Islamic Working Environment, Organizational Commitment and Employee’s Job Satisfaction and Performance in Service Industry in Malaysia: A Conceptual Paper

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Abstract- This study investigates the role of organizational commitment as a mediator between the Islamic work environment and the employee’s job satisfaction and performance. The study was conducted through the review of previous literature on the variables. It was discovered that previous studies did not include Islamic values as part of their workplace environment framework and only investigate the effect of organizational commitment as the result instead of moderating variable. Thus, a new conceptual model is proposed which will include the Islamic workplace environment as the independent variable, job satisfaction and performance as the dependent variable and organizational commitment as the moderating variable. The model is expected to provide a better understanding to the organization, especially Multinational Corporations (MNC) in understanding the importance of providing Islamic workplace environment for their employees.

Keywords: Concept Paper, Islamic Work Environment, Organizational Commitment, Job Satisfaction, Job Performance

INTRODUCTION

Employees are tangible assets of organizations. They were engaged with the companies as long as they were satisfied with the rewards and benefits based on their performance. Previous studies agreed that employees show great commitment with high motivation when the organization fulfil employees’ needs and expectation (Haar & Spell, 2004; Salahudin, Baharuddin, Abdullah & Osman, 2016). However, in organization management, several elements somehow have been excluded from the routine especially among Muslim employees. There are a lot of cases regarding dissatisfaction of employees in performing their job. Some organizations did not consider employees’ religious belief and cultural lifestyle. For example, a few hotels did not allow their Muslim woman receptionists to wear hijab (Jaafar, 2017). Therefore, Lange (2014) conducted a cultural study within the entire firm to understand their motivation and satisfaction in performing their job. It is believed that employees who are supported by the Islamic work environment eventually show their commitment to their organization (Sahraei, Alipour, & Alipour, 2016). Based on a previous study, employees with a high Islamic work environment in terms of ethics show greater loyalty and engage with the organization (Salahudin et al., 2016) indirectly enhance the performance of the companies. Researchers viewed that the suitability of work environment in Islamic perspective is able to improve the organizational commitment and lead to job satisfaction as it is comprehensive,
moderate and realistic (al-Aidaros et al., 2013). Islam is particularly about honesty and fairness in transaction activities, thus requires a highly ethical businessman to be involved in business (Kaliffa, 2003).

Workplace environment, which includes the physical environment, dress code and job nature can affect employees’ job performance and satisfaction (Raziq & Maulabakhsh, 2014). Thus, failure to understand and fulfilling employee’s need can lead to poor employee’s job satisfaction and job performance. For example, the religious leader of Perlis, Datuk Dr Mohd Asri Zainul Abidin has raised his concern in Malaysia Airlines (MAS) stewardess dress code and work nature when they are forced to wear tight dress, not allowed to wear hijab and serve alcohol to the customers. According to him, it is an issue that always been brought up by the Muslim stewardess (Abidin, 2016). Thus, the issue has affected the job performance and job satisfaction of the stewardess.

As one of the most respected Muslim countries, it is very important for the organizations, especially those that work hand in hand with the government to portray this image. Although, past researchers have done a tremendous amount of research on the effect of workplace environment on job satisfaction and job performance, but very few have explored this concept by incorporating Islamic values into their framework. In order to address this issue, this study will look into this perspective and explore the relationship between Islamic working environment and employee’s job satisfaction and job performance.

Another issue that will be addressed through this paper is that this research will explore the function of organizational commitment as the moderating variable. Past research shows that organizational commitment as the result of job satisfaction and job performance (Subramaniam & Mia, 2003; Jernigan et al., 2002). However, this research intention is to examine the role of organizational commitment in strengthening the relationship of the proposed independent variable and dependent variables based on the justification that employees are expected to show their commitment when the employers are flexible in fulfilling intended working environment (Choo, Desa & Asaari, 2016). Thus, the research objectives and research questions for this research are:

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<th>Research Objectives</th>
<th>Research Questions</th>
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<tr>
<td>To examine the effect of Islamic workplace environment on job satisfaction and job performance</td>
<td>Does the Islamic workplace environment have a positive relationship with job satisfaction and job performance?</td>
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<tr>
<td>To examine the moderating effect of organizational commitment on the relationship between Islamic workplace environment, job satisfaction and job performance</td>
<td>To what extent does Islamic workplace environment relate to job satisfaction and job performance as moderated by organizational commitment?</td>
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This research was conducted through a review of academic journals on “workplace environment”, “organizational commitment”, “job satisfaction” and “job performance”. The articles will then be analyzed to find the titles, abstracts, keywords, frameworks as well as headings and subheadings. To gain a better understanding of the concept, a thorough review of the relevant journals were done on the articles published since 1974 to 2018 and the relevancy of previous studies and credentials of the authors have become the main selection criteria for the study.
LITERATURE REVIEW

A. Job Performance

In order to maintain a good work environment and keep up with the organization’s development, it is very important for organizations to make sure its performance management system works as a management device (Kamoche, 2001). Excellent employee’s performance management system has a positive relationship to the organization’s effectiveness (Stanto & Pham, 2014).

Job performance has been discussed vastly by the researchers, however, there is a limited number of consensus in term of the definition. According to Rotundo and Sackett (2002), job performance is defined as an employee’s initiative that contributes to achieving the organization’s goal. Employee’s job performance has a positive effect on organization’s revenue. Therefore, it is very important for the organization to ensure its employees give their best effort to ensure the success of the organization. Sinha (2004) argued that job performance is the extra miles taken by the employees that result in the increase of organization’s productivity.

There are many ways to measure employee’s performance, however, the majority of the employers measured their employee’s performance through performance review. Mavor, Broderick and National Research Council (1991) mentioned that job performance can be measured using three main key indicators which are outcomes, behaviors and personal traits. Thus, the employers should assess their employee’s performance by looking at their productivity, time management and leadership skills. Howell and Higgins (1990) added on the measurement by proposing two more indicators which include employee conflict management and competency.

There are many antecedents of job performance, which include rewards, knowledge, skills, attitude and many more. Stup (2003) suggested work environment as one of these factors that lead to the employee’s job performance. Therefore, it is very important to look into the effect of work environment on job performance by incorporating Islamic values into the framework.

B. Job Satisfaction

Job satisfaction is defined as a combination of either positive or negative feelings of employees towards the organization. This term also relates to the expectations of the employee towards the organization and the actual match of the real rewards that the employee received in return (Aziri, 2011). According to Davis and Nestrom (1985), job satisfaction is closely related to the behaviour of the employees in the workplace.

In another context, job satisfaction often relates to the feelings of the employees within the organization to achieve success on their job performance. Job satisfaction has a very concrete relationship on employee’s productivity and the well-being. If an employee is satisfied, enthusiastic with the work, it will lead towards job satisfaction. This is also further supported by Kaliski (2007) where, employees will achieve job satisfaction if they are satisfied with the recognition, salary and promotion offered by the organization.

According to George and Jones (2008), job satisfaction is the sum of the feeling, culture and beliefs that the employees have on their current job. This term is highly perceived as one of the critical factors when it comes to the efficiency and effectiveness of how organization
operates its daily business. Hence, it is vital for the organization to treat their employees at their very best to ensure that the organization could achieve competitive advantage (Aziri, 2011).

According to Bisk (2018), there are all together four implications of job satisfaction amongst employees. Firstly, it will lower the rate of turnover and create loyalty within the organization where if the employees are satisfied with their work, they will stay loyal with the organization for a longer period. Secondly, it will lead to higher productivity as employees who are satisfied with their job will give their very best to perform their job. Lastly, the revenue of the organization will increase as it is proven that employees who are satisfied will create a stronger bottom line which comprises of economy, environment and social gains which are vital in determining the business sustainability.

In general, there are two methods of measuring job satisfaction which are Minnesota Satisfaction Questionnaire and Job Description Index. The most widely used technique is job description index measuring factors like nature of the work, promotion and relationship amongst co-workers (Aziri, 2011).

According to Yusof, Yusof and Abbas (2017), Islamic working environment significantly contributes to the job satisfaction amongst employees within the organization as Islamic working environment encourages the employees to work even harder every day and via this environment also, the organization always appreciates the employee’s effort. Within the Islamic working environment, respecting each other’s feeling is utmost important in ensuring the satisfaction amongst employees towards the organization.

C. Islamic Workplace Environment

Workplace environment is defined as the surroundings of the work place (Rezaul, 2014). However, Sarang Bhola (2015) argued that workplace environment should be interpreted beyond the physical facilities provided by the employer and he classified workplace environment into four categories which are physical environment, social environment, psychological environment and job related issues. In Islam, providing a positive workplace environment is the responsibility of the employers. As mentioned by Ibn Majah, “It is the responsibility of the master (employer), to ensure the work given to his employees is easily fulfilled by them and they should not be given a job which will affect their health”.

Providing a religious friendly working environment is very important as it may provide morale and motivational support to the employees. Apart from providing assurance and comfortability for the employees to practice their faith. Hassan, Mohammad, Mohd, Rozilah and Ali (2015) wrote about the importance of religion in ensuring employee’s retention at the workplace especially to Muslim; the researchers wrote about the feasibility of Islamic accommodation in the workplace and its effect on employees leaving the company even though they are happy with their jobs. A report by the Society for Human Resource Management (2011) shows that a workplace that allows employees to practice their religions, wearing religious symbols and dress code, or any form of religious expression is more likely to retain the employees in the company.

To provide Islamic workplace environment, an organization should understand the basic needs of Muslim employees. The easiest way to understand the needs is to respect their obligations as a Muslim. The main obligations of a Muslim are to pray five times a day, fast in the month of Ramadhan, conduct alms-giving (Zakat), and perform pilgrimage to Mecca. Therefore, in order to create an Islamic workplace environment, the employees need to provide necessary facilities such as designated prayer room and allocate prayer time for their employees. Sacirbey (2011) elaborated on how Chicago Health Insurance reserves its
meeting room twice a day for thirty minutes for their Muslim employees to be utilized as a praying room.

Accommodating is not enough; the employers should encourage employees to fulfill their obligations as a Muslim. According to Yazdi, Jafarzadehpur, Mirzajani and Nematy (2011), fasting individual’s vision might be slightly affected as a result of food restraining. Thus, the employers should provide a moral support and be more understanding towards their employees in the month of Ramadhan. Apart from that the employer can also provide religious class for interested employees during lunch time to enrich employee’s Islamic knowledge which in turn might increase employees sense of responsibility and commitment towards their job.

Positive Islamic workplace environment can also be created by showing appreciation to the employees especially on Muslim’s festive seasons and holidays. Two main religious holidays in Islam is Eid-ul-Fitr and Eid-ul-Adha. Employers should provide a time off for their Muslim employees to celebrate and spend their time with their family. Giulano (2008) argued Tyson Foods, granted a paid time off to their Somali employees on Eid-ul-Fitr.

Apart from that, other important initiatives can be done by an organization to create Islamic workplace environment are to allow the employees to express their belief through their dressing or provide a Sharia compliance uniform especially for the female Muslim employees. Moreover, Muslim employees should be prohibited from serving non-Halal products to the consumers such as alcohol, pork and etc. Last but not least, it is very important for the organization to know Muslim employees’ dietary restriction especially when they provided free food during any formal occasion to show a sign of respect to their employee’s belief.

Positive workplace environment can overcome all the productivity related problems such as absenteeism, sick leave and many more (Whitmore, 2015). According to Naharuddin and Sadegi (2013), employee’s job performance has a positive relationship with workplace environment. Chandrasekar (2011) argued that excellent workplace environment will affect the employee’s motivation and productivity. One of the ways to provide an excellent workplace environment is by allowing the employees to express their belief systems. Gelb and Longacre (2012) wrote, allowing the employees to practice their religion will increase their job performance. Thus, the first proposition is created:

**H1: Islamic working environment has a positive relationship with job performance**

Shravasti and Bhola (2015) argued that work environment plays an important role in fulfilling employee’s job satisfaction. Arman, Mastura, Shardy and Samsiah (2008) mentioned excellent workplace environment may lead to job satisfaction. Grim (2015) argued that workplace that offers religious classes and promote flexibility in religious practices will result in a higher job satisfaction among the employees. Therefore, the second proposition is created:

**H2: Islamic working environment has a positive relationship with job satisfaction**

### D. Organizational Commitment

The concept of organizational commitment has been long discussed in the academic field. Porter et al. (1974) defined the concept as an individual identification and involvement of their organization. The term was later being elaborated as employee’s emotional attachment with their organization due to the recognition of organization’s goal (Meyer &Allen, 1974). Organizational commitment plays a vital role in making sure the employee will stay with the organization, motivate the employee to go extra miles and understanding
the organization’s core values (Mowdy et al., 1979). Apart from that, organizational commitment also helps the employee to achieve challenging goal that has been set up by the organization because it will push them to go beyond their job description (Klein et al., 1999). Most importantly, organizational commitment will result in positive work behavior such as increased job performance, building employee’s satisfaction and low turnover (Cohen, 2003).

In past research, many studies have been done to examine the relationship between work environment and organizational commitment. Zafar and Chungtai (2006) mentioned that work environment is the antecedents of organizational commitment. This statement was cited by Baher and Ziabari (2014) through Delgoshaee, Tofighi and Kerman (2008) research that found organization that enhances work place surroundings will increase employees’ commitment towards their organization. According to Yusof, Yusof and Abbas (2017), the implementation of Islamic working environment will make organization appreciate the effort of the employees which will create a responsibility for the employees to give their full commitment to the organization. Based on this, below proposition is created for this research:

\[ H_3: \text{Islamic workplace environment has a positive relationship with organizational commitment} \]

Based on the above discussion, it can be simplified that organizational commitment can result in a greater job performance among the employees. Many researchers argued that organizational commitment is the main contributing factor to job performance (Subramaniam & Mia, 2003; Quirin et al., 2000; Nouri & Parker, 1996). According to Chong and Eagleton (2007), employees that have a strong connection with their organization will contribute more and provide extra effort to achieve organization goals because they believe that their performance will directly contribute to the organizations performance. Quirin et al. (2000) mentioned that employees who show high level of commitment will also provide high job performance. This discussion leads to the next proposition of this study, which is:

\[ H_4: \text{Organizational commitment has leads to positive relationship with job performance}. \]

Tremendous amount of research has been done in order to find the relationship between organizational commitment and job satisfaction (Jernigan et al., 2002; Lok & Crawford, 2001; Gaertner, 1999; Mowday et al., 1982). Although most of the research focuses on job satisfaction as the independent variables and organizational commitment as the dependent variables, Mowday et al. (1982) suggested to explore the relationship between these two variables in many other ways. Therefore, this research will analyze organizational commitment as the moderating variable to strengthen the relationship between Islamic working environment and job satisfaction. Based on the extensive literature review, the research proposition is as below:

\[ H_5: \text{Organizational commitment have a positive relationship with job satisfaction} \]
RESULTS AND DISCUSSION

The proposed model is based on affective events theory by Weiss and Cropanzano (1996) which explain the relationship between emotions and feelings in the workplace and job performance, job satisfaction and behaviors. According to Weiss and Cropanzano (1996), an individual is influenced and influencing the workplace environment. Since most of the theories discuss on the negative behavior of the employees at the workplace, this theory discusses about the positive attitude and its causes. The theory was chosen to serve as the framework because working environment that fulfills employees’ expectations will be the main predictor to employees’ job performance and job satisfaction. It explains the relationship between the working environment and employees’ internal motivations such as job performance, job satisfaction and organizational commitment (Wegge, Van Dick, Fisher, West & Dawson, 2006).

The framework proposed includes Islamic values as part of the working environment concept introduced by the western scholars to understand the importance of Islamic values and how it can be incorporated into working environment. Moreover, it is important to create a relationship between Islamic workplace environment and job performance and job satisfaction especially for organizations that operate in Muslim countries. The framework will contribute to Islamic management body of knowledge.

Although most of the research reported organizational commitment as the result of conducive workplace environment (Baher & Ziabari, 2014), this framework suggests that organizational commitment should be positioned as a construct that strengthens the relationship between Islamic workplace environment and employee’s job satisfaction and performance. Since organizational commitment is described as employee’s attachment and behavior towards organization; organization that provides an Islamic workplace environment will create a sense of responsibility for their employees to be committed. Thus, employees’ job performance and job satisfaction at the same time will be increased. Based on the discussion above, the research proposes organizational commitment as the moderated variable.
CONCLUSION

Providing Islamic working environment is vital for an organization to fulfill its employees’ needs and accommodate to its belief system especially when the organization has a majority Muslim employees. As a result, it is expected that the job satisfaction and job performance of Muslim employees will increase. By implying all the Islamic characteristics in working environment, the employees will feel appreciated.

REFERENCES


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