



AICIF

PROCEEDING 7TH ASEAN UNIVERSITIES

International Conference on Islamic Finance

Revival of Islamic Social Finance To Strengthen Economic
Development Towards A Global Industrial Revolution

Co Host:



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**PROCEEDING OF 7TH ASEAN UNIVERSITIES INTERNATIONAL
CONFERENCE ON ISLAMIC FINANCE (AICIF) 2019
“REVIVAL OF ISLAMIC SOCIAL FINANCE TO STRENGTHEN
ECONOMIC DEVELOPMENT TOWARDS A GLOBAL INDUSTRIAL
REVOLUTION”**

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“REVIVAL OF ISLAMIC SOCIAL FINANCE TO STRENGTHEN ECONOMIC
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PROF. DR. AMAL FATHULLAH ZARKASYI, M.A.
Rector of University of Darussalam Gontor

Assalamu'alaikum warahmatullahi wabarakaatuh

As the Rector of University of Darussalam Gontor, it is a great honour for us to welcome our distinguished guests from neighbourhood countries. Hence, I feel very grateful to Allah, I would like to thank you for your kind willingness to attend and participate in our 7th ASEAN Universities International Conference on Islamic Finance (AICIF) 2019.

The development of Islamic economics and finance not only concerns on commercial issues, but also social finance (such as zakah, infaq and waqf). Since the Prophet Muhammad Rasulullah period, Waqf has been developed and played a major role in the socioeconomic of Muslim. On his arrival at Madinah in the first year of Hijrah, he constructed a mosque known as Quba. Subsequently, the Prophet built a new mosque known as Masjid an-Nabawi due to the increasing number of people who converted to Islam. In addition, the example of waqf in practical level when the Prophet encouraged Utsman ibn 'Affan to buy Rumah well of water and finally he declared it as waqf to provide water for all citizens. Currently, this heritage has been extended to accommodate the need of society from across the world.

Based on the historical foundation, it would be extremely necessary supported by education and research related to Islamic social finance in an attempt to increase the welfare of the Ummah. Hopefully this conference will be one of the efforts in providing enlightenment and insight related to Islamic social finance and Islamic economics continues to grow worldwide, and provide benefits and prosperity for all mankind as well as the entire universe (rahmatan lil Alamein).

Therefore we all have a duty and responsibility to develop education and research related to Islamic economics. Let us pray to God for asking His assistance and guidance to carry out this duties and responsibilities together.

Finally, I congratulate all the faculty members in the Faculty of Syariah and Faculty of Economics & Management as well as all members of AICIF for organizing this conference. For the committees who have worked hard in preparing this conference, I suggested them to service all the guests very well. Make them feel like in their own homes. I would like to say good luck in joining the conference until completion. Thank you very much.

Wa'alaikumsalam warahmatullahi wabarakaatuh



INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA

All praises due to Allah (swt), the Most Merciful, the Most Compassionate. May His peace and blessings be upon our beloved Prophet Muhammad (saw), his companions, descendants and all those who follow his steps.

On behalf of the IIUM Institute of Islamic Banking and Finance (IiBF), International Islamic University Malaysia, I would like to congratulate the University of Darussalam, UNIDA Gontor, for the successfully organizing and hosting the 7th ASEAN Universities International Conference on Islamic of Islamic Finance (AICIF 2019). IiBF, as the pioneering institution in organizing the AICIF, is indeed, very happy to note that the AICIF has already reached its 7th year of organization, with the consortium of universities joining the conference has increased to seven from only one when the IiBF first hosted it in Kuala Lumpur in 2013.

The theme of the conference “Revival of Islamic Social Finance to Strengthen Economic Development Towards A Global Industrial Revolution” highlights the remarkable contributions and guidance of our beloved Prophet Muhammad (saw) on his various efforts on social welfare and sustainable social development policies. These efforts have led to the remarkable economic development of Islamic societies, which needs to be emulated by our leaders today in the Islamic banking and finance industry. While there is a remarkable growth and expansion of the Islamic finance industry today, a pertinent issue to highlight is the role and contribution of Islamic finance in the achievement of socio-economic goals of the society. Islamic financial institutions need to continuously innovate and go beyond their traditional role in providing financing just to the bankable. Efforts should be intensified to expand their scope of services and aim to achieve better financial inclusion to all levels of the society.

The importance of technology in Islamic social finance could not be over-emphasized. Several important global cases borne out of the synergised approaches involving Islamic social finance with sustainable digital technology. The International Federation of Red Cross and Red Crescent Societies (IFRC) has recently developed an online blockchain technology application providing organizations and individuals with the ability to track and follow up their contributions in highly complex humanitarian settings. This has helped in providing transparency and laying a platform for increased trust between humanitarian organizations and those in Islamic social financing activities. This digital innovation has received universal acceptance and recognition and is the IFRC’s first foray into Islamic finance, advancing their cause to develop Islamic social finance strategies and fundraising tools in support of IFRC’s humanitarian aid programs.

Islamic social finance supported by mobilisation of digital technology has also brought about the effective distribution of zakat contributions from the Malaysian state of Perlis towards a relief project in Kenya. The project became successful and profitable as the cash value of the crop grown exceeded the value of the seeds purchased, which in turn allowed subsistence farmers to acquire a certain amount of disposable income that can be channelled towards other social impact areas focusing on food, healthcare, and education.

I would have to mention, however, that our goal of revitalizing and rejuvenating Islamic social finance and socially responsible finance may not be achieved without well-coordinated inter-countries synergy and cooperation. We are very much aware of the remarkable progress recorded in ASEAN, and especially Malaysia and Indonesia, in terms of Islamic banking and finance innovation and Islamic finance in general, which have proven to be veritable tools for social development of the Ummah. We hope that efforts are made for new inter-countries' cooperation within ASEAN and other destinations across the globe. It is high time that these vast experiences being shared to other parts of the world with more universities to join this consortium in efforts to remain abreast in the dynamic area of Islamic banking and finance.

Thank you. Wabillahi-tawfiq wal-hidayah, Wassalamu alaikum warahmatullahi wabarakatuh.

ASSOC. PROF. DR. SALINA KASSIM

Dean

IIUM Institute of Islamic Banking and Finance



STATE ISLAMIC UNIVERSITY SUNAN KALIJAGA YOGYAKARTA

Assalamualaikum Warahmatullah Wabarakatuh

Welcome to 7th AICIF 2019. We are very happy for the enthusiasm of all colleagues and participant to take part of the 7th ASEAN International Banking & Finance or 7th AICIF 2019. We are wholeheartedly grateful to University of Darusaalam Gontor Indonesia for organizing this event. AICIF has been held seven times in the Southeast Asia region. This event will took theme which highlighted the Revival of Islamic Social Finance to Strengthen Economic Development Toward a Global Industrial Revolution. We expect, this activity will increase the knowledge, abilities and role of stakeholders in facing the 4.0 industrial revolution. By strengthening the knowledge of Islamic social finance, hopefully it will be able to improve analytical skills to improve the welfare of Muslims. The challenges of Muslims today are very diverse, not only eradicating usury but also creating world welfare and hereafter. That's why, it is very important to understand Islamic social finance clearly.

Besides, we also looking for the academic result from this event such as increasing the transfer of knowledge of in Islamic economics, cooperation in the field of research, journal publications, guest lectures, student exchange and etc.

We also would like to thank all co-organizer who were invited to attend this conference and members of the procedural committee. We are deeply grateful for enthusiastic support from all units and individuals, and we appreciate all the participant who undertake preparation and reception services during the conference. We hope you granted benefit from the exchange of ideas and research at 7th AICIF 2019 through discussions with colleagues, participants and conference sessions and activities. We would like to take this opportunity to fulfill our success stepping stone as co-organizers. It is our sincere hope that this collaboration will continue in the future. May Allah SWT bless us and continue to guide us in all our efforts. Aamiin. Wassalamualaikum Warahmatullah Wabarakatuh

DR. H. SYAFIQ M. HANAFLI, S.Ag., M.Ag.
Dean of Faculty Islamic Economics and Business



SULTAN AGUNG ISLAMIC UNIVERSITY, SEMARANG INDONESIA

Assalamu'alaykum warahmatullahi wabarakatuh

A warmest word of welcome to the organizers and participants of the 7th Asian Conference on Islamic Finance (AICIF) 2019. Our honored to the main organizer of the 7th AICIF University of Darussalam (UNIDA) GONTOR, Indonesia.

Economic development in this digital age creates new challenges for Islamic finance especially Islamic social finance institutions in the ASEAN countries. The increase of market competition demanding the Islamic industry to innovate continuously so that it is able to serve customers and create maslahat. Financial technology (Fintech) is also part of the challenges that must be faced. In this case, the Islamic social finance industry must be able to answer the advancement of financial technology while maintaining applicable sharia principles. On this occasion, the 7th AICIF raised the theme of Revival of Islamic Social Finance to Strengthen Economic Development towards a Global Industrial Revolution. This theme is very urgent to be discussed today as in its system, Islamic finance is not only seen from a commercial point of view, but also a social point of view. Contemporary Muslim society in particular is an important subject that must be prepared to support this revival and make Islamic social finance as a milestone in the power of Islam in giving rahmat for everyone in today's era. 7th AICIF is part of an effort to push the Islamic social finance system achieving betterment. I am sure that with the collaboration of experts, researchers, academics and practitioners in this forum, various innovations will emerge. Issues from various national and cultural backgrounds relating to Islamic social finance will be discussed here. Thus, each other can exchange ideas and provide inspiration in order to form decisions and policies that are needed both for educational institutions and government as well as leaders of Islamic institutions. In addition, this forum is also an effort to strengthen good cooperation between various parties who have high concern in order to develop the Islamic social finance system.

Therefore, I do appreciate and thank you for significant contribution of many parties including the main organizer, co-organizers, support organizations and sponsors for the success of the 7th AICIF 2019. To all the speakers and participants, we wish you all the best for your perspective involvement. I hope that you will have pleasant and enjoyable learning experiences in the Forum. Finally, I wish that the participants will put to new journeys of learning, sharing, and growing for a common reason "to make our system, a better one".

We are really honored for your participation and we look forward to meet you again in 8th AICIF 2020. Terima Kasih

Wassalamu'alaykum warahmatullahi wabarakatuh

PROF. OLIVIA FACHRUNNISA, Ph.D
Dean of Faculty of Economics, UNISSULA
Indonesia



First of all, I would like to take this opportunity to welcome you all to the 7th ASEAN Universities International Conference on Islamic Finance (7th AICIF) and to extend out deepest gratitude to Universitas Darussalam Gontor, Indonesia for hosting this year's 7th AICIF held on 3rd and 4th December 2019.

Universiti Islam Sultan Sharif Ali (UNISSA), Brunei Darussalam, realized that this yearly conference served as an important platform with researchers, professionals coming in from all parts of the world in gaining further insights into the frontier of knowledge as well as understanding the broader scope of Islamic Finance.

I sincerely hoped that this conference will continue to play its role as an important platform for all stakeholders to meet and addressed issues related to Islamic Finance especially in this era of globalization where Islamic Finance industries have witnessed a significant growth over the past years. I also hope that this conference will be able to help in promoting and strengthening the networking and collaboration between researchers, academicians and professionals.

On behalf of UNISSA, I would like to extend my sincerest appreciation to the Main Organiser, Co-Organisers, sponsors and many thanks to everyone involved in organizing such a successful conference. To all participants and presenters attending this year's AICIF, I hope you will be able to benefit greatly from this conference and take part in strengthening the role of Islamic Finance so that it can contribute to a more sustainable and well-balanced economic growth in the society.

Sincerely,

DR ABDUL NASIR BIN HAJI ABDUL RANI

Dean

Faculty of Islamic Economics and Finance

Universiti Islam Sultan Sharif Ali, Brunei Darussalam



MINDANAO STATE UNIVERSITY PHILIPPINES

Assalamu Alaykom Warahmatullahi Wa Barakato.

My heartfelt congratulations to the organizers or people behind the 7th ASEAN International Conference on Islamic Finance (AICIF). People see only the finished product and are not likely to have an idea of the enormous behind-the-scene work that preparations for a grand activity like this entails.

The conference theme “Revival of Islamic Social Finance to Strengthen Economic Development Towards a Global Industry Revolution” cannot be more timely and auspicious. Hurting into a future of prodigious and rapid change, the Islamic world should take stock and determine how we are holding up, coping, and keeping apace with the challenges of a global industry revolution. Although Islamic Finance is anchored on principles and core values enshrined in the Holy Qur’an and the Sunnah, which are practically etched in stone, we recognize the fact that failure to adapt to present realities stands to leave us stranded and marooned on the shore, or lagging behind while the rest of the world eagerly sets sails or takes great strides in the march of progress.

On the other hand, the taking of stock seems crucial to ascertain how faithful we have been to the philosophical underpinnings of Islamic Finance, which means we go back to the primary sources. Much as we wish for seamless transitions or smooth passages from where we stand now to a global industry, for example, these do not come easy. In fact, there are issues and gray areas that I hope will be taken up in this Conference like the enforcement of zakah and how, and how it can help in alleviating poverty, the questions of profit, competition and control in business, and the line between halal and haram in investment (when does a halal investment become haram?).

It is my hope, too, that the Conference will be more productive of answers than of questions, and the discourses of the speakers bring greater enlightenment to the participants and all stakeholders.

Finally, the Mindanao State University looks forward to more collaborative efforts of this kind. Meaningful high-level discourse expected to ignite sparks can generate critical ideas for a more stable Islamic Finance and greater economic development.

My best wishes for the success of the Conference.

HABIB W. MACAAYONG
DPA President MSU System



Assalamu'alaikum Warahmatullah Wabarakatuh

It is a privilege for Tazkia University College of Islamic Economics to be co-hosted at the 7th ASEAN Universities International Conference on Islamic Finance that held on December 3rd & 4th 2019 at University of Darussalam Gontor. Tazkia University College of Islamic Economics is a pioneer of the development of Islamic economics and finance in Indonesia. Our joining in this event was a manifestation of our vision to become a world class university in 2025.

Tazkia University College of Islamic Economics has contributed to the development of Islamic Economics and Finance in Indonesia since 2 decades ago. We helped convert the 25 banks and conventional insurance to full fledged Islamic Banking. Besides that, Tazkia University College of Islamic Economics also empowers the grassroot by creating "Tazkia Islamic Village" located in Babakan Madang, Bogor Regency.

In the future, our joining in AICIF will contribute to strengthening Islamic Economic & Financial resilience in ASEAN through collaborative research, so that research is appropriate and supports the advancement of science in ASEAN moreover in the World.

We congratulate University of Darussalam Gontor as a Host from this conference and wish for the smooth running of this event so that the 7th AICIF theme is "Revival of Islamic Social Finance to Strengthen Economic Development Towards a Global Industry Revolution" can be achieved together.

Best Regards,

DR. MURNIATI MUKHLISIN M. ACC

RECTOR OF STEI TAZKIA

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SPIRITUAL-INNOVATIVE LEADERSHIP AS A DRIVER FOR KNOWLEDGE SHARING AND EMPLOYEES SPIRITUAL WELL-BEING IN THE DIGITAL ERA

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ABSTRACT

Innovation is recognized as the basis of competitive organization in this digital era. Leader plays a crucial role in direct the vision and become the role model in the disruption environment. Despite the research on innovation and leadership attract more attention among the scholars, very little empirical research focusing on employee's spiritual well-being. Innovation that is framed and combined with a spirit of spirituality is important to survive in the disruption era. Spiritual-innovative leadership in this case is a pivotal key as a role model in spiritual-innovation for their employees. This type of leadership is expected to be a driving force in achieving organizational goals in this digital era, employee's spiritual well-being achievements are not only limited to material well-being, but also spiritual well-being. This article aims to fill up knowledge gap by offering a discussion the relationship between spiritual-innovative leadership and knowledge sharing which has impact on employee's spiritual well-being.

JEL Classification: M12

Keywords: *spiritual-innovative leadership, sharing knowledge, spiritual well-being, digital era.*

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I. INTRODUCTION

Job satisfaction does not guarantee an individual feels life satisfaction as well. There is a possibility because they are too happy to work, since the feeling of happiness relates to job satisfaction can affect negatively to life satisfaction because it is considered to have an impact on health and quality time with family and friends (Larsson & Thulin, 2017). In addition, the atmosphere of the work environment that is too pressing the individual to make changes or things that are beyond their ability is also considered to be able to deplete individual psychology resources, which is affect the disruption of their well-being (Beal, Trougakos, & Weiss, 2013; Kuppens, Mechelen, & Nezlek, 2007; Uy, Sun, & Foo, 2017). Previous research did not explain much about the relationship between job satisfaction and life satisfaction as well where it relates to employee's well-being. This is where the role of the leader is expected to be able to deal with the issue of employee's well-being in his organization.

The ultimate source of employee well-being is the support of colleagues and work partners in the organization, including the leader (Lechmann & Schnabel, 2013; Stephan, 2017). Spiritual-innovative leader has high innovative values who are able to encourage, support, and motivate their subordinates to think and express creative ideas for the progress of the organization in order to achieve well-being, but still remain in the norms that adopted by the leader as the one who has a high spirituality value. The role of this type of leader is able to awaken and motivate his subordinates that the work they are currently engaged in is an interesting thing (Amabile & Goldfarb, 1990; Kremer, Villamor, Aguinis, & Nw, 2019). The cooperation built in the organization as the effect of good leadership creates employee well-being (Henkel & Hippel, 2005).

One thing that a leader needs to do is to interact with the employees involved in implementing, promoting, and sharing knowledge (Kremer et al., 2019). Knowledge sharing does not happen automatically, in this case the leader has a strong influence and has the potential to influence it (Srivastava, Bartol, & Locke, 2006). As knowledge builder, leader has a function to create and stimulate knowledge sharing within the team in the organization (Lee, Gillespie, Mann, & Wearing, 2010). Knowledge sharing is defined as the exchange of information both openly and quietly in accordance with the task of the team (Lee et al., 2010). Several important aspects such as trustworthiness, system usability, enjoyment felt when helping others, self-efficacy, dan self-image underlie the knowledge sharing of members, it contributes to employee innovation and creativity (Ye, Chen, & Jin, 2006).

Thus, this research offers the discussion about how spiritual-innovative leader could influence employees' well-being in the organization. This research uses knowledge sharing to moderates the relationship between both variables.

II. LITERATURE REVIEW

2.1. Innovative-Spiritual Leadership

A leader is a central role that an organization has. A leader surely should have leadership traits. Leadership characteristics include being able to think strategically, anticipate, analyze, imagine, maintain flexibility, and work with others for a change in the future, so that the organization he/she leads become feasible (Ireland & Hitt, 2005; Shaari, Amar, Zainol, & Harun, 2015). Automatically, leader plays a role in making decisions as well, which is this role is very complex. The decision maker in making and determining the decisions taken is also influenced by several factors. These factors include values, beliefs, needs, and skills. These factors can affect the personality of the leader and have an impact on the ethical decision making. In order to reach a decision that is beneficial to all parties within the organization, the leader must be able to interact with his subordinates well and carry out his duties by utilizing the skills he has (Barnett & Karson, 1987; Fernando & Jackson, 2006; Fritzsche, 1991).

In determining decisions, it is likely possible to be influenced by spiritual or religious factors that are believed by the leader. Because personality can also be influenced by their religious orientation (Fernando & Jackson, 2006). Previous research revealed that ethical decision making is influenced by the religiosity of the leader (Fernando & Jackson, 2006; Longenecker, Mckinney, & Moore, 2004). Because they are able and more clear in defining adopted norms, where these norms have an important function in ethical judgement. (Singhapakdi, Salyachivin, Virakul, & Veerayangkur, 2000) argue that the moral standards possessed by religious leaders are also higher than they who are less religious. Furthermore, the meaning between religious and spiritual is actually different even though the term overlaps (Zinnbauer et al., 1997). The basic argument is, spirituality speaks about the condition of the relationship between human and God, meanwhile religion refers to certain practices, worship, and beliefs (Gotsis & Kortezi, 2008; Nadesan, 1999; Phipps, 2012).

A spiritual leader is a leader who has the will, intention, and strong belief in higher and clearer goals, has love among others, and has good service to others. These could foster higher performance while ensuring well-being, motivation, involvement, and satisfaction of employees. Things like this are considered by some people as part of a religious framework that shape

individual as a spiritual leader (Altman, 2010). Spiritual leader has planned ahead of time about the organization's future both towards future goals that are considered unrealistic, strategic planning, and dogmatic decision making (McCormack, Brinkley-rubinstein, & Craven, 2012). Leadership effectiveness of a leader is closely related to individual spiritual values and practices. Spirituality values include humility, honesty, integrity, being able to be a role model for others, behaving well, and respecting others (Pawar, 2014; Reave, 2005). The relationship between the behavior and spiritual values of a leader towards subordinates tends to be strong when spirituality in the organization is high (Pawar, 2014). Thus, it could be understood that if spirituality values spread both within the organization and within individuals, then the leader's treatment to his subordinates will be good and open, so that the quality of the work of the organization becomes good and well-being can be achieved.

With all the benefits received from spiritual leader, innovation still becomes a factor that support the resilience and development of an organization. Innovation is a necessity that the organization must has in relation to competitiveness in the millennial era (Kremer et al., 2019). Innovation is a real implementation of creative ideas (Amabile et al., 1996). Innovation can only be activated by innovative people, then the role of innovative leader becomes central and important since leader is the one who leads an organization (Kremer et al., 2019). Here leader plays a crucial role to trigger the emergence of creative ideas owned by their employees (Kremer et al., 2019). Therefore, it is not surprising that innovative leader is called by the agent of change who actively promote the presence of creative ideas and has a good management of these ideas, so that they become something that have high innovative value (Kremer et al., 2019).

Thus, from the explanation above it can be concluded that spiritual-innovative leader is those who is a leader-minded and has high innovative values who are able to encourage, support, and motivate their subordinates to think and express creative ideas for the progress of the organization in order to achieve common well-being but still remain in the corridor of the norms that adopted by the leader as the one who has a high spirituality value. The role of this type of leader is able to awaken and motivate his subordinates that the work they are currently engaged in is an interesting thing (Amabile & Goldfarb, 1990; Kremer et al., 2019). This kind of awareness enhances work quality of the employees to innovate in the spiritual environment formed by the leader. The voice of spiritual-innovative leader is the main key to the success of an organization as a result of good collaboration between leader and subordinates (Kremer et al., 2019; Rank, Pace, & Frese, 2004). Good

cooperation affects the well-being of the employees who take shelter within the organization led by the leader (Henkel & Hippel, 2005).

2.2. Well-Being

According to WHO, well-being can be felt if a person is able to recognize his self-potential, be able to cope with the stress of his life, work productively, and be able to contribute to himself and his surroundings (Deng, Liang, & Fan, 2019). (Liu, Siu, & Shi, 2010; Stephan, 2017) claim that well-being means a life that is good and peaceful, characterized by a sense of satisfaction and happiness. Well-being basically is a psychological concept. It is associated with a person's mental state, whether the person has a happiness or not. The benchmark is how the person judges the quality of life he/she carries out as a fortune to be grateful for (Blanchflower & Oswald, 2000; Deng et al., 2019). People's good levels of well-being are those who have a good scale of life happiness. They are able to control emotion and always have a positive mood. Actually the essence of well-being is how individual can understand and like his/her own life and be grateful for what he/she has achieved in life (Larsson & Thulin, 2017).

In the previous explanation mentioned that well-being is closely related to the happiness felt by individual. In the parable of a democratic country, it is proven that people feel happier if they are involved in determining their future in the country, as well as in the organization. Employees feel happiness when they are involved in business processes, especially on simple things such as expressing ideas and opinions for the progress of the organization that is appreciated by the leader (Frey & Stutzer, 2002). This kind of things cause happiness by the employees because they feel appreciated for their hard work, so this has a positive effect in their well-being, especially their inner well-being (Larsson & Thulin, 2017).

Because human is a social human being who live in the midst of society, then the well-being felt by individual can be influenced by several factors such as socio-economic, cultural, general beliefs, and other social activities (Deng et al., 2019). Subordinates well-being directly influences how work patterns are adopted in the organization. How leader leads their employees to think and apply creatively within the organization. Innovative things like this create positive well-being effects for employees (Henkel & Hippel, 2005). The main source of employee well-being comes from the support of colleagues and work partners in the organization (Lechmann & Schnabel, 2013; Stephan, 2017).

2.3. Knowledge Sharing

To become a spiritual-innovative leader, one thing that a leader needs to do is interact with the subordinates involved in implementing, promoting, and sharing knowledge (Kremer et al., 2019). Knowledge sharing contributes to employee innovation and creativity, then it also involves the identity and culture of the organization, routine, system, and policy. Knowledge as a valuable abstract resource and it could help organization to maintain their competitive advantage (Bock, Zmud, Kim, & Lee, 2005; Fang & Chiu, 2010; Pavlin, 2006). In millennial era, the motivation to do virtual community is by knowledge sharing (Fang & Chiu, 2010). Several important aspects such as trustworthiness, system usability, enjoyment felt when helping others, self-efficacy, dan self-image underlie the knowledge sharing of members (Ye et al., 2006).

Among the several factors that influence knowledge sharing is the leadership factor, which is the strongest among other factors (Politis, 2001; Srivastava et al., 2006). Knowledge sharing is defined as the exchange of information both openly and quietly in accordance with the task of the team (Lee et al., 2010). (M T Hansen & Haas, 2007) argue that knowledge sharing has functions as a provider or receiver of technical information and skills. Interaction and communication between team members are involved in the process of knowledge sharing, including coordination from someone who knows what is in the team very well regarding information and expertise (Cohen, Bailey, & Bailey, 1997; Faraj & Sproull, 2000).

Knowledge sharing is a suggestion for employees to accumulate knowledge and get maximum results in the organization (Cabrera & Cabrera, 2005; Damodaran & Olphert, 2000; Kremer et al., 2019). Sharing knowledge related to ideas relating to the sustainability of the organization such as reducing production costs and improving work performance (Collins & Author, n.d.; Morten T Hansen & Hansen, 2002; Kremer et al., 2019; Mesmer-magnus & Dechurch, 2014). Knowledge sharing has a positive effect on the members satisfaction and knowledge integration as well (Kremer et al., 2019).

According to (Bahn, 2005) there are at least four important tasks of a leader, there are knowledge builder, team builder, liaison stakeholders, and enforcing organizational standards (Lee et al., 2010). Knowledge sharing does not happen instantly or automatically, in this case the leader has a strong influence and has the potential to influence it (Srivastava et al., 2006). As knowledge builder, leader has a function to create and stimulate knowledge sharing within the team in the organization (Lee et al., 2010). The leader tries to jump directly into the team and together solving the problems faced, here the leader acts as a

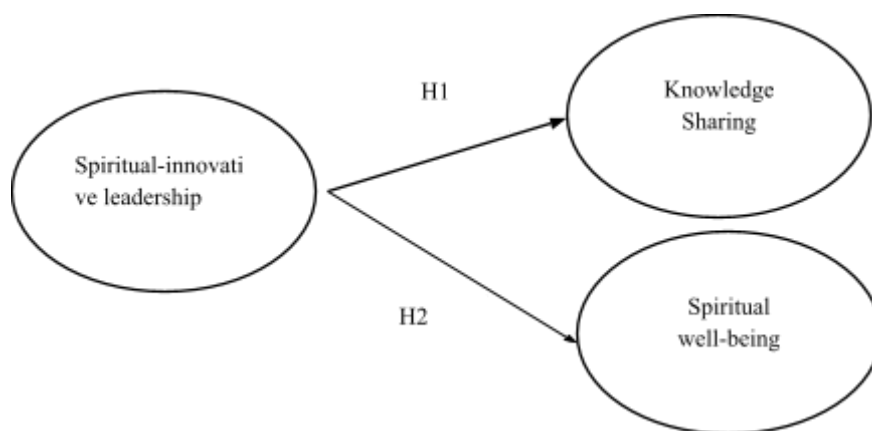
promotor and trigger knowledge sharing (Srivastava et al., 2006). Thus, it can be concluded that leader could promote knowledge sharing.

III. CONCEPTUAL MODEL

Based on literature review in the previous section, the conceptual models can be described in Figure 1 and hypothesis proposed as follows:

H1: Spiritual-innovative leadership will increase knowledge sharing of the employee

H2: Spiritual-innovative leadership will increase employee spiritual well-being.



IV. CONCLUSION

The concept of spiritual-innovative leadership, knowledge sharing and spiritual well-being have not been widely discussed in the current literature, especially in digital era. This article aims to build a conceptual model for consequences of spiritual-innovative leadership. In the future, author plans to further validation the proposed model, in steps follow:

1. Develop concept of spiritual innovative leadership.
2. Develop a measurement of each variable in this study.
3. Conduct some pilot studies to improve variable measurement.
4. Conduct a survey to the respondents to test the validity of each instrument
5. Developed by structural and nomological.
6. Test the proposed model.

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