

SPIRITUAL VALUES IN A DIGITAL WORKPLACE: THE INTEGRATION OF ISLAMIC ETHICS INTO HUMAN RESOURCE DEVELOPMENT AT BANK SYARIAH INDONESIA

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Abstract

Digital transformation is reshaping Islamic financial institutions, creating a need to develop technological competencies that remain aligned with Islamic spiritual and ethical values. This study investigates how Bank Syariah Indonesia integrates principles such as *taqwā* (piety), *amānah* (trustworthiness), and *‘adl* (justice) into the development of human capital in the digital era. Drawing on a qualitative case study design, semi-structured interviews were conducted with eleven managers and analyzed using reflexive thematic analysis. The findings reveal six key themes: the alignment of digital practices with sharia requirements, spiritual intelligence as a guiding work ethos, Islamic leadership and cultural modeling, sharia-driven decision-making and risk governance, sharia-integrated role-based training, and systemic and generational challenges that shape implementation. Collectively, these insights demonstrate that

Islamic values are not only embedded in ethical guidelines but also in daily digital workflows, leadership routines, and competency-building structures. The study advances Islamic human resource development (HRD) theory by introducing a Tripartite Islamic Human Capital Model that integrates technical proficiency, ethical reasoning, and spiritual alignment. Practically, the findings emphasize the need for value-embedded HR strategies to support the digital transformation of Islamic financial institutions.

Keywords: Islamic human capital, Digital transformation, Spiritual intelligence, Islamic banking, Human resource development, Sharia governance.

A. Introduction

The Fourth Industrial Revolution (4IR) is accelerating digital transformation across industries, reshaping human capital requirements and shortening the lifespan of technical skills. Employers are increasingly prioritizing competencies in AI, data analytics, technological literacy, and adaptive problem-solving as automation reshapes job structures and organizational capabilities (Cazzaniga et al., 2024; McKinsey & Company, 2022). Islamic financial institutions face the same pressures, but with an added complexity: technological innovation must remain aligned with sharia principles that emphasize transparency, risk-sharing, fairness, and ethical conduct (Firdiansyah, 2021; Kudus et al., 2025). This intersection of technological demands and Islamic ethics places human resource development (HRD) at the forefront of digital transformation.

Bank Syariah Indonesia (BSI), formed through the 2021 merger of three state-owned Islamic banks, stands at the center of this challenge. As Indonesia's largest Islamic

financial institution and a strategic pillar of the country's aspiration to become a global Islamic finance hub, BSI must cultivate a workforce proficient in digital-era competencies while remaining grounded in Islamic values such as *taqwā* (piety), *amānah* (trustworthiness), *ʿadl* (justice), and *ihsān* (perfection) (Sahabuddin et al., 2019; Usman, 2023). Digital transformation for BSI is therefore both a technological necessity and an ethical mandate.

Growing scholarship highlights the need to integrate digital competencies with Islamic ethical foundations. Studies in Islamic banking have demonstrated that digital leadership, digital skills, and an innovative culture contribute to enhanced employee performance and organizational outcomes (Annisa et al., 2024). At the same time, Islamic values, especially those embedded in Islamic Work Ethics (IWE), enhance commitment, ethical discipline, and organizational behavior (Abdi et al., 2025). However, these two domains are frequently treated separately: research on digitalization emphasizes technology readiness and innovation (H. Ali & Aysan, 2025; Elsayed et al., 2024), while research on Islamic values focuses on spirituality, ethics, or value-driven leadership (Beekun & Badawi, 1999; Jatmiko et al., 2025; Mardhatillah & Rulindo, 2016; Zafar & Jafar, 2024). Spiritual intelligence (SI) is also increasingly recognized as a valuable resource for navigating ethical complexity amid technological change (Priyana et al., 2024); however, its role in digital HRD remains underexplored.

Consequently, several gaps persist in the literature. First, most studies examine digital skills and Islamic ethics as separate constructs, leaving limited empirical evidence on how they are integrated in practice within Islamic financial

institutions (Kanwal et al., 2023). Second, the field remains dominated by quantitative approaches, resulting in a lack of qualitative insight into how employees interpret and experience the intersection of spiritual and digital competencies (Elsayed et al., 2024). Third, although frameworks such as *Maqāṣid al-Sharīʿah*-based HR tools have been conceptually proposed, few studies have examined their operationalization within Islamic banking (Abdullah et al., 2023; Dasmadi et al., 2025). In Indonesia, this fragmentation is particularly evident: research often focuses on digitalization, performance, sharia compliance, or ethical values in isolation, seldom addressing how Islamic banks integrate spiritual principles and digital competencies into HRD (Menne et al., 2023; Pertiwi et al., 2024).

To address these gaps, this study conducts a qualitative case study of BSI. Through semi-structured interviews with branch and area managers, the research explores how employees and leaders interpret, internalize, and operationalize Islamic values, including *taqwā*, *amānah*, and *ʿadl*, within the processes of digital transformation and HRD. By foregrounding lived experiences, this study provides a context-rich understanding of how value-embedded digital transformation unfolds in Indonesia's largest Islamic financial institution.

Three interrelated theoretical perspectives guide this analysis. First, Islamic organizational behavior theory posits that employee behavior and leadership norms are shaped by foundational Islamic values such as *amānah*, *taqwā*, and *iḥsān* (Beekun & Badawi, 1999; Sani & Maharani, 2022). Second, the *Maqāṣid al-Sharīʿah*-based human capital framework

conceptualizes HRD as a holistic integration of technical competence, ethical reasoning, and spiritual alignment, an approach increasingly reflected in HRD scholarship in Islamic institutions (Abdullah et al., 2023; Firmansah et al., 2025). Third, the *tawhīdic* epistemological paradigm situates knowledge, technology, and organizational behavior within a morally embedded spiritual worldview, highlighting their inseparability from divine purpose (Al-Attas, 2014; Chaudhary, 2020). Collectively, these frameworks offer a coherent analytical lens for examining how BSI aligns digital transformation initiatives with the internalization of Islamic ethical and spiritual values in its human capital development.

B. Method

This study employed a qualitative case study design to investigate how Islamic spiritual values are integrated into the development of HR competency in the digital era at BSI. A qualitative case study is suitable for examining complex, context-dependent processes and for capturing the lived experiences of organizational actors as they navigate spiritual–digital integration (Yin, 2018). BSI was selected as the research site because it is Indonesia’s largest Islamic bank and a leading institution undergoing rapid digital transformation while explicitly promoting Islamic ethical values in workforce development.

Purposive sampling was used to identify participants whose roles positioned them to provide rich insights into HR development, Islamic value enactment, and digital transformation (Stratton, 2024). Eleven managers

participated in the study: eight Branch Managers, one Area Funding and Transaction Business Manager, one Priority Banking Manager, and one Area Consumer Financing Manager. These positions were selected for their strategic involvement in staff supervision, digital service innovation, customer engagement, financing decisions, and the application of Islamic ethical principles in everyday operations. Participants were drawn from Surabaya and the Greater Tangerang region, areas recognized for advanced adoption of Islamic digital banking services. Their organizational perspectives provided information-rich cases essential for addressing the study's conceptual focus on integrating spiritual and digital competencies in HR.

Data were collected through semi-structured interviews to ensure consistent coverage of key topics while allowing participants to elaborate on their experiences (Adams, 2015). Interviews were conducted in Bahasa Indonesia to ensure clarity and cultural resonance, audio-recorded with consent, and transcribed verbatim. English translations were cross-checked to preserve the accuracy of Islamic terminology and the theological nuances embedded in participants' descriptions of spirituality in professional practice (van Nes et al., 2010; Zhao et al., 2025). This approach ensured linguistic fidelity and strengthened interpretive rigor.

Data were analyzed using reflexive thematic analysis following Braun and Clarke's (2006) six-phase model. The analytical process involved familiarization with the data, systematic coding, theme development, theme review, theme definition and naming, and final narrative synthesis. This method was selected for its capacity to capture both explicit

meanings and deeper latent patterns related to spiritual values, digital competencies, and HRD practices (Braun & Clarke, 2019).

The analysis incorporated theoretical triangulation by comparing emerging themes to three analytic lenses: Islamic organizational behavior theory, the Maqāṣid al-Sharīʿah-based human capital framework, and the tawḥīdic epistemological paradigm. Themes aligning with multiple lenses were strengthened, while those lacking theoretical resonance were refined or collapsed. This process ensured that the findings reflected both the participants' experience and the study's conceptual framework.

Data sufficiency was achieved by the eleventh interview, which provided adequate variation and depth to answer the research questions. Reflexive memoing documented analytic decisions and mitigated researcher bias. Consistent with reflexive thematic analysis, rigor was achieved through iterative engagement with the data rather than interrater procedures.

Credibility was enhanced through member checking with three participants, who confirmed the resonance and accuracy of the interpreted themes (Erdmann & Potthoff, 2023). Moreover, research ethics were strictly followed throughout the study, including obtaining informed consent, maintaining the confidentiality of research subjects, and anonymizing respondents' personal identities.

C. Results and Discussion

This section presents the study's findings, organized into six themes derived from Braun and Clarke's (2006)

reflexive thematic analysis. These themes capture how BSI employees interpret and enact the integration of Islamic spiritual values with digital-era competencies in their daily work and HR development processes. Each theme is presented with clear conceptual boundaries, participant quotations that foreground lived experience, and concise interpretations that directly address the study's research questions. Five themes, Digital-Sharia Competency Integration, Spiritual Intelligence as an Operational Ethos, Islamic Leadership and Cultural Modeling, Sharia-Driven Decision-Making and Risk Management, and Human Capital Development and Role-Based Training, represent the core mechanisms through which Islamic values shape digital transformation at BSI. A sixth theme, Systemic and Generational Challenges, functions as a contextual category that influences how the primary themes are enacted across different units and leadership levels.

Collectively, these themes illuminate how digital capability, sharia governance, and spiritual intelligence intersect in BSI's human capital development. Although the findings are grounded primarily in semi-structured interviews, their credibility was strengthened through theoretical and contextual triangulation. Interpretive patterns emerging from participant narratives were compared with existing scholarship on Islamic human capital development, sharia governance, and BSI's post-merger digital strategy to ensure that the thematic insights reflected both lived experience and organizational reality. This triangulation reinforces the validity of the findings. It clarifies how the study empirically contributes to broader academic discussions on value-driven

transformation in Islamic financial institutions, particularly by integrating digital competencies, spiritual intelligence, and sharia-based decision-making into HR development. Table 1 provides an overview of each theme, its subcomponents, and representative quotations illustrating key insights.

Table 1. *Extracted Themes, Sub-Themes, and Supporting Citations*

Theme	Sub-Themes	Example Participant Quotes
Digital-Sharia Competency Integration	Fiqh Mu‘āmalah, Regulatory Alignment, Tech Mastery	“Mastering technology is mandatory, but it must not deviate from sharia principles.” — Branch Manager.
Spiritual Intelligence as Operational Ethos	Niyah (Intention), Iḥsān & Itqān, Amānah	“Instilling the intention that improving competence is part of worship. It is not just about work, but also service to the ummah.” — Branch Manager.
Islamic Leadership and Cultural Modeling	Role Modeling, Tawjih <i>Pekanan</i> , Ethical Supervision	“Leaders must become role models in using technology ethically and Islamically. We pursue targets, but must also maintain how we achieve them.” — Area Consumer Financing Manager.
Sharia-Driven Decision-Making and Risk Management	Musyawah, Halal-Haram Assessment, Muḥāsabah, Tawakkal	“Every decision is made with full responsibility, considering its impact on the ummah and the blessings of the business.” — Priority Banking Manager.
Human Capital Development and Role-Based Training	Digital Literacy, Ethical Curriculum, Internal Certification	“Training should not only teach applications and systems. There must be an understanding of digital fiqh and sharia ethics.” — Branch Manager.

Theme	Sub-Themes	Example Participant Quotes
Systemic and Generational Challenges (Contextual Theme)	Generational Gap, Conventional-to-Sharia Transition, Evaluation Tools Deficit	“The first generation of leaders came from conventional banks, so there is a gap... but they are learning.” — Branch Manager.

Digital-Sharia Competency Integration

Participants consistently emphasized the need for dual competencies that integrate digital fluency with sharia integrity. Across all eight Branch Managers and the three area-level managers, there was agreement that mastering digital systems—such as mobile banking applications, AI-based service tools, cybersecurity protocols, and blockchain-enabled processes—has become indispensable for meeting customer expectations in a rapidly evolving financial environment. As one Branch Manager noted, “Mastering technology is mandatory, but it must not deviate from sharia principles.” This sentiment captured a shared understanding that digital skills are always exercised within normative boundaries defined by *fiqh al-mu‘amalāt*, *fatwas* (Islamic legal ruling) from the National Sharia Board – Indonesian Ulama Council (DSN–MUI, *Dewan Syariah Nasional–Majelis Ulama Indonesia*), and regulations of the Indonesian Financial Services Authority (OJK, *Otoritas Jasa Keuangan*).

Participants also highlighted the increasing emphasis on value-based indicators in performance evaluations. Concepts such as *amānah*, *itqān* (precision),

and *ihсан* are embedded in supervision, daily reporting, and behavior assessments. This reflects a belief that ethical values are not supplementary but foundational to digital practice. A Priority Banking Manager explained that digital literacy enhances transparency in explaining contract mechanisms and facilitates customer engagement, particularly when handling Islamic financing products, where contractual clarity is crucial.

The findings suggest that employees at BSI conceptualize digital competence as a sharia-informed responsibility rather than a purely technical skill set. This pattern aligns with broader arguments in Islamic management scholarship, which suggest that technological literacy in Islamic finance must remain grounded in ethical accountability and sharia governance to sustain institutional legitimacy (Kudus et al., 2025; Sahabuddin et al., 2019). The literature on Islamic digital transformation similarly emphasizes that fintech adoption must integrate jurisprudential principles to avoid replicating conventional financial logic and maintain religious authenticity (Mahfudz et al., 2024; Unal & Aysan, 2022).

The coupling of digital capability and ethical consciousness mirrors the *Maqāṣid al-Sharī‘ah* approach to human capital, which frames skill development as a holistic process involving technical proficiency, moral reasoning, and spiritual intention (Abdullah et al., 2023; Dasmadi et al., 2025). Participants' emphasis on *amānah* and *‘adl* resonates with this framework, illustrating how employees link digital tasks to moral responsibilities and community welfare.

Overall, this theme demonstrates that digital–sharia competency integration functions as a distinctive form of Islamic digital professionalism within BSI. Employees perceive technological competence as inseparable from ethical discipline, reflecting a tawhīdic understanding of work where operational excellence is simultaneously a technical, moral, and spiritual obligation.

Spiritual Intelligence as Operational Ethos

Participants described spiritual intelligence (SQ) not as a personal attribute but as an operational ethos embedded in BSI’s daily routines, workplace behavior, and decision-making processes. Across the interviews, managers emphasized that spiritual intentionality shapes how employees understand their tasks and responsibilities, as one Branch Manager explained, “Instilling the intention that improving competence is part of worship. It is not just about work, but also service to the *ummah*.” This framing reflects a shared view that work begins with *niat* (intention) and is carried out with moral accountability.

Values such as *ihsan*, *itqān*, and *amānah* were repeatedly referenced as practical guides for performance, time discipline, and professional conduct. Participants described organizational routines, such as collective prayer before work, daily *taujīh* (spiritual briefings), and regular reminders of ethical responsibility, as mechanisms that institutionalize these values. These practices cultivate sincerity, emotional stability, and moral integrity, particularly in a digital environment

where speed, accuracy, and transparency are increasingly demanded.

Managers highlighted how SQ shapes employee behavior in customer interactions, conflict resolution, and ethically sensitive decision-making. A Priority Banking Manager described SQ as a stabilizing force that helps staff maintain composure “in high-pressure situations and when making decisions that affect the ummah.” Several participants noted that SQ also contributes to teamwork, reduces unethical tendencies, and supports a respectful work climate amid accelerated digital workflows.

These empirical insights indicate that SQ functions in BSI as a workplace logic, an internalized motivational and behavioral system that anchors digital-age professionalism in spiritual meaning and ethical purpose. Rather than being an individual spiritual preference, SQ is integrated into routines, expectations, and supervisory practices. This finding refines existing understandings of SQ: instead of viewing it solely as an inward psychological capacity, employees experience it as an institutionalized ethos that shapes how work is performed.

Selective engagement with existing scholarship supports this interpretation. IWE literature emphasizes sincerity, accountability, and a service-oriented approach as the foundations of ethical productivity (A. Ali, 1988; Sani & Maharani, 2022). Research on SQ similarly notes its role in aligning behavior with deeper values and sustaining ethical resilience in changing environments (Zohar, 2022). Furthermore, SQ also strengthens emotional balance and team cohesion, helping employees navigate

digital stress and maintain ethical steadiness (Zhang & Xu, 2024). The present findings extend this scholarship by demonstrating how SQ becomes embedded structurally in prayers, briefings, evaluation criteria, and team norms, guiding behavior in a digitalizing Islamic banking context.

In conclusion, this theme suggests that SQ at BSI operates as an institutionalized ethos that infuses digital tasks with moral purpose, reinforces discipline and ethical conduct, and strengthens employees' sense of spiritual meaning in their work.

Islamic Leadership and Cultural Modeling

Participants consistently described leadership at BSI as a central force shaping how Islamic values are enacted within an increasingly digital work environment. Across roles, leaders were expected to guide not only operational tasks but also the team's ethical orientation. As one Area Consumer Financing Manager put it, "Leaders must become role models in using technology ethically and Islamically. We pursue targets, but we must also maintain how we achieve them." This framing reflects a widely shared understanding that leadership credibility depends on modeling ethical digital behavior rather than merely enforcing compliance.

A defining feature of leadership practice at BSI is the use of weekly *taujiḥ*. Branch Managers explained that these sessions, often involving short reminders, collective prayer, and ethical reflections, serve as routine mechanisms for reinforcing values such as *amānah*, *ʿadl*, and *ihsan*. The briefings help set the moral tone

for the week, anchoring daily digital tasks in spiritual accountability. Leaders also use these moments to connect sharia principles to digital processes, reminding employees of the importance of accuracy, data integrity, and the ethical handling of customer information. This practice aligns with broader insights in Islamic leadership studies, which show that value-based reinforcement strengthens moral consistency and workplace discipline (Beekun & Badawi, 1999; Sani & Maharani, 2022).

Participants observed that leadership behavior has a significant impact on team morale, trust, and the quality of customer service. Several managers explained that employees are more likely to uphold ethical standards when leaders consistently demonstrate patience, fairness, and sincerity. The Area Funding Manager described this as “spiritual authority,” where respect is earned through humility and moral consistency, rather than positional hierarchy. This observation is consistent with findings that spiritual leadership enhances organizational citizenship and ethical clarity in Islamic institutions (Göçen & Şen, 2021; Khan & Mahmud, 2024).

A recurring insight is that leaders act as mediators between organizational targets and Islamic values. They are responsible for ensuring that digital adoption, efficiency improvements, and service innovations remain within the boundaries of sharia law. Managers emphasized that this balancing function distinguishes leadership in an Islamic bank: leaders must be both technologically competent and ethically grounded to guide teams through digital transformation without

compromising religious commitments. Recent research on Islamic banking leadership confirms that this “ethical balancing” becomes increasingly critical as digital systems accelerate decision-making and introduce new risks (Azzuhri et al., 2024; Gong & Kanwal, 2025).

As a result, these findings demonstrate that Islamic leadership at BSI operates through a value-based model. Leaders institutionalize Islamic values by embedding them into routines, expectations, and supervisory practices that demonstrate ethical digital use, reinforce moral discipline, and cultivate a spiritually informed work climate. This aligns with, but also extends, the scholarly view that Islamic leadership depends on ethical stewardship, justice, humility, and service orientation (Beekun & Badawi, 1999; Göçen & Şen, 2021). The BSI case provides new empirical insights by demonstrating how these leadership qualities operate specifically in a digitalizing Islamic banking environment, where technological adoption must proceed without compromising sharia integrity. Therefore, this theme reveals that leadership at BSI is distinctive because it integrates ethical modeling with digital competence, creating a cultural architecture in which Islamic values guide both interpersonal behavior and technology-mediated work practices.

Sharia-Driven Decision-Making and Risk Management

Participants at all levels described decision-making at BSI as a structured process in which sharia principles serve as practical tools for evaluating options,

managing risks, and navigating digital workflows. Rather than treating compliance as a separate step, employees integrate sharia reasoning directly into their operational and digital decision-making processes. As the Priority Banking Manager stated, “Every decision is made with full responsibility, considering its impact on the ummah and the blessings of the business.” This perspective reflects a shared belief that decision-making must strike a balance between financial prudence, regulatory requirements, and moral accountability.

Managers identified several routine practices that operationalize sharia reasoning. *Mushawarah* (consultation or discussion) is employed when digital transactions, customer issues, or operational anomalies necessitate collective judgment. Branch Managers explained that consultation helps prevent hasty decisions in fast-paced digital environments. Halal-haram assessments function as technical checkpoints, guiding employees to verify whether products, contracts, or digital procedures comply with *fiqh al-mu‘āmalāt* and DSN–MUI guidelines. Several participants also described *muhasabah* (self-reflection) as part of the decision-making routine, especially in cases involving distressed customers, allowing managers to pause, reassess motives, and avoid decisions perceived as coercive or unjust. *Tawakkul*, invoked after careful evaluation, serves not as resignation but as a discipline that tempers overconfidence in high-pressure, technology-mediated contexts.

Participants emphasized that BSI's risk evaluation processes integrate sharia principles into digital protocols. For instance, digital approval flows, transaction monitoring systems, and financing recommendations are reviewed not only for accuracy and regulatory compliance but also for fairness (*'adl*), trustworthiness (*amānah*), and public benefit (*maslahah*). Managers described this as a "dual-layered" risk logic in which financial analysis and ethical assessment operate simultaneously. This embeddedness of sharia reasoning in digital risk procedures distinguishes BSI from conventional banks, where risk tools tend to prioritize quantitative optimization over moral scrutiny.

These empirical insights demonstrate that BSI employs a form of sharia-anchored risk governance, in which ethical principles actively inform operational choices. Insofar as they are considered, the findings align with scholarship on maqāṣid-oriented decision-making, which posits that justice, accountability, and community welfare serve as guiding objectives (Abdullah et al., 2023; Dasmadi et al., 2025). They also align with studies that note Islamic banks incorporate sharia oversight into fintech-driven processes to prevent misalignment between technological adoption and religious obligations (H. Ali et al., 2019; Alsmadi, 2025). However, the present findings extend this literature by showing how sharia reasoning is enacted at the operational level through consultation practices, ethical checkpoints, digital review mechanisms, and reflective decision routines.

Thus, this theme demonstrates that decision-making at BSI is neither purely technical nor purely theological. Instead, it reflects a distinctive synthesis of procedural rigor and spiritual ethics. Digital risk protocols are infused with sharia principles, ensuring that financial decisions remain accurate, transparent, and in line with Islamic integrity.

Sharia-Integrated Human Capital Development and Role-Based Training

Participants consistently emphasized that human capital development at BSI is structured around integrating digital competencies with sharia literacy and ethical conduct. Branch Managers who supervise daily operations and oversee staff capability development repeatedly described training as a dual process requiring employees to master digital systems while understanding the sharia implications of those systems. As one Branch Manager noted, “Training should not only teach applications and systems. There must be an understanding of digital fiqh and sharia ethics.” This view highlights the core empirical insight: staff perceive skill development as incomplete unless technical proficiency is paired with jurisprudential and ethical awareness.

Managers explained that role-based training is tailored to specific functions, including customer service, financing, teller operations, and digital support. These trainings combine modules on digital platforms, service applications, and cybersecurity with discussions of fiqh muamalah, ethical risk scenarios, and sharia-

compliant procedures. Several participants highlighted internal certifications as mechanisms that ensure not only technical standardization but also consistent sharia understanding across different operational roles. Performance evaluations now incorporate indicators of trustworthiness, fairness, and responsible conduct, signaling that ethical expectations are embedded in HR processes rather than treated as an afterthought.

Participants also expressed concerns that digital transformation could narrow employees' focus to efficiency alone. Managers described ongoing reinforcement of Islamic values as a safeguard against "drifting into a transactional mindset," especially as automation increases and service pressures intensify. Continuous value-based reminders were deemed essential for maintaining the bank's religious identity while meeting digital performance requirements.

These findings indicate that BSI's human capital development system is operationalized through a competency matrix that integrates digital skills, sharia compliance, and ethical conduct into role-specific expectations. This matrix does not function merely as a policy document; participants described how it shapes daily training choices, supervision practices, and performance assessments. Employees understand their competencies as multidimensional—technical, jurisprudential, and ethical—and aligned with the organizational mission.

Existing scholarship reinforces this interpretation. Research in Islamic HRD highlights the emerging trend of

embedding sharia principles into digital-era training and performance systems (Menne et al., 2023) and studies on maqāṣid-based human capital emphasize holistic skill development that includes moral reasoning and spiritual intentionality (Abdullah et al., 2023; Dasmadi et al., 2025; Firmansah et al., 2025). The present findings extend this literature by showing how such integration is enacted at the operational level through role-based curricula, ethical indicators in evaluation tools, and certification processes.

Participants' descriptions also point to a practical triadic model of Islamic human capital in which technical competence, ethical judgment, and spiritual intention function in synergy. Unlike abstract conceptual models, employees articulated this triad as a lived practice that guides everyday decisions, especially in digital workflows where speed and automation could otherwise obscure ethical implications.

Overall, this theme demonstrates that BSI views human capital development as a value-integrated process, in which digital proficiency is inseparable from sharia judgment and ethical discipline. By embedding these elements into training, evaluation, and certification, BSI maintains its religious identity while preparing its workforce for the demands of digital finance.

Systemic and Generational Challenges

Participants identified several systemic and generational challenges that influence the integration of digital and sharia-based competencies within BSI.

These challenges were most clearly described by senior managers who had previously worked in conventional banking environments. They noted that many older-generation leaders face a steeper learning curve when adapting to rapidly evolving digital systems and often rely on younger staff for technical support. By contrast, younger employees adopt new technologies quickly but generally require more reinforcement in sharia-based ethical judgment.

One Branch Manager captured this contrast succinctly, “The first generation of leaders came from conventional banks, so there is a gap... but they are learning.” According to participants, this generational gap affects not only the pace of technological adaptation but also differences in governance approaches, risk perceptions, and service priorities. Younger employees tend to value speed, automation, and efficiency, whereas senior staff emphasize caution, compliance, and procedural accuracy.

Participants also described several systemic constraints that shape HRD and digital transformation. Multiple managers reported that standardized evaluation tools do not fully capture spiritual or ethical competencies, making it difficult to assess whether staff have internalized the values required for sharia-aligned digital work. Others highlighted institutional pressures in the post-merger environment, including the need to harmonize diverse organizational cultures and align employees from conventional banking backgrounds with BSI’s sharia requirements.

A recurring challenge concerns the tension between rapid technological change and the pace required to maintain sharia accuracy. Managers explained that while digital processes demand quick decision-making, ensuring jurisprudential correctness often intentionally slows procedures. This creates a practical dilemma: how to innovate quickly while preserving value integrity.

These empirical insights indicate that the integration of Islamic values into BSI's digital transformation is shaped by generational differences, legacy professional identities, and institutional pressures, rather than solely by individual competencies. These findings resonate with research on the digitalization of Islamic banking in Indonesia, which highlights organizational readiness gaps, shifts in employee mindsets influenced by professional backgrounds, and the need to balance sharia compliance with technological adoption amid leadership and cultural hurdles (Nurfadilah et al., 2023). However, the present study extends this literature by demonstrating how these tensions manifest operationally in training needs, evaluation systems, digital workflows, and everyday managerial practice.

Overall, this theme demonstrates that systemic and generational dynamics have a significant impact on how BSI integrates Islamic values into human capital development. These pressures underscore the need for competency frameworks and capacity-building programs that can respond to digital acceleration while safeguarding sharia integrity.

Integrating Digital Competence and Islamic Values Across Human Capital Domains

Across the six themes, a coherent pattern emerges showing that BSI approaches human capital development as an integrated system in which digital proficiency, sharia-based ethical reasoning, and spiritual alignment are mutually reinforcing. Digital transformation is not viewed as a purely technical shift, but as a value-laden process that requires employees to balance technological capability with moral and religious integrity. This logic is captured in the Tripartite Islamic Human Capital Model (Figure 1), which conceptualizes how these three domains interact within the institution's culture.

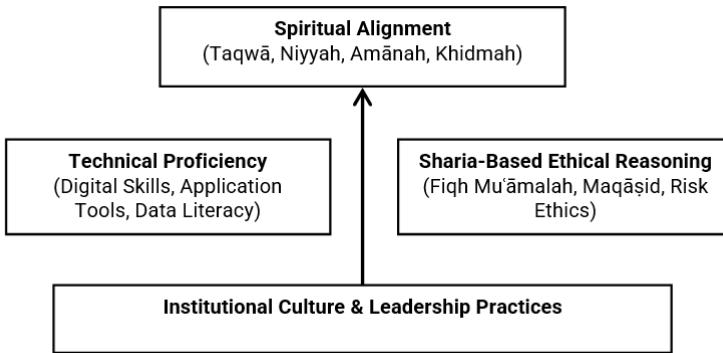


Figure 1. *Tripartite Islamic Human Capital Model for Digital Sharia HRD*

The first two themes reveal foundational individual competencies. Employees consistently linked digital mastery with sharia compliance, indicating that technical skills must be guided by jurisprudential understanding. Spiritual intelligence further supports this integration by

shaping intentionality, discipline, emotional steadiness, and interpersonal conduct. Together, these competencies form the core pillars of the model, representing the ethical and spiritual orientation that underpins digital work in an Islamic banking context.

Themes on leadership and decision-making show how institutional mechanisms reinforce this integration. Leaders embed Islamic values through taujih, ethical modeling, and value-based supervision, shaping how digital tasks are performed and evaluated. sharia-driven decision-making ensures that risk assessments and operational choices remain grounded in ethical accountability and responsibility. These practices form the structural base of the model, demonstrating how institutional culture sustains the alignment between technology and Islamic values.

The remaining themes highlight how BSI operationalizes and contextualizes this integrated framework. Role-based training and sharia-infused HR systems institutionalize the interdependence of technical, ethical, and spiritual development, while systemic and generational dynamics influence the pace and consistency of implementation. Collectively, the themes demonstrate that effective digital transformation in Islamic banking necessitates not only technological capacity but also leadership, training systems, and institutional cultures that can safeguard sharia integrity amid rapid change.

Islamic financial institutions are moving towards sharia-integrated competency development systems supported by internal certification and scholarly

oversight. This framework provides a robust foundation for future investigations into integrated talent management, ethical compliance, and organizational success in Islamic financial institutions, suggesting a path toward sustainable, value-aligned growth.

D. Conclusion

This study examined how Bank Syariah Indonesia (BSI) integrates Islamic spiritual values into digital-era human capital development. The findings show that digital transformation within the institution is framed not merely as a technical process but as one that must align with sharia principles and spiritual-ethical commitments. Across the core themes, employees and leaders consistently emphasized that digital proficiency, ethical judgment, and spiritual intentionality operate together as mutually reinforcing competencies.

The key insights of the study reveal that spiritual intelligence functions as an operational ethos shaping motivation, discipline, and interpersonal conduct; that Islamic leadership reinforces ethical culture through modeling and routine spiritual guidance; that sharia reasoning informs risk assessment and digital decision-making; and that role-based training embeds Islamic ethics into competency development. Systemic and generational dynamics further influence the consistency and pace of this integration.

Theoretically, the study contributes an empirically grounded explanation of how Islamic values and digital competencies can be integrated within HRD processes, an area underexplored in current Islamic management scholarship. It

refines the application of Maqāṣid al-Sharīʿah and tawḥīdic paradigms to HR practice, introducing a Tripartite Islamic Human Capital Model that conceptualizes the interaction of technical competence, ethical reasoning, and spiritual alignment.

Practically, the findings suggest the need for HR systems that explicitly measure and cultivate both digital capability and spiritual-ethical conduct. Leadership development should emphasize role modeling and ethical digital practice, while training programs should integrate sharia literacy with technical skills. Aligning digital initiatives with Islamic values may strengthen employee commitment, trust, and resilience amid organizational change.

This study is limited to one institutional context. Future research should examine similar dynamics across diverse Islamic financial institutions and employ longitudinal or mixed-methods approaches to better understand how spiritually integrated HRD frameworks shape long-term organizational outcomes.

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