



Investigating the dimensionality of psychological contract from a spiritual perspective: an empirical study of Indonesian employees

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Abstract

Based on the Western value system, research on the psychological contract has received immense attention from human resources management researchers. However, psychological contract from the spiritual perspective has not been much explored. This empirical study attempts to enrich the understanding of the psychological contract phenomenon from a spiritual perspective. This is a research paper to explore the dimensionalities of a spiritual psychological contract with examined both inner (structure) and outer (measurement) models via Partial least squares structural equation modeling (PLS-SEM). A survey of 108 employees in business organizations in Indonesia, Malaysia, the United Kingdom, and Taiwan was drawn for the study using a nonprobability convenience sampling procedure to obtain a more representative sample. The construct validity of the spiritual psychological contract (SPC) via SmartPLS 3.2.7 software led to the major finding; the SPC measurement model in the business organizational context is explained by three components i.e., transactional, relational, and liturgical contract. This is a new insight into psychological contract research and needs further studies to explore it.

Keywords: liturgical contract, *ghariza*, spiritual psychological contract, Islamic psychological contract.

Introduction

In 1960 Argyris, who introduced the term psychological contract, defined "Psychological Work Contract" to describe the implicit relationship between workers and their foreman and suggested that taking care of informal workers' culture was the best way to get them to behave according

to etiquette. The concept was developed in contemporary research by organizational scholar Denise Rousseau as a psychological contract (PC) and has been evolving constantly. Rousseau viewed PC as a term in the organization which defines the fulfillment and non-fulfillment of obligations, expectations, and promises of organizational relationships reciprocally. PC is an individual's belief about reciprocal obligations that become contractual when the individual believes that he or she owes a certain contribution to the employer in exchange for certain inducements. PC is also referred to as a system of unwritten and understanding obligations between employers and employees which contain shared expectations and obligations about how both parties should act.¹ The three critical main constructs for building long-term relationships between leaders and their followers are hope, trust, and positive emotions. When followers believe in their leader's abilities, integrity, and benevolence, they are more confident and willing to engage in risk-taking behavior.²

Schein,³ concluded that the way we define, manage, understand, and apply the psychological contract, fundamentally defines our humanity. People's attitudes are shaped by beliefs and values about the world around them, which in turn determines their behavior in such a given situation.⁴ Rousseau and McLean Parks,⁵ proposed a theoretical framework for psychological contracts that defined two major variants i.e., promissory and social. After defining social contracts as normative, addressing shared, collective beliefs regarding appropriate behavior in a social unit, and stating that these beliefs are essentially cultural, the authors then proceeded in a

¹ Rousseau, D. (1995). *Psychological contracts in organizations: understanding written and unwritten agreements*. California: SAGE Publications, Inc.

² Avolio, B. J., Gardner, W. L., Walumbwa, F. O., Luthans, F., & May, D. R. (2004). Unlocking the mask: a look at the process by which authentic leaders impact follower attitudes and behaviors. *The Leadership Quarterly*, 15(6), 801–823. <https://doi.org/10.1016/j.leaqua.2004.09.003>.

³ Schein, E. (1980). *Organizational psychology*. N.J: Englewood Cliffs, Prentice-Hall

⁴ Rokeach, M. (1973). *The nature of human values*. The Free Press, New York

⁵ Rousseau, D., & McLean, P. (1993). The contracts of individuals and organizations. In L. L. Cummings, & B. M. Staw (Eds.), *Research in organizational behavior* (pp. 1–47). JAI Press, Greenwich, CT

completely different direction to present their theory of promissory contracts as representing economic exchange.

Because of EER (employee-employer relationship) in an organization, perhaps what has not been sufficiently explored are (1) PC from the spiritual perspective; (2) PC from a spiritual perspective conducted in a Muslim (one of religions believer) majority country; and (3) PC from a spiritual perspective conducted by believers of any religion employees. This study will address all of these gaps in the literature, thereby enriching the understanding of the SPC by including the Islamic perspective. This study attempts to shed some light on PC from the spiritual perspective in the Indonesian context. It is expected to be the further research works that explore PC from a spiritual perspective after conducting PC from the Islamic perspective. The study was conducted for Indonesian employees for reasons: (1) Indonesia is a nation that obligates all the citizens to believe in God (it is according to the first principle of Pancasila, state principles); (2) there has been insufficient research of this nature conducted in business organizations; and (3) Indonesia is one of the nations that maintains Islamic values and culture with Pancasila as state principles.⁶⁷ The findings will make practical recommendations in the areas of spiritual PC in general.

This study is guided by the following research questions: (1) concerning a critical review of Western PC literature, is there a need for PC from the spiritual perspective? The attempt to answer this question may heighten our inquisitiveness to seek an answer to the study's specific question: (2) what are the components that explain Spiritual PC in the business organizational context? All respondents, both Muslim and non-Muslim worshipers, believe that this world is a temporary place of habitation. This core belief must be captured in all spheres of worshiper activities, including scholarly research, where it is given little consideration

⁶ Hashim, J. (2009). Islamic revival in human resource management practices among selected Islamic organizations in Malaysia. *International Journal of Islamic and Middle Eastern Finance and Management*, 2(3), 251–267. <https://doi.org/10.1108/17538390910986362>.

⁷ Kettani, H. (2010). World Muslim population. *Proceedings of the 8th Hawaii International Conference on Arts and Humanities 2010*, pp. 1–61. Honolulu, Hawaii

in the Western PC literature. From the Islamic viewpoint, however, the consideration of the public interest, or *maslahat* (i.e., public interest for the public good), is strongly upheld, as Islam encourages its followers to be mindful when engaging in actions of organizational dissent.⁸

After referring to a review of Western PC literature, there is a need for exploring PC from a spiritual perspective. A few researchers focused on psychological contracts on transactional and relational dimensions. There have been limited studies concerned with spiritual or religious perspective. Therefore, this research intends to elaborate on the dimensionality of psychological contract from a spiritual perspective. The objectives of this research are 1) exploring psychological contract from a spiritual perspective; and 2) introducing the new indicator on psychological contract research i.e., 'liturgical contract'.

Psychological Contract

Psychological Contract (PC) according to Rousseau,⁹ is a term in the organization as to obligations, expectations, and promises, reciprocally between employer and employee. Based on the worker's perspective, PC is an individual's belief about reciprocal obligations that become contractual when the individual believes that he or she owes a certain contribution to the employer (e.g., hard work, loyalty, sacrifice) in exchange for certain inducements (like high salary and job security). PC is also referred to as a system of unwritten and understanding obligations between employers and employees that contain shared expectations and obligations about how both parties should act.¹⁰ The three main constructs that are critical to building long-term relationships between leaders and their followers are hope, trust,

⁸ Kamil, N., Sulaiman, M., Ghani, A., & Ahmad, K. (2014). Investigating the dimensionality of organisational citizenship behaviour from Islamic perspective (OCBIP): Empirical analysis of business organisations in southeast Asia. *Asian Academy of Management Journal*, 19(1) 17–46.

⁹ Rousseau, D. M. (1989). Psychological and implied contracts in organizations. *Employee responsibilities and rights journal*, 2(2), 121-139. <https://doi.org/10.1007/bf01384942>.

¹⁰ Rousseau, D. (1995). *Psychological contracts in organizations: understanding written and unwritten agreements*. California: SAGE Publications, Inc.

and positive emotions. When followers believe in their leader's abilities, integrity, and benevolence, they are more confident and willing to engage in risk-taking behavior.¹¹

Point of View on Garizah (Basic Instinct) and Maqasid (objectives) of Syaria

Garizah, or basic instinct, is the natural potential that exists in humans to maintain and preserve their survival, protect their species, and receive instructions regarding the existence of Al Khaliq (the Creator). Instinct cannot be sensed with the senses directly, but the human mind can sense its existence through its appearances.¹² Referring to An-Nabhany¹³, there were three principles of *garizah* based on the Islamic view, i.e., *al-baqa*, *an-nau'*, and *at-tadayyun*. *Garizah al-baqa* (Self-defense instinct) is seen when humans defend themselves, their homeland, and birthplace, and desire to lead and dominate others. Human being has the desire to own, feel afraid, and be brave, like joining groups and various similar activities, which are carried out in the context of self-defense. This fear, desire to possess, and brave, is not an instinct; but just manifestations or appearances of *Garizah al-baqa* (the instinct of self-defense). *Garizah Al-baqa* has explained in QS 16: 80 that Allah Al Mighty has made for you (human being) houses as a place to live and household utensils and jewelry until a certain time. And in QS 3:14 that humans (men) love women, children, wealth, gold, silver, horses (vehicle), livestock, and fields as the pleasure of living in this world.

Garizah an-nau (Instinct to preserve offspring) is the instinct to preserve offspring which is can be fulfilled by a man and woman relationship. Allah Al-Mighty declared in QS 49:13 that He created you (humankind) from a male and a female and made them into nations and

¹¹ Avolio, B. J., Gardner, W. L., Walumbwa, F. O., Luthans, F., & May, D. R. (2004). Unlocking the mask: a look at the process by which authentic leaders impact follower attitudes and behaviors. *The Leadership Quarterly*, 15(6), 801–823. <https://doi.org/10.1016/j.leaqua.2004.09.003>.

¹² Abdullah, M. H. (2002). *Mafahim Islamiyyah: Menajamkan Pemahaman Islam*, terj. M. Romli. Bangil: Al-Izzah

¹³ Al-Nabhani, T. (1995). *Nizham al-Islam: peraturan hidup dalam Islam*. Penerjemah, Abu Amin, dkk. HTI-Press, Jakarta.

tribes to know one another. In another verse Allah said that the Lord (Allah) created you (human being) from a single person (Adam), and from him, Allah created his wife; and from them, Allah brought forth many males and females (QS 4:1).

Garizah at-tadayyun (religious instinct) is the instinct to worship that awakens it by thinking about the verses and signs of Allah SWT, the Day of Judgment, the beauty of God's creation, or something that is correlated with it. The manifestation of this instinct is to purify the Creator who governs everything, then becomes worship. In QS 30: 30 Allah Al-Mighty asked humans to turn face straight to the religion of Allah; (stay on) the nature of Allah who has created man according to that nature. There is no change in the nature (*fitrah*) of Allah. (That is) the straight religion; but most people don't know. In another verse, Allah said that When people are in danger, they pray to Allah with complete obedience to Him. (People said): "Indeed, if You had saved us from this danger, we would surely have been grateful (QS 10:22).

Maqasid As-syariah (the purposes of establishing Islamic law) in the Islamic perspective is the ultimate goal of life (world and the hereafter), in bringing benefit and avoiding harm, by maintaining religion (*ad-din*), soul (*an-nafs*), mind (*al-'aql*), posterity (*an-nasl*), property (*al-mal*), and dignity (*al-'ird*).¹⁴ Based on *maqasid as-syaria*, everybody has a right to embrace and believe in a religion, freely and without interference, to protect the religion. The way to protect the soul states that a human being should not be hurt, injured, or murdered. Its application can be by maintaining health by fulfilling the needs of eating and drinking. Protecting the mind or intellect includes everything that causes loss of mind, including consuming anything that can damage the mind (drugs and liquor), as well as the freedom to express an opinion. Protecting property is by guaranteeing everyone to own property wealth by carrying out buying, selling, and working. Protecting offspring is by keeping human descendants protected from biological,

¹⁴ Moneim, A. A. (2018). Towards Islamic maqasidi education philosophy for sustainable development: quranic perspective with special attention to Indonesia. *Millah: Jurnal Studi Agama* 17(2), 221-266. <https://doi.org/10.20885/millah.vol17.iss2.art4>.

psychological, economic, social, lineage, inheritance laws, or other negative impacts, i.e., by carrying out the law of marriage. Protecting dignity is by guaranteeing the honor of everyone i.e., by freeing people to choose the profession they want. The benefit that is designed by humans must be attached to the benefit referred to in the text (postal) if there is a discrepancy between the two.¹⁵

Islamic Psychological Contract

Islamic psychological contract is an individual (Muslim) belief system regarding obligations with exchange partners based on faith and belief that carrying out work properly and seriously is a form of practicing the verses of the Qur'an so that apart from partners, they are also bound by Allah SWT¹⁶ and practicing religion commands, which will be bound to partners and Allah SWT as well¹⁷. Islamic Transactional Psychological Contract (ITPC) views a contract as a temporary, narrow, and tangible exchange, to fulfill external (material) welfare. It can be drawn regarding TPC from an Islamic perspective (Suhartini et al., 2023) are Workers: get a decent wage; get assignments fit to their competencies; allowed to achieve worldly happiness and enjoyment; no differences between both male and female workers in having rights and opportunities; entitled compensation in accordance to the written contract; and have right to receive a reward based on their achievements.

Islamic Relational Psychological Contract (IRPC) is a contract to fulfill mental welfare and work is perceived as means to stay in touch (silaturahmi), to get appreciation, and to increase creativity. In sum, IRPC¹⁸

¹⁵ Khatib, S. (2018). Konsep Maqashid Al-Syariah: Perbandingan Antara Pemikiran Al-Ghazali Dan Al-Syathibi. *Jurnal Ilmiah Mizani: Wacana Hukum, Ekonomi, dan Keagamaan*, 5(1), 47-62.

¹⁶ Suhartini, T. (2020). Implementasi kepemimpinan otentik dan person-organisation fit serta hubungannya dengan kontrak psikologis dan komitmen organisasional Islami. *JESI (Jurnal Ekonomi Syariah Indonesia)*, 10(2), 132-149. [http://dx.doi.org/10.21927/jesi.2020.10\(2\).132-149](http://dx.doi.org/10.21927/jesi.2020.10(2).132-149).

¹⁷ ibid

¹⁸ ibid

are: Workers who keep promises (agreed contracts) would be confident and do not feel sad or fearful; workers realize that if they are cheating, the consequence will return to them; workers improving their creativities; workers always keep the mandate and their promises; workers believe that work with sustain values can be expected, and leaders and followers love one another. Islamic Liturgical Psychological Contract (ILPC) is a contract to achieve eternal welfare, by collecting sustain charity ('amal jariyyah), reward, Allah's blessing, and allowed to enter heaven. The conclusions regarding ILPC¹⁹ are: workers who keep promises (agreement) will enter heaven; workers realize that all their actions are witnessed by other believers and by Allah SWT; workers don't care about people's judgments, for the truth is only in the sight of Allah SWT; workers do the best job since their deeds will be seen by Allah and His Messenger; workers believe that work is worshipping to Allah SWT, and leaders and those followers pray for each other.

Spiritual Psychological Contract (SPC)

The spiritual perspective is something that has a mysterious quality connected to something larger and can give rise to a sense of awe and wonder.²⁰ Moreover, spiritual capacity provides a deep foundation for exploring and questioning ontological assumptions.²¹ In this study, SPC is a concept regarding the psychological contract from a religious perspective. Since this study will be held in Indonesia, where Muslims are the majority of the population, the sources taken are from Islamic teachings. Initially, this SPC was taken from the two main Islamic laws, namely Al-Quran and Al-Hadith. After finding several verses related to PC, indicators that support psychological contract variables are formulated. PC from a religious (Islamic) view is still developing from Rousseau's concept of transactional

¹⁹ ibid

²⁰ Miller, J.J.P. (2002). Learning from a spiritual perspective. In: O'Sullivan, E., Morrell, A., O'Connor, M.A. (eds) *Expanding the boundaries of transformative learning*. Palgrave Macmillan, New York. https://doi.org/10.1007/978-1-349-63550-4_8.

²¹ Howard, S. (2002). A spiritual perspective on learning in the workplace. *Journal of Managerial Psychology*, 17 (3) 230-242. <https://doi.org/10.1108/02683940210423132>.

and relational contracts.

However, one more dimension is added, namely the liturgical contract. The liturgical contract referred to here is a perceived contract that a person (worker) does the work assigned to him by the leader/organization, not merely to get something material or non-material benefits that can be obtained in this world, but he/she believes that when he/she does good deeds (virtue) or works well, he/she will get the appropriate reward, material and non-material, directly or indirectly, in this world and the hereafter. Therefore, a worker will do his job seriously and as well as possible, and be sure that the results he/she gets will be following his/her efforts.

The current study is pilot research in terms of the spiritual psychological contract, therefore the hypothesis development, is mostly, based on the assumption of the author. However, the assumption is based on prior studies on psychological contracts as well. Rousseau²² argued that the psychological contract exists on a continuum from relational to transactional and that the two ends are inversely correlated: The higher the relational level of the psychological contract, the lower the transactional level of the psychological contract, and vice versa. Chan²³ suggested that individuals from a cultural profile with collectivist motives and reciprocity tend to be more relationally oriented, while those from a cultural profile with individualistic motives and economic exchange tend to be more transactionally oriented in the employment relationship.

McInnis concluded affective and normative commitment were greater when employees viewed the contract as broad, trust-based, equal, negotiated, tangible, and long-term, and weaker when they saw it as unequal, imposed, and short-term.²⁴ Cohen figured out that the relational

²² Rousseau, D. M. (1989). Psychological and implied contracts in organizations. *Employee responsibilities and rights journal*, 2(2), 121-139. <https://doi.org/10.1007/bf01384942>.

²³ Chan, S. (2021). The interplay between relational and transactional psychological contracts and burnout and engagement. *Asia Pacific Management Review*, 26(1), 30-38. <https://doi.org/10.1016/j.apmr.2020.06.004>.

²⁴ McInnis, K. J., Meyer, J. P., & Feldman, S. (2009). Psychological contracts and their

contract type showed the strongest relationship with all commitment forms. Transactional contracts were related negatively to most forms of commitment. Referring to those results of research the hypotheses are 1) there is a positive correlation between liturgical and relational contracts (H_1), and 2) there is a negative correlation between liturgical and transactional contracts (H_2).²⁵

Measurement model

In evaluating the measurement model, the reliability of the measurement scale for each construct was first analyzed. To assess the individual reliability of the item, loadings of the indicators, with their respective constructs, were examined (see table 1). Loadings must be greater than 0.708.²⁶ In this case, all loadings, except for one item of the relational construct, are greater than 0.708. Therefore, it is necessary to verify the results of another measurement. However, Haryono stated that the minimum value of outer loading was,7. The next step is to assess the individual reliability of each construct, by calculating composite reliability (CR). The CR value is greater than 0.7 for all composites.²⁷ i.e., .884 for liturgical, .910 for relational, and .957 for transactional. Based on Hair,²⁸ all indicators are reliable. To assess the validity, convergent validity was reviewed by means of average variance extracted (AVE). The value of AVE must be greater than 0.5.²⁹ The result showed that all AVEs for each

implications for commitment: A feature-based approach. *Journal of Vocational Behavior*, 74(2), 165–180. <https://doi.org/10.1016/j.jvb.2008.12.007>.

²⁵ Cohen, A. (2011). Values and psychological contracts in their relationship to commitment in the workplace. *Career Development International*, 16(7), 646–667. <https://doi.org/10.1108/13620431111187272>

²⁶ *ibid*

²⁷ Haryono, S. (2016). *Metode SEM untuk penelitian manajemen dengan AMOS 22.00, LISREL 8.80 dan Smart PLS 3.0*. Jakarta: Badan Penerbit PT. Intermedia Personalia Utama.

²⁸ Hair, J.F., Risher, J.J., Sarstedt, M. & Ringle, C.M. (2019). When to use and how to report the results of PLS-SEM". *European Business Review* 31(1), 2-24. <https://doi.org/10.1108/EBR-11-2018-0203>.

²⁹ Haryono, S. (2016). *Metode SEM untuk penelitian manajemen dengan AMOS 22.00, LISREL 8.80 dan Smart PLS 3.0*. Jakarta: Badan Penerbit PT. Intermedia Personalia Utama.

indicator is greater than .5 i.e., .720 for liturgical, .629 for relational, and .714 for transactional.

Table 1. The result of the measurement model

	Construct	Loading	Cronbach's Alpha	CR	AVE
<i>Liturgical</i>			0.800	0.884	0.720
L1	I keep the organization's mandate	0.880			
L2	I keep my promise to the organization	0.915			
L3	I do the work that is right according to God	0.741			
<i>Relational</i>			0.881	0.910	0.629
R1	I behave well to strengthen my relationship with other (organizational/company members)	0.702			
R2	I love my leader	0.804			
R3	Organization/leader gives additional responsibilities; therefore, the workers feel they belong to (are involved in) the organization	0.778			
R4	I have to be loyal to the organization	0.867			
R5	The interests of the organization are my interests too	0.783			
R6	The good reputation of the organization (company) is my good reputation too	0.813			
<i>Transactional</i>			0.950	0.957	0.714
T1	My wage (salary and others) is sufficient for my needs	0.862			
T2	My workplace is comfortable	0.834			
T3	My salary is according to my work	0.860			
T4	I can buy what I need with good quality, by my salary	0.790			
T5	The compensation I receive is under the work agreement	0.874			
T6	The compensation I receive is following my knowledge and	0.833			

skills					
	Construct	Loading	Cronbach's Alpha	CR	AVE
T7	The organization (corporate) ensures the welfare of employees	0.859			
T8	The salary system at my workplace is fair (applies to all employees)	0.881			
T9	The salary system at my workplace is carried out transparently (can be identified)	0.805			

After reviewing the values of AVE, the next step was to assess the discriminant validity. The square root of each AVE construct value must be higher than the construct correlation with other latent variables.³⁰ The result described that the AVE construct value is higher than others (see table 2)

Table 2. Discriminant Validity

Cross Loading

	Liturgical	Relational	Transactional
I keep the organization's mandate	0.880	0.544	0.301
I keep my promise to the organization	0.915	0.522	0.335
I do the work that is right according to God	0.741	0.479	0.350
I behave well to strengthen my relationship with other (organizational/company members)	0.567	0.702	0.342
I love my leader	0.495	0.804	0.686
Organization/leader gives additional responsibilities; therefore, the workers feel they belong to (are involved in) the organization	0.419	0.778	0.609
I have to be loyal to the organization	0.549	0.867	0.508
The interests of the organization are my interests too	0.389	0.783	0.492
The good reputation of the organization (company) is my good reputation too	0.472	0.813	0.406

³⁰ Fornell, C. & Larcker, D.F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39-50. <https://doi.org/10.1177/002224378101800104>

My wage (salary and others) is sufficient for my needs	0.325	0.504	0.862
My workplace is comfortable	0.425	0.760	0.834
My salary is according to my work	0.279	0.524	0.860
I can buy what I need with good quality, by my salary	0.253	0.412	0.790
The compensation I receive is under the work agreement	0.326	0.508	0.874
The compensation I receive is following my knowledge and skills	0.270	0.431	0.833
Cross Loading			
	Liturgical	Relational	Transactional
The organization (corporate) ensures the welfare of employees	0.298	0.524	0.859
The salary system at my workplace is fair (applies to all employees)	0.381	0.566	0.881
The salary system at my workplace is carried out transparently (can be identified)	0.320	0.585	0.805

Structural model

The next step of testing was assessing the structural model. A bootstrap procedure using 3,000 iterations was used to evaluate the significance of indicators and path coefficients. Before testing the hypotheses, an assessment of the model quality was carried out. The criteria used were the coefficient of determination (R^2), effect size (f^2), cross-validated redundancy (Q^2), and path coefficient (Hair et al., 2019). R^2 measures for all endogenous structures are considered moderate. The results show that R^2 for relational is 0.370 and R^2 for transactional is 0.427 (see table 3). This shows that each variable is influenced by exogenous variables with moderate criteria.

The effect size for each path model can be determined by calculating f^2 by the criteria of 0.02 (small), 0.15 (medium), and 0.35 (large) (Hair et al., 2019). Table 3 shows that relational (0.589) and transactional (0.483) have strong effect sizes. Finally, to conclude the evaluation of the structural

model, the current study examines the predictive relevance of the model using Stone–Geisser's Q^2 (Hair et al., 2019). The result shows that all Q^2 values are above zero (see Table 3), indicating that the model has acceptable predictive power.

Table 3. Structural model evaluation

Relationship	Original Sample (O)	T Statistics (O/STDEV)	Variance explain (R ²)	R ² Adjusted	Predictive Relevance (Q ²)	Effect size (f ²)
Liturgical -> Relational	0.609	10.030	0.370	0.364	0.222	0.589
Liturgical -> Transactional	-0.016	0.138	0.427	0.416	0.277	0.000
Relational -> Transactional	0.663	7.511				0.483
	Direct effect	P Values		Total effect	P Values	
Liturgical -> Relational	0.609	0.000		0.609	0.000	
Liturgical -> Transactional	-0.016	0.891		0.388	0.000	
Relational -> Transactional	0.663	0.000		0.663	0.000	

Dimensionality of spiritual psychological contract

Owing to its novelty as a breakthrough study examining PC from the spiritual perspective, the measures employed in this study were self-developed. Thus, the hypothesized IPC measure originally consisted of 41 items after analysis by subject-matter-expert, and a pilot study was carried out. Because of that, the present study sought to identify the construct validity of SPC based on data collected from 107 respondents (n = 107) who were believer employee's companies in Indonesia, Malaysia, Taiwan, and

the UK. The results show that three latent SPC factors were successfully extracted on 18 items. Table 1 shows that validities (outer loading values) were between .702 and .915, and reliabilities (Cronbach's alpha values) were .800, .881, and .950 for all three factors named Liturgical, Relational, and Transactional respectively. All three factors named Liturgical, Relational, and Transactional had good reliability with CR indices more than .600 i.e., .884, .910, .957, and AVE indices more than .5 i.e., .720, .629, and .714 respectively.³¹

Discussion

There are 4 items which sufficient for a transactional spiritual psychological contract regarding a TPC from an Islamic perspective³² i.e., 1) Workers get a decent wage and meet their basic needs; 2) Workers are required to seek worldly happiness and enjoyment; 3) Workers are entitled to the promised compensation after completing their obligations in accordance to the agreement; and 4) Everyone has the right to receive a reward following their achievements and capacities. Transactional contract in spiritual perspective is described in 9 constructs. Regarding relational contract from an Islamic perspective³³ there are 4 congruence items to the spiritual contract i.e., 1) Workers who fulfill promises (agreed contracts) must be confident and believe that it is the best thing in the employer-employee relationship; 2) Workers will always keep the mandate; 3) Workers believe that work with sustainable value will be better and can be expected and 4) Leaders and followers love each other in goodness which is

³¹ Hair, J.F., Risher, J.J., Sarstedt, M. & Ringle, C.M. (2019). When to use and how to report the results of PLS-SEM". *European Business Review* 31(1), 2-24. <https://doi.org/10.1108/EBR-11-2018-0203>

³² Suhartini, T. (2020). Implementasi kepemimpinan otentik dan person-organisation fit serta hubungannya dengan kontrak psikologis dan komitmen organisasional Islami. *JESI (Jurnal Ekonomi Syariah Indonesia)*, 10(2), 132-149. [http://dx.doi.org/10.21927/jesi.2020.10\(2\).132-149](http://dx.doi.org/10.21927/jesi.2020.10(2).132-149).

³³ Suhartini, T., Muafi, M., Widodo, W., Suprihanto, J. (2023). The Role of Islamic Psychological Contract on Authentic Leadership and Organizational Commitment. In: Alareeni, B., Hamdan, A. (eds) *Sustainable Finance, Digitalization and the Role of Technology*. ICBT 2021. *Lecture Notes in Networks and Systems*, vol 487. Springer, Cham. https://doi.org/10.1007/978-3-031-08084-5_68

described in 6 constructs.

Regarding liturgical contract from an Islamic perspective³⁴ there are 3 congruence items to the spiritual contract i.e., 1) workers who keep promises (agreement) will enter heaven; 2) workers don't care about people's judgments, for the truth is only in the sight of Allah SWT; and 3) workers do the best job since their deeds will be seen by Allah and His Messenger which is described in 3 constructs.

Conclusion

Based on the result of this research, the psychological contract from a spiritual perspective could be explored by 3 indicators which is the third (new) indicator is the liturgical contract, which is sufficient with the Islamic Psychological contract. In addition, refer to an analysis by PLS-SEM, there is a positive correlation between liturgical and relational contracts (H_1 supported), and the liturgical contract has a negative correlation with the transactional contract (H_2 supported). Previous research stated that relational and transactional are correlated inversely, when relational indices are high, transactional indices are low, and vice versa. However, in this research, the correlation between relational and transactional contracts is positive. This study is an initial work on the spiritual psychological contract, referring to Islamic teaching in which the respondents were Indonesian believers of Islam, Christian, Catholic, Hind, and Buddhist. Therefore, the organizational researchers are invited to employ this result for further research.

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