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THE INFLUENCE OF INTELLECTUAL SPIRITUAL LEADERSHIP ON THE NEED FOR ACHIEVEMENT AND ORGANIZATIONAL PERFORMANCE

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ABSTRACT

The quality of human resources in an organization is a measure of the success of the organization in achieving organizational. In terms of improving organizational performance, leadership and the need for achievement are two of the improvement factors. The purpose of this study is to determine the effect of intellectual spiritual leadership on the need for achievement and performance of Islamic Cooperative organizations in East Java, and afterwards, to develop a model implementing the intellectual spiritual leadership. The population in this study are the managers of Islamic cooperatives in East Java. The sample in this study are 104 managers from Islamic Banks. The hypotheses are then tested using multivariate analysis with SEM using AMOS software. The analysis shows that the Intellectual Spiritual Leadership variable affects the Organizational Performance variable on Islamic cooperatives in East Java. In addition, the forementioned variable also influences the need for achievement variable. Furthermore, the need for achievement variable influences the Organizational Performance. This article proposes a human resource implementation model that shows that many external elements trigger an increase in the need for achievement and intellectual spiritual leadership in an effort to improve the performance of human resources. In addition, intellectual spiritual leadership can increase the need for individual achievement.

KEY WORDS

Intellectual spiritual leadership, need for achievement, organizational performance.

Organizational performance research is one of the most important variables for leaders to consider when trying to build and improve performance (Kroll, 2016). The leadership offered in the organization has been targeted as a potential area to improve organizational performance (Overall, 2015). According to Umam (2010), leadership is the power to influence someone to do or not do something. For this reason, leadership requires the active use of abilities to influence others in realizing the stated organizational goals.

Research in the field of spiritual leadership is still in its infancy due to a lack of shared understanding of concepts and unclear boundaries between spirituality and leadership in the workplace (Dent et al. 2005). Fry and Slocum (2007) state that "spiritual leadership involves motivating and inspiring workers through a transcendent and corporate culture vision based on altruistic values to produce a highly motivated, committed, and productive workforce" This type of leadership touches the need for employees to connect intrinsically motivated, and meeting spiritual welfare needs through vocations and membership (Fry, et.al. 2011), where most research studies focus on spiritual leadership in the business world.

Khasawneh (2011) explains that these spiritual values facilitate employee feelings to connect with others so as to provide a feeling of perfection of inner life and happiness. Companies that implements spirituality in the workplace will make employees feel connected and meaningful in the workplace; employees will perform better, appear more frequently and contribute more to a good atmosphere at work. Furthermore, employees want to be more in control of their work, more balanced work life and employees will further enhance meaning in their work.

Alhadid's research (2016) found that in leadership in Jordanian commercial banks, the most improved organizational performance was testing, team building and support, awards and consultations, but there was no influence from mentoring. The interaction between leadership practices and transactional leadership increases organizational performance, and it also increases organizational performance. This research shows that the leadership of the organization in this case the organization of Islamic cooperatives has an influence on organizational performance.

In this current situation, physically needs is not merely enough to boost employee's performance. Hence, spiritual needs are highly demanded to solve the problem. Based on the background of the problem, that is the existing research gap, the research of this article proposes a Behavioral Control Accountability model to bridge the problems that arise from the differences in research. Financial Behavioral Control Accountability triggered by Knowledge Diversity has the potential to increase Financial Capability, consequently it will potentially create Financial Performance. The proposed model is as follows:

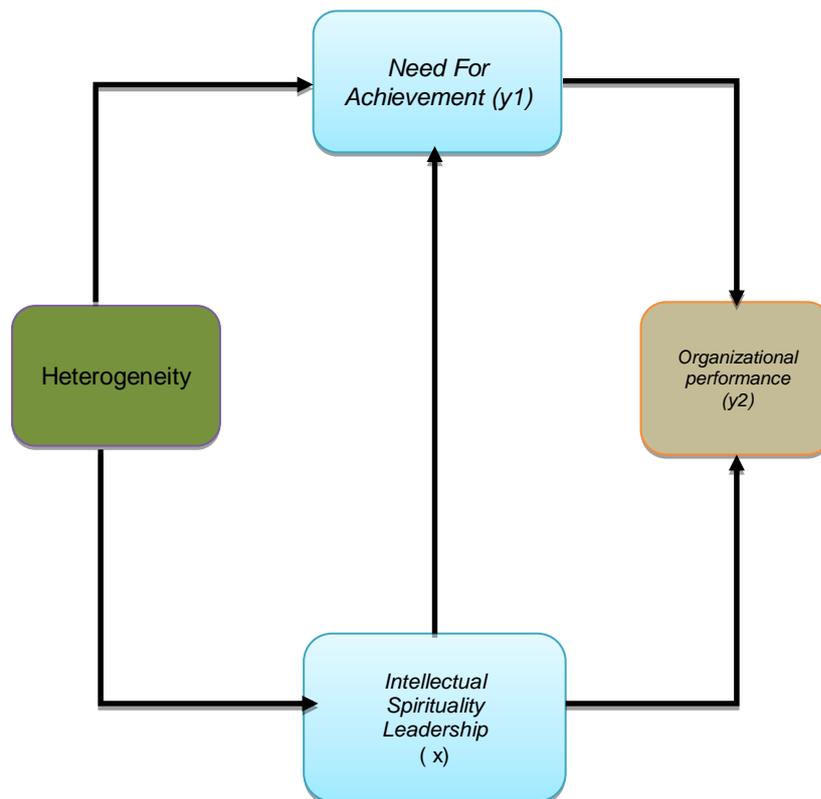


Figure 1 – Theoretical Framework

LITERATURE REVIEW

Intellectual Spiritual Leadership (X)

A comprehensive and in-depth proposition of leadership theory and Competitive Advantage Theory studies can be developed to build organizational performance and basic

theoretical models. The proposition is Intellectual spiritual Leadership. Leadership as a characteristic of a person, especially associated with the title of leader, as stated by Gibson, Ivancevich, and Donnelly (2000) that: "Leaders are agents of change, persons whose act affect other people more than other people's acts affect them". Kotler & Armstrong (2005) defines competitive advantage as an advantage over competitors obtained by offering value to consumers, either through lower prices or by providing more benefits that support higher price revenues. Spiritual leadership, according to Rafsanjani (2017), is a leadership that brings the worldly dimension to the spiritual dimension (divinity). Lang and Fries (2006) show a strong positive relationship to hope for success by setting task-related goals, positive self-evaluation, and intrinsic motivation related to tasks, and negative relationships due to fear of failure with self-evaluation and setting task-related goals. Thus, the evidence in the literature has indirectly connected nAch with independent leadership, and expectations for success must be positive and fear of failure is negatively related to self leadership strategies. Two constructs are associated with positive work-related outcomes: leadership and the need for achievement (nAch). While the need for achievement (nAch) has been extensively studied (Spangler, 1992), the two constructs show phenotypical similarities such as work that is intrinsically motivated, task enjoyment, and performance improvement, but they are at different conceptual levels. Spiritual leadership and nAch have similarities such as goal-focused operationalization, instilling in the motivation literature, and higher levels of performance.

H₁: If the intellectual spiritual leadership is getting higher, the need for achievement will also be higher.

Need for achievement (Y1)

The essence of Maslow's theory is that human needs are composed of a hierarchy. The lowest level of needs is physiological needs and the highest is self-actualization needs. McClelland (in Trisnawati, 2005) divides three basic needs related to employee behavior within agencies, namely: a. The need for achievement (N-ACh). McClelland argues that someone who has a need for high achievement (high n-Ach) has the characteristics of someone who likes a job that is challenging, risky, and likes to respond to the work he does. Conversely, someone who has a need for low achievement (low N-Ach) tends to have the opposite characteristics. McClelland found indications that the need for achievement had a close correlation with achievement of performance. This means that an agency that has people with high N-Ach will have high performance, while an agency that has people with low N-Ach will tend to have low performance. b. Need for affiliation (N-Aff). c. The need for power (N-Pow). From the various motivational theories the need for achievement is chosen as the motivation dimension of McClelland which has to do with employee behavior in the agency, where someone who has a need for high achievement has the characteristics of someone who likes work challenging, risky, and liking the response to the work done, and vice versa (Trisnawati, 2005), where McClelland found indications that the need for achievement has a close correlation with the achievement of performance, meaning an agency that has people who have the need for high achievement, it will have a high performance, while an agency that has people who have a low need for achievement will tend to have a low performance too.

H₂: If the need for achievement is higher, the organizational performance will be higher too.

Operational Performance(Y2)

On the topic of organizational performance, it has been proven that this variable is the most important thing for leaders to consider when trying to build and improve their performance (Kroll, 2016). The leadership offered in the organization has been targeted as a potential area to improve organizational performance (Overall, 2015). Leadership is an important factor that determines the success of an organization. Good leadership in an organization can improve the performance of its employees, and vice versa. According to Tobroni (2015), the concept of spiritual leadership is believed to be the solution to the

current leadership crisis, due to the deterioration of human values as a result of the ethical malaise and ethical crisis. According to Tobroni (2015), spiritual leadership is a leadership that is able to inspire, awaken, influence and mobilize through example, service, compassion and the implementation of values and other divine attributes in the goals, cultural processes and leadership behavior. In other words, spiritual leadership is a leadership that makes spiritual values as core beliefs, core values and philosophy in its leadership behavior. Historically of Islam, this spiritual leadership model can refer to the leadership patterns adopted by the Prophet Muhammad who were able to develop the most ideal and successful leadership with its main characteristics, namely *siddiq* (integrity), *amanakh* (trust), and *tabligh* (openly, human relation) and *fathanah* (working smart). Spiritual leadership reflects one's ability to influence individuals or groups in an effort to motivate themselves and others. Therefore, the application of spiritual leadership in an organization / company will be able to inspire and motivate human resources to achieve the vision and culture of an organization based on spiritual values, which can ultimately increase organizational commitment and employee performance productively. When leaders use a spiritual approach that includes a vision that is combined with hope and faith with a focus on meaning / calling and showing altruistic love that drives membership, the result is an increase in organizational commitment and productivity (Fry, 2003). Finally, Fry (2003) proposes that: "The main effect of spiritual leadership is to unite the sense of fusion among the four fundamental forces of human existence (body, mind, heart, and spirit) so that people are motivated for high performance, have increased organizational commitment, and personally experience joy, peace and calm.

H₃: If the intellectual spiritual leadership is getting higher, the performance of human resources will also be higher.

METHODS OF RESEARCH

The population in this study is the managers of Islamic Cooperatives in East Java. The sample in this study used a purposive sampling technique. The sampling technique used is based on sample measurement guidelines according to Augusty (2002), including: (1) 100-200 samples for the maximum likelihood estimation technique, (2) The guideline is 5-10 times the number of parameters estimated (3) In this study there were 13 indicators, so the number of samples in this study was (13X8 = 104) which was fulfilled to 100 respondents, so the sample used was 104 Islamic cooperatives in East Java. The model used in this study was tested with research instruments using the Structural Equation Model.

RESULTS AND DISCUSSION

In the SEM model, the measurement model and the structural model of the parameters are estimated together. This method has difficulty in meeting the demands of the fitting model. The biggest possibility is caused by the interaction between measurement model and structural model which are estimated together (one - steep approach to SEM). (Hair, et, al, 1998). The estimation results and fit of the one step approach to SEM model using the Amos 16.01 application program will be conveyed further in the table below.

Table 1 – The Criteria Analysis of Goodness of Fit Indexes

Criteria	Results	Critical Value	Model Evaluation
Cmin/DF	1.099	≤ 2,00	Good
Probability	0.154	≥ 0,05	Good
RMSEA	0.032	≤ 0,08	Good
GFI	0.900	≥ 0,90	Good
AGFI	0.900	≥ 0,90	Good
TLI	0.955	≥ 0,95	Good
CFI	0.962	≥ 0,94	Good

From the results of the evaluation of the one step approach model it turns out that of all the criteria for goodness of fit used, all of them showed the results of a good model evaluation, which means that the model was in accordance with the data. That is, the conceptual model developed and based on theory has been fully supported by facts. Thus, this model is the best model to explain the interrelationships between variables in the model

Causality Test

The direct effect [path coefficient] is observed from standardized regression weights, by testing the comparative significance of the p value [probability] which is equal to the calculated t value. If t is greater than t table, it means that the results obtained are significant. Thus the magnitude of the regression coefficients of each factor can be trusted, as seen in the results of the causality test below.

Table 2 – Causality Test Data

		Estimate	S.E.	Prob.
Organizational Performance	<--- IntellectualSpiritualLeadership	0,542	0,652	0,057
			0,2	
Need for achievement	<--- IntellectualSpiritualLeadership	0.311	27	0.018
			0,4	
Operational Performance	<--- Need for achievement	0.930	80	0.053
Significance Limit				≤ 0,10

Hypotheses Testing

The First Hypothesis Testing

H1: If the intellectual spiritual leadership is getting higher, the need for achievement will also be higher.

Table 3 – Multiple Linear Regression Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig. Std. Error
		B	Std. Error	Beta		
1	(Constant)	6,575	2,440		2,694	,012
	Intellectual Spiritual Leadership	1,171	,811	,263	1,444	,160

a. *Dependent Variable: need for achievement.*

Based on Table 3, the results of multiple linear regression tests obtained a regression coefficient of 1.171. The intellectual spiritual leadership variable has a t count of 1.444 with a significance of 0.160. Significant value greater than 0.05 indicates that the intellectual spiritual leadership variable has a positive effect on the need for achievement in Islamic Cooperatives in East Java. So, it can be interpreted that intellectual spiritual leadership, has a low level of leadership needs for achievement. Thus, it can be concluded that the first hypothesis was rejected.

The Second Hypothesis Testing

H₂: If the need for achievement is higher, the organizational performance will be higher too.

Based on Table 4, the results of multiple linear regression tests obtained a regression coefficient of 0.900. The need for achievement variable has a t-count of 11,344 with a significance of 0,000. Significant value that shows the number 0.05 indicates that the variable need for achievement has a significant positive effect on organizational performance in Islamic Cooperatives in East Java. So it can be interpreted that an agency that has people

who have a high need for achievement, will have high performance, while an agency that has people who have a low need for achievement will tend to have low performance as well. Thus, it can be concluded that the second hypothesis is accepted.

Table 4 – Multiple Regression Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-,407	,995		-,409	,686
	need for achievement	,912	,080	,906	11,344	,000

a. Dependent Variable: organizational performance.

The Third Hypothesis Testing

H₃: If the intellectual spiritual leadership is getting higher, the performance of human resources will also be higher.

Table 5 – Multiple Regression Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4,246	2,372		1,790	,084
	Intellectual Spiritual Leadership	1,629	,788	,364	2,066	,048

a. Dependent Variable: Organization performance.

Based on Table 5, the results of multiple linear regression tests obtained a regression coefficient of 0.900. The intellectual spiritual leadership variable has a t count of 2.066 with a significance of 0.048. Significant value that shows the number 0.05 indicates that the intellectual spiritual leadership variable has a significant positive effect on organizational performance in Islamic Cooperatives in East Java. This shows that the higher the intellectual spiritual leadership, the employee's performance will increase. Thus, it can be concluded that the second hypothesis is accepted.

DISCUSSION OF RESULTS

Intellectual Spiritual Leadership provides a positive contribution to the performance of organizations in the East Java Islamic Cooperative, [Prob. $0.0057 \leq 0.10$ is significant [positive]]. This means that through intellectual spiritual leadership the higher, the higher the performance of human resources, so that workers will do what is needed in realizing a shared vision, encouraged to continue working better so that their work performance will increase. One of the characteristics of spiritual leadership is altruistic love, which is a feeling of being whole, harmonious, prosperous, caring, and appreciative of oneself and others. If this attitude continues to be developed into a culture, then a moral set of values, assumptions, and awareness of thinking will be born to help fellow members and teach new members correctly. Leadership will encourage performance improvement if leadership is carried out by leaders with good personal qualities, perform administrative actions for the betterment of the organization, create harmonious relationships between superiors and subordinates and their subordinates, give awards objectively to subordinates who excel, and be able to solve problems faced by the organization. In addition, leadership will affect performance if leadership perceived by employees is a positive phenomenon, or the higher, the employee's perception of employee performance will also be higher. A leader must be able to maintain harmony between meeting the needs of individuals with individual direction on organizational goals. In other words, spiritual leadership is leadership that leads with the

heart based on religious ethics as well as forming integrity and external character only in improving performance.

Intellectual Spiritual Leadership influences Need for achievement in Islamic Cooperatives in East Java, [Prob. the cause is $0.018 \leq 0.10$ [significant [positive]]. This indicates that the higher the intellectual spiritual leadership, the higher the need for achievement is. NAch can be seen as an individual's tendency for self-management and self-leadership (Manz, and Sims, 1980). Lang and Fries (2006) show a strong positive relationship to hope for success by setting task-related goals, positive self-evaluation, and intrinsic motivation related to tasks, and negative relationships due to fear of failure with self-evaluation and setting task-related goals. As such, the evidence in the literature has indirectly linked NAch with independent leadership, and expectations for success must be positive and fear of failure is negatively related to self leadership strategies. Furthermore, NAch and leadership share (a) conceptual similarities (focus on the pursuit of goals), (b) similar phenotypical processes, and (c) similar real-life outcomes (for example, improved performance), which indicate that this construction stands in relationship tightly. Two constructs are associated with positive work-related outcomes: leadership and the need for achievement (nAch). Jobs that are intrinsically motivated, enjoyment of tasks, and improve performance, but they are at different conceptual levels. Leadership embraces cognitive self-regulation and behavioral strategies, and Nach knocks the disposition motive.

Need for achievement makes a positive contribution to the organization's performance in Islamic Cooperatives in East Java, [Prob. causal $0.053 \leq 0.10$ significant [positive]]. Based on this it can be concluded that suggesting that someone who has a need to have high achievement (high N-Ach) has the characteristics as people who like jobs that are challenging, risky, and likes the response for the work he does. Conversely, someone who has a need for low achievement (low N-Ach) tends to have the opposite characteristics. Indications that the need for achievement has a close correlation with the achievement of performance, meaning that an agency that has people who have a high need for achievement, will have high performance, while an agency that has people who have a low need for achievement will tend to have a low performance too.

A leader is someone who has advantages over other people, such as the strongest, smartest, and have the most experience. These qualities are identified as inherent in a manager (Hadari, 2001). In the process of running leadership, managers are expected to have the characteristics imbued with the values taught by the Prophet through the noble nature of the Prophet contained in the mandatory nature of the Prophet. That is, in every action in the series of leadership that is carried out it should prioritize the principles of shiddiq, amanah, tabligh and fathonah. This is what we rarely get in our current leader, a manager no longer holds to honesty, who prefers to lie as long as he gets money and position. All methods are permitted, and the principle of justice is ignored, resulting in doubts about subordinates to superiors. Then there was chaos and riots caused by being far from the nature of honesty and truth. Employees have rights and leaders have responsibilities. As such, employees have responsibilities and leaders also have rights. Between the two there must be balance and equality. One must not dominate the other. However, full power is still in the hands of the people. Because the nature of leadership is only a mandate that must be carried out by a leader.

MANAGERIAL IMPLICATIONS

Based on the direct experience of researchers in the research process, there are some limitations that are experienced and can be a number of factors that can be considered more by future researchers in further refining their research because this research itself certainly has shortcomings that need to be continually corrected in studies the further. Some limitations in the study, which are as follows:

- The number of respondents who are only 30 managers, of course, is still lacking to describe the real situation;
- In the process of collecting data, the information provided by respondents through

questionnaires sometimes does not show the actual opinions of respondents, this happens because sometimes differences in thoughts, perceptions and understandings are different for each respondent, as well as other factors such as honesty in filling respondents' opinions in the questionnaire.

The future research proposed is as follows:

1. It is hoped that Islamic Cooperatives in East Java, especially for managers, can implement spiritual leadership such as giving appreciation or appreciation to each employee's work performance through rewards and praise.

2. It is hoped that Islamic Cooperatives in East Java can create a comfortable work environment such as a leader who establishes good relations with all employees, provides a pleasant atmosphere so that employees have higher job satisfaction.

3. It is expected that the company can provide supports and opportunities for employees to complete work by means of employees becoming accustomed to having initiatives in completing work effectively and efficiently.

4. For further studies, so that research can be more diverse, it is expected that further research can add or include other free variables that have been there before that further affect employee performance.

CONCLUSION

Based on the test results using SEM (Structural Equation Model) analysis, the following conclusions can be drawn:

1. That the Intellectual Spiritual Leadership variable influences the Organizational Performance variable in Islamic cooperatives in East Java;
2. That the variable Intellectual Spiritual Leadership influences the variable need for achievement in Islamic cooperatives in East Java;
3. That the need for achievement variable influences the Organizational Performance variable in Islamic cooperatives in East Java.

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