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**BUILDING A POSITIVE WORK CULTURE IN THE RETAIL INDUSTRY: KEY TO
ENHANCING PERFORMANCE AND EMPLOYEE SATISFACTION THROUGH
LEADERSHIP SPIRITUALITY**

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ABSTRACT

The retail industry faces significant challenges in maintaining employee performance and increasing job satisfaction amid high operational pressures. A positive work culture is a crucial element in creating an atmosphere that supports improved performance and employee well-being, as well as strengthening their loyalty to the organization. One method to achieve this goal is through Leadership Spirituality, which emphasizes spiritual values such as meaningful work, care, and trust. This study aims to explore the role of leadership spirituality in building a positive work culture in the retail sector and its impact on employee performance and satisfaction levels. By adopting a qualitative approach and a literature review analysis of the implementation of leadership spirituality in various retail companies, the research findings suggest that leaders who integrate spiritual values into their leadership style can enhance employee engagement, strengthen healthy work relationships, and create a more inspirational and meaningful work atmosphere. The implications of this study indicate that retail companies need to adopt a leadership approach that focuses more on humanity and values to build a work culture that supports both individual and organizational development. Thus, leadership spirituality can be an effective strategy for increasing job satisfaction and retaining quality workforce in the highly competitive retail industry.

Keywords: Leadership spirituality, Positive Work Culture, Retail Industry, Performance, Employee Satisfaction.

ABSTRAK

Industri ritel menghadapi tantangan signifikan dalam mempertahankan kinerja karyawan dan meningkatkan kepuasan kerja di tengah tekanan operasional yang tinggi. Budaya kerja yang positif adalah elemen penting dalam menciptakan suasana yang mendukung peningkatan kinerja dan kesejahteraan karyawan, serta memperkuat loyalitas mereka terhadap organisasi. Salah satu metode untuk mencapai tujuan ini adalah melalui Kepemimpinan Spiritual, yang menekankan nilai-nilai spiritual seperti pekerjaan yang bermakna, kepedulian, dan kepercayaan. Studi ini bertujuan untuk mengeksplorasi peran kepemimpinan spiritual dalam membangun budaya kerja yang positif di sektor ritel dan dampaknya terhadap kinerja dan tingkat kepuasan karyawan. Dengan mengadopsi pendekatan kualitatif dan analisis tinjauan pustaka tentang penerapan kepemimpinan spiritual di berbagai perusahaan ritel, temuan penelitian menunjukkan bahwa pemimpin yang mengintegrasikan nilai-nilai spiritual ke dalam gaya kepemimpinan mereka dapat



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meningkatkan keterlibatan karyawan, memperkuat hubungan kerja yang sehat, dan menciptakan suasana kerja yang lebih inspiratif dan bermakna. Implikasi dari studi ini menunjukkan bahwa perusahaan ritel perlu mengadopsi pendekatan kepemimpinan yang lebih fokus pada kemanusiaan dan nilai-nilai untuk membangun budaya kerja yang mendukung perkembangan individu dan organisasi. Dengan demikian, kepemimpinan spiritual dapat menjadi strategi yang efektif untuk meningkatkan kepuasan kerja dan mempertahankan tenaga kerja berkualitas di industri ritel yang sangat kompetitif.

Kata kunci: Spiritualitas kepemimpinan, Budaya Kerja Positif, Industri Ritel, Kinerja, Kepuasan Karyawan.

INTRODUCTION

To achieve organizational goals, human resources (hr) play a crucial role as the effective driving force within a company. Therefore, HR must possess high quality in various aspects. Competition between organizations in the modern era is becoming increasingly fierce, requiring HR performance to be maintained or even improved continuously. To support this, leadership capable of motivating and providing adequate facilities is needed to support performance and enhance employee satisfaction. Performance can be defined as a measure used to assess the work results achieved by an employee over a certain period. Many aspects influence how an employee works, including the leadership figure and available facilities in the workplace. Nonetheless, performance is needed to determine if employees are working effectively and efficiently. Employee performance is a critical issue for any organization, focusing on whether an employee performs their job well (Nurhasanah, Jufrizen et al., 2022).

The quality of human resources within an organization serves as a benchmark for the success of the organization in achieving its objectives and realizing its vision and mission. Thus, companies are required to manage employees effectively to obtain satisfied and satisfactory human resources for the organization (Gomes, 2006). Performance is one of the factors in a company's success. The demand for high performance has become intrinsic to an organization. Leadership is one of the factors that can influence employee performance improvement. Fry (2005) explains that leadership effectiveness in the workplace is inextricably linked to spiritual values. The relationship between spiritual leadership and performance, according to Duchon and Plowman (2005), can be described as a workplace spirituality model developed based on Fry et al.'s initial concept of spiritual leadership. Research in the United States by Fry et al. (2011) shows that the development of workplace spirituality by management positively affects both organizational and individual outputs, such as performance.

This study indicates that employees lack motivation to perform their tasks optimally, making their performance less effective in supporting organizational goals and increasing job



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satisfaction. Employee performance is measured based on three main factors: ability, effort, and opportunities in the workplace. According to Locke (1970), performance is the direct result of specific tasks or individual work objectives, determined by the individual's values, knowledge, and beliefs within their understood context. Employee performance is critical for organizations in achieving their goals (Suwanto L, 2020). According to Campbell, McHenry et al. (1990), performance is defined as observable actions by an individual (i.e., behavior) relevant to the organization's goals. Spiritual leadership involves leaders with values, attitudes, and behaviors needed to intrinsically motivate themselves and others toward a sense of spiritual survival through calling and membership (Fry, 2003).

Leaders who can motivate their employees are essential for employees. Leaders who can motivate their employees will encourage them to work more effectively, thus increasing performance. According to Tanuwijaya (2015), applying spirituality values in leadership increases employees' contributions through performance enhancements. Furthermore, this can encourage employees to be more diligent and passionate about their work due to positive encouragement from superiors, leading to job satisfaction. The goal of spiritual leadership is to create and maintain an ever-evolving, learning organization.

Research by Rachmawan and Aryani (2020) found that spiritual leadership's impact on performance, mediated by job satisfaction, is insignificant. According to the study, although leaders can motivate employees to achieve organizational goals, they do not enhance satisfaction and performance, suggesting there are other factors influencing employee satisfaction and performance (Fry, 2003). According to Rahmawaty (2016), spiritual values in leadership can motivate and inspire employees in building organizational vision and culture, creating employee commitment, ultimately impacting job satisfaction and performance.

Research by Hidayah and Sutopo (2017) indicates that Spiritual Leadership has a positive and significant impact on performance. The study shows that the better the implementation of spiritual leadership, the higher the employee performance. In contrast, research by Supriyanto, Soetjipto et al. (2016) states that workplace spiritual leadership has no direct impact on job satisfaction due to unfulfilled elements like supervisor satisfaction, payment systems, and opportunities for promotion. According to Pio and Tampi (2018), spiritual leadership influences job satisfaction, with higher Spiritual Leadership resulting in greater job satisfaction. Work facilities are means to facilitate company activities and enhance employee welfare, enabling employees to perform their jobs effectively (Sirait, 2013). Facilities that ease and support employee activities and work improve performance significantly.

Research by Rahmawaty (2016) on the impact of spiritual leadership on job satisfaction shows that it has a substantial impact on job satisfaction, fostering a positive work attitude.



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This condition encourages a comfortable and pleasant feeling (job satisfaction), leading to productive work behavior. Another study by Puspitasari (2019) regarding spiritual leadership and employee job satisfaction shows that spiritual leadership affects the job satisfaction of employees and nurses at Sultan Agung Hospital in Semarang. Implemented spiritual leadership can touch both interpersonal and intrapersonal aspects of nurses, fostering

RESEARCH METHOD

This research employs a literature study method as the primary data collection technique, referencing various sources such as physical and non-physical books, scientific articles, journals, and relevant previous research related to the concept of talent management within companies. This literature study was conducted systematically through processes of searching, collecting, understanding, and classifying literature associated with talent management, organizational performance, and human resource development strategies. The collected data comprises secondary data that includes theoretical references and findings from prior studies regarding the implementation of talent management and its impact on organizational performance. This method allows the researcher to gain a deeper understanding of the concept of building a positive work culture in the retail industry: key to enhancing employee performance and satisfaction through leadership spirituality (Sugiyono, 2014).

RESULTS AND DISCUSSION

Previous research related to building a work culture to enhance performance and job satisfaction through spiritual leadership has been conducted, with most highlighting the effectiveness of spiritual leadership on work culture and its influence on performance and job satisfaction levels. For instance, a study by Fauzi (2016) shows that leaders with high spiritual intelligence can imbue meaning into their actions based on clear thinking (fitrah), show wisdom in executing tasks, diligently pray, be honest, humble, forgiving, tolerant, and gentle. The impact of high emotional and spiritual intelligence of school principals also affects teachers, especially during the learning process in the classroom. Teachers appear as role models, embodying love, care, patience, creativity, humility, wisdom, strong commitment, and honesty for their students. If both the principal and teachers can effectively embody these aspects of emotional and spiritual intelligence, the school climate becomes very conducive, producing resilient students.

Further research by Rahayu (2016) shows a relationship between spiritual leadership and affective commitment through workplace spirituality among employees of a sharia bank, indicating that higher spiritual leadership in leaders enhances affective commitment along with increased workplace spirituality. It was noted that 27.2% of affective commitment is influenced by factors other than spiritual leadership and workplace spirituality. Fortuna, Soesilo, and Setyorini (2021) in their research demonstrated that the analysis of the impact of spiritual leadership on the performance of employees at Hotel D'Emmerick Salib Putih



Salatiga revealed an F-value of 62.821 with a significance level of 0.000 and an R square value of 0.594. Thus, the significance value of < 0.05 means that spiritual leadership influences employee performance at Hotel D'Emmerick Salib Putih Salatiga by 59.4%, while the remaining 40.6% is influenced by other variables.

Next, Kakiay (2018) indicated that spiritual leadership and job satisfaction have a highly significant impact on teacher performance, accounting for 41.8%. The role of spiritual leadership aims to inspire employee enthusiasm or motivate teachers in executing their tasks and responsibilities, thus leading to satisfaction, which is the ultimate goal of being a teacher. In a subsequent study conducted by Abdurrahman (2019), the results indicated that Islamic work ethics significantly improve psychological well-being with a critical ratio (c.r) value of 2.049, contributing 26.9% (R square = 0.269). Workplace spirituality significantly improves psychological well-being with a critical ratio (c.r) value of 2.218, contributing 12.1% (R square = 0.121). Spiritual leadership was found to significantly influence workplace spirituality with a critical ratio (c.r) of 2.328. However, spiritual leadership did not show a significant effect on psychological well-being with a critical ratio (c.r) value of 1.605 through the mediating role of workplace spirituality. Conceptually, the researcher explains how religion and spirituality can intervene in workers' psychological well-being: 1) the positive effect of Islamic work ethics on workers' psychological well-being, 2) the implications of spiritual leadership on workplace spirituality, 3) the benefits of workplace spirituality for workers' psychological well-being, and 4) workplace spirituality as an enhancer of the effects of spiritual leadership.

Furthermore, Fortuna (2020) indicated that a key factor determining the success of a company is leadership. A leader must enable employees to apply or enhance humanitarian values by fostering spirituality within individuals to awaken their mentality or spiritual beliefs, ideologies, guidelines, demands, faith, and ethics—not just changing employees' character and behavior. One of the leader's endeavors to improve employee performance is by implementing a spiritual style. Leaders act to assist organizations in maximizing their capabilities to achieve goals. Leadership is the driving force for human resources and labor. The vital role of leadership in achieving objectives indicates that success or failure is largely determined by the quality of leadership within an organization (Siagian, 2016).

In research conducted by Syafiq Nur Setiawan (2024), it was concluded that spiritual leadership can influence job satisfaction and employee performance in direct relationships. However, in indirect influence, spiritual leadership does not impact employee performance through job satisfaction.

CONCLUSION

Based on the literature review of several previous studies, it can be concluded that spiritual leadership can influence job satisfaction and employee performance. Building a positive work



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culture in the retail sector is a crucial aspect that can enhance organizational outcomes as well as employee happiness. In a constantly changing and challenging work environment like the retail industry, leadership focused on spiritual values plays an essential role in creating a supportive, efficient, and competitive workplace. Spiritual-based leadership is not merely a managerial strategy; it also reflects a leader's efforts to inspire, motivate, and build work relationships grounded in integrity, trust, empathy, and a vision that extends beyond mere financial gain. By emphasizing spiritual values such as justice, caring, and meaning in work, a leader can create a better work atmosphere, which in turn enhances employee loyalty and participation. A positive work environment developed through spiritual leadership provides numerous benefits for both individuals and organizations. From an individual perspective, employees feel more appreciated, become more motivated, and find meaning in their work. This directly contributes to improved output, creativity, and professional satisfaction. On the organizational side, a healthy work culture strengthens team performance, reduces employee turnover, and enhances service quality for customers.

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