

**Impact of Islamic Work Ethics on employees' behavior:  
Case of Kabul based organizations, Afghanistan**

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***Abstract***

*This study looks insights of the effects of Islamic work ethics on employees' behavior in Kabul based organizations of Afghanistan. Organization behavior in this study is measured through Organization Justice, Job satisfaction, organization commitment and turnover Intentions. Two theoretical frameworks were developed .In first frame work; Islamic Work Ethics (IWE) was used as an independent variable to see its impact on employees' behavior. In second framework IWE was applied as a moderating variable between organization justice and job satisfaction. Quantitative methodology was adopted and data was collected through five point Likert scale questionnaire. Eight hypotheses were developed and were tested through multiple regressions to determine the relation between variables and to see the impact of Islamic Work Ethic on employees' behavior in Kabul based organizations. Study concludes with findings that IWE play positive role in Job satisfaction, organization commitment and organization justice and found significant variance explained by IWE ,further study conclude with significant moderating role of IWE between organization justice and job satisfaction.*

**Keyword:** Islamic Work Ethics, Job satisfaction, Organization commitment, turnover intentions

Businesses and organizations are the presentation of people who work for the betterment and success of institutions. Workers philosophy of work ethics affects not only their personal life but professional behavior in organizations. Workers join organizations carry their belief, attitude and values to work. These values system of each individual in work place reflect his or her religion which play significant role in modification of workers' behavior in workplace specifically and personal life generally.

Materialism from the decade has been a major factor for employees' performance in organizations but since last 15 to 20 years this trend has been changing tremendously in organizations and the substance of creed and religiosity has again come to the forefront of leadership, management and running business organizations. In this regard many studies are conducted in western countries to see the religion impact on employees' behavior in business organizations which cannot be applied in Muslim based countries. Many ethical frameworks

developed to date have a strong inclination towards Western interests and thus cannot be executed generally and on the whole in other cultural contexts such as Afghanistan.

In this context, current study is conducted to see impact of Islamic work ethics on employees' behavior in Kabul based organizations of Afghanistan. A quantitative methodology was applied and questionnaire method was used as the measuring instrument. It is worth mentioning that study is limited to Afghanistan context and therefore Results, analysis and implications are in the same context.

### **Literature Review**

Many organizations in different countries are formally struggling to introduce religion based ethical aspects for formal policies and procedures as reported by Rokhman (2010) that issues related with work ethics has become burning issue for the researchers to study its impact on employees behavior. Most of the studies, reported in this context, have been conducted in European and American countries studies like (Lim & Say, 2003; Rizk, 2008; Furnham, 1982, 1990; Furnham and Rajamanickam, 1992).

Studies like (Yousef, 2001; Koh and Boo, 2001; Viswesvaran and Deshpande, 1996; Vitell and Davis, 1990) reported that work ethics are strongly and positively related with job satisfaction. Similarly Research in the past indicated that work ethics is not only positively related with job satisfaction but organizational commitment, organization Justice and negatively related with turnover intentions (Yousef, 2001; Kidron, 1979; Peterson, 2003). Allen and Mayer (1990) reported that Organizational commitment is a very strong variable to dropout turnover rate. Furthermore, organizational researchers have studied organization justice with relationship of many other variables.

Abbas et al, (2013) reported that organization justice has its roots in Adam's (1965) equity theory. Justice in organizations has been significant aspect of investigation in organizational research. Workers expect impartiality in processes and distribution of rewards and when employees' face opposite of these expectations then they may experience undesirable feelings (Barclay, Skarlicki, & Pugh, 2005). These studies depend on the Protestant Work Ethic (PWE) as promoted by Max Weber (1952). He studied Protestantism and PWE impact on economic development in the west.

Models related with PWE are questionable in context of its applicability in Muslim world. Islam has its own approach of wrong and rights which is stemming out from divine revelation through Quran and Sunna as reported by Ali (1992) that Islam provides very strong ideological bases for personal development that further support economic growth and prosperity in micro and macro level. According to Beekun, (1997) ,IWE can be defined as the established ethical ideology that differentiate right from wrong .Undeniably ,there are similarities

between PWE and Islamic Work Ethics (IWE) like both PWE and IWE encourage productivity ,hard work ,loyalty ,commitment , clarity in dealings and cooperation at work place (Abbas ;Gul & Raja, (2013),however , Islam focus is more on individual intentions then its result to be accountable before Allah .

Ali (2005) posits the view that the submission of individuals to Islamic ethics and researchers' interest on IWE is taking the Muslims to the golden century. However, According to Rakhman (2010) there is too much work needs to be done to induce concepts, models and theories and its applicability in Muslim world. Very less research has been conducted in Muslim world that have looked insights of IWE in business organizations. Studies conducted in the context of IWE are (Ali, 1988 and 1992; Yousef, 2000 and 2001; Rahman et al., 2006; and Ali and Al-Kazemi, 2007, rokhman,2010). For example, Yousef (2001) studied moderating impact of the IWE on the relationships between the organizational commitment and the job satisfaction. This research used sample of 425 Muslim workers in many organizations in the United Arab Emirates (UAE). The result of the study shows that IWE is positively and significantly related and affected both the organizational commitment and job satisfaction and very positively moderate relationship between these variables.

Rokhman, (2010) conducted study to examine the outcome of Islamic work ethic like job satisfaction, organizational commitment and turnover intention among 49 employees of microfinance institutions of Indonesia. This study concludes with positive effect of IWE on job satisfaction and organization commitment. Study conducted by Abbas et al, (2013) in Pakistan shown that IWE was positively related to job satisfaction, Job involvement and negatively related to turnover intentions. Organizational researchers have studied and are trying to quench their organizational research thirst by studying Work ethics with relationship of organizational commitment and many other individualities and situational characteristics of workers and their conducts.

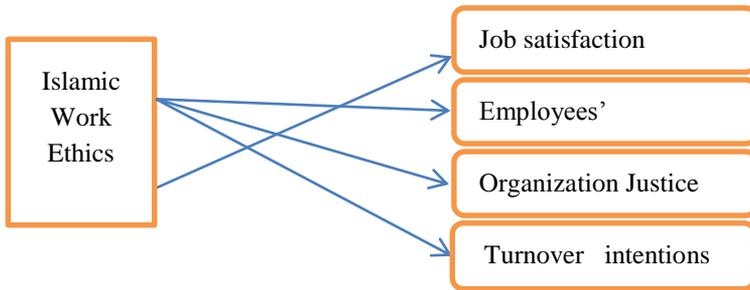
Those who believe in Islam and keep an eye on the Islamic ethics in business organizations for practice will incline to be more contented and gratified with their job and more dedicated to their work and organization, and therefore workers will have low intention to leave the organization. Keeping the above statement in view, Present study is designed to examine the influence of Islamic work ethics on job satisfaction, organizational commitment and turnover intention in the context of Kabul based organizations of Afghanistan.

### **Theoretical framework**

Current study has used two framework ,In first phase Islamic work Ethics is used as a Predictor variable and four variables namely organization commitment, Job Satisfaction, Organization Justice and

turnover Intentions were used as a criterion variables. Islamic work Ethics was first used as an independent variable to see the impact on mentioned dependent variables of the study and in the second framework Islamic Work Ethics was used as a moderating Variable between organization Justice and Job Satisfaction to see whether Islamic Work Ethics moderates relationship between organization Justice and Job satisfaction.

**First Framework:** Schematic Diagram shows IWE as an independent variable



### **Research Hypotheses**

H1: Islamic work ethics is not positively and significantly explaining variance in employees' commitment level.

H2: Islamic work ethics is not positively and significantly explaining variance in Employees Job Satisfaction

H3: Islamic work ethics is not positively and significantly explaining variance in employees' turnover intentions

H4: Islamic work ethics is not positively and significantly explaining variance in procedural Justice

H5: Islamic work ethics is not positively and significantly explaining variance in Distributive Justice

H6: Islamic work ethics is not positively and significantly explaining variance in interaction justice

H7: Islamic work ethics is not positively and significantly explaining variance in overall organization justice.

### **Research Methodology**

For current study, A quantitative methodology was applied and questionnaire method was used as the measuring instrument .First part of questionnaire consists of two questions asking about gender and organization of respondents, second part of questionnaire consists of items regarding variables of the study comprises Islamic Work Ethics ,Organization Justice ,Job Satisfaction ,organization commitment and turnover Intentions . Data pertaining to study variables was collected through through five (5) point Likert scale self-administered

questionnaire, with anchors 1 = strongly agree, 2 = agree, 3 = neither agree nor disagree, 4 = disagree and 5 = strongly disagree. IWE items were adopted from instrument developed by Ali (1992). Short version of this instrument consisting 17 items was applied for measurement of IWE in the context of Afghanistan. Job Satisfaction was measured by three items five point Likert scale developed by Dubinsky and Harley (1986).

Organizational commitment items adapted from Bozeman and Perrewe, (2001). Turnover Intention was measured with two items used in earlier research (Hom and Griffeth, 1991; Luna-Arocas; Camp, 2008 and Rokhman, 2010). Organization Justice was measured through Distributive justice, procedural justice and interactional justice. Items from Niehoff and Moorman (1993) were applied to operationalize distributive justice, procedural justice and interaction justice. The same items were applied in other empirical investigations (Moliner et al., 2008; Nadiri & Tanova, 2010). Questionnaire was distributed among 334 subjects of Kabul based organizations including public and private organizations, 324 subjects' responses were considered for analysis and 13 responses were removed from analysis because of unfilled questions in the questionnaires. Total respondents were 321, 281 were male and 40 were female, and Response rate of the questionnaire was almost 96 %.

### **Data Analysis and Results**

Data analysis was completed through IBM-SPSS 22 version mostly used for quantitative analysis. Regression analysis was main statistical tool used for hypothesis testing. To make sure data reliability, Cronbach Alpha Reliability technique was applied for consistency of responses which has been reported following in table I

As mentioned earlier IBM-SPSS 22 version was used for analysis purpose. Prior to test study hypothesis, frequency analysis was applied to know how many male and female employees from public and private organizations participated in study, reliability analysis was applied to make sure data reliability to reach to reliable conclusion. Following is reported reliability values of study variables.

**Table 1. Cronbach's Alpha Reliability**

Variables	Cronbach Alpha	Number of Items
IWE	.891	17
Job satisfaction	.667	4
Organization commitment	.781	3
Turnover Intention	.711	3
Distributive Justice	.794	3
Procedural Justice	.816	4

Interactional Justice	.806	4
Overall organization Justice	.879	11

Above Table 1 can be seen for Cronbach’s Alpha reliability as IWE is .89 which is high from all other variables, Job satisfaction .667, Organization commitment .781, turnover intention .71, distributive justice .794, procedural justice .816, interaction justice .806 and overall organization justice .879. It shows reliability of all variables. To test hypothesis of the study regression technique was applied and the result is reported in below Table 2.

*Table 2. Multiple Regression Analysis*

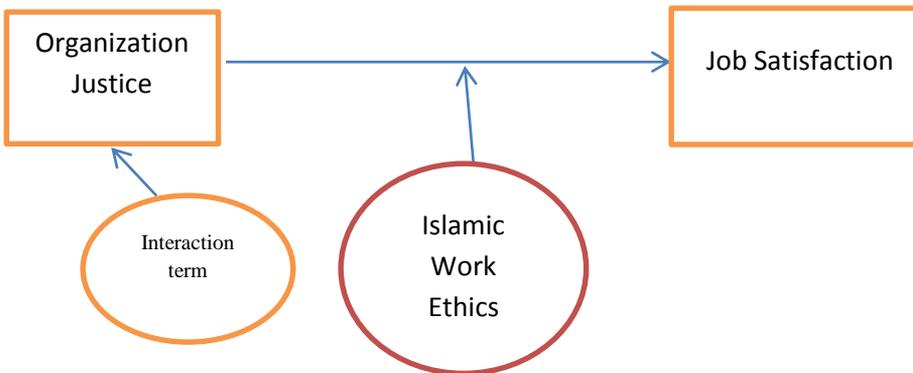
Predictor	Organization commitment	Job satisfaction	Turnover intention	Distributive justice	Procedural Justice	Interaction justice	Organization Justice
IWE	.430	.490	.068	.261	.126	.321	.279
R-Square	.185	.240	.005	.068	.016	.103	.078
Adjusted R square	.179	.235	-.002	.062	.009	.097	.072
F-value	5.479	6.483	.829	3.825	1.543	4.124	3.534
P-Value	33.576	46.825	.688	10.789	2.381	17.003	12.492
P-Value Sig.	.000	.000	.408	.001	.125	.000	.000

First hypothesis, Islamic work ethics is not positively and significantly explaining variance in employees’ commitment level is not substantiated as IWE is significantly explaining variance in organization commitment as indicated in the table II (Adjusted R-Square =.179 ,  $p < 0.05$ ) which mean that IWE is explaining variance almost 20% significantly .The null hypothesis is therefore rejected. IWE explained about 23.5% of variance significantly ( $p < 0.05$ ) in job satisfaction as shown in above table 2.

Third hypothesis that Islamic work ethics is not positively and significantly explaining variance in employees’ turnover intentions is supported as (adjusted R-square value is -.002  $p > .05$ ); the effect of IWE on turnover intention is not significant. The null hypothesis is therefore accepted and it means if IWE is practice more in organizations the less would be turnover of employees’ .Similarly IWE didn’t explain variance significantly ( $p > .05$ ) in procedural justice .Therefore null hypothesis is accepted . Further IWE significantly explain variance in interaction justice ( $p < .05$ )

and overall organization justice ( $p < .05$ ) as can be seen in above table III, therefore Null hypotheses number 6 & 7 are not supported and alternative hypotheses that is IWE is positively and significantly explaining variance in interaction justice and overall justice of the organization is substantiated.

**Second Framework:** Schematic diagram shows IWE as a moderating variable between organization justice and job satisfaction



Based on above framework, following hypothesis number eight was developed and Interaction term was created between independent and moderating variable through compute command of IBM-SPSS to analyze whether IWE moderates relationship between organization Justice and Job satisfaction

**H8:** Islamic Work Ethics is not significantly moderates relationship between organization Justice and Job Satisfaction

To check moderating role of IWE in second model, following steps are followed for interpretation. In 1<sup>st</sup> step it was checked whether both models with and without interaction term was significant or not, it was found that models were significant as can be seen in below table III that F-values of both models (50.952 & 42.815 , $p < .05$ ) are significant and secondly to know whether IWE moderates relationship between organization Justice and job satisfaction significantly so it was found that almost 11% change was accounted by IWE in job satisfaction significantly as shown in following table R-square of first model is .256 which is change to .368 while adding IWE as a moderating variable with Sig.F change .000

Table 3. *Multiple Regression predicting moderating role of IWE between organization Justice and Job satisfaction*

Predictor	Model 1	Model 2
R-Square	.256	.368
R-Square Change	.256	.112
Sig. F change	.000	.000
F-Value	50.952	42.815
Sig.	.000	.000

Therefore hypothesis number 8 that IWE is not positively and significantly explaining variance in job satisfaction is rejected and alternative hypothesis is supported which is the significant moderating role of IWE between organization justice and job satisfaction of employees ,the more IWE is practice the more employees would be satisfied.

**Conclusion**

This study review IWE impact on organization justice, job satisfaction, organization commitment and turnover intention in the context of Kabul based organizations of Afghanistan and conclude with very positive and influential role of IWE while explaining significant variance in above mentioned criterion variables of the study except turnover intention meaning that if IWE is practice more the less the employees will leave the organization .Further more current study also examine moderating role of IWE between

organization justice and job satisfaction and found significant moderating role of IWE in mentioned variables of the study .

### **Limitations and Recommendations**

One of the main limitation of the study was the sample size of 321 subjects and their selection was based on random sampling while didn't consider differences whether respondents work in Islamic based organizations or conventional organizations .Very few Islamic based business organizations exist in Kabul who work under Islamic framework and secondly sample size was not that much enough to represent Kabul based government and private organizations of Afghanistan. Further studies should consider subjects selection based on Islamic organizations, Increase sample size in future studies with representations of different provinces. Future research should examine IWE with other variables like organization citizenship behavior, deviant workplace behavior, employees' performance and job stress. Future research may consider the following research questions to explore trends of religious impacts in Islamic and non-Islamic countries

Study has good implications for organizations' working and operating in Afghanistan specifically Human resource department to consider Islamic based Work ethics in their formal rules, policies, and procedures for satisfied and motivated workforce as individual level Kabul based employees have good orientation of Islamic philosophy of work but organizational level or system level there is a complete barrier or having no sound system for people to work under Islamic concept.

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