Volume: 8 Issue: 1 Year: 2011

# Work ethics: An Islamic prospective

# Muhammad Shakil Ahmad\*

#### **Abstract**

Islamic principles completely cover all aspects of life including working in an organization. Current study explore the job related variables an their connection with Islamic Work Ethics. Current study explores the literature relevant to Islamic Work Ethics. Previous study results show that there is significant impact of Islamic work ethics on organizational commitment, job satisfaction and rewards while Islamic work ethics has no significant relation with intention to quit job. Different studies results shows that Islamic work ethics can help build a better morale amongst employees which in turn can result in greater employee job satisfaction. Furthermore adopting Islamic work ethics improves organizational commitment, level of motivation and thus is likely to reduce the number of staff wanting to leave the organization i.e. quitting the job.

**Keywords**: Islamic work ethics, organizational commitment, job satisfaction, rewards, work conflict, job turnover intentions and human resource management.

<sup>\*</sup> Lecturer, Department of Management Sciences, COMSATS Institute of Information Technology, Attock Campus, Pakistan. PhD Scholar, Faculty of Management and HRD, Universiti Technologi Malaysia, Malaysia, Email: <a href="mailto:onlyshakil@qmail.com">onlyshakil@qmail.com</a>

#### Introduction

Ethics at work place varies from country to country. The study is designed to study the impact of Islamic Work Ethics on Job related variables in Pakistani banks which are practicing Islamic banking. Islamic Work Ethics support cooperation, consultation, equity, unity and spirituality at work place and spirituality is considered as key component among IWE components. Practicing Islamic Ethics at work place leads towards creativity, honesty and trust (Dannhauser, 2007).

There is a significant amount of literature available on work ethics but most of the research is conducted in America and Europe and is in the area of business work ethics (Rice, 1999). These studies on business work ethic have tended to rely on Weber Max's theory and follow Protestant Work Ethic (WPE). European countries in particular follow the rule of WPE for job commitment and job satisfaction (Yousaf, 2001).

There isn't much contribution by researchers on Islamic work ethics but there are a few authors whose work has contributed towards promoting and highlighting Islamic work principle in organizational life. For example, reviewed literature illustrates that Ali (1988 and 1992) has two studies on IWE whilst Yousaf (2000 and 2001) and Rehman et al. (2006) have also contributed towards the debate on stress level and improving job satisfaction in workplace. Furnham (1984, 1991) in agreement with Rehman et al. (2006) and Yousaf (2001) have suggested that there is a greater work commitment and job satisfaction resulting in a more satisfied employee in a study on Islamic Work Ethics [IWE].

Yousaf (2000) noted that IWE and PWE have many similarities. For example, both focus on working hard, commitment to the organization, creativity in work and cooperation amongst employees during working hours. Another study by Abbas et al., (1989) on IWE reported that managers in United Arab Emirates are more committed to their work and as the level of their responsibility increases, the level of commitment also increases. Randall et al., (1991) reported that employees who are committed to work are more loyal to their organization. We could conclude from this that workers who possess and act with a high level of work ethic are more likely to be satisfied with their job as well the role they are playing.

According to Ali (1992), the Islamic ideology for workplace has many similarities with the ideology that was propagated by Weberian Protestantism. He also mentions the

application of IWE was a cornerstone of the Muslim rule during the time of when Islamic countries dominated the world economic activity, sometime referred as the 'golden era'.

The purpose of this research is to study the impact of Islamic Work Ethics in Pakistan on organizations that prescribe to be following Islamic principles by investigating the following factors i.e. rewards, organizational commitment, job turn over intentions, job satisfaction and work conflict. It is our intention to test various hypothesis to support or otherwise the various paradigms in Islamic work ethics. These will be stated at the end of each section after executing an extensive literature review.

# Literature review and Conceptual Framework

Abbas J.A et al., (2007) investigated the centrality of Islamic work ethic (IWE) in the lives of managers in Kuwait and provide a useful insight into the nature of work environment and organizational culture. Their results indicated that managers scored high on IWE and loyalty scales. There was a positive high correlation between the two measures. In particular, it was found that expatriates scored higher than Kuwaiti managers on both IWE and loyalty and men scored relatively higher than women on IWE.

Abbas J.A et al., (2008) investigated the economic and cultural conditions that facilitate the emergence of work ethics and the centrality of trade in Islamic culture. IWE has economic as well as moral and social dimensions. These along with basic elements of IWE seem to provide the faithful with a sense of worthiness and strengthen organizational commitment and continuity. Similarly Naresh K. et al., (2010) presented an in-depth analysis of the Islamic work ethic (IWE) and its influence on innovation capability in the public sector. The unit of analysis for his study was Malaysian Public sector. The IWE measure was found to be significant with moderate correlation and positive relationship with the innovation capability scale.

Mahmood, K et al., (2009) studied the impact of Islamic Work Ethic on Arab college students in Israel. The participants included male and female Arab college students from an academic and a technical college in northern Israel. According to result of their study, there was a strong and highly significant correlation between the IWE and individualism scales. Academic college students scored significantly higher than technical college students on

both scales. There were significant interactions between gender and marital status, and college type and year of studies, on the scales.

## **Conceptual Framework**

The research is mainly aimed to investigate the impact of Islamic Work Ethics on job related variables. Figure-1 shows the conceptual framework for current study. There are four independent variables i.e. rewards, work conflict, job turnover intentions, organizational commitment and job satisfaction while Islamic Work Ethics is taken as dependent variable. The purpose of this study is to the relation between dependent and independent variables. All the concepts were evaluated using the Likert scale, whereby a score of 1 (Strongly Disagree) to a score of 5 (Really Agree). Current study adopted the already available scale presented by previous studies.

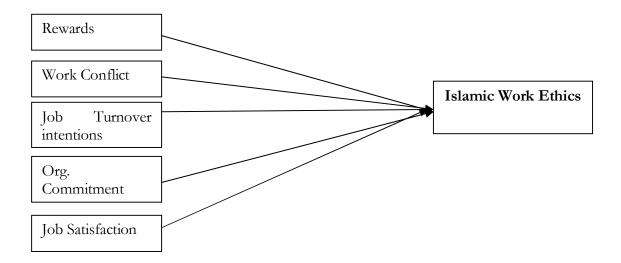


Figure 1: Conceptual framework for Islamic Work Ethics

## **Description of variables**

## A) Job Satisfaction

Job satisfaction is a pleasant and delightful feeling/emotion which a person gets after completing a task successfully or assessing current job and is based an employee's internal feeling about their current job, the quality of work they are doing and the expected reward for their effort. Level of job satisfaction changes with the line of authority, as more authority

means more responsibility, so job satisfaction varies with job position also (Porter et al., 1979).

The concept of job satisfaction has indeed been seriously discussed by various researchers and accordingly the concept has expanded over time. For instance, Viswesvaran (1996) referred to job satisfaction as an individual expectation of actions whether it achieved the desired results or not. Work of Putti et.al (1989) on workers of Singapore shows that there is a high correlation of work values on organization commitment. Their work differentiated the intrinsic and extrinsic work value and the results of their study prove that intrinsic work values have greater impact on organizational commitment than that of extrinsic. The tasks or duties performed by an employee in the organization can easily be explained with the help of Organizational Justice Theory (Koh et al., 2004).

Job satisfaction is closely related with Islamic work ethics and research supports the positive impact of Islamic work ethics on organizational performance as well as employee satisfaction (Yousef, 2001, Vitell and Davis, 1990).

Prophet Muhammad also stressed that social aspects in the workplace and duties toward society should be an essential element of organizational life. Furthermore, justice and generosity in the workplace and engagement in economic activities are viewed as being obligatory. The work of Yousaf (2000) clearly shows that adoption of IWE is a source to improve organizational commitment among employees.

# **B)** Rewards

Reward is the internal and external benefit received by a person or employee as a result of their job. There are two types of rewards. The first type of reward is called intrinsic reward which is also called internal reward; the second type is called extrinsic reward which is also known as external rewards (Mulki et al., 2008). Internal reward includes work recognition by managers, achievement, promotion, authority and responsibility at work place while external rewards covers bonus in salary, extra working hours, company policies, supervisor's support, worker's safety and suitable environment at work place (Miller et al., 2000).

According to Mulki et al, (2008) the concept of rewards linked with the expectations of employees after fulfilling their job requirements and study of Nasr (1984) on public and private institutions on rewards shows that private sector employees are more satisfied than

those in the public sector as their salary is higher and getting more benefits than that of public sector workers. However Randall (1991) concluded in his study that there is not significant relation between job satisfaction and wages paid to employees while Oliver (1990) reported that there is significant positive relation of job satisfaction and rewards. We would contend that IWE can play a significant role in all organizations if it is implemented.

## C) Work conflict

Any kind of conflict at workplace is called work conflict. It may arise due to long working hours, late promotion and other aspects of workplace environment. It is a source of low productivity, absenteeism and general stress among employees.

These kinds of pressure result when organization is short of staff and more work burden is placed on employee, or mangers assign tasks that do not match with the expertise of employees (Robin, 2005). There are two types of work conflict in working environment. First one is called 'role conflict' and second one is 'role ambiguity'. According to Beekun (1997), role conflict is any kind of responsibility or activity about which person is not sure or clear. It includes aspects such as vague job description and indistinct explanation of job responsibility. He described role ambiguity as having certain features such as unclear task or assignment which can be a source of uncertainty for the worker and hence lead to frustration and stress. Steers (1977) concurred with this view in his study concluding that role conflict and role ambiguity is a source of stress and depression for employees. The results of Furnham (1984) are also in line with Steers (1977).

#### **D)** Employee turnover intentions

The link between work ethics and job satisfaction, organizational commitment and turnover intention can be explained by the Organizational Justice Theory (Koh and Boo, 2004). Studies on staff turnover intentions showed the negative relation between work ethic and turnover intention. Rice (1999) identified three elements which lead to withdrawal of the cognition process. The first element is to think about quitting the current job, the second element is to find and workout other suitable job somewhere else; while, the third element is the decision to quit. However a study by Lau (1995) reported three other factors which are also factors for intention to quit a job. These include age of employee, their past experience and the current salary level/structure. He concluded that younger employees with less experience are more likely to quit a job.

## E) Organizational commitment

Another possible influence on organizational commitment is its prescribed or perceived work ethic. This is supported by research evidence in the developed countries which suggests that when codes of ethics are effectively applied, employee satisfaction increases (Abeng, 1997). One dimension is 'affective' commitment which refers to the employees' emotional attachment to, identification with and involvement in the organization. Another dimension is continuance of commitment which refers to an awareness of the costs associated with leaving the organization. Yet another dimension is normative commitment which reflects a feeling of obligation to continue employment.

Previously, many researchers attempted to measure the organizational commitment from work environment, characteristics of job and from behavior of human resource working in organization (Kidron, 1979 and Peterson, 2003). Any emotional state of mind which keeps an employee committed with the organization and minimizes the negative intentions to quit job is

These constitute significant pillars in the IWE. They clearly differentiate the IWE from the work ethics of other faiths. One of the fundamental assumptions in Islam is that intention rather than result is the criterion upon which work is evaluated in terms of benefit to community. Any activity that is perceived to do harm, even though it results in significant wealth to those who undertake it, is considered unlawful. Previously, many researchers attempted to measure the organizational commitment from work environment, characteristics of job and from behavior of human resource working in organization (Kidron, 1979 and Peterson, 2003).

Any emotional state of mind which keeps an employee committed with the organization and minimizes the negative intentions to quit job is called organizational commitment (Abeng, 1997). Putti et al. (1989), in their research undertaken on a sample of Singaporean workers, tested the relation of work values on organizational commitment and concluded that the employees prefer intrinsic work value for job commitment than that of extrinsic values.

### Conclusion

Apply IWE in organizations improves staff moral, higher job satisfaction level, improved productivity and reduction in stress levels. It is the responsibility of managers to avoid role conflict and clearly define all the responsibilities and roles for their subordinates. This can be done by the management establishing unambiguous authority lines and clear work guidelines so that for workers can carry out the assigned tasks. Direction needs to come from those who occupy senior positions. Therefore the CEO's and Board of Governors in organizations must pay attention to IWE's for increased productivity from their staff. It is recommended that organization take into consideration IWE in their mission and vision statement to provide a platform based on Islamic principles resulting in better levels of job satisfaction among employees and excellence in function of the organization.

As these results indicate there is a positive impact of IWE on employee job satisfaction, motivation and organizational commitment, so it is necessary that governmental as well as private sector organizations adopt and follow the IWE for better productivity and employee satisfaction. The results of this study have some implications for service sector organization as well as for small businesses.

Current research investigated the relation between Islamic Work Ethics (IWE), rewards, work conflict, job turnover intentions, organizational commitment and job satisfaction. There is need to select available scales already provided by researchers, design research methodology and apply quantitative methods to explore the impact of all the variables in non-contrived setting.

#### References

- Abeng, T (1997). Business ethics in Islamic context: perspectives of a Muslim business leader. Business Ethics Quarterly, 7(3): 47-54.
- Ali, J.A., Abdullah, A.O., (2008), Islamic work ethics: A critical review, Cross cultural management: An international Journal, Vol. 15 (1), 5-19
- Ali, J.A., Ali, A.A., (2007), Islamic work ethics in Kuwiat, Cross cultural management: An international Journal, Vol. 14 (2), 93-104
- Ali, J. A. (1992), Islamic work ethic in Arabia. Journal of Psychology, 126 (5): 507-517
- Ali, J. A. (1988), Scaling an Islamic work ethic. Journal of Social Psychology, 128 (5): 575-583.
- Ali, Abbas. (1989), The Arab executive: A study of values and work orientations. American—Arab Affairs, Vol.7,No 19, 94–100.
- Amabile, T. M., R. Conti, H. Coon, J. Lazenby, and M. Herron (1996), "Assessing the work environment for creativity", Academy of Management Journal, 39, pp. 1154–1184

- Beekun, R. (1997), Islamic Business Ethics, IIIT, Herndon, Virginia, U.S.A.
- Bozeman, D.P. and Perrewe, P.L. (2001), "The effects of item content overlap on organizational Commitment Questionnaire and turnover cognitions relationships", Journal of Applied Psychology, Vol. 86 No.1, pp.161-73.
- Dannhauser, Z. (2007). Can the positive impact of servant leaders be associated with behaviors paralleling followers' success? Virginia Beach, VA: Regent University, School of Global Leadership and Entrepreneurship
- Dubinsky, A.J., and Harley, S.W. (1986), "A path-analytic study of a model of salesperson performance". Journal of the Academy of Marketing Science, Vol. 14, pp. 36–46.
- Furnham, A. (1991), "The protestant work ethic in Barbados", Journal of Social Psychology, Vol. 15, No. 3, pp. 365-85.
- Furnham, A. and Muhuldeen, C. (1984), "The protestant ethic in Britain and Malaysia", Journal of Social Psychology, Vol. 122, pp. 157-61.
- Hom, P.W. and Griffeth, R.W. (1991) "Structural equations modeling test of a turnover theory: cross-sectional and longitudinal analyses", Journal of Applied Psychology, Vol. 76 No. 3, pp.350-66.
- Koh H., C. & Boo. E., H. (2004), Organizational ethics and employee satisfaction and commitment. Management Decision, 42 (5): 677-693.
- Kidron, A., (1978), Work values and organizational commitment, Academy of Management Journal, 21(2), 239–47
- Lau, C. & Woodman, R.C. (1995), Understanding organizational change: A schematic perspective, Academy of Management Journal, 38(2), 537–54.
- Luna-Arocas, R., and Camps, J. (2008) "A model of high performance work practices and turnover intentions", Personnel Review, Vol. 37 No.1, pp.26-46
- Mahmood, K., Ismael, A.S. (2009), Islamic Work Ethics among Arab college students in Israel, Cross cultural management: An international Journal, Vol. 16 (4), 333-346
- Miller, G. and Sharda, B. (2000), "Organizational structure in the Middle East: a comparative analysis", International Journal of Comparative Sociology, Vol. 41 No. 3, pp. 315-30.
- Mulki, J., Jaramillo, J. F., & Locander W. B. (2008), Effect of ethical climate on turnover intention: linking attitudinal and stress theory. Journal of Business Ethics, DOI 10.1007/s10551-007-9368-6
- Nasr, S.H. (1984), Islamic work ethics. Hamdard Islamicus, 7(4), 25–35
- Naresh. K., Raduan, C.R., (2010), Examining the link between Islamic Work Ethics and Innovation capability, Journal of Management Development, Vol. 29 (1), 79-93
- Oliver, N. Work reward, work values, and organizational commitment in an employee-owned firm: Evidence from the UK. Human Relations, 1990, 43(6), 513–26
- Peterson, D, K., (2003), The relationship between ethical pressure, relativistic moral beliefs and organizational commitment, Journal of Managerial Psychology, Vol. 16 (6): 557-572
- Porter, L. W., Steers, R. M., & Mowday, R. T. (1979), The measurement of organizational commitment, Journal of Vocational Behavior, 14(2), 224-247.
- Putti, J.M., Aryee, S., Ling T.K. (1989), Work values and organizational commitment: a study in the Asian context. Human Relations, Vol. 42: 275-288
- Randall, D. & Cote, J. (1991), Interrelationships of work commitment constructs: Work and Occupations, 18(2), 194–211

- Rahman, N. M., Muhamad, N., & Othman, A, S (2006), The Relationship between Islamic Work Ethics and Organizational Commitment: A Case Analysis. Malaysian Management Review, Vol. 41(1).
- Rice, G. (1999), Islamic ethics and the implication for business, Journal of Business Ethics, 18 (4): 345-358
- Robbin, S.P. (2005), Organizational Behavior, Prentice-Hall, Upper Saddle River, NJ.
- Saks, A.M., Mudrack, P.E. & Ashforth, B.E. (1996). The relationship between the work ethic, job attitudes, intentions to quit, and turnover for temporary service employees. Canadian Journal of Administrative Sciences, 13(3), 226–41
- Sandelands, L. E., (1988), "The concept of work feeling." Journal for the Theory of Social Behavior, 18, pp. 437–45
- Sidani, Y. (2000), "Work values among Lebanese workers", Journal of Social Psychology, Vol. 140 (5), pp. 597-608
- Steers, R.M. Antecedents and outcomes of organizational commitment.(1977). Administrative Science Quarterly, 22(1), 46–75.
- Viswesvaran, C., & Deshpande, S., P. (1996). Ethics, success, and job satisfaction: A test of dissonance theory in India. Journal of Business Ethics, Vol. 15: 1065-1069.
- Vitell, S, J., & Davis, D. L., (1990). The relationship between ethics and Job satisfaction: an Empirical Investigation. Journal of Business Ethics, Vol. 9: 489-494
- Wahibur. R.,(2010), The effect of Islamic work on work ethics, Electronic Journal of Business Ethics and Organization Studies, Vol.12, 10, 21-27
- Wright, T. A., and B. M. Staw, (1999), "Affect and favorable work outcomes: Two longitudinal tests of the happy productive worker thesis," Journal of Organizational Behavior, 20, pp. 1–23
- Yousef, D.A. (2000), Organizational commitment as a mediator of the relationship between Islamic work ethic and attitudes toward organizational change. Human Relations, Vol. 53 (4): 513-37
- Yousef, D.A. (2001), Islamic work ethic A moderator between organizational commitment and job satisfaction in a cross-cultural context. Personnel Review, Vol. 30 (2): 152-165.