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# THE EFFECT OF ETHICAL LEADERSHIP AND WORKPLACE SPIRITUALITY ON PERFORMANCE THROUGH THE MEDIATION OF ISLAMIC WORK ETHICS: A STUDY AT PRIVATE UNIVERSITY X IN YOGYAKARTA

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Abstract

This study examines the influence of ethical leadership and workplace spirituality on employee performance, with Islamic Work Ethic serving as a mediating variable, at Private University X in Yogyakarta. A quantitative research design was employed using a census sampling technique that included all 164 employees. Data were analyzed using the Structural Equation Modeling–Partial Least Squares (SEM-PLS) method. The results indicate that neither ethical leadership nor workplace spirituality has a direct, significant impact on employee performance. However, ethical leadership and workplace spirituality significantly and positively influence Islamic Work Ethic. Furthermore, Islamic Work Ethic exerts a positive and significant influence on employee performance. Mediation analysis reveals that Islamic Work Ethic significantly mediates the relationship between ethical leadership and employee performance, as well as the relationship between workplace spirituality and employee performance. These findings suggest that enhancing employee performance can be achieved more effectively by instilling a strong Islamic work ethic, reinforced by ethical leadership practices and a work environment that supports spiritual aspects.

*Keywords : ethical leadership, workplace spirituality, Islamic Work Ethics, Performance*

## INTRODUCTION

In order to produce knowledgeable, innovative, and competent individuals who can successfully compete in the labour market, higher education institutions are essential. The performance of academic personnel, particularly lecturers, is crucial to universities' capacity to fulfilll their primary responsibilities of teaching, research, and community engagement. In addition to teaching effectively, a lecturer's duties also include conducting research, writing articles, assisting the community, and contributing to the institution's improvement. As a result, identifying and enhancing the factors that improve lecturers' performance has become a top priority for leaders in higher education.

In the subject of human resource management, ethical leadership has gained significant attention in recent years. It outlines a style of leadership that emphasises being truthful, equitable, and possessing a strong sense of right and wrong when working in an organization and making decisions (Jena, 2022). By being truthful and acting ethically, an ethical leader can set a positive example for others to follow. This kind of leadership fosters a positive work environment, increases mutual trust, and motivates everyone to produce their best work (Abiemo et al., 2026). Leaders in higher education who consistently uphold moral principles can foster a supportive learning environment that benefits and enhances teachers' performance.

Workplace spirituality has emerged as a key component of contemporary organisational management, including moral leadership (Ahmad et al., 2025). The term "workplace spirituality" describes a person's feelings of purpose, meaning, and interpersonal relationships at work. Teachers and lecturers

might view their employment as more than just a job and as something that has an impact on both their personal lives and the organization they work for if they operate in an environment that incorporates spiritual principles. Lecturers who truly believe that their job has purpose are more likely to be internally motivated, committed to their school, and eager to contribute to the accomplishment of higher education's three main objectives.

Islamic work ethics and the spiritual aspect of work are closely related for Islamic universities such as Private University X in Yogyakarta. Based on the teachings of Islam, Islamic work ethics promote hard effort, honesty, reliability, accountability, discipline, and dedication in the workplace. Islam views employment as a means of demonstrating respect and devotion to Allah SWT in addition to being a means of earning money. As a result, adopting Islamic work principles is likely to increase productivity, foster a strong sense of integrity, and inspire employees to carry out their duties with true concern and accountability.

Many research papers show that when leaders act ethically, it helps employees work better and perform more effectively (Aftab & Ishaq, 2025; Sofyan & Kurniawan, 2024; Hayati, 2025). Studies show that having spirituality in the workplace can lead to greater job happiness, stronger loyalty to the company, and better personal work results. Even though there have been studies on how ethical leadership and workplace spirituality affect employee performance, the results are still not clear. Some studies show strong and meaningful connections, but other studies find only small or no real effects. These differences suggest that the link between ethical leadership, workplace spirituality, and how well employees perform might be affected by other factors in the situation or environment, which need more research (Le & Nguyen, 2025).

Islamic Work Ethics can play a key role in organisations that adopt Islamic values in explaining the impact of ethical leadership and workplace spirituality on the performance of educators. The ethical leaders can be the good example by always demonstrating and promoting the Islamic values in the workplace that help to develop a better Islamic work ethics among teachers. An environment that is conducive to work and supports spirituality can help individuals adopt and internalise the values of the Islamic faith into their work routine. Teachers who have good Islamic work values will tend to work with honesty, hard work, responsibility and loyalty. These attitudes and behaviours can ultimately result in improved performance of educators and more effective functioning of the organization (Junaidi, 2025a).

Although there has been a lot of research on ethical leadership, workplace spirituality and employee performance, there are still a few important questions left unanswered. Until now, most research has examined these links in fields like business, banking, manufacturing and public services.But there’s not much study in real world done in higher education settings, particularly in Islamic universities. University faculty have a unique bundle of characteristics that distinguishes them from other workers.They are responsible not only for their jobs and teaching but also for maintaining high standards of ethics and morality. Thus, further research is needed to examine the effect of ethical leadership and workplace spirituality toward employee performance in the setting of Islamic higher education institutions (Srivastava et al., 2025).

Most of the previous studies mainly focused on the direct effects of ethical leadership and workplace spirituality on employee performance. However, little research touches the middle part of Islamic Work Ethics in these connections especially for teachers working in Islamic universities. Currently, there is no conclusive evidence about the impact of workplace spirituality on performance. Some studies have found a strong positive correlation; some have found different results (Junaidi, 2025b; Tewari, 2026). These differences mean that we need to find a factor which explains how workplace spirituality improves performance (Ariatin et al., 2024).

Moreover, there are few studies that have combined ethical leadership and workplace spirituality in one research model, especially using Islamic Work Ethics as the middle part of the model within the framework of Islamic higher education in Indonesia. This study is unique in that it proposes a combined model to demonstrate how ethical leadership and workplace spirituality affect a teacher’s performance, and the role of Islamic Work Ethics as the link between them. This study goes beyond direct connections between variables to uncover how leadership and spirituality can improve educator performance through their psychological, ethical and spiritual influences.

This study's practical implementation also contributes significantly. The study is conducted at Private University X in Yogyakarta, which is renowned for integrating Islamic principles into its curriculum. This context enables us to investigate the function of Islamic work ethics in higher education

institutions, a topic that hasn't received much attention in the field of higher education administration. This study's Islamic academic environment enables it to provide practical examples of how moral and spiritual principles can be used in the workplace, which can enhance the way educators carry out their duties.

Higher education institutions are under increasing pressure to raise the standard of instruction, increase their accreditation, produce more research, and become more competitive globally, which makes this study vital. One of the main elements influencing an institution's success is the performance of its teachers. Therefore, it's critical to understand the elements and procedures that can enhance teachers' performance. The findings of this study will probably aid Private University X in Yogyakarta in developing human resource management strategies that incorporate character development, ethical behaviour, and a feeling of spirituality in the workplace in addition to job skills.

From a managerial perspective, these findings ought to assist university administrators in developing leadership philosophies that emphasise doing the right thing, creating an environment that fosters personal development, and assisting individuals in fully comprehending and embracing Islamic principles. From an academic perspective, this study advances existing knowledge by providing a clearer explanation of the relationship between Islamic work ethics, workplace spirituality, ethical leadership, and educator performance, particularly in Indonesia's Islamic higher education institutions. Based on solid moral and spiritual values, these findings can assist other universities in developing more effective staff management strategies. It is anticipated that this approach will produce educators who are competent, productive, and honest, enabling them to significantly contribute to the advancement of both the school and the nation at large. The novelty of this study lies in the integration of ethical leadership and workplace spirituality into a unified model that positions Islamic Work Ethics as a mediating mechanism linking these factors to employee performance. While previous studies have predominantly examined ethical leadership, workplace spirituality, and Islamic Work Ethics as separate predictors of employee attitudes or performance, this study examines how ethical leadership and workplace spirituality may foster Islamic Work Ethics, which subsequently translates into improved performance. By integrating mainstream ethical leadership and workplace spirituality perspectives with an Islamic work-values framework, this study provides a contextualized explanation of how ethical and spiritual resources within the workplace are transformed into performance outcomes in a private higher-education institution in Yogyakarta. heoretically, this study extends the understanding of employee performance by proposing Islamic Work Ethics as a value-based mediating mechanism through which ethical leadership and workplace spirituality influence performance. This framework connects organizational leadership and workplace spirituality perspectives with an Islamic ethical framework, thereby explaining not only the direct effects of organizational and spiritual factors on performance but also the process through which these factors are translated into work behavior and performance.

## LITERATURE REVIEW

### The Influence of Ethical Leadership on Performance

Ethical leadership is a style of leading where you always do what is right by being honest, fair, and responsible, and by showing respect and integrity to everyone. Ethical leaders don't just focus on completing tasks and hitting targets; they also ensure that everything is done in a fair and correct way. By always acting with honesty and fairness and setting a positive example, leaders can build a better workplace and make employees feel more confident in the organization (Hassi et al., 2021).

According to Social Learning Theory, employees usually observe, consider, and imitate the behavior of leaders they believe are good examples to follow. When leaders consistently act in an ethical way, such as being honest, treating everyone fairly, taking responsibility for their actions, and doing what they say they will do, employees are more likely to copy and follow those same positive behaviors in their own work. This kind of behavior modeling can help build a better workplace, make workers more loyal to the company, and reduce actions that go against the company's goals (Hadiyan et al., 2025).

Good leadership that sticks to ethical rules can make workers more motivated and satisfied in their jobs. Leaders who treat their employees fairly, recognize their effort, and show they care can make employees feel valued and respected by the company. These positive feelings can make employees feel more connected to the company and more interested in their work. Employees who are very

motivated and happy at work usually do better in areas such as the quality of their work, how much they accomplish, and finishing their tasks on time (Alshurideh et al., 2026).
Ethical leadership helps create more trust between leaders and the people they lead. Trust is important for people to work well together, share their thoughts openly, and accomplish tasks without any problems. When workers believe their leaders are fair, honest, and make consistent decisions, they are more likely to build positive relationships with their leaders and be more willing to help the company reach its goals. A positive and trustworthy work environment can encourage workers to give their best and work harder (Alsetoohy et al., 2025).
Having ethical leadership is probably going to help employees perform better and reach more success. When leaders in a company act with strong ethics and set an example, it helps employees work better and more effectively. Ethical leadership helps companies guide their workers to act in a positive way, creates trust and commitment, and ultimately makes the company run more smoothly and stay successful in the long run. Companies should support leaders who show strong ethics as an important part of their job, which helps create a good work environment and achieve long-term success.

$H_1$. Ethical Leadership has a positive and significant influence on Performance

**The Influence of Workplace Spirituality on Performance**
Workplace spirituality is when a person feels that their job brings them a sense of meaning, purpose, and aligns with their personal beliefs and values. This idea isn't tied to any specific religion.It's about doing important work, feeling connected to the people you're with, and having personal beliefs that match the values of the group or organization you're part of. In today's work environments, researchers are focusing more on workplace spirituality because they think it helps improve both personal and company achievements (Wulandari et al., 2024).
Workplace spirituality can affect how well employees perform their tasks in different ways. Employees who think their work matters are more driven by their own desire to do well. Their main reason for doing something is not just about money, but also about achieving goals they think are important and meaningful. This natural drive can lead to more productivity, more creative ideas, a greater connection with the work, and a stronger link with the organization (Sani & Ekowati, 2021).
Second, workplace spirituality creates a place where everyone feels at ease, gets support, and is happy. When people in a group really care about each other, show respect, understand how each person feels, and share the same beliefs, it makes them work better together, reduces fights, and creates stronger friendships. A good workplace where everyone gets along helps people work together better and complete their tasks more quickly, which supports the company in reaching its goals (Sani & Ekowati, 2020).
Having a spiritual feeling at work can make employees feel more mentally and emotionally balanced. When workers feel appreciated, treated with respect, and have a strong emotional connection to their job place, they tend to be happier and face less stress at work. Having good mental health can help workers focus better on their work, stay motivated to do their tasks, and carry out their responsibilities in a good way. Because of this, workplace spirituality can create a positive mental environment that helps workers perform their jobs better.
Studies have found that when spirituality is present in the workplace, it tends to help employees perform better. Workers who feel more spiritual at work tend to be more loyal, dedicated, and responsible in their jobs (Sengupta, 2025). These results suggest that workplace spirituality can be an important way to help employees stay more engaged and perform better in their roles.
So, businesses need to build a workplace that encourages the development and spread of spiritual values. This can be achieved by having leaders who behave in a fair and right way, by sharing information clearly and truthfully, by valuing each person's beliefs, by getting along well with others, and by helping employees feel that their job matters and has an impact. By building such an environment, workplace spirituality can move beyond just being a personal belief and turn into something valuable for the entire organization.It can help improve employee performance, make the company work better, and support its long-term growth.

$H_2$. Workplace Spirituality has a positive and significant effect on performance

**The Influence of Ethical Leadership on Islamic Work Ethics**

Ethical leadership is a style of leading that emphasizes sticking to good morals, being truthful, treating everyone fairly, and making choices that show responsibility, especially when it comes to how you handle your team. Good leaders don't just talk and set goals; they also show the way by behaving in line with the organization's rules, beliefs, and values. In companies that follow Islamic values, having good leadership is key to developing and improving Islamic work ethics among the staff (Adawiyah, 2017).

Islamic work ethics are based on values and rules that come from Islam.These values include working hard, being dependable, telling the truth, staying organized, taking responsibility, being fair, and looking out for the well-being of the community. From an Islamic perspective, work is not only about earning money but also about showing love and respect for God. So, people need to do their job with truth, strong morals, and sincere goals. In this setup, a work environment that shows good leadership based on ethics can help employees really believe in and apply Islamic values in their everyday work tasks (Kumasey & Delle, 2024).

The link between being a good leader in an ethical way and the work values found in Islam can be seen through Social Learning Theory.This theory explains that people learn how to act by observing and imitating others they trust, admire, or look up to. In organizations, leaders act as role models for their employees to look up to and imitate. When leaders are always honest, fair, open, and take responsibility, employees are more likely to see, understand, and follow these values in their own work. In addition, ethical leaders help build a work environment that supports Islamic values by recognizing good actions, establishing clear guidelines on what is right, and ensuring those guidelines are followed fairly and consistently (Jayakumar & Vinodkumar, 2023).

Research shows that there is a positive link between ethical leadership and Islamic Work Ethics. Employees who feel that their leaders act with more ethics are more likely to follow Islamic work values and principles closely. So, ethical leadership is a key part of an organization's way of working.It helps build a workplace where honesty and right values are important.It also makes employees more committed to doing what is morally right.Plus, it encourages work actions that follow the teachings of Islam (Iqbal et al., 2021).

$H_3$. Ethical Leadership has a positive and significant influence on Islamic Work Ethics

**The Influence of Workplace Spirituality on Islamic Work Ethics**

Workplace spirituality refers to how someone feels that their job gives them meaning, purpose, and a sense of connection.It also includes how they get along with their coworkers and whether their work aligns with their personal values and beliefs. This view believes that work is not only about making money but also about expressing and living moral and spiritual values in everyday life. In companies that follow Islamic values, workplace spirituality helps shape and apply Islamic work ethics effectively (Bashori et al., 2026).

Islamic work ethics are rooted in the teachings of Islam.These values include being truthful, trustworthy, accountable, hardworking, disciplined, fair, and committed to supporting the community. From an Islamic perspective, work is not only about making money but also about showing devotion and carrying out one's responsibilities to Allah SWT. People who truly follow Islamic values are expected to work honestly, with sincere intentions, and a deep sense of responsibility (Helmy et al., 2014).

The link between workplace spirituality and Islamic work ethics is shown by how employees start to understand the importance and purpose of their work (Kurt et al., 2020). When workers believe their job is important beyond just making money, they are usually more honest, responsible, devoted, and professional in the way they do their work. A workplace with spiritual values can help people get along better, respect each other, work as a team, and care for one another. This kind of environment helps create a good place where Islamic ethical values can be used in daily work activities (Afdawaiza et al., 2025).

Workplace spirituality helps employees adopt religious and moral values into their thoughts and actions. People who feel deeply spiritual at work tend to act more responsibly, say no to dishonest actions, stay away from cheating, and become more loyal to their company. So, having a stronger sense of workplace spirituality is likely to help employees follow Islamic Work Ethics better.When

people are more spiritually aware, they are more likely to include Islamic values and morals into their jobs and how they behave at work (Karim et al., 2025).

$H_4$. Workplace Spirituality has a positive and significant influence on Islamic Work Ethics

**The Influence of Islamic Work Ethics on Performance**

Islamic Work Ethics (IWE) are beliefs and rules about work that come from Islam.These values include being truthful, trustworthy, taking charge of your duties, putting in effort, staying organized, and being committed to supporting the people around you. In a workplace, following Islamic work values can influence how employees think and behave, which can help both the employees and the whole company perform better (Karim et al., 2025).

From a theoretical standpoint, Islamic work ethics teaches people to view work as a means of worship and expressing their devotion to Allah SWT. This belief can lead to a strong feeling of personal motivation, where employees are encouraged not only by money or possessions, but also by the wish to gain God's favor and to act in a morally correct way. Employees who strongly follow Islamic values at work tend to be more loyal to their company, are more honest, and put in a lot of effort to do their jobs well and in a smart way (Duong et al., 2025).

Studies indicate that Islamic work ethics can enhance employee performance (Hameed et al., 2023). When workers really believe in things like being disciplined, staying determined, working hard, and being responsible, it can help them do more work and create better quality results. In addition, Islamic work ethics promote healthy relationships among people in an organization, where everyone shows respect, collaborates, and has trust in each other. These conditions can help teams work better together, make collaboration easier, and ultimately support the organization in achieving its goals (Naldi et al., 2026).

In a world where business is becoming more competitive, Islamic work ethics help create lasting success and strong, reliable organizations. Employees who consistently follow Islamic values are less likely to engage in actions that harm the company, such as lying, using their position unfairly, being dishonest, or displaying unprofessional behavior. Because of this, applying Islamic work ethics can help increase productivity, improve service quality, build stronger teamwork among workers, and create a better reputation for the company (Javid et al., 2024).

Based on these points, it's probably that the work values from Islam will help employees do their jobs better. Focusing more on Islamic work values can help workers do their jobs better, which results in higher quality work and more productivity, as well as a stronger feeling of responsibility and commitment to completing their tasks.

$H_5$. Islamic Work Ethics has a positive and significant influence on Performance

**Mediation of Islamic Work Ethics on the Influence of Ethical Leadership on Performance**

Islamic work ethics can serve as a connection that shows how leading with good values can result in better results for both people and the company. Ethical leadership is a style of leading that focuses on being honest, treating everyone fairly, taking responsibility for actions, and making decisions with strong moral values. Leaders who follow ethical rules do more than just give advice and set goals; they also serve as role models, helping employees learn and practice the right morals and professional behavior (Lin et al., 2023).

From an Islamic perspective, the work values taught in Islam come from the Qur'an and the sayings of the Prophet Muhammad.These values include being reliable, trying your best to do a good job, being truthful, staying focused and organized, putting in effort, taking ownership of your tasks, and looking after the interests of the community. When workers notice their bosses consistently being honest and having strong moral principles, they tend to start trusting and following those same values in their daily tasks. This process can help employees feel more connected to their work, make them more motivated to give their best effort, and encourage them to behave in ways that are productive, responsible, and ethical (Zhu et al., 2025).

The way IWE functions between ethical leadership and employee performance is because ethical leadership doesn't always directly impact how well employees perform. Instead, its influence can spread by creating a strong ethical environment and a positive work culture. Employees who have a

strong Islamic work ethic usually work harder to help the company achieve its goals, maintain high standards in their jobs, avoid behaviors that can hurt the workplace, and are more committed and loyal to the organization. In this case, IWE serves as an important behavior that connects ethical leadership with improved employee performance (Baydeniz et al., 2025).
The relationship can also be explained by Social Learning Theory, which says people learn actions, beliefs, and ways of thinking by observing and imitating role models they trust. In a work environment, ethical leaders help others understand how to act by demonstrating through their own behavior what ethical and Islamic values mean in real situations. Having strong ethical leadership can help create a better Islamic work ethic in the team, which may result in improved overall performance. Islamic work ethics can serve as a bridge that both improves and explains how a good relationship between ethical leadership and employee performance works (Ma et al., 2026).

$H_6$: Islamic Work Ethics Mediates the Influence of Ethical Leadership on Performance

**Mediation of Islamic Work Ethics on the Influence of Workplace Spirituality on Performance**
Workplace spirituality happens when a company builds a place where employees feel their work matters, they feel close to their team, and they see that their own beliefs match up with the company's values. In companies that follow religious values, workplace spirituality is considered important for shaping positive employee attitudes and behaviors, which can lead to better overall performance. Even so, the effect on performance may not be immediate, because Islamic Work Ethics (IWE) can play a major role in this process (Usmani, 2024).
Islamic work ethics are built on the values that Islam teaches, like being truthful, trustworthy, organized, accountable, diligent, and concerned about helping others in the community. Employees who really feel connected spiritually at work tend to see their jobs as more than just a way to earn money.They also see their work as a kind of worship and an opportunity to support others and bring about good results. These beliefs can help people apply and follow Islamic moral values in their everyday work (Nishanthi et al., 2025).
When workplace spirituality helps employees feel more connected to Islamic values, it makes the role of Islamic work ethics clear, which can improve how well they do their jobs. Workers who often use IWE are more responsible, maintain good work quality, don't do things that are not right, and look for ways to help the company achieve its goals. Because of this, workplace spirituality does more than just make people feel happy or calm; it also helps guide workers to act in a truthful, effective, and goal-oriented way (Bashori et al., 2026).
From a theoretical perspective, the connection between workplace spirituality, Islamic work ethics, and employee performance can be explained using Social Exchange Theory and the Theory of Planned Behavior. A work environment that provides support and pays attention to spiritual values can help workers and the company talk more openly with each other, which then encourages employees to behave in a responsible and honest manner. At the same time, the values from Islam that are inside a person can serve as guidelines that help employees know how to behave, make decisions, and ultimately influence how effectively they do their job (Liu et al., 2023).
So, Islamic Work Ethics is an important way that workplace spirituality helps improve how well employees perform their jobs. A stronger feeling of spirituality at work is likely to help people follow Islamic values more closely, which then leads to more responsible, honest, and effective behavior. This process helps improve how individuals perform and helps the organization achieve lasting success

$H_7$: Islamic Work Ethics Mediates the Influence of Workplace Spirituality on Performance

## RESEARCH METHOD

### Population, Sampling, Research Design, and Measurement

The population refers to the entire group of research subjects that possesses specific characteristics relevant to the objectives of a study (Bougie, 2016). In other words, it encompasses all individuals or objects that are of interest to the researcher and share particular characteristics pertinent to the research problem. In this study, the target population comprises all active permanent educators and lecturers at Private University X in Yogyakarta, with a total of 164 individuals. Given the relatively manageable size of the population and the feasibility of reaching all members, this study employs a

saturation sampling (census) technique. Saturation sampling involves including every member of the population as a research respondent. This approach is appropriate when the population is relatively small and accessible, allowing the researcher to collect data from the entire population rather than selecting only a subset of respondents.

This study adopts an explanatory research design, which is intended to investigate and explain causal relationships among independent, mediating, and dependent variables (Qadri, 2016). The independent variables consist of Ethical Leadership (X1) and Workplace Spirituality (X2), while Islamic Work Ethics (Z) functions as the mediating variable and performance (Y) serves as the dependent variable. Based on the nature of data analysis, research can generally be classified into quantitative and qualitative approaches. Quantitative research relies primarily on numerical data and statistical procedures to examine relationships among variables, whereas qualitative research seeks to generate descriptive findings based on participants' words, experiences, and observable behaviors. Accordingly, this study employs a quantitative approach, supported by descriptive analysis to provide an overview of the characteristics of the research data and respondents.

Ethical leadership refers to leadership behavior characterized by integrity, honesty, fairness, concern for subordinates, and the ability of leaders to serve as ethical role models in making decisions consistent with organizational moral values and ethical standards. In this study, ethical leadership is assessed through several indicators, including fairness in decision-making, leadership integrity, honesty, concern for subordinates, ethical role modeling, and adherence to organizational ethical standards (Topcan, 2024).

Workplace spirituality describes a condition in which individuals perceive their work as meaningful, develop a sense of connection and harmony with colleagues, and experience congruence between their personal values and those of the organization. Workplace spirituality is measured through the following indicators: meaningful work, a sense of community, alignment between individual and organizational values, concern for others, and a sense of contribution to a greater purpose (Alamimi & Nasaj, 2025).

Islamic Work Ethics represents a set of values and principles governing work behavior that are rooted in Islamic teachings. These principles emphasize diligence, honesty, responsibility, trustworthiness, and devotion to Allah SWT in performing work-related activities. The construct is measured using indicators consisting of work as worship, honesty in performing work, responsibility, work discipline, trustworthiness, hard work, cooperation, and commitment to maintaining work quality (Mukhibad et al., 2026).

Performance is defined as the degree to which educators successfully perform their responsibilities related to the Tri Dharma of Higher Education in accordance with institutional targets, expectations, and established performance standards. Performance is evaluated based on several indicators, namely quality of work, quantity of work, timeliness, work effectiveness, work independence, and cooperation (Bashori et al., 2026).

**Data Analysis**

The data are analyzed using a quantitative approach based on Partial Least Squares–Structural Equation Modeling (PLS-SEM). PLS-SEM is a variance-based structural equation modeling technique that is particularly suitable for examining complex relationships among latent variables and is frequently applied in studies involving developing theoretical models, relatively limited sample sizes, or data that do not necessarily satisfy multivariate normality assumptions. In addition, PLS-SEM is capable of accommodating various measurement scales and can simultaneously evaluate the relationships between constructs and their respective indicators.

The PLS-SEM analysis consists of two principal stages: the measurement model (outer model) and the structural model (inner model). The outer model is used to assess the reliability and validity of the measurement instruments, whereas the inner model evaluates the structural relationships among the latent constructs and tests the proposed hypotheses (Ghozali, 2016).

## RESULTS

ased on the research problems, research questions, and formulated hypotheses, this study employs a quantitative approach as the primary analytical method. This approach was selected because it enables data to be processed systematically and objectively through statistical procedures and mathematical analysis to address the research questions and achieve the research objectives. Data analysis was conducted using Structural Equation Modeling–Partial Least Squares (SEM-PLS), which is employed to examine the causal relationships among the research variables and assess the overall quality of the proposed research model. Prior to model testing, the research instrument was evaluated through validity and reliability assessments. These procedures were conducted to ensure that the measurement instruments adequately capture the intended constructs with sufficient accuracy, consistency, and reliability,

### Validity Test Results

Validity testing was performed using an item analysis approach to assess the relationship between the score of each individual questionnaire item and the overall score of the corresponding variable, which was calculated based on the cumulative scores of all items measuring the variable. In this study, validity was assessed using the Pearson Product-Moment Correlation technique at a 5% significance level ($\alpha = 0.05$). An instrument or questionnaire item was considered valid if the calculated correlation coefficient (r-calculated) exceeded the critical value (r-table), or if the significance value (Sig.) was less than or equal to 0.05. The results of the validity test for all items included in the study are presented in the following table.

**Table 1. Validity Testing**

| Variable | Item | Pearson Correlation Statistic | Significance | $r_{table}$ | Result |
|---|---|---|---|---|---|
| Ethical leadership ($X_1$) | $EL_{.1}$ | 0.836 | 0.000 | 0,1530 | Valid |
| | $EL_{.2}$ | 0.863 | 0.000 | 0,1530 | Valid |
| | $EL_{.3}$ | 0.842 | 0.000 | 0,1530 | Valid |
| | $EL_{.4}$ | 0.781 | 0.000 | 0,1530 | Valid |
| | $EL_{.5}$ | 0.848 | 0.000 | 0,1530 | Valid |
| | $EL_{.6}$ | 0.831 | 0.000 | 0,1530 | Valid |
| Workplace spirituality ($X_2$) | $WS_{.1}$ | 0.866 | 0.000 | 0,1530 | Valid |
| | $WS_{.2}$ | 0.868 | 0.000 | 0,1530 | Valid |
| | $WS_{.3}$ | 0.852 | 0.000 | 0,1530 | Valid |
| | $WS_{.4}$ | 0.686 | 0.000 | 0,1530 | Valid |
| | $WS_{.5}$ | 0.680 | 0.000 | 0,1530 | Valid |
| Islamic work ethics ($Y_1$) | $IWE_{.1}$ | 0.793 | 0.000 | 0,1530 | Valid |
| | $IWE_{.2}$ | 0.838 | 0.000 | 0,1530 | Valid |
| | $IWE_{.3}$ | 0.849 | 0.000 | 0,1530 | Valid |
| | $IWE_{.4}$ | 0.890 | 0.000 | 0,1530 | Valid |
| | $IWE_{.5}$ | 0.883 | 0.000 | 0,1530 | Valid |
| | $IWE_{.6}$ | 0.865 | 0.000 | 0,1530 | Valid |
| | $IWE_{.7}$ | 0.842 | 0.830 | 0,1530 | Valid |
| | $IWE_{.8}$ | 0.624 | 0.830 | 0,1530 | Valid |
| Performance ($Y_2$) | $K_{.1}$ | 0.838 | 0.000 | 0,1530 | Valid |
| | $K_{.2}$ | 0.905 | 0.000 | 0,1530 | Valid |
| | $K_{.3}$ | 0.909 | 0.000 | 0,1530 | Valid |
| | $K_{.4}$ | 0.910 | 0.000 | 0,1530 | Valid |
| | $K_{.5}$ | 0.922 | 0.000 | 0,1530 | Valid |
| | $K_{.6}$ | 0.629 | 0.000 | 0,1530 | Valid |

Source: Processed primary data, 2026

**Reliability Test Results**

Reliability refers to the degree to which a research instrument produces consistent and stable responses from respondents. A higher reliability coefficient indicates a greater capacity of the instrument to generate consistent and dependable data. In this study, the reliability of the research instrument was assessed using Cronbach's Alpha. An instrument is considered reliable when the Cronbach's Alpha coefficient exceeds 0.60, suggesting that the items within the questionnaire consistently measure the intended constructs. The results of the reliability analysis are presented in the following table:

**Table 2.** Reliability Testing Results

| Variable | Alpha Cronbach Score | Reliability Analysis Results |
|---|---|---|
| Ethical leadership ($X_1$) | 0.900 | Reliable |
| Workplace spirituality ($X_2$) | 0.853 | Reliable |
| Islamic work ethics ($Y_1$) | 0.932 | Reliable |
| Performance ($Y_2$) | 0.927 | Reliable |

Source: Processed primary data, 2026

**Model Validity**

The validity of reflective indicators is assessed by examining the correlation between the scores of individual indicators and the scores of the latent constructs they represent. In a reflective measurement model, each indicator serves as an observable manifestation of an underlying latent construct. Consequently, indicators within the same construct are expected to exhibit consistent patterns of variation, such that changes in one indicator are generally associated with corresponding changes in the other indicators. Therefore, removing or modifying an indicator may influence the overall representation and measurement quality of the construct.

In Partial Least Squares Structural Equation Modeling (PLS-SEM), model evaluation is generally performed through two complementary stages. The first stage involves evaluating the measurement model (outer model), which focuses on establishing the validity and reliability of the constructs and their respective indicators. The second stage evaluates the structural model (inner model), which examines the hypothesized relationships among latent constructs and assesses the model's explanatory capacity in accounting for the phenomena investigated. Together, these evaluations provide a comprehensive assessment of the adequacy and robustness of the proposed research model.

**Structural Model Evaluation**

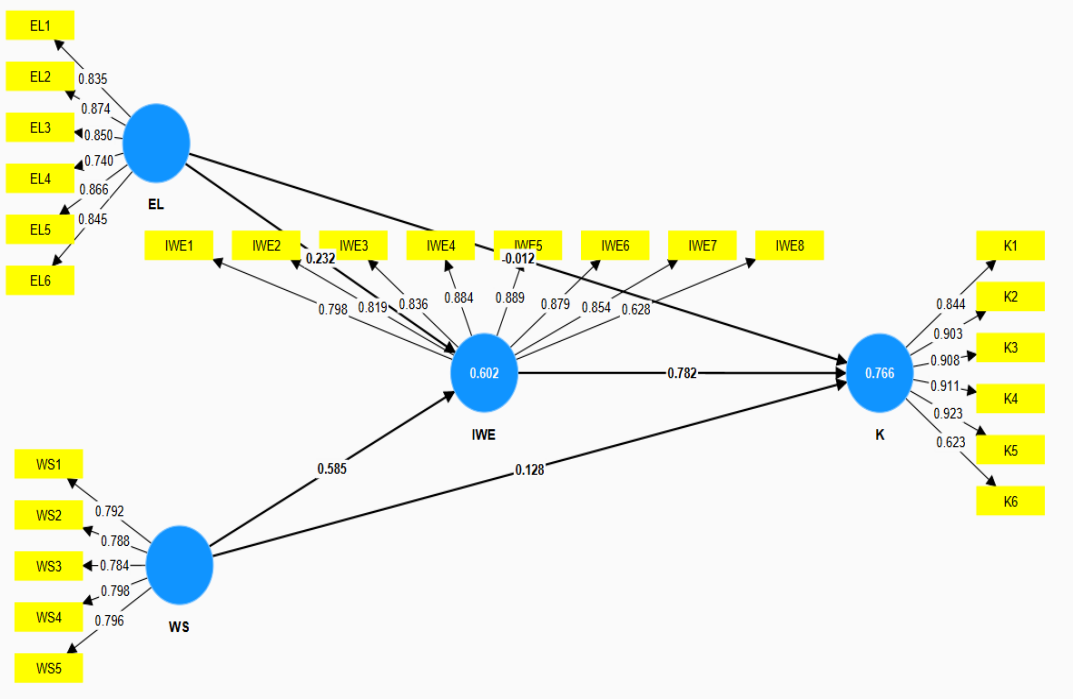



**Figure 1.** Structural Model Evaluation

Source: Processed primary data (2026)

**Testing for Convergent and Discriminant Validity**

Convergent validity in a reflective measurement model is assessed by examining the strength of the relationship between each indicator score (item score) or component score and the underlying construct using Partial Least Squares (PLS) analysis. A reflective indicator is generally considered to demonstrate satisfactory convergent validity when its outer loading exceeds 0.70. Nevertheless, in the early stages of instrument development, outer loading values between 0.50 and 0.60 may still be considered acceptable.

In contrast, discriminant validity assesses whether a latent construct is empirically distinct from other constructs within the measurement model. Discriminant validity is established when each indicator exhibits a stronger loading on its associated construct than on any other construct. The results of the outer model assessment, covering both convergent and discriminant validity, are reported in Table 3.

**Table 3. Testing for Convergent and Discriminant Validity**

| | EL | IWE | K | WS |
|---|---|---|---|---|
| EL1 | **0.835** | 0.488 | 0.465 | 0.537 |
| EL2 | **0.874** | 0.533 | 0.512 | 0.619 |
| EL3 | **0.85** | 0.53 | 0.514 | 0.619 |
| EL4 | **0.74** | 0.566 | 0.461 | 0.619 |
| EL5 | **0.866** | 0.621 | 0.586 | 0.686 |
| EL6 | **0.845** | 0.623 | 0.517 | 0.687 |
| IWE1 | 0.631 | **0.798** | 0.669 | 0.667 |
| IWE2 | 0.521 | **0.819** | 0.628 | 0.529 |
| IWE3 | 0.594 | **0.836** | 0.67 | 0.579 |
| IWE4 | 0.555 | **0.884** | 0.774 | 0.637 |
| IWE5 | 0.558 | **0.889** | 0.756 | 0.704 |
| IWE6 | 0.555 | **0.879** | 0.834 | 0.656 |

| | | | | |
|---|---|---|---|---|
| IWE7 | 0.563 | **0.854** | 0.771 | 0.657 |
| IWE8 | 0.474 | **0.728** | 0.623 | 0.579 |
| K1 | 0.529 | 0.814 | **0.844** | 0.647 |
| K2 | 0.513 | 0.722 | **0.903** | 0.599 |
| K3 | 0.521 | 0.777 | **0.908** | 0.609 |
| K4 | 0.538 | 0.761 | **0.911** | 0.61 |
| K5 | 0.566 | 0.758 | **0.923** | 0.623 |
| K6 | 0.474 | 0.628 | **0.723** | 0.579 |
| WS1 | 0.729 | 0.541 | 0.5 | **0.792** |
| WS2 | 0.647 | 0.515 | 0.467 | **0.788** |
| WS3 | 0.66 | 0.53 | 0.487 | **0.784** |
| WS4 | 0.515 | 0.669 | 0.642 | **0.798** |
| WS5 | 0.497 | 0.702 | 0.672 | **0.796** |

Source: Processed primary data (2026)

Based on the results of the outer model assessment, the requirements for convergent validity were satisfied, as all indicators demonstrated loading factor values exceeding 0.60. Furthermore, each indicator exhibited its strongest loading on the latent construct it was intended to measure, with comparatively lower loading values on the other constructs. These results confirm that the indicators provide an appropriate representation of their respective constructs and that the latent variables demonstrate satisfactory discriminant validity. Discriminant validity reflects the extent to which a construct is empirically distinct from other constructs within the proposed model. In this study, discriminant validity was further assessed using the Heterotrait–Monotrait Ratio (HTMT), which evaluates the degree of distinction between constructs by comparing correlations among indicators belonging to different constructs (heterotrait–heteromethod correlations) with correlations among indicators measuring the same construct (monotrait–heteromethod correlations).

**Tabel 4. The HTMT criteria evaluate discriminatory validity.**

| | EL | IWE | K | WS |
|---|---|---|---|---|
| EL | | | | |
| IWE | 0.729 | | | |
| K | 0.665 | 0.738 | | |
| WS | 0.765 | 0.734 | 0.787 | |

Source: Processed primary data (2026)

The HTMT values across all constructs ranged from 0.540 to 0.869, remaining below the recommended threshold of 0.90. These findings confirm that discriminant validity has been adequately established, demonstrating that each construct represents and measures a distinct underlying concept.

**Construct reliability and convergent validity were assessed using Composite Reliability (CR) and Average Variance Extracted (AVE)**

The quality of the measurement model was assessed by examining the Composite Reliability (CR) and Average Variance Extracted (AVE) values for each construct. A construct is considered to demonstrate satisfactory reliability when its CR value exceeds 0.70, while convergent validity is established when the AVE value is greater than 0.50. The results of the CR and AVE assessments for all constructs included in the study are presented in Table 5.

**Table 5.** Composite Reliability and Average Variance Extracted

| | Cronbach's alpha | Composite reliability (rho_a) | Composite reliability (rho_c) | Average variance extracted (AVE) |
|---|---|---|---|---|
| EL | 0.913 | 0.917 | 0.933 | 0.699 |
| IWE | 0.932 | 0.936 | 0.945 | 0.684 |
| K | 0.925 | 0.931 | 0.943 | 0.737 |
| WS | 0.854 | 0.861 | 0.894 | 0.627 |

Source: Processed primary data (2026)

Based on the findings presented in Table 5, all constructs included in the study satisfy the required reliability and validity criteria. The Composite Reliability values are above the recommended threshold of 0.70, while the Average Variance Extracted (AVE) values exceed 0.50, indicating that the measurement model meets the accepted standards for SEM-PLS analysis. In addition, the significance testing of the estimated parameters provides insights into the magnitude, direction, and statistical significance of the relationships among the examined constructs. Hypothesis testing is performed by considering the parameter estimates obtained from the inner model analysis. The results of the structural model estimation, which evaluates the proposed relationships among the constructs, are reported in Table 6.

**Table 6.** Hypothesis Testing

| | **Original sample (O)** | **Sample mean (M)** | **Standard deviation (STDEV)** | **T statistics (\|O/STDEV\|)** | **P values** | **Result** |
|---|---|---|---|---|---|---|
| EL -> IWE | 0.232 | 0.219 | 0.096 | 2.424 | 0.015 | Significant |
| EL -> K | -0.012 | -0.019 | 0.08 | 0.154 | 0.878 | Not Significant |
| IWE -> K | 0.782 | 0.783 | 0.075 | 10.449 | 0.000 | Significant |
| WS -> IWE | 0.585 | 0.596 | 0.1 | 5.857 | 0.000 | Significant |
| WS -> K | 0.128 | 0.129 | 0.089 | 1.436 | 0.151 | Not Significant |

Source: Processed primary data (2026)

Workplace spirituality has the potential to enhance employee performance. In PLS-SEM, the mediation effect is assessed by examining the direct effect, indirect effect, and their corresponding levels of statistical significance.

**Table 7.** Mediation Test Results

| | Original sample (O) | Sample mean (M) | Standard deviation (STDEV) | T statistics (\|O/STDEV\|) | P values |
|---|---|---|---|---|---|
| EL -> IWE -> K | 0.182 | 0.171 | 0.077 | 2.368 | 0.018 |
| WS -> IWE -> K | 0.458 | 0.467 | 0.096 | 4.790 | 0 |

Source: Processed primary data (2026)

The findings indicate that Islamic Work Ethics significantly mediates the relationship between ethical leadership, workplace spirituality, and employee performance. Specifically, the indirect effect of ethical leadership on performance through Islamic Work Ethics is positive and statistically significant ($\beta = 0.182$; $p < 0.05$). Similarly, Islamic Work Ethics significantly mediates the relationship between workplace spirituality and performance, with a positive and significant indirect effect ($\beta = 0.458$; $p < 0.05$).

## DISCUSSION

### 1. The Influence of Ethical Leadership on Performance

According to the statistics in the table, there is a relationship between Ethical Leadership and Performance, which shows a path coefficient of -0.012. The t-statistic for this relationship is 0.154, and the p-value is 0.878. The t-statistic is less than the critical t-value of 1.6612, and the p-value is greater than 0.05, which means Ethical Leadership does not have a significant impact on Performance. Therefore, the first hypothesis is not supported. Ethical leadership means leading by doing what is right, being truthful, acting with honesty, treating everyone fairly, and being responsible for the choices made by leaders. Even though these values are key to building a good and healthy work environment, they don't always result in better performance from employees (Duong et al., 2025).

In higher education institutions, how well employees do their jobs can be affected by several factors connected to the organization and the person themselves.These include their skills and abilities, the amount of work they have to do, how they are paid and recognized, the tools and resources available to them, and their own motivation and interest in their job. Workers who have clear tasks, understand what is expected of them, and follow established guidelines can perform their jobs effectively even if they disagree with how their leaders behave ethically. So, how well an employee performs their job might depend more on their own skills, how good they are at their work, and how well they follow the correct methods, rather than how their boss leads (Alamimi & Nasaj, 2025).

The way universities and colleges are organized could also explain why there isn't a strong link. Universities often allow their employees a lot of flexibility in how they perform their duties and handle their work. Both teachers and office workers typically carry out their tasks based on the school's guidelines, usual procedures, official rules, and the targets they are meant to reach. These conditions could make it harder for leaders to control or influence what employees do on a daily basis. Even if leaders always act honestly and fairly, it doesn't always make employees work harder or produce better results (Muhamed et al., 2025).

Another possible reason could be that there might be some steps or things in between that link ethical leadership with how employees do their work. Research shows that having leaders who act ethically can influence how well a team or company does, but it doesn't directly cause that success. Instead, it works by focusing on several key factors such as making employees happier with their jobs, more committed to the company, more confident in their leaders, and more driven to give their best effort. When the psychological and organizational factors aren't strong, the link between ethical leadership and performance might not show up clearly or be very strong in the data (Topcan, 2024).

The similar views that people have about leaders' ethical behavior might help explain why the results were not significant. When most employees see their leaders always showing ethical behavior, there is not much difference in how people rate the leader's ethical behavior. This limited variety can make it harder to see how it affects differences in how well employees perform (Mukhibad et al., 2026).

In these situations, ethical leadership might be seen as something basic or expected from a leader, rather than a special quality that can directly lead to better performance. So, the results show that the main role of ethical leadership in higher education is probably to build a good work environment, increase trust between people, encourage teamwork, and keep high standards of ethics, instead of directly affecting how well employees perform. This finding also suggests that improving employee performance might need to be paired with actions that focus on factors that directly affect performance, like building skills, managing workloads, keeping people motivated, offering rewards, and providing good working conditions (Rana & Ahmed, 2021).

### 2. The Influence of Workplace Spirituality on Performance

According to the results in the table, there is a path coefficient of 0.128 between Workplace Spirituality and Performance.The t-value is 0.1436 and the p-value is 0.151. Since the t-value is less than the critical t-value of 1.6612, the results show that Workplace Spirituality does not significantly affect employee Performance. Therefore, the second hypothesis is not supported. Workplace spirituality is about how employees feel their jobs have meaning, how they connect

with their coworkers, and how much their personal beliefs match up with the company's values. Having a strong feeling of spirituality at work doesn't always mean employees will perform better.

In colleges and universities, how well an employee performs is mostly influenced by things like their skills, how much experience they have, how their work is assessed, how much they have to do, and whether they have the right tools and resources available. So, even if workers have a strong sense of spirituality at work, having that alone might not really help them work better or produce higher quality results.It's also important they have the right skills and support from the company. From this point of view, workplace spirituality might mainly act as a tool that helps employees feel more comfortable and find meaning in their jobs, rather than being the main factor that directly affects their work results (Mubarak et al., 2021).

Moreover, colleges and universities usually work inside clear rules, steps, guidelines, and quality requirements. In this kind of setting, how well employees do their jobs is mostly judged by how much they complete their tasks, meet set goals, and follow the agreed-upon work rules. Employees are expected to do their jobs following the company's standards no matter what their personal beliefs about spirituality are. This condition might be the reason why having different levels of workplace spirituality doesn't always lead to big changes in how well employees perform (Al et al., 2018).

The connection between workplace spirituality and performance can also work through other ways that affect how a company runs and how people feel, like being happy with their job, staying loyal to the organization, feeling involved in their work, and having a drive to do their best. Employees who feel their work is more meaningful and have better relationships with their coworkers might experience more satisfaction and be more involved in their jobs. However, these good feelings are more likely to help you do better when they lead to helpful thoughts and actions. So, if there are no important factors that connect workplace spirituality to performance, then the direct impact of workplace spirituality on performance might not be very strong (Liu et al., 2023).

So, the result shows that Workplace Spirituality does not have a big effect on how well employees perform at Private University X in Yogyakarta.This means that making employees perform better is more about things like the working environment, their skills and knowledge, and how the organization runs its work, rather than just having a spiritual workplace. Workplace spirituality is still important because it helps create a positive, meaningful, and caring work environment, but it might not be the main thing that directly affects how well employees perform. Its contribution to performance might instead rely on other factors that help employees turn positive feelings into actual and useful work actions (Bashori et al., 2026).

**3. The Influence of Ethical Leadership on Islamic Work Ethics**

Looking at the results in the table, Ethical Leadership has a positive and important impact on Islamic Work Ethics.This is shown by a path coefficient of 0.232, a t-value of 2.424, and a p-value of 0.015. Although the statement about comparing the result with the t-table value needs to be taken seriously, the statistical findings back up the acceptance of the third hypothesis. This means that when leaders show stronger ethical behavior, it leads to higher levels of Islamic work ethics among the employees.

Ethical leadership is a way of leading that focuses on doing the right thing by following strong moral values, being honest, treating people fairly, staying true to oneself, taking responsibility for actions, and setting a good example for others. Ethical leaders don't just do their job as people who make decisions for an organization; they also set an example for the people working under them by showing behavior that matches the moral standards and values the organization believes in (Usmani, 2024).

According to Social Learning Theory, employees shape their attitudes and behaviors by watching and copying the actions of important role models, such as leaders in the organization. When leaders always show honesty, fairness, trustworthiness, accountability, and integrity, employees are more likely to notice, copy, and start to believe in these values in their everyday work. Because of this, having ethical leadership can help create a workplace where employees are more likely to follow ethical behavior that matches Islamic values (Nishanthi et al., 2025).

Islamic work ethics are based on values from Islam that guide how people should work.These values include being hardworking, truthful, reliable, responsible, disciplined,

team-focused, and caring about the good of everyone in the community. These principles are very much like the main values that ethical leadership tries to encourage. So, when leaders show strong ethical behavior, it makes it more likely that employees will adopt and follow Islamic Work Ethics in their work and in meeting their job responsibilities (Ma et al., 2026).
In addition, earlier research has shown that ethical leadership is linked to the growth of moral values, ethical actions, loyalty to the organization, and the work ethics of employees (Baydeniz et al., 2025). Ethical leaders can help employees better understand right and wrong and make them more likely to follow both the organization and religious values. At Private University X in Yogyakarta, these results show that employees who believe their leaders act more ethically are more likely to show better Islamic work ethics. By building strong ethical leadership in the university, it can help create a work environment that values honesty, accountability, self-discipline, and behavior that follows Islamic values.

**4. The Influence of Workplace Spirituality on Islamic Work Ethics**

Looking at the results in the table, Workplace Spirituality has a path coefficient of 0.585.The t-value is 5.857, and the p-value is 0.000. Because the t-value we got is higher than the critical t-value of 1.6612 and the p-value is less than 0.05, it shows that Workplace Spirituality has a positive and meaningful impact on Islamic Work Ethics. Thus, the fourth hypothesis is supported. Workplace spirituality is about how much employees feel their work has meaning and purpose, feel connected to their coworkers, and see that their personal values match the organization's values. In contrast, Islamic Work Ethics is a group of values and rules about work that come from Islamic beliefs.These values include being honest, taking responsibility, being trustworthy, working hard, being fair, and caring about the welfare of others (Zhu et al., 2025).
From a theoretical point of view, Workplace Spirituality might help workers see their jobs as more than just a way to earn money, which could lead to better ethical behavior. In Islam, work can also be seen as a way to show devotion and worship to Allah SWT. When workers feel that their job has value and makes a difference, they tend to do their tasks with truthfulness, responsibility, and a strong sense of duty. These views match the basic values of Islamic work ethics, which focus on having honest motives, being truthful, taking responsibility, and helping others improve their well-being (Lin et al., 2023).
Workplace Spirituality can help build a workplace where people feel supported, show care for each other, and treat one another with respect and teamwork. These conditions create a good environment where employees can take in Islamic values and include them in how they act at work every day. Employees who feel a deep connection to something spiritual at work are more likely to understand right and wrong better and control their behavior more effectively. As a result, they might be less likely to act in ways that go against Islamic values, such as being dishonest, misusing power, being irresponsible, or not doing their duties properly (Hameed et al., 2023). This result also matches earlier studies that show Workplace Spirituality is linked to being ethical, having integrity, showing responsibility, and following religious values more strongly (Javid et al., 2024). This means that when employees feel more spiritual at work, they tend to show better Islamic Work Ethics in their job duties, according to Tewari (2026). The results show that Workplace Spirituality has a positive and strong effect on Islamic Work Ethics among employees at Private University X in Yogyakarta. Workplace Spirituality seems to help people internalize Islamic values, and these values then show up in how they act at work being ethical, reliable, responsible, and professional.

**5. The Influence of Islamic Work Ethics on Performance**

According to the results in the table, the impact of Islamic Work Ethics on performance is shown.The path coefficient is 0.782, the t-value is 10.449, and the p-value is 0.000. The t-value is higher than the critical value from the t-table, which is 1.6612, so the relationship is statistically significant. This result shows that Islamic Work Ethics has a good and important influence on Performance, which backs up the fifth hypothesis.
Workplace spirituality is when workers feel their job has meaning and purpose, connect well with their coworkers, and see that their personal beliefs match up with the company's values. In contrast, Islamic Work Ethics includes a group of values and rules about work that come from Islamic teachings.These values stress honesty, being responsible, being

trustworthy, working hard, treating people fairly, and caring about the well-being of others (Naldi et al., 2026).

From a theoretical point of view, workplace spirituality can help employees build a better sense of right and wrong when doing their jobs. This is because spirituality at work helps people see their jobs not just as a way to earn money but also as a chance to do their religious duties and help God. When workers feel that their jobs have more meaning and purpose, they tend to show more responsibility, honesty, and professionalism in doing their work (Ariatin et al., 2024). These traits match the basic ideas of Islamic work ethics, which focus on having honest intentions, being truthful, taking responsibility, and helping others in a positive way (Karim et al., 2025).

In addition, Workplace Spirituality can help create a supportive work environment where people feel united, treat each other with respect, and care about one another. This kind of environment can help employees adopt and use Islamic values in their daily work activities (Bashori et al., 2026). Workers who feel a deep spiritual bond with their job are more likely to have a better understanding of right and wrong and be more aware of ethical issues. Therefore, they might be better able to avoid actions that go against Islamic values, such as being dishonest, misusing power, and not doing their duties properly (Afdawaiza et al., 2025).

Studies have also shown before that having spirituality in the workplace is linked to behaving ethically, being honest, taking responsibility, and showing loyalty to religious beliefs. These results show that workers who feel there is more of a spiritual aspect at work are more likely to adopt and follow Islamic Work Ethics in their jobs (Iqbal et al., 2021). So, Workplace Spirituality is likely to have a good and important effect on Islamic Work Ethics among employees at Private University X in Yogyakarta. A workplace that supports spiritual growth can help people better embrace Islamic values, which then show up in their actions as honest, dependable, responsible, and professional behavior.

**6. Mediation of Islamic Work Ethics on the Influence of Ethical Leadership on Performance**

The results show that Islamic Work Ethics acts as a bridge between ethical leadership and how well employees perform. Ethical leadership has a positive and significant impact on performance, but this effect happens through Islamic Work Ethics.The relationship is strong enough to be statistically meaningful, with a beta value of 0.182 and a p-value less than 0.05. This means that ethical leadership affects employees in two ways: it directly influences how they act at work, and it also helps shape the moral values and beliefs that guide their decisions. At a university that follows Islamic values, like Private University X in Yogyakarta, Islamic Work Ethics is important because it shows how ethical leadership helps improve how well employees perform their jobs.

Ethical leadership is a way of leading that shows honesty, fairness, and responsibility.Leaders who act this way make good decisions and treat people honestly every day (Kumasey & Delle, 2024). According to Social Learning Theory, workers learn by watching and copying the ways their leaders act and behave. When leaders always follow ethical rules, employees tend to see this behavior as a good example to follow and use it as a guide for how they should act in their own work. As a result, ethical leadership can create a work environment within an organization that highlights moral values and spiritual beliefs (Sengupta, 2025).

Islamic work ethics include values based on Islamic beliefs, such as being hardworking, honest, trustworthy, disciplined, responsible, fair, and seeing work as a way to worship Allah SWT (Hassi et al., 2021). Employees who really believe in Islamic work ethics tend to see their jobs as more than just a way to earn money. Work is seen as a way to show religious devotion and a way to live out Islamic values in everyday life. This approach can boost natural motivation, helping workers do their jobs well and help the company achieve its goals (Jayakumar & Vinodkumar, 2023).

When employees truly believe in and adopt Islamic work ethics, they are likely to show more dedication, follow rules closely, work harder, and produce better results in their jobs. Employees tend to handle their work in a serious and respectful way, avoid actions that might harm the organization, and help improve the quality of services given to students and

other important groups (Adawiyah, 2017). So, Islamic Work Ethics acts as a key link that helps ethical leadership lead to better employee performance. The better the ethical leadership shown by leaders in the organization, the more likely employees are to adopt Islamic Work Ethics, which in turn helps improve their performance at Private University X in Yogyakarta.

**7. Mediation of Islamic Work Ethics on the Influence of Workplace Spirituality on Performance**

The findings show that Islamic Work Ethics (IWE) plays a major role in connecting Workplace Spirituality with how well employees perform. The mediation effect is positive and statistically significant ($\beta = 0.458$; $p < 0.05$), which supports the idea that Islamic Work Ethics plays a key role in how Workplace Spirituality leads to better employee performance. In theory, having spirituality at work doesn't always mean people perform better. Instead, it might first influence employees' values, attitudes, and how they behave at work in a way that matches Islamic ethical values (Hadiyan et al., 2025). These values that people take in can then help workers be more productive, take their job seriously, and care more about the quality of their work results (Sani & Ekowati, 2021).

Workplace spirituality is about how employees feel meaningful and purposeful in their jobs, how connected they feel with their coworkers, and how much their personal beliefs match up with the values of the company. At an Islamic-focused university like Private University X in Yogyakarta, workplace spirituality can help employees see that work is more than just making money and can also be a way to worship and serve the community. This spiritual awareness makes employees see their jobs and tasks as a trust that needs to be handled with honesty, commitment, and a deep sense of duty (Sani & Ekowati, 2020).

Even though spirituality can help improve how well employees perform, it doesn't just happen on its own. A way is needed to change spiritual understanding into clear and steady actions at work. Islamic Work Ethics offers a way to turn spiritual values into clear rules of behavior that help employees make good decisions at work. IWE is based on values from the Qur'an and Hadith, such as working hard, being honest, taking responsibility, staying disciplined, doing what is fair, and being committed to producing excellent work. Employees who have stronger workplace spirituality are more likely to take in these ethical values and use them in their everyday job actions, which leads to better professional, efficient, and accountable behavior (Wulandari et al., 2024).

The internalization of Islamic Work Ethics can further strengthen employees' commitment Internalizing Islamic work ethics can help employees feel more dedicated to doing their jobs to the best of their ability. Employees who follow IWE are more likely to see their work as a duty that they will be responsible for, both to their organization and to Allah SWT, according to Alshurideh et al (2026). This view can help them stay away from actions that don't help, like putting things off, using their power wrongly, being careless, and treating others with disrespect. They are more likely to show commitment, honesty, self-control, and excitement when doing their job. So, Islamic Work Ethics acts as an important link between how employees feel spiritually at work and how well they perform, helping Workplace Spirituality to real improvements in both personal and company results. (Alsetoohy et al., 2025).

## CONCLUSION AND SUGGESTIONS

A study of 164 employees at Private University X in Yogyakarta, which used the Structural Equation Modeling–Partial Least Squares method, found that Ethical Leadership and Workplace Spirituality did not have a direct and significant effect on employee performance. Both variables showed positive and important effects on Islamic Work Ethics. In return, Islamic Work Ethics was found to have a positive and significant effect on how well employees perform. These results indicate that better employee performance does not always come from ethical leadership or workplace spirituality.Instead, it seems to come from when employees truly believe in and use Islamic work ethic values in their own behavior. Moreover, Islamic Work Ethics was found to act as a mediator in the connection between Ethical Leadership, Workplace Spirituality, and how well employees perform.

Based on these findings, Private University X in Yogyakarta should focus on strengthening the understanding and practice of Islamic work ethic values by implementing organized coaching programs, activities that build character, and creating an organizational culture that is rooted in Islamic principles. Organizational leaders should also show good ethics and create a work environment that supports personal growth and fulfilling work. For future studies, adding more factors like how committed employees feel about their organization and how happy they are with their jobs could give a better picture of what affects their work performance. This would make the research model better at explaining and predicting these effects. Despite providing empirical evidence on the relationships between ethical leadership, workplace spirituality, Islamic work ethics, and employee performance, this study has several limitations. The research model focuses specifically on ethical leadership and workplace spirituality as antecedents, with Islamic work ethics as a mediator. Other factors that may influence employee performance, such as organizational commitment, job satisfaction, psychological empowerment, organizational culture, perceived organizational support, compensation, workload, and employee engagement, were not included in the model. The exclusion of these variables may limit the explanatory scope of the study.

Fifth, the study examines Islamic work ethics as a mediating variable, but employees may have diverse levels of religious understanding, personal values, and interpretations of Islamic work principles. These differences may influence how Islamic work ethics are perceived and practiced in the workplace.

Finally, the study is situated within the specific Indonesian higher education context, particularly a private university in Yogyakarta. Cultural, institutional, and religious characteristics of this context may influence the relationships among the variables. Therefore, future studies should consider testing the proposed model across different universities, organizational sectors, regions, and cultural contexts to assess the robustness and generalizability of the findings.

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