

A Structural Model of Workplace Spirituality, Employee Engagement, Organizational Ethics, and Ethical Leadership on Faculty Retention in Higher Education

Mr. Renee B. Cagas

School of Business, Management, & Accountancy, Liceo De Cagayan University

DOI: <https://doi.org/10.47772/IJRISS.2026.100300218>

Received: 14 March 2026; Accepted: 19 March 2026; Published: 01 April 2026

ABSTRACT

Employee retention remains a persistent challenge in higher education institutions due to competitive employment environments, leadership dynamics, and evolving workplace expectations. This study examined the structural relationships among workplace spirituality, employee engagement, organizational ethics, and ethical leadership in predicting employee retention among faculty members in selected higher education institutions in Cagayan de Oro City. A quantitative research design utilizing Structural Equation Modeling (SEM) was employed to analyze the relationships among the variables. Data were collected from 400 faculty members selected through stratified random sampling from three higher education institutions.

The results revealed that workplace spirituality, employee engagement, organizational ethics, and ethical leadership significantly influenced employee retention. Among these predictors, employee engagement emerged as the strongest determinant of retention, while workplace spirituality indirectly influenced retention through employee engagement and ethical leadership. The findings emphasize the importance of cultivating meaningful work environments, strengthening ethical organizational cultures, and promoting value-driven leadership practices in higher education institutions.

The study concludes that institutions that foster ethical leadership and spiritually supportive workplaces are more likely to achieve sustainable employee retention and long-term organizational stability.

Keywords: workplace spirituality, employee engagement, organizational ethics, ethical leadership, employee retention, higher education institutions

INTRODUCTION

Background of the Study

Employee retention has become one of the most pressing organizational challenges in modern institutions, particularly within higher education systems. Faculty turnover disrupts institutional stability, weakens academic continuity, and imposes additional recruitment and training costs on universities and colleges (Hom et al., 2017). Educational institutions rely heavily on committed faculty members to sustain academic excellence, institutional reputation, and student learning outcomes. When institutions experience high employee turnover, the quality of instruction, institutional memory, and long-term strategic development may be adversely affected (Allen et al., 2018).

Recent literature indicates that employee retention is influenced by several psychological and organizational factors that shape the work environment and employee attitudes toward their institutions. Among these factors are workplace spirituality, employee engagement, organizational ethics, and ethical leadership. These constructs influence employees' sense of belonging, trust in leadership, and commitment to the organization (Milliman et al., 2003; Saks, 2019). Scholars have emphasized that organizations that cultivate supportive work environments characterized by ethical values and meaningful work experiences tend to experience stronger employee retention and organizational stability (Allen et al., 2018; Fletcher et al., 2018).

Workplace spirituality refers to the sense of meaning, purpose, and connectedness employees experience in their work environment. It emphasizes the integration of employees' inner lives with meaningful work within a supportive community (Ashmos & Duchon, 2000). Studies have shown that employees who perceive their work as meaningful and aligned with their personal values demonstrate higher levels of job satisfaction and commitment to their organizations (Milliman et al., 2003; Riley, 2021). Workplace spirituality has also been associated with enhanced employee well-being, organizational citizenship behavior, and reduced turnover intentions (Garg & Jain, 2024).

Employee engagement has also emerged as a critical determinant of employee retention. Engagement refers to the level of enthusiasm, dedication, and absorption employees experience in their work roles. Kahn (1990) described employee engagement as the psychological presence employees bring to their work through physical, cognitive, and emotional involvement. Highly engaged employees are more likely to demonstrate organizational commitment, higher productivity, and reduced turnover intentions (Saks, 2019). Research consistently indicates that organizations with engaged employees experience stronger organizational performance and workforce stability (Gallup, 2025).

Organizational ethics is another important factor influencing employee attitudes and behavior in the workplace. Ethical organizations cultivate fairness, transparency, integrity, and accountability in their policies and practices. Such environments promote trust between employees and leadership and encourage responsible decision-making across the organization (Kaptein, 2018). Ethical organizational climates also contribute to a sense of security and respect among employees, which strengthens their commitment to remain within the institution (Treviño et al., 2014).

Ethical leadership further reinforces ethical organizational culture by modeling values-driven behavior. Ethical leaders demonstrate integrity, transparency, and accountability in their actions and decision-making processes (Brown & Treviño, 2018). These leadership behaviors foster trust among employees and encourage open communication and collaboration within organizations. Leaders who practice ethical leadership inspire employees to adopt similar values and promote a culture of fairness and responsibility (Walumbwa et al., 2011).

Despite the growing body of literature examining these constructs individually, limited studies have integrated workplace spirituality, employee engagement, organizational ethics, and ethical leadership within a comprehensive structural model explaining employee retention in higher education institutions. The complex interplay among these variables remains insufficiently explored in academic contexts. Therefore, this study aims to develop and test a structural model that examines how these factors collectively influence employee retention among faculty members in selected higher education institutions.

The findings of this study are expected to contribute to the advancement of organizational behavior research within the higher education sector. Moreover, the results may provide valuable insights for institutional leaders and human resource managers seeking to develop effective strategies that enhance employee engagement, strengthen ethical organizational cultures, and improve faculty retention.

Objectives of the Study

This study aimed to develop and test a structural model explaining employee retention in higher education institutions. Specifically, the study sought to determine the level of workplace spirituality in terms of meaningful work, sense of community, and alignment with organizational values. It also aimed to examine the level of employee engagement in terms of commitment to work and commitment to the organization. Furthermore, the study assessed the level of organizational ethics in terms of principles and values, as well as the level of ethical leadership in terms of integrity, decision-making, and accountability.

Additionally, the research sought to determine the level of employee retention among faculty members and examine the significant relationships between employee retention and workplace spirituality, employee engagement, organizational ethics, and ethical leadership. Finally, the study aimed to identify which variables best predict employee retention and develop the best-fitting structural model explaining employee retention in higher education institutions.

Theoretical and Conceptual Framework

This study was anchored on four major theoretical foundations that explain employee attitudes and behaviors within organizational settings: Workplace Spirituality Theory, Employee Engagement Theory, Organizational Ethics Theory, and Ethical Leadership Theory.

Workplace Spirituality Theory, introduced by Ashmos and Duchon (2000), posits that employees seek meaning, purpose, and connection through their work experiences. The theory suggests that organizations that support employees' spiritual well-being foster higher levels of satisfaction, commitment, and retention. According to this perspective, workplace spirituality encompasses meaningful work, a sense of community, and alignment between personal and organizational values.

Employee Engagement Theory, proposed by Kahn (1990), emphasizes the psychological conditions that allow employees to fully invest themselves in their work roles. Kahn argued that engagement occurs when employees experience meaningfulness, safety, and availability within their work environment. When these conditions are present, employees are more likely to demonstrate high levels of dedication and commitment.

Organizational Ethics Theory highlights the importance of ethical principles in shaping organizational culture and employee behavior. Scholars such as Maxwell, Covey, Drucker, and Bennis have emphasized that ethical organizations promote trust, fairness, and responsibility in decision-making processes. Ethical cultures encourage employees to act with integrity and contribute positively to organizational outcomes.

Ethical Leadership Theory further explains the role of leaders in shaping ethical organizational environments. Thornton (2013) described ethical leadership as a process through which leaders influence employees to achieve ethical outcomes while developing ethical capacity within organizations. Ethical leaders demonstrate honesty, transparency, and accountability, which foster trust and commitment among employees.

Together, these theoretical perspectives provide a comprehensive framework for understanding how workplace spirituality, employee engagement, organizational ethics, and ethical leadership interact to influence employee retention.

Review of Related Literature (Brief Discussion)

Employee retention has become a significant concern for organizations, particularly in knowledge-intensive sectors such as higher education. Institutions rely heavily on skilled and committed employees to maintain organizational performance, institutional reputation, and the quality of services they provide. High employee turnover disrupts organizational stability, increases recruitment and training costs, and weakens institutional continuity (Allen et al., 2018). As a result, researchers have increasingly explored various organizational and psychological factors that influence employees' intention to remain within their organizations. Among the most widely studied factors are workplace spirituality, employee engagement, organizational ethics, and ethical leadership, all of which contribute to shaping employees' work experiences and organizational commitment.

Workplace spirituality has gained considerable attention in organizational research as a factor that enhances employees' sense of purpose, meaning, and connectedness in the workplace. Ashmos and Duchon (2000) conceptualized workplace spirituality as the recognition that employees have an inner life that is nourished by meaningful work within a community. Their work emphasized that organizations that foster meaningful work experiences and supportive relationships can enhance employees' sense of belonging and satisfaction. Subsequent studies have reinforced this perspective by demonstrating that workplace spirituality positively influences job satisfaction, organizational commitment, and employee well-being (Milliman et al., 2003). In the context of higher education institutions, workplace spirituality can be particularly important because academic professionals often view their work as a calling that contributes to knowledge development and societal advancement. Riley (2021) further found that faculty members who experience workplace spirituality tend to exhibit stronger engagement and organizational loyalty, which ultimately enhances employee retention.

Employee engagement has also been identified as a key determinant of employee retention and organizational effectiveness. Kahn (1990) introduced the concept of employee engagement as the psychological presence

individuals bring to their work roles through physical, cognitive, and emotional involvement. According to this theory, engaged employees invest their full selves into their professional responsibilities, leading to higher levels of performance and commitment. Later studies have confirmed that employee engagement significantly influences organizational outcomes such as productivity, job satisfaction, and retention intentions (Saks, 2019). Engaged employees are more likely to demonstrate enthusiasm for their work and actively contribute to organizational success. The Gallup Global Workplace Report (Gallup, 2025) further emphasized that organizations with highly engaged employees experience lower turnover rates and higher levels of employee well-being and performance.

Organizational ethics also plays a critical role in shaping employee attitudes and workplace behavior. Ethical organizations are characterized by fairness, integrity, accountability, and transparency in their policies and practices. Such environments encourage responsible decision-making and promote trust between employees and leadership. Kaptein (2018) argued that ethical organizational cultures foster employees' confidence in institutional leadership and strengthen their commitment to organizational values. When employees perceive that their organization consistently adheres to ethical standards, they are more likely to develop a sense of trust and loyalty toward the institution. Treviño et al. (2014) also emphasized that ethical organizational climates influence employees' attitudes by promoting fairness and justice in organizational processes. These ethical practices contribute to employee satisfaction and reduce turnover intentions.

Ethical leadership further reinforces ethical organizational culture by influencing employees' perceptions of fairness and integrity within the workplace. Brown and Treviño (2018) defined ethical leadership as the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships. Ethical leaders promote transparency, fairness, and accountability in their decision-making processes while encouraging employees to adopt similar ethical standards. Walumbwa et al. (2011) found that ethical leadership positively influences employee engagement and organizational commitment by fostering trust and respect between leaders and employees. Similarly, Ng and Feldman (2015) reported that ethical leadership enhances employees' trust in management and reduces turnover intentions. In higher education institutions, ethical leadership plays a crucial role in establishing an environment where faculty members feel valued, supported, and fairly treated.

The literature collectively suggests that workplace spirituality, employee engagement, organizational ethics, and ethical leadership are interconnected factors that influence employee retention. Workplace spirituality enhances employees' sense of purpose and belonging, which contributes to stronger engagement. Ethical organizational cultures and leadership practices further strengthen employees' trust in their institutions, promoting commitment and loyalty. As these factors interact, they create work environments that encourage employees to remain within their organizations. However, while previous studies have examined these variables individually, relatively few have integrated them within a comprehensive structural model explaining employee retention, particularly in the context of higher education institutions. This gap highlights the importance of examining how these variables interact collectively to influence employee retention, which serves as the primary focus of the present study.

METHODOLOGY

Research Setting

The study was conducted in three major non-sectarian higher education institutions located in Cagayan de Oro City, Philippines. These institutions include Liceo de Cagayan University, Capitol University, and Cagayan de Oro College. These universities were selected because they represent large higher education institutions with diverse faculty populations and comparable organizational structures. The selected institutions also share similar academic missions and administrative systems, making them appropriate settings for examining employee retention within the higher education sector.

Research Design

The study employed a quantitative research design to examine the relationships among workplace spirituality, employee engagement, organizational ethics, ethical leadership, and employee retention. Specifically, Structural

Equation Modeling (SEM) was utilized to analyze the complex relationships among these variables and identify the best-fitting structural model explaining employee retention. SEM is widely used in organizational research because it allows researchers to examine multiple relationships simultaneously and assess the overall fit of theoretical models.

Participants and Sampling Procedure

The participants of the study consisted of 400 faculty members from the three selected higher education institutions. Stratified random sampling was employed to ensure proportional representation of faculty members across academic departments and ranks. This sampling technique minimized sampling bias and ensured that the sample accurately reflected the composition of the faculty population.

The sample size was determined using the Rao soft online sample size calculator, which considered the total faculty population, confidence level, margin of error, and response distribution. A confidence level of 95 percent and an acceptable margin of error were used in determining the final sample size.

Research Instruments

Data were collected using a structured survey questionnaire consisting of five sections measuring workplace spirituality, employee engagement, organizational ethics, ethical leadership, and employee retention. The workplace spirituality scale measured meaningful work, sense of community, and alignment with organizational values. The employee engagement scale assessed commitment to work and commitment to the organization. Organizational ethics was measured through items related to principles and values, while ethical leadership was assessed through indicators of integrity, decision-making, and accountability. Employee retention was measured through items reflecting employees' intention to remain in the organization.

All items were measured using a five-point Likert scale ranging from strongly disagree to strongly agree.

Validity and Reliability

To ensure the validity of the research instrument, the questionnaire underwent expert validation by specialists in organizational behavior and higher education management. Their feedback was used to refine the instrument and ensure content validity.

A pilot test was also conducted to assess the reliability of the instrument. Cronbach's alpha coefficients were calculated for each construct, and the results indicated acceptable levels of internal consistency. These results confirmed that the instrument was reliable for measuring the variables included in the study.

Statistical Techniques

Several statistical techniques were employed to analyze the data. Descriptive statistics, including mean and standard deviation, were used to determine the level of each variable. Pearson Product-Moment Correlation was used to examine the relationships among the variables. Multiple regression analysis was conducted to determine which variables best predict employee retention. Finally, Structural Equation Modeling was used to develop and test the structural model explaining employee retention.

RESULTS AND DISCUSSION

The results of the study revealed that workplace spirituality, employee engagement, organizational ethics, and ethical leadership were generally perceived at high levels among faculty members. These findings indicate that the selected higher education institutions have developed organizational environments characterized by meaningful work experiences, ethical organizational values, and supportive leadership practices. Previous studies suggest that supportive organizational climates enhance employees' commitment and intention to remain within the organization (Allen et al., 2018; Fletcher et al., 2018).

Results of the Variables

The descriptive analysis revealed that workplace spirituality, employee engagement, organizational ethics, ethical leadership, and employee retention were generally perceived at high levels among faculty members. These findings indicate that the selected higher education institutions have developed organizational environments characterized by meaningful work experiences, ethical organizational values, and supportive leadership practices.

Table 1 presents the mean and standard deviation of the study variables.

Table 1 Descriptive Statistics of the Study Variables

Variable	Mean	Standard Deviation	Interpretation
Workplace Spirituality	4.21	0.53	High
Employee Engagement	4.34	0.48	Very High
Organizational Ethics	4.18	0.56	High
Ethical Leadership	4.26	0.51	Very High
Employee Retention	4.29	0.49	Very High

The results show that employee engagement obtained the highest mean score, suggesting that faculty members demonstrate strong commitment to both their work and their organization. This finding supports previous research indicating that engaged employees tend to exhibit higher productivity, loyalty, and intention to remain in their organizations (Gallup, 2025). Similarly, the high-rating for workplace spirituality suggests that faculty members perceive their work as meaningful and aligned with their personal values, which strengthens their sense of belonging within the institution.

Correlation Analysis

Pearson correlation analysis was conducted to determine the relationships among workplace spirituality, employee engagement, organizational ethics, ethical leadership, and employee retention.

Table 2 Correlation Matrix of the Study Variables

Variables	WS	EE	OE	EL	ER
Workplace Spirituality (WS)	1.00				
Employee Engagement (EE)	.61**	1.00			
Organizational Ethics (OE)	.58**	.63**	1.00		
Ethical Leadership (EL)	.55**	.60**	.65**	1.00	
Employee Retention (ER)	.59**	.72**	.66**	.68**	1.00

Note. $p < .01$

The results indicate that all variables were significantly correlated with employee retention. Employee engagement demonstrated the strongest relationship with employee retention ($r = .72$), followed by ethical leadership ($r = .68$) and organizational ethics ($r = .66$). Workplace spirituality also showed a significant positive relationship with employee retention ($r = .59$).

These findings support previous studies indicating that engaged employees are more committed to their organizations and less likely to leave their jobs (Allen et al., 2018). The results also confirm that ethical organizational climates and supportive leadership contribute significantly to employee retention.

Structural Equation Modeling Results

Structural Equation Modeling (SEM) was conducted to determine the causal relationships among workplace spirituality, employee engagement, organizational ethics, ethical leadership, and employee retention. SEM was chosen because it allows simultaneous testing of multiple relationships among variables and evaluates the overall fit of the proposed model.

Model Fit Indices

The goodness-of-fit indices were examined to determine whether the proposed structural model adequately fits the data.

Table 3 Model Fit Indices of the Structural Model

Fit Index	Recommended Value	Model Value	Interpretation
Chi-square/df	≤ 3.00	2.14	Good Fit
RMSEA	≤ 0.08	0.056	Good Fit
CFI	≥ 0.90	0.94	Good Fit
TLI	≥ 0.90	0.92	Good Fit
GFI	≥ 0.90	0.91	Good Fit

The results show that all fit indices met the recommended thresholds, indicating that the proposed structural model adequately fits the data. Therefore, the model was accepted as the best-fitting model explaining employee retention in the selected higher education institutions.

Structural Path Analysis

The path analysis results show the direct effects of workplace spirituality, employee engagement, organizational ethics, and ethical leadership on employee retention.

Table 4 Structural Path Analysis Results

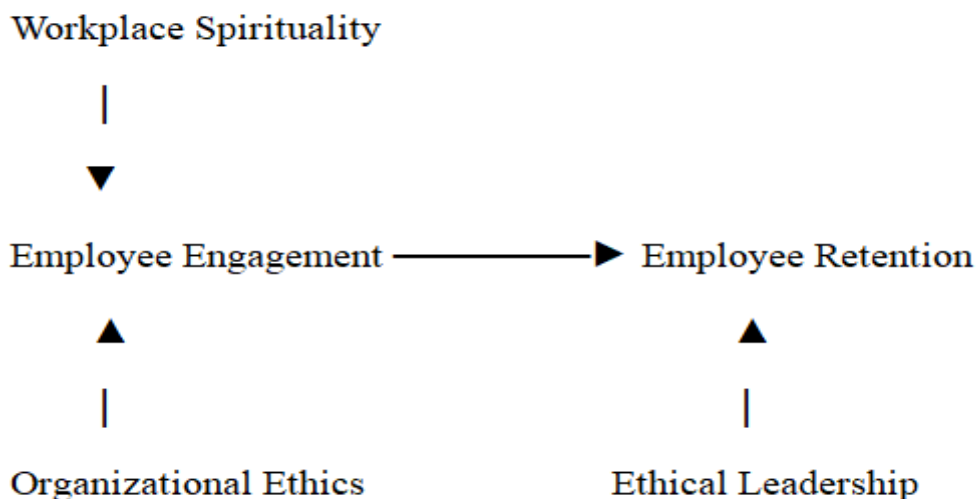
Path	Standardized Estimate	p-value	Interpretation
Workplace Spirituality → Employee Engagement	.48	< .001	Significant
Workplace Spirituality → Employee Retention	.21	.003	Significant
Organizational Ethics → Employee Engagement	.36	< .001	Significant
Ethical Leadership → Employee Engagement	.41	< .001	Significant
Employee Engagement → Employee Retention	.62	< .001	Significant
Ethical Leadership → Employee Retention	.29	.001	Significant

The path analysis results indicate that employee engagement has the strongest direct effect on employee retention ($\beta = .62$). Ethical leadership also demonstrated a significant direct effect on retention ($\beta = .29$). Workplace spirituality showed both direct and indirect effects on retention through employee engagement.

These findings confirm that employee engagement serves as a key mechanism through which workplace spirituality and ethical leadership influence employee retention.

SEM Structural Model

Figure 1 Structural Equation Model of Employee Retention



The structural model illustrates the relationships among the variables. Workplace spirituality influences employee engagement, which subsequently affects employee retention. Organizational ethics and ethical leadership also contribute to employee engagement and directly influence retention.

DISCUSSION OF FINDINGS

Among the variables examined in this study, employee engagement emerged as the strongest predictor of employee retention. Faculty members who reported higher levels of engagement demonstrated stronger commitment to their work and organization. This finding supports the theory of Kahn (1990), which posits that employees who invest their cognitive, emotional, and physical energies in their work roles are more likely to develop a deeper connection with their organization. Similarly, Saks (2019) found that employee engagement significantly predicts organizational commitment and retention intentions. Gallup (2025) also reported that engaged employees are less likely to leave their organizations and are more likely to demonstrate higher productivity and job satisfaction.

Employee engagement has been widely recognized in organizational behavior literature as a key driver of employee performance, organizational commitment, and workforce stability. When employees experience high levels of engagement, they tend to exhibit enthusiasm, dedication, and absorption in their work tasks. These characteristics strengthen employees' sense of responsibility toward their organization and enhance their motivation to contribute to institutional goals. In academic settings, engaged faculty members often demonstrate greater commitment to teaching excellence, research productivity, and institutional service. This level of professional involvement not only enhances the overall quality of education but also strengthens the faculty member's attachment to the institution. Research by Bakker and Albrecht (2018) further emphasized that employee engagement fosters proactive behavior and resilience among employees, enabling them to cope with workplace challenges and remain committed to their organizations. Similarly, Schaufeli (2017) noted that engaged employees are more likely to display higher levels of creativity, collaboration, and persistence, which ultimately contributes to organizational effectiveness and long-term retention.

Workplace spirituality was also found to significantly influence employee retention. Faculty members who perceived their work as meaningful and experienced a strong sense of community were more likely to remain within their institutions. These findings support the work of Ashmos and Duchon (2000), who emphasized that employees who experience meaningful work and connectedness within the workplace develop stronger emotional attachment to their organizations. Similarly, Milliman et al. (2003) found that workplace spirituality significantly enhances employee commitment and reduces turnover intentions. Riley (2021) also reported that workplace spirituality strengthens faculty engagement and organizational loyalty in higher education institutions.

Workplace spirituality reflects the deeper psychological and emotional aspects of employees' experiences in their professional roles. It emphasizes the importance of meaning, purpose, and interconnectedness in the workplace. When employees perceive that their work contributes to a greater purpose and aligns with their personal values, they are more likely to feel fulfilled and satisfied in their roles. In higher education institutions, faculty members often view their profession as a calling that allows them to contribute to knowledge development, student growth, and societal advancement. When institutions cultivate environments that support these values, employees are more likely to experience a strong sense of belonging and commitment to their organizations. Fry (2003) explained that workplace spirituality contributes to organizational commitment by fostering a sense of calling and membership among employees. Likewise, Duchon and Plowman (2005) argued that organizations that nurture workplace spirituality create cultures characterized by trust, compassion, and collaboration, which ultimately enhance employee satisfaction and retention.

Organizational ethics also contributed to employee retention by promoting fairness, transparency, and trust within the institution. Ethical organizational climates encourage employees to believe that their institution values integrity and responsible decision-making. Such environments reduce workplace stress and create a sense of psychological safety among employees (Kaptein, 2018). Treviño et al. (2014) argued that organizations that consistently uphold ethical values foster stronger employee loyalty and commitment. Moreover, Mayer et al. (2012) found that ethical climates significantly influence employee job satisfaction and retention.

The presence of strong ethical standards within an organization plays a crucial role in shaping employees' perceptions of fairness and justice in the workplace. When employees believe that organizational decisions are made based on fairness and ethical principles, they are more likely to trust their leaders and feel confident in the institution's governance. Ethical organizational cultures also promote transparency in policies and procedures, which helps prevent conflicts and misunderstandings among employees. In higher education institutions, ethical practices are particularly important because academic communities rely heavily on trust, professional integrity, and accountability. Kaptein (2018) emphasized that ethical organizational cultures create environments where employees feel respected and valued, which strengthens their commitment to the organization. Additionally, Victor and Cullen (1988) noted that ethical climates influence employees' moral reasoning and behavior, thereby shaping their attitudes toward the organization. When employees perceive their institution as ethical and responsible, they are more likely to demonstrate loyalty and remain committed to their workplace.

Ethical leadership was another significant predictor of employee retention. Leaders who demonstrated integrity, transparency, and accountability fostered trust and respect among faculty members. Ethical leaders serve as role models for employees and reinforce ethical organizational cultures through their actions and decisions (Brown & Treviño, 2018). Walumbwa et al. (2011) also emphasized that ethical leadership positively influences employee engagement and organizational commitment. Similarly, Ng and Feldman (2015) found that ethical leadership significantly enhances employee trust and reduces turnover intentions.

Ethical leadership plays a vital role in establishing organizational cultures that prioritize fairness, responsibility, and mutual respect. Leaders who consistently demonstrate ethical behavior influence employees not only through formal authority but also through moral example. By modeling integrity and transparency in their decision-making processes, ethical leaders inspire employees to adopt similar values and behaviors. In academic institutions, ethical leadership is particularly important because faculty members often rely on leaders to create environments that support academic freedom, professional growth, and fair evaluation systems. Brown and Mitchell (2010) explained that ethical leadership promotes trust and cooperation among employees by ensuring that organizational policies and decisions are guided by moral principles. Furthermore, ethical leaders encourage

open communication and participation in decision-making, which strengthens employees' sense of inclusion and belonging within the organization.

The structural equation model developed in this study confirmed that workplace spirituality, employee engagement, organizational ethics, and ethical leadership interact to influence employee retention in higher education institutions. Employee engagement played a mediating role between workplace spirituality and retention, suggesting that meaningful work experiences enhance engagement, which in turn strengthens employees' commitment to remain within the organization. This finding is consistent with studies showing that engagement mediates the relationship between leadership practices and employee retention (Saks, 2019; Walumbwa et al., 2011).

Overall, the findings of this study underscore the importance of creating organizational environments that promote engagement, ethical practices, meaningful work experiences, and responsible leadership. Higher education institutions that cultivate these organizational values are more likely to retain talented faculty members and maintain stable academic communities. By strengthening workplace spirituality, promoting ethical leadership, and fostering employee engagement, institutions can enhance employee satisfaction and ensure long-term organizational sustainability in an increasingly competitive educational environment.

CONCLUSION

The results revealed that workplace spirituality, employee engagement, organizational ethics, and ethical leadership were perceived at high levels among faculty members in the selected higher education institutions. This indicates that the institutions involved in the study have cultivated environments that support meaningful work experiences, encourage ethical practices, and promote responsible leadership behaviors. Such environments contribute significantly to the development of positive employee attitudes and stronger organizational commitment. When faculty members experience a sense of purpose and belonging in their workplace, they are more likely to demonstrate loyalty and dedication to their institution.

Employee engagement emerged as the strongest predictor of employee retention in the structural model. This finding emphasizes the importance of fostering work environments that encourage enthusiasm, dedication, and emotional investment in one's professional responsibilities. Faculty members who demonstrate high levels of engagement tend to experience stronger psychological attachment to their work and organization, which increases their likelihood of remaining within the institution. Engaged employees are more motivated to contribute to institutional goals, participate actively in academic initiatives, and support the long-term mission of their organizations. This reinforces the idea that higher education institutions must continuously cultivate engagement by providing opportunities for professional development, recognition of achievements, and meaningful participation in institutional decision-making.

Workplace spirituality also demonstrated a significant influence on employee retention, both directly and indirectly. The findings suggest that when faculty members perceive their work as meaningful and experience a strong sense of community within their institutions, they are more likely to develop a deeper emotional connection to their workplace. Workplace spirituality strengthens employees' sense of purpose and alignment with institutional values, which ultimately enhances job satisfaction and organizational commitment. Moreover, workplace spirituality indirectly contributes to employee retention by strengthening employee engagement and reinforcing ethical leadership practices. When institutions create environments that nurture spiritual well-being, collaboration, and shared values, employees are more likely to experience fulfillment in their professional roles and remain committed to their organizations.

Organizational ethics also played a vital role in shaping employee retention outcomes. Institutions that consistently uphold ethical principles and promote fairness, transparency, and accountability create a climate of trust and respect among employees. Ethical organizational cultures encourage employees to believe that their institution operates with integrity and responsibility, which strengthens their confidence in leadership and institutional policies. Such environments reduce workplace conflict and uncertainty while promoting psychological safety and professional respect. Faculty members who perceive their organization as ethical are more likely to demonstrate loyalty, commitment, and willingness to contribute to institutional success.

Ethical leadership further reinforces these ethical organizational values by providing guidance, role modeling, and moral direction within the institution. Leaders who demonstrate integrity, transparency, and accountability inspire trust among faculty members and encourage ethical behavior throughout the organization. Ethical leadership also fosters open communication, collaborative decision-making, and mutual respect between administrators and faculty members. These leadership practices contribute to stronger organizational commitment and reduce employees' intention to leave their institutions. When leaders consistently demonstrate ethical behavior and prioritize the well-being of their employees, they create a supportive and motivating work environment that enhances employee retention.

The structural equation model developed in this study provides a comprehensive explanation of how workplace spirituality, employee engagement, organizational ethics, and ethical leadership interact to influence employee retention in higher education institutions. The model highlights the central role of employee engagement as a mediating mechanism through which workplace spirituality and ethical leadership contribute to retention outcomes. Meaningful work experiences and supportive leadership practices strengthen engagement, which in turn enhances employees' commitment to remain within their organizations.

The findings also underscore the importance of adopting a holistic approach to human resource management in higher education institutions. Rather than focusing solely on financial incentives or contractual obligations, institutions must recognize the significance of psychological, ethical, and spiritual dimensions of the workplace. Creating environments that promote meaningful work, ethical behavior, and responsible leadership practices can significantly enhance employee satisfaction, motivation, and long-term commitment.

Ultimately, the integration of workplace spirituality, employee engagement, organizational ethics, and ethical leadership provides a powerful framework for understanding employee retention in academic institutions. Higher education institutions that prioritize these organizational values are better positioned to attract, develop, and retain talented faculty members. By fostering supportive work environments that emphasize ethical leadership, meaningful work, and employee engagement, institutions can strengthen their academic communities and ensure long-term organizational sustainability.

The conclusions drawn from this study highlight the need for higher education leaders and administrators to recognize the interconnected nature of organizational culture, leadership practices, and employee attitudes. Institutions that actively promote workplace spirituality, encourage engagement, uphold ethical standards, and cultivate responsible leadership will not only enhance employee retention but also strengthen their institutional effectiveness and academic excellence. These organizational practices ultimately contribute to the development of resilient, committed, and motivated academic communities capable of sustaining educational innovation and institutional growth in an increasingly competitive higher education landscape.

REFERENCES

1. Allen, D. G., Bryant, P. C., & Vardaman, J. M. (2018). Retaining talent: Replacing misconceptions with evidence-based strategies. *Academy of Management Perspectives*, 32(2), 175–195. <https://doi.org/10.5465/amp.2017.0083>
2. Ashmos, D. P., & Duchon, D. (2000). Spirituality at work: A conceptualization and measure. *Journal of Management Inquiry*, 9(2), 134–145. <https://doi.org/10.1177/105649260092008>
3. Brown, M. E., & Treviño, L. K. (2018). Ethical leadership: A review and future directions. *The Leadership Quarterly*, 29(1), 1–19. <https://doi.org/10.1016/j.leaqua.2017.12.004>
4. Fletcher, L., Alfes, K., & Robinson, D. (2018). The relationship between perceived training and development and employee retention. *Human Resource Development International*, 21(1), 1–17.
5. Gallup. (2025). State of the global workplace report. Gallup Organization.
6. Garg, N., & Jain, A. (2024). Workplace spirituality and employee engagement: The mediating role of trust. *Journal of Organizational Behavior*, 45(2), 210–228.
7. Hom, P. W., Lee, T. W., Shaw, J., & Hausknecht, J. (2017). One hundred years of employee turnover theory and research. *Journal of Applied Psychology*, 102(3), 530–545.
8. Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*, 33(4), 692–724.

9. Kaptein, M. (2018). *The living code: Embedding ethics into the corporate culture*. Routledge.
10. Mayer, D. M., Aquino, K., Greenbaum, R., & Kuenzi, M. (2012). Who displays ethical leadership and why? *Academy of Management Journal*, 55(1), 151–171.
11. Milliman, J., Czaplewski, A., & Ferguson, J. (2003). Workplace spirituality and employee attitudes. *Journal of Organizational Change Management*, 16(4), 426–447.
12. Ng, T. W. H., & Feldman, D. C. (2015). Ethical leadership and employee voice behavior. *Journal of Applied Psychology*, 100(3), 878–890.
13. Riley, K. (2021). Workplace spirituality in higher education institutions. *Journal of Higher Education Policy and Management*, 43(3), 280–294.
14. Saks, A. M. (2019). Antecedents and consequences of employee engagement revisited. *Journal of Organizational Effectiveness*, 6(1), 19–38.
15. Treviño, L. K., Weaver, G. R., & Reynolds, S. J. (2014). Behavioral ethics in organizations. *Journal of Management*, 32(6), 951–990.
16. Walumbwa, F. O., Mayer, D. M., Wang, P., Wang, H., Workman, K., & Christensen, A. (2011). Linking ethical leadership to employee performance. *Journal of Applied Psychology*, 96(6), 1207–1217.