HOW SPIRITUAL VALUE AND SPIRITUAL WELLBEING FROM ISLAMIC PERSPECTIVE AS AN ALTERNATIVE OF AGENCY PROBLEM

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ABSTRACT

Agency problem arise because of conflict of interest between managers as an agent and organization’s owner as a principal. It impact to misunderstanding or misperception between agent and principal. Conflict of interest also arise in government institutional, where agent (employee) can’t conduct as a principal’s (government) representative, because of agent self interest. It influences to employee unethical behavior in work place, such as power abused, corruption, employee indiscipline, etc. The purpose of this study is to explain how spiritual value and spiritual well-being from Islamic Perspective as an alternative of agency problem. It concern on how spiritual value and Habluminannas spiritual well-being influence agency problem. In Islamic perspective, spirituality in the work place is the dominant factor to shapes employee’s character. Because in Islamic perspective, employee must behave according ethical requirements and spiritual binding based on Quran and hadist. In the other side, employee wellness influence quality of work. One indicators of employee wellness is spiritual well-being. It relates to religious aspect of individa which explain how an individua interact with social environment, called Habluminannas spiritual well being. For example give salam (say hello), helping others, caring with other etc. Government Institutional which used Islamic value in core activity was selected to be area from this study. Data was collected from the employees who have been mandatory to manage financial institutional. This study used questionare with modified indicators from Reaves to measure spiritual value and developed indicator to measures Habluminannas spiritual well-being and agency problems. This study proposed there is relationship between spiritual value with agency problem and spiritual value and habluminannas spiritual well-being and there isn’t relationship between spiritual well-being with agency problem.

Keyword: agency problem, Islamic perspective, spiritual value, religious, Habluminannas spiritual well-being.

1. Introduction

Several studies has been discuss about agency problem in long time ago. They discussed about agency problem between agent as an person who have been mandatory to manage an organizational as a principal representation. Agency problem arise because of conflict of interest between managers as an agent and organization’s owner as a principal. It impact to misunderstanding or misperception between agent and principal. Several studies concert to explain about it and develop model to find the solution in different context. Agency problem has been discuss in broadly area with variety in organizational types or organizational structure. One of study about agency problem discuss about employee-employer relationship in a broader term, that how in different situations goal congruence can be achieved between both parties, how principal can monitor the behavioral appropriateness of the agents, and principal can counter the risk and work aversement of the agent, the focus remain in designing a comprehensive economic reward package to motivate the agent (Jam et al, 2010). One of reason why researchers discussed about agency problem in employee perspective, because it can be potentially problems in organizational and influence employee behaviour. Sometimes agent (employee) can’t conduct as a principal’s representative, because of agent self interest. Agency problem also arise in government institutional because lack of control from government to monitor employee behaviour. Imperfect monitoring from principal, agents attempt to search for further information and then keep it to themselves for personal gains (Hermeindito, 2014). It influences to employee unethical behavior in work place, such as power abused, corruption, employee indiscipline, etc.

Several studies discussed new approach to solved agency problem in Islamic perspective it concert about employee behaviour especially talk about spiritually aspect. Spiritually is related with the religion. “Spirituality and religion in Islam are not two separate entities; they are rather branches of the same tree. Scholars suggest that there are many of the characteristics of spirituality in the workplace are basis themes of Islam.”(Alim Al Ayub Ahmed, 2012). Early studies discuss about religiosity in workplace, and gived evidence religiosity has been associated with improved mental health outcomes (Blazer, 2009; Dein, 2011; Pargament et al., 2004; Toney and Oster, 1998), improved ethical behavior,and improved leadership effectiveness in important work-related tasks such as decision making (Mc Cormack, et al, 2014). Prior studies used Islamic framework to found the lack of considerable effort with spiritual behaviour approach. Spirituality in the work place is the dominant factor to shapes employee’s character. It means that, employee must behave according ethical requirements and spiritual binding based on Quran and hadist. Employee who used spiritual value at the workplace refer to implement ethical behaviour, because everything must be guided by God’s criteria. Impact of spiritual value employee is improved commitiment to work, because he/she suggest that work as a calling it mean that work is part of worship or “ibadah”, with spirit of “ibadah”, Taqwa and Fear Allah they manifested their thankfulness by being Ikhlas and having commitment to their work, giving charity and donations to the poor and the
society, fulfilling the religious duties, following Shari’ah, managing their wealth properly, and seeking sincerity and internal purification (Sulaiman, 2014).

In other side, commitment work related with wellness. wellness influence quality of work. In Islam views, there are two factors influenced wellness, economic and spiritual goals. Spiritual goals has been discussed in several studies. Prior studies discuss about spiritual goals influenced life satisfaction and it impact with quality of life. Spiritual goals related with a religion, such factors are knowledge, freewill, Taqwa (piety), Iman (faith), Ihsan (perfection), Amanah (Trusteeship), Falaah and Amal Saleh (virtuous deeds), Tahrid (arousal), Tawbah (repentance), reward and punishment, Justice, Shura (mutual consultation), discipline and commitment to work, to others and to Allah the almighty God (Shafoeq Alawneh, 1994; Ali,2009; Ather,Khan and Houge, 2011; Khan, Farooq and Hussain, 2010; Khaliq Ahmad,2009; Jumaidah Hashim,2010 in Sulaiman, 2014). One indicators of spiritual goals is spiritual well-being. Prior studies suggest that Quality of life maybe conceptualized to involve material, psychological spiritual wellbeing (Ellison,1983; Paloutzian &Elisson, 1982 in Bufford, Paloutzian &Elisson, 1991). Spiritual well being is related to religious aspect of individu which explain how an individu interact with social environment, called Habluminannas spiritual well being. For example give salam (say hello), helping others, caring with other etc. Habluminannas spiritual wellbeing related with social behaviour, because it is part of human “fitrah” as a social creature. People who applied habluminannas value in its self means that every actions must be guided with religion guidance. In Islam perspective all actions who takes by people must be based on AlQuran and Hadist direction. In Islamic perspective, social interaction (social behaviour) is part of “ibadah” where is people must to keep comunication with calles as “Silaturahmi”. It means that there is islamc values has been applied in social environment involved at workplace and bring positively situational . positively situational in workplace occur when employee is bounded spiritually like a brother with the others. This situational has been impact to achieved organization goals because between agent and principal have congruenced perspective to achieve organizational’s goals.

The discussion about to solved agency problem has been discuss in several studies. Several studies discuss about agency problem in finance area using data secondary to estimate about this problem (Jensen Meckling, 1976; Fama,1980;morck, 1988). In Islamic perspective, there are several studies to discussion about agency problem and develop model using descriptive studies to solve this problem (Jam et al, 2010, Sarker,2012). This study try to gived empirical evidence in agency problem from behaviour motivation as a new paradigm alternative solution to solved agency problem. The purpose of this study is concern to explain how spiritual value and habluminannas spiritual well-being from Islamic Prespective as an alternatif of agency problem. Goverment Institutional which used Islamic value in core activity was selected to be area from this study. Data was collected from the employees who have been mandatory to manage financial institutional. This study used questionare with modified indicators from Reaves to measure spiritual value and developed indicator to measures Habluminannas spiritual well-being and agency problems.

II. Literature Review

2.1 Agency Theory

Agency theory has been discuss in several studies long time ago. Jensen &Meckling (1976) define organizational like a “black box” operated so as to meet the relevant marginal conditions with respect to inputs and outputs, thereby maximizing profits, or more accurately, present value. Principal as an organizational owner sometimes need to hearing some people from outside (agen) to cunduct as so principal representative and gived mandatory to agent to take actions with managerial activity to achieved organizational goals refer to principal’s goals. Agency relationship as a contract under which one or more persons (the principal) engage another person (the agent) to perform some service on their behalf which involves delegating some decision making authority to the agent (Jensen &Meckling, 1976). In legality organizational perspective, principal gived mandatory to agent to control organization activity (Berle & Means, 1932). Govindarajan (1988) describe 3 asumption about agency theory: asumption about human refer to people attend to self interest, having restricted rasonality to solved complexity problem, and averse risk; asumption about organization refer to conflict interest between both parties, asymetry information; and asumption about information, refer to information as a comodity transaction. Sometimes agent have more information than principal and used it to maximizing agent welfair. Lack of control from principal will be reason why agent attempt to take self interest action.

Agency problem arise because of conflict of interest between managers as an agent and organization’s owner as a principal. It impact to misunderstanding or misperception between agent and prinicipal. Because imperfect monitoring from prinicipal, and agents attempt to search for further information and then keep it to themselves for personal gains (Hermeindito, 2014). Several studies has been discuss about agency problem in broadly area with variety in organizational types or organizational structure. They discuss about agency problem between agen as a person who have been mandatory to manage an organizational or firm and principal as a owner’s organization or firm. One of reason why researchers discussed about agency problem in employee perspective bacause it can be potentially problems in organizational and harmful to maximizing organizational goals. One of study about agency problem discuss about employee-employeer relationship in a broader term, that how in different situations goal congruence can be achieved between both parties, how principal can monitor the behavioral appropriateness of the agents, and principal can counter the risk and work aversion of the agent, the focus remain to design a comprehensive economic reward package to motivate the agent (Jam et al, 2010). The reason why researchers discussed about agency problem in employee perspective bacause it can be potentially problems in organizational and influence employee behaviour. Sometimes agent (employee) can’t conduct as a principal’s representative, because of agent self interest. It influences to employee unethical behavior in work place, such as power abused, corruption, employee indiscipline, etc. unethical behaviour can be harmful for organization because employee attend to self interest and impact to organizational activity.

Several studies discussed new approach to solved agency problem in Islamic perspective. Sarker (2012) try to explain about Islamic Businnes contract to ensure the benefit of the both partners in the contract in Islamic Firm. He said that “Islamic firm
implies that the business contracts as designed and approved by the shariah, then principal-agent problem will be reduced and society will be more benefited from the welfare motive of the producer and other market agents'. Based on Shariah, the contract must be designed to achieve goal congruence for both parties with justice. The clauses of the contract must express all of congruence both parties with a fair contract. The impact from that contract is achieving the social welfare of both parties, Other studies discuss system ethic and double reward system that force both parties to be loyal with each other (Jam et al, 2010). It means that, Islamic perspective gives solution about agency problem not only talk about economic reward but also discuss about spiritual reward as a direction to individuals to living honestly and hardwork.

In Islamic perspective, spiritual reward is one of important factor to minimizing agency problem because individual get motivation intrinsically to not only fulfill duties but go beyond these for the benefit of other and oneself (Jam et al, 2010). “Jihad” named to agent who fulfill his/her duties based on spiritual motivation in Islamic culture and “ehsan” named to principal to gived protection and satisfying the agent. Principal must evaluated agent performance with justice, given a reward to appreciated agent’s performance and paid wages as early as possible. In Islamic literature gived clear direction to appreciation what the agent work as long as they skilled, honest, and royal with a reward system. Between principal and agent must build good spiritual bound to arised a brotherhood and trusted with the others. With spirit of “Ibadah” as a based the relationship, it can minimizing agency problem between agent and principal. The spirit of “Ibadah” gived direction to achieved goal congruence between both parties and Goal congruence has been achieved between agent and principal. While principal has a trust, and take care to agent it means that agent has spiritually bound and obligation to work beyond his duties as a principal representative.

2.2 Spiritual Value

Spirituality related with personal believe and truth that individuals hold and believes in their lived. Spiritually as a personal guidance about how individuals behave in their lives, how they look something and interaction with their environment. Tepper (2003) define spirituality as an individuals motivation to seek meaning and purpose in their lived. Martin and Carson’s (1988) in Markow and Karin (2005) said that “spirituality is a process by which individuals recognized the importance of orienting their lives to something nonmaterial that is beyond and larger than themselves... so that there is an acknowledgement of a least some dependence upon a high power, or spirit”. It mean that, spirituality is an abstract concept to motivate individuals behaviour. In other word spirituality as a personal meaning and can be describe that make individual life’s meaningfull, important, more ethical, and satisfying. Sosik (2000) describe personal meaning is a primary source of individuals motivation to influence other people and their environment. There is four needs for meaning (baumeister, 1991): purpose, value, efficacy, and self worth. Purpose refer to individuals goals and direction as a guidance for individual activity to reach their goals in the future. Value refer to motivation of individuals to feel that every actions are right and good based on what their believes. Efficacy refer to interpretive control, the sense of control a person gains from merely understanding something even if there is nothing individuals can do about it (Rothbaum, Weiss and Snyder, 1982 in Markov and Karin, 2005). Self worth refer to personal’s satisfaction of self interest in relation with he/she environment.

Clearly, that spirituality is needed in individuals’ activity and as a primary source how they behave, looks something and more ethics behaviour. At the workplace spirituality is one of importance factors to influence how employee/ individual describe about organization, interaction with other and work environment. Mitroff and Denton (1999) suggest that one factors of organization disfunctions, ineffectiveness and human stress come from individuals missing at work, it called as a lack of spiritual foundation in the work place. Based on Mitroff and dentrof (1999) notes, it mean that spirituality in the work place is the dominant factor to shapes employee’s character. For instance, when spirituality related to work life it can making difference for individuals hopes not just a living (Hoppe 2005). Pawar (2009) notes that “spiritually aspects for employees as individuals by indicating that individuals are seeking to fulfill their spiritual needs at work”. Spirituality always present at the workplace as able to employee feel safe to express in work place (Lips-Wiersma and Mills, 2002). Spiritually as a motivation for individual is needed at workplace because it can shape spiritual value for individual such as honestly, integrity, caring other, humility. Further more, Reave (2005) notes that “Spiritual leadership is also demonstrated through behavior, whether in individual reflective practice or in the ethical, compassionate, and respectful treatment of others”.

Several study discuss about the benefit of religion in workplace related with improved mental health employee (Blazer, 2009; Dein, 2011; Pargament et al, 2004). They suggest there is positive benefits of religion associated with a greater purpose among employees (Markov and Klenke, 2005), attitudes and behaviour (Kings, 2008). Mc Cormack said that “religion as a distinct and special phenomenon – is that religion is assumed to bring with it into the workplace mostly positive a priori existing values and practices”. Even more, religion associated with individuals spirituality value to shape positive behaviour at workplace. “When work is seen as a calling rather than a job, or as an opportunity to serve God, work-related strivings take on new significance and meaning” (Palouzian, et al, 2003, in Reave 2005).

Prior studies used Islamic framework to found the lack of considerable effort with spiritual behaviour approach. It mean that employee must behave according ethical requirements and spiritual binding based on Quran and hadist. Employee who used spiritual value at the workplace refer to implement ethical behaviour because everything must be guided by God’s criteria and the impact of spiritual value is employee try to improve comitment to work, because he/she suggest that work as a calling it mean that work is part of worship or in Islam called as “ibadah”. With spirit of “ibadah”, Taqwa and fear Allah they manifested their thankfulness by being “ikhlas” and having commitment to their work, giving charity and donations to the poor and the society, fulfilling the religious duties, following Shari’ah, managing their wealth properly, and seeking sincerity and internal purification (Mohamed Sulaiman, et al, 2014). “Ibadah” as a individual motivation to perform individual contractual obligation at workplace as a ability to conduct based on Qur’an and hadist Guidance (rahman and al buraey, 1990).
There are several factors in spiritual motivation in Islamic perspective such as Ihsan (perfection), Ikhlas (sincerity) and amanah (trust). Ihsan (perfection) refer to Allah know every action who individuals takes in their work activity, it mean that is important to behave perfection in order to receive Allah’s reward and acceptance on social setting. Ikhlas (sincerity) refer to do everything only desiring the pleasure of Allah and should not desire any reward in the word and hereafter. Amanah refer to moral responsibility of fullfill obligations only desiring Allah’s blessing. Amanah express social moral, it can make human life more meaningful because it contain value of integrity, responsibility, honesty, transparency and accountability.

2.3 Spiritual Well Being

Spiritual well being refer to condition when personal feel satisfaction, safe, peace, comfort and the destiny of he/her life is happen. Spiritual well being can be determinant factors to analysis about quality of life movement. Prior studies have examine of spiritual well being and quality of life in several areas studies. Powel et. al (2003) explain that spiritual well-being have been viewed by religious spiritual behaviour and experience. The reason why religion used to measure spiritual well being because religion is one of factor influence individual behaviour. Religion is guidance how individual behave in social environment must according ethical requirement and religious beliefs. Blaikie and Kelsen (1979) found that spiritual or religious haved role to determine well-being. Gallup (1980) also found that religious beliefs and practices as factors influence spiritual well being. Despite, schneiders (1986) in Gomez and Fisher (2003), found that spiritually and spiritually well-being are not necessarily limited to only religious spiritual behaviours and experience. Campbell (1976) also found that less significant effect of the role of religion in life satisfaction. But re analysis of campbell data show that religion have more important factor in life satisfaction. Spiritual well being also related with mental health. Several evidence suggesting about it. Ozaki and Oku (2006) investigate relationship between healty spiritual and sense of authenticity (SOA) refer to spiritual attitude and spiritual sense. They found that high correlation between SOA and SOC with healty spiritual. Bakker, & VanRhenen, (2009) also found that important higher level of well-being and mental health. Ellison (1983) suggest that conceptualized quality of life may be determined by material, psychological and spiritual well-being. Fisher (1998) suggest to develop spiritual well being model in multidimensional aspect. Gomez and Fisher (2003) develop model to measure spiritual well being questionnaire (SWBQ) using 5 item scales such as: personal, communal, enviormental, and transcendental spiritual well being. Personal refer to meaning, purpose and values in life. Communal refer to quality of inter-personal relationship with others. Enviormental refer to “enjoyment, care and nurture for the physical biological word” (Gomez and Fisher, 2003). Transcendental refer to “relationship with something or someone beyond the human level” (Gomez and Fisher, 2003). Multidimensional aspect of spiritual well-being is to seem clearly that spiritual well-being not only determine in single factors for example religion but also it can determine in other aspect. Paloutzian and Ellison (1982) and Ellison (1983) determine spiritual well being in two aspect with develop a model to measure spiritual well being namely The Spiritual Well Being Scale (SWBS). SWBS contain two subscales such as religious well being (RWB) to measure vertical dimension of spirituality and Existential well being (EWB) to measure horizontal dimension of well being.

Kossek et al (1998) suggest that work place as a determine motivational factors that have impact on their employees, performance, satisfaction and career success. Afasar, Badil and Kiani (2014) describe workplace spirituality as a determinant integrated value, attitudes and behaviour which necessary to motivate followers intrinsically. Fry (2003) determine spirituality at workplace motivate individuals to take actions derived from heart and influence sustainability. Chalofsky and Krishna (2009) suggest positive relationship between meaningful work and intrinsic motivation. Meaningful work as a determinant factor to describe about employee satisfaction. Spiritual well being, as a determine factor to explain about employee satisfaction in intrinsic motivation dimension. Intrinsic motivation can determined as individual choices to arrangement inherent with satisfaction (Ryan and Deci, 2000). Motivation also giving direction and intention to individual behaviour (Ryan and Decy, 2000). Chambel (2007) suggest to develop motivation models using internal motivation and external motivation to determine work engagement. Sulaiman (2014) propose that “Intrinsic motivation refer to doing something because it is inherently interesting or enjoyable and extrinsic motivation refer to doing something because it leads to a separable outcome”. Ali (2009) suggest that there are relationship between materialistic motivation and spiritual motivation. Both of them have been coherent relationship and can’t separate for each other. In Islamic study, Sulaiman (2014) found that moslem employees more interested in intrinsic motivational; factors with a fair balance to achieve career success.

Rehman and Al Buraey (1990) describe that “ a moslem seeks two type of reward from his/her good deeds such as: material and spiritual”. Spiritual motivation as a moslem is based on Qur’an and Hadist direction. In Islam spiritual motivation separate in two major factor called HabluminnAllah and Habluminannas. As a Prophet Muhammad said “ fear Allah wherever you are, do good deeds after doing bad ones, the former will wipe out the latter, and behave decently towards people” (HR AT Tirmidzi). It contain about relationship between individual oneself with Allah and with other. Relationship between individual with God / Allah caleed Habluminnas. Habluminnas refer to believes Allah in his/her life and every action who individual take must based on Qur’an and Hadith for example: sholat five time, zakat, fasting and do other worship to binding good relationship with Allah. Relationship individual oneself with other called habluminannas. It refer to how individual interaction with social environment. For example give salam (say hello), helping others, caring with other etc. Habluminannas spiritual wellbeing related with social behaviour,because it is part of human “fitrith” as a social creature. People who applied habluminannas value in their life means that every actions must be guided with religion guidance. Habluminannas would be applied in workplace to keep good environment. For example when meet other moslem always give salam it contain meaning that to keep communication with other, treating as a brother; helping or caring with other when somebody have problem in his/her job; always keep smile when meet some one. This situation is good foundation to develop positive relationship in workplace. With positive relationship in work place make employees feel comfort and show high performance in their duties. Social meaning or value of the work as a determinant factor that influence intrinsically motivation (Urdaan and Muehr, 1995). More offer “the feeling of interrelationship and connection...
through social interaction and thus membership breeds sense of being understood and appreciated, and motivated to strive for future generations” (Afsar, Badir and Kiani, 2015).

2.4 Spiritual Value And Agency Problem

Spirituality related with personal believe and truth that individuals hold and believes in their lived. Spiritually as a personal guidance about how individuals behave in their lives, how they look something and interaction with their environment.

Spirituality is needed in individual’s activity and as a primary source how they behave, looks something and more ethics behaviour. At the workplace spirituality is one of importance factors to influence how employee/ individual describe about organization, interaction with other and work environment. There is positive benefits of religion associated with a greater purpose among employees (Markov and Kleneke, 2005), attitudes and behaviour (Kings, 2008). Mc Cormack said that “religion as a distinct and special phenomenon – is that religion is assumed to bring with it the workplace mostly positive a priori existing values and practices”. Even more, religion associated with individuals spirituality value to shape positive behaviour at workplace.

“When work is seen as a calling rather than a job, or as an opportunity to serve God, work-related strivings take on new significance and meaning” (Paloutzian et al, 2003, in Reave 2005). In Islam perspective, Islam no only as a belief but also it complete the way of life because in Islam gived direction how moslems to fulfill woship as the way to closes with Allah but also to gived direction of social and economic activities (Ali, 2008), employee must behave according ethical requirements and spiritual binding based on Quran and hadist. Employee who used spiritual value at the workplace refer to implement ethical behaviour because everything must be guided by God’s criteria and the impact of spiritual value is employee try to improve commitment to work, because he/she suggest that work as a calling it mean that work is part of “ibadah”.

In other side, agency problem appear because of conflict interest between agen and principal (Jensen & Meckling, 1976). Sometimes agent have more information than principal and used it to maximizing agent welfair. Lack of control from principal will be reason why agent attempt to take self interest action. Agent (employees) sometime can’t conduct as a principal representatief because agent atted to fulfill what they needs rather than what principal needs. This situation give bad atmosphere and moreover it can be potential impact at work place situation. Mitroff and Denton (1999) suggest that one factors of organization disfunctions, ineffectiveness and human stress come from individuals missing at work, it called as a lack of spiritual foundation in the work place. With a bad atmosphere at work place, it can be the reasons why employee refer to care with one self rather than consider to reach organizational goals. Based on agency problem, it can be potential stimulated unethical behaviour. Such as corruption, power abuse, in effective productivity etc. In Islamic perspective, spiritual reward is one of important factor to minimizing agency problem because individual get motivation intrinsically to not only fulfill duties but go beyond these for the benefit of other and oneself (Jam et al, 2010). “Jihad” named to agent who fulfill his/ her duties based on spiritual motivation in Islamic culture and “ehsan” named to principal to gived protection and satisfying the agent.

With spiritual value, that applied in workplace we suggest it can mitigate agency problem. Spiritual value in work place can bring good atmosphere or positive environment because every action of employee must conduct base on God almighty. As a moslem every action must based in Quran and hadith direction. The spiritual values as a moslem can be reflection in three component such as: Ihsan, Ikhlas and Amanah. The definition of Ihsan is Allah know every action who individuals takes in their work acivity, it mean that is important to behave perfection in order to receive Allah’s reward and acceptance. “ it’s worshipAllah as you are seeing Him and while you see Him not yet truly He sees you” (HR Bukhari). Ihsan related with value of Iman, whre is Iman is the way to faith in Allah. As in hadidt states that “Allah messenger was asked, what is the best deed? He replied to bеляive in Allah and his Apostle Muhammad. The questioner then asked “what is the next (in goodness) He replied to participate in Jihad in Allah’s causes. He questioner again asked, what is the next (in goodness), he replied to perform Hajj(pilgrim age to mecca)Mubrur (which is accepted by Allah and is performed with intention of seeking Allah pleasure only and not to show off and without committing a sin and accordance with the traditions in Prophet”) (HR Bukhari). Ikhlas (sincerity) refer to do everything only desiring the pleasure of Allah and shoult not desire any reward in the word and hereafter. Quran states that “…and keep your promise, surely it will be iquired into” (QSAI Irsa’:34) and support in Quran surah Al Mu’min (1-8)states that “the true winners are the believers….. they who observe their trust and covenant….. fulfill your obligations” .(QSAI maidah:1). Amanah refer to moral responsibility of fulfill obligations only desiring Allah’s blessing. Amanah express social moral, it can make human life more meaningful because it contain value of integrity, responsibility, honestly, transparency and accountability. Quran states: ‘O you that believe! Betray not the trust of God and the Apostle normisappropriate knowingly things entrusted to you” (Qs Al-Anfal,27).

H1: negative relationship between spiritual value with agency problem.

2.5 Spiritual Value And Spiritual Well Being

Spiritual value is personal spiritual binding with what he/ she believe and applied in his/her life. Spiritual value bring guidance how individual interact with God and with social environment. When spiritual beings integrated in work life, it bring a another hope that life just not alive (Hopee, 2005), give meaning, contribute to increase the quality of work life (Lee at al, 2003). Spiritual value gived condition where is a person feel satisfication in he/she life because every action who he/she take is based on God direction and the purpose of his/her life to get just only God blessing. Spiritual value also explanation about how people action based on values of religion to reach satisfication in his/her life. Satisification also related with well-being. Spiritual well being refer to condition when personal feel satisfication, safe, peace, comfort and the destiny of he/her life is happen. Spiritual well-being can be to determine about quality of life movement. Spiritual well being as a intrinsic motivation to stimulate person to conduct as well as with he/she believe and faith. Both of them have been coherent relationship and can’t separate for each other. In Islamic study, Sulaiman (2014) and Ali (2009) suggest that there is relationship between materialistic motivation and spiritual motivation. found that moslem employees more interested in intrinsic motivational; factors with a fair balance to
achieve career success. Blaikie and Kelsen (1979) found that spiritual or religious haved role to determine well-being. Spiritual well being also related with mental health. Several evidence suggesting about it. Ozaki and Oku (2006) investigate relationship between healty spiritual and sence of authenticity (SOA) refer to spiritual behaviour and sense of coherence (SOC) refer to spiritual attitude and spiritual sense.

Spiritual well being divide in 2 categori such as religious well being (RWB) to measure vertical dimension of spirituality and Existential well being (EWB) to measure horizontal dimension of well being (Paloutzian and Ellison,1982 and Ellison, 1983). In Islam spiritual motivation separate in two major factor called HabluminAllah and Habluminannas. HabluminAllah refer to believes Allah in his/her life and every action who individual take must based on Qur’an and Hadith for example: sholat five time, zakat, fasting and do other amalan sholeh to binding good relationship with Allah. Relationship individual oneself with other called habluminannas. It refer to how individual interaction with social environment, For example give salam (say hello), helping others, caring with other etc. Habluminannas spiritual wellbeing related with social behaviour,because it is part of human “fitrah” as a social creature. People who applied habluminannas value in their life means that every actions must be guided with religion guidance as a spirituality.

H2: positive relationship between spiritual value with habluminannas spiritual well being

2.6 Spiritual Well Being Ang Agency Problem

Kossek et al (1998) suggest that work place as a determine motivational factors that have impact on their employees, performance, satisfaction and career success. Afsar, Badil and Kiani (2014) describe workplace spirituality as a determinant integrated value, attitudes and behaviour which necesary to motivate followers intrinsically. Spiritual well being, as a determine factor to explain about employee satisification in intrinsic motivation dimension. Intrinsic motivation can determined as individual choices to arragement inherent satisfaction (Ryan and Deci, 2000). Motivation also giving direction and intention to individual behaviour (Ryan and Decy, 2000). Rehman and Al Buraey (1990) describe that “ a moslem seeks two type of reward from his/her good deeds such as: material and spiritual”. Spiritual motivation as a moslem is based on Qur’an and Hadist direction. In Islam spiritual motivation separate in two major factor called HabluminAllah and Habluminannas Habluminannas spiritual wellbeing related with social behaviour,because it is part of human “fitrah” as a social creature. People who applied habluminannas value in their life means that every actions must be guided with religion guidance.

In other sides, agency problem actually appear in work place. sometime employee using their power to take some actions unapropriate with organizational goals for example abuse power and influence employee to behave unethical example corruption. One of study about agency problem discuss about employee-employer relationship in a broader term, that how in different situations goal congruence can be achieved between both parties, how principal can monitor the behavioral appropriateness of the agents, and principal can counter the risk and work aversion of the agent, the focus remain in designing a comprehensive economic reward package to motivate the agent (Jam et al, 2010). Habluminannas would be Habluminannas would be applied in workplace to keep good environment. For example when meet other moslem always give salam it contain meaning that to keep communication with other, treating as a brother; helping or caring with other when somebody have problem in his/her job; always keep smile when meet some one. This situation is good foundation to develop positive relationship in workplace. With positive relationship in work place make employees feel comfort and show high performace in their duties. Social meaning or value of the work as a determinant factor that influence intrinsically motivation (Urdan and Maehr, 1995). More offer “the feeling of interrelationship and connection through social interaction and thus membership breeds sense of being understood and appreciated, and motivated to strive for future generations” (Afsar, Badir and Kiani, 2015).

H3: negative relationship between habluminannas spiritual well being with agency problem

III. Method

3.1 Research Setting And Participants

Goverment Institutional which used Islamic value in core activity was selected to be area from this study. Data was collected from the employees who have been mandatory to manage financial institutional. The criteria sample of this study is:

1. Sample using moslem’s employees, because this study try to analysis implementation of Islamic value in workplace
2. Sample was selected the employees who have been mandatory to manage financial institution because they are as a governement representative who has authority to manage finacnial with honestly, fairly, high integrity and comitment.
3. There are high risk to employees who have authority in financial institution, because it can be as a potential fraud risk for example: corruption, abuse power, collusion, etc.

This study used questionare with modified indicators from Reaves to measure spiritual value and developed indicator to measures Habluminannas spiritual well-being and agency problems. Total sample for this studies is 70 participants

3.2 Measurement

3.2.1 Spiritual Value

The measurement of spiritual value using modified reave’s model. Reaves model using 10 indicators to identified spiritual value. This study using 5 from 10 reave’s indicator such as: work as a calling, integrity, honest communication, treating others fairly, appreciating others.

1. Work as a calling
Paloutzian, Emmons, & Keortge (2003) in Reaves (2005) said that “when work is seen as a calling rather than a job, or as an opportunity to serve God, work-related strivings take on new significance and meaning”. In Islamic perspective, “work is given importance to the extent that it is considered as an act of worship itself” (Ahmad and Owoyemi, 2012). Work as call also supported by Quran and Hadidt. Quran (Ar-Ra’d, 11) states “God does not change the condition of a nation unless it changes what is in its heart”. “That man can have nothing but what he strives for; That (the fruit of) his striving will soon come in sight: Then will he be rewarded with a reward complete.” (QSA-Najm 53:39).

2. Integrity

Integrity means that a person who has standards to doing their job. It refer to having strong moral principal and being honest. As a moslems, they must have higher integrity to fulfill their obligation, appropriate with Quran states that “...and keep your promise, surely it will be aquired into” (QS Al-Ins.:34) and support in Quran surah Al Mu’minun (1-8)states that “the true winners are the believers..... they who observe their trust and covenant,..... fulfill your obligations” (QSAI maidah:1).

3. Honest communication

Honesty is component of integrity (Elm, 2003). Honest communication with self and others give stimulation to behave fairly because, it have positively effect to know strenght and limitation and it will be righteous character. As in Quran describe “O you who believe! Fear God, and be with those who are true (in word and deeds)” (QS At-Taubah:119). “Honesty descended from the Heavens and settled in the roots of the hearts of men (faithful believers), and then the Quran was revealed and the people read the Quran, (and learnt from it) and also learnt from the sayings and traditions. Both the Quran and the traditions strengthened their honesty” (hadrith Saheeh Al-Bukhari).

4. Treating others fairly

Fairly is defined as clearly, justly, distinctily. Reave (2005) said that “Treating others fairly is a natural consequence of viewing them with respect”. In Quran states that “Give Full Measure, When You Measure,And Weigh With Even Scales. That Is Fair And Better In The End (QS Ar-Rahman: 9).

5. Humility

Key factors sucess transformational organizational is development of spirituality behaviour based on humility and sense of higher purpose (Wagner-Marsh & Conley (1999). Humility describe to being humble and not being proud or “ego”. “(O Prophet Muhammad) give good news to the humble, whose hearts tremble with awe at the mention of God, who endure adversity with patience, who establish regular prayer, and who spend in charity out of what we have given them.” (QS An-Naml:34-35).

Verily, “Allah has revealed to me that you must be humble towards one another, so that no one wrongs another or boasts to another (hadist, muslim).

3.2.2 Habluminannas Spiritual Well-Being

The measurement of Habluminanas spiritual well-being using modified Spiritual Well-Being Questionare (SWBQ). This study used indicator to measurement comunal aspect in SWBQ with 5 indicators to measure habluminanas spiritual well being who appropriate with Quran and Hadidth.

1. Forgive other

Forgive other refer to stop feeling angry or blaming toward someone. Forgive requires that we have greater wisdom and compassion. Forgive others give positif mindset to someone. in hadidt describe that “Do not hate each other, do not envy each other, do not turn away from each other. Rather, be servants of Allah as brothers. It is not lawful for a Moslem to abandon his brother for more than three days”(HR Moslem). Beware of suspicion, for suspicion is the most false of speech. Also describe “Do not seek out faults, do not spy on each other, do not contend with each other, do not envy each other, and do turn away from each other. Rather, be servants of Allah as brothers” (HR Muslim).

2. Trust others

Trust others refer to belief to someone that they more reliable, honest, have a higher responsibility with no suspicious. “Verily, Allah commands that you should render back the trusts to those, to whom they are due”(An-Nisa:58).

3. Respect others

Respect others refer to how we carring with other and condition to be honour and tolerance. Make things easy and do not make things difficult. “Give glad tidings and do not repel people. Cooperate with each other and do not become divided” (HR Bukhari).

4. Kindness other

Kindness other refer to ethical character as a determinant behaviour to people interaction with social enviromnet. In Quran state that“worship Allah and associate nothing with Him, and to parents do good, and to relatives, orphans, the needy, the near neighbor, the neighbor farther away, the companion at your site...” (QS An-Nisa: 36) Ibn Abbas (R.A.) reported that Rasulullah said: “He is not one of us who dies without having shown kindness to our young ones and respect to our older ones” (HR Tirmidzi).
3.2.3. Agency Problem
This study development indicators measurement to measure agency problem. The indicator has been selected by seeking phenomenon that consistently appear in agency problem. This study develop 5 indicators measurement to measure agency problem

1. Self interest

Self interest refer to take action focus to fulfill what a person need rather that what other or organizational needs. In Quran explain "Woe to those who deal fraudulently, those who when they have to receive by measure from men, exact full measure. but when they have to give by measure to men, they give less than due. don't they ever think that they will be called to account on a mighty day?" (QS Al-Mutaffifin: Ayah 1-5)

2. Power abuse

Power abuse refer to used authority or power to violative, cruel, and ilegal behaviour. In hadidt explain “When Allah decreed the creation, he wrote in his Book with him on his Throne: My mercy prevails over my wrath (HR Bukhari) Allah the Exalted said: The son of Adam has lied against me but he has no right to do so, and he has abused me but he has no right to do so. As for his lie, it is his saying that I cannot recreate him as I did before. As for his abuse, it is his saying that I have a son, but I am glorified above taking a wife or a son” (HR Bukhari).

3. non optimal stakeholders service

Agent as a principal (stakeholders) representative must conduct as well as to maximizing principal needs. Employee as a agent should be behave to give optimal service into stakeholders but sometime they don’t conduct as a stakeholders representative.

4. Less performance

Less performance refer to people spend time in unproductivity activities. They refer waste their time to doing something who never give benefit for them.

IV. Data Analysis

4.1 Test of validity and reliability measurement

This study verified reliability and validity models, tabel 1 shows the result of reliability test

<table>
<thead>
<tr>
<th>Item reliability</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spiritual value</td>
<td></td>
</tr>
<tr>
<td>1. Working as a calling</td>
<td>0,787</td>
</tr>
<tr>
<td>2. Integrity</td>
<td></td>
</tr>
<tr>
<td>3. Honest communication</td>
<td></td>
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<tr>
<td>4. Treating fairly</td>
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<td>5. Humility</td>
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<tr>
<td>Habluminannas spiritual well being</td>
<td></td>
</tr>
<tr>
<td>1. forgive others</td>
<td></td>
</tr>
<tr>
<td>2. trust others</td>
<td></td>
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<tr>
<td>3. respect others</td>
<td></td>
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<td>4. kindness other</td>
<td></td>
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<tr>
<td>Agency problem</td>
<td></td>
</tr>
<tr>
<td>1. self interest</td>
<td>0,786</td>
</tr>
<tr>
<td>2. power abuse</td>
<td></td>
</tr>
<tr>
<td>3. non optimal stakeholders service</td>
<td></td>
</tr>
<tr>
<td>4. less performance</td>
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</tbody>
</table>

Reliability is tools to measure a questionnaire as a variable indicators, a questionnaire is reliable if the answer is constistance or stabil (Ghozhali, 2006). The criteria of reliability if value of Cronbach’s alpha >0.60 (Nunnally, 1967 in Ghozhali, 2006). Table 1 show that all item in questionnaire to measure variable is reliable because the value of Cronbach’s alpha is higher than 0,06 (SV=0,787; SWB:0,747; AP=0,786).

Validity test as a tools to measure all item in questionnaire is valid. Validity questionnaire called valid when the item of questionnaire describe variable of research (Ghozhali, 2006). To test validity we used bivariate correlation. First, we test indicators of spiritual value. The result of this study show that all item is significant 0,000 at the level 0,01(2 tailed). Second we test indicators of
habluminnas spiritual well being and show that all item is significant 0,000 at the level 0,01(2 tailed). Finally we test indicators of agency problem and show that all item is significant 0,000 at the level 0,01(2 tailed).

4.2 Test Of Relationship Between Variables

We used bivariated correlation test to analysis relationship of all variable such as spiritual value, habluminnas spiritual well being and agency problem. From result of table 2 we found that fist, spiritual value haved negative relationship with agency problem with perason correlation at level -2.33, significant value 0,00 at level 0,01 (2 tailed). This result support hypothesis 1. second spiritual value haved positif relationship with habluminnas spiritual well being with pearson correlation level at 0,479 and significant value 0,00 at level 0,01 (2 tailed), this result support hypothesis 2. Finally from the result show that there are no relationship between habluminnas spiritual well being with agency problem, with perason correlation at level -0,153 and significant value 0,205 at level 0,01 (2 tailed). Thus, result reject hypothesis 3.

V. Discussion

The purpose of this study to gived empirical study to spiritual value and spiritual well being in islamic perspective as an alternatif to solve agency problem, several study discuss about agency problem in several perspective. Fama (1980), Agrawal (2004) Hermeindito (2014) analysis financial data to mitigate agency problem. in Islamic perspective, Jam (2010), Sulaiman (2014) gived description study using islamic perspective an an alternatif to solve agency problem. this study try to support Jam et al (2010) and Sulaiman (2014) studies in islamic perspectve with gived empirical studies in agent behaviour who apply islamic value based on Quran and hadidt.

The aims of this study to look clearly the influence factors why angent sometime can’t conduct as a principal representative. Jam et al (2010) suggest solution to solved agency problem with develop spiritual system of Islam such as spirituality at workplace. Mitroff and Denton (1999) suggest that one factors of organization disfunctions, ineffectiveness and human stress come from individuals missing at work, it called as a lack of spiritual foundation in the work place. must be guided by God’s criteria and impact of spiritual value employee is improved comitment to work, because he/she suggested that work as a calling it mean that work is part of “ibadah”. With spirit of “ibadah”, Taqwa and fear Allah they manifested their thankfulness by being “ikhlas” and having commitment to their work, giving charity and donations to the poor and the society, fulfilling the religious duties, following Shari’ah, managing their wealth properly, and seeking sincerity and internal purification (Sulaiman, et al. 2014), this study found that there are negative relationship between spiritual value with agency problem, it means that spiritual value can mitigate the problem of agency and give evidence that spiritual values is binding with the spiritaul behaviour employee. The higher degree of spiritual value show that lower level of unethical behavioural agent.

Ali (2009) suggest that there are relationship between materialistic motivation and spiritual motivation. Both of them have been coherent relationship and can’t separate for each other. In Islamic study, Sulaiman (2014) found that moslem employee more interested in intrinsic motivational; factors with a fair balance to achieve career success. Blaukie and Kelsen (1979) found that spiritual or religious have role to determine well-being. Spiritual well being also related with mental health. Several evidence suggesting about it. Ozaki and Oku (2006) investigate relationship between healty spiritual and sence of authenticity (SOA) refer to spirtitual behaviope and sense of coherence (SOC) refer to spirtitual attitude and spiritual sense. In Islam spiritual motivation separate in two major factor called HabluminAllah and Habluminannas. Habluminallah refer to believes Allah in his/her life and every action who individual take must based on Qur’an and Hadith for example : sholat five time, zakat, fasting and do other amalan sholeh to binding good relationship with Allah. Relationship individual oneself with other called habluminannas. It refer to how individual interaction with social environment, For example give salam (say hello), helping others, caring with other etc. Habluminannas spiritual wellbeing related with social behaviour,because it is part of human “fitrah” as a social creature. People who applied habluminannas value in their life means that every actions must be guided with religion guidance as a spirituality value. This study also support the positive relationship between spiritual value with habluminannas spiritual well-being.
Habluminannas spiritual well-being related with social behaviour, because it is part of human “fitrah” as a social creature. People who applied habluminannas value in their life means that every actions must be guided with religion guidance. Habluminannas would be applied in workplace to keep good environment. For example when meet other moslem always give salam it contain meanings that to keep comunication with other, treating as a brother; helping or caring with other when somebody have problem in his/her job; always keep smile when meet some one. This situation is good foundation to develop positive relationship in workplace. With positive relationship in work place make employees feel comfort and show high performace in their duties. Social meaning or value of the work as a determinant factor that influence intrinsically motivation (Urdan and Maehr, 1995). The reason of agency problem sometime appear because uneficiency employee behaviour, such as: waste time with unproductive activity at workplace, self interest moreover conduct abuse of the power. This study less supoort of negative relationship between habluminannas spiritual well-being with agency problem. We guess that the less relationship between habluminannas spiritual well being with agency problem because a person who have higher level of habluminannas spiritualy well being sometimes do uneficiently behaviour in workplace.

This study, give evidence that agency problem has been determine in several perspective. One area study of agency problem can describe by agent behaviour. Agent behavior can be as an alternative solution when we analysis agency problem, not only from analysis financial data but clearly we also analysis from agent behavioural. Analysis about agent behavioural have contribute to enrich knowledge about agency problem. Based on agency behavioral we can look clearly intrinsic motivation, and describe the reasons why sometime agent can’t conduct as an principal representative, alsofound solution to mitigate this behaviour. Intrinsic motivation have relationship with spirituality as a determinant factor. Spirituality related with personal believe and truth that individuals hold and believes in their lived. It also related with a religion. In Islamic perspective, spirituality as a moslem means that every action who take must based on Quran and hadidis, it can be divide into two factors called Habluminallah and habluminannas. Habluminallah refer to how individual as a person believe Allah in his/her life and they try to closes with Allah in worship. Habluminannas refer to how individual interaction with social environment based on Quran and hadidit direction. This study also gived contribution that Islamic values as an alternative to solved agency problem with a spirit of habluminallah and habluminannas who applied in moslem employee life.

VI. Limitation

We outline three limitations of this study may can be new opportunities for further research. First, previously, we using 5 measurement instrument to measure habluminannas spiritual well being such as love toward people and using 5 measurement instrument to measure agency problem such as: lack of control from supervisor or manajer, but when we conduct to test variability of that measurement, the result show that significant value of that measurement is higher than significan level (criterion). Based on result 2 item measurement invalid and the impact of that result, that measurement can’t be applied to measure variable. In future studies, that problem potentialy to develop measurement items to determine variable of the research.

Second, the population of this study is limited in one area, it impact with the limitation data was collected. Further studies potentialy to spread area of this study and analysis data with another instrument test. Third, our finding haved limited support to decribe relationship between habluminannas spiritual well being with agency problem, furthers study may be can investigated and develop new instrument to measure this variable base on Quran and Hadith.

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