective decisions under various circumstances. In addition, leaders are expected to manage organizational change efficiently, inspire employees, optimize available resources, and foster collaboration to achieve shared organizational objectives.

Therefore, the long-term sustainability of a company depends not only on the effectiveness of its business strategies but also on the quality of leadership that guides their implementation. Effective leaders are visionary, innovative, and capable of anticipating future challenges while maintaining organizational stability and competitiveness. From an Islamic perspective, ideal leadership is founded on the noble values demonstrated by the Prophet Muhammad (peace be upon him), namely honesty (*shiddiq*), trustworthiness (*amanah*), effective communication (*tabligh*), and wisdom and intelligence (*fathanah*). These principles serve as ethical guidelines for leaders in carrying out their responsibilities with integrity, fairness, and accountability. By consistently implementing these Islamic leadership values, leaders can strengthen stakeholder trust, cultivate a culture of transparency and responsibility, enhance organizational integrity, and ultimately guide the company toward sustainable growth, long-term success, and resilience in the face of future business challenges.

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