Unlocking Spirituality at Workplace through Islamic Work Ethics: Analyze Employees’ Performance in Islamic Banks

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Abstract. This study reveals the worth of spirituality at workplace by considering its factors (inner life, meaningful work and sense of community) in the context of Islamic work ethics for investigating employees’ performance. The data was collected from 347 serving middle line managers of Islamic banks across major cities of Pakistan. SPSS 21 was used to analyze the data through correlation, multiple regression and moderated regression analysis with appropriate data normality and independence. The results revealed that two determinants of spirituality at workplace (meaningful work and sense of community) create significant positive impact on employees’ performance. On the contrary, the third determinant (inner life) exhibits insignificant effect on employees’ performance. It is also established that Islamic work ethics do not moderate the relationship between inner life and employees’ performance; however, a moderation effect of Islamic work ethics is found in the relationship between meaningful work and employees’ performance as well as sense of community and employees’ performance. Thus, implications for Islamic banks have been discussed in particular and other organizations in general to uphold spirituality at workplace and Islamic work ethics for sustaining performance standards across all quarters.

Key words: Spirituality at workplace, Islamic work ethics, Employees’ performance, Islamic Banks

KAUJIE Classification: H54, L25, T4.
GEL Classification: N3, M5.

1 INTRODUCTION

Modern era is overwhelmed by social, environmental and economic problems resulting from greed for self-interest and lack of compassion and love for others. Such huge problems pushed individuals for a rehabilitated search of peace, harmony and to find fundamental spiritual journey (Cacioppe, 2000). Spiritual approach emphasized that people work not only with their hands, but also with involvement of their heart and spirit (Ashmos & Duchon, 2000). In recent years, organizations have witnessed most important changes in their organizational structure and design. Such changes triggered work environment in which employees feel low level of sense of community. As a result, organizations face problems in building suitable work community among co-workers and an environment where employees can exhibit their overall capacity (Brandt, 1996; Driver, 2005).

Petchsawange and Duchan (2012) identified that workplace spirituality focuses on different activities at work considering meaningfulness, personal development, joy at work,
compassion, trust, commitment, honesty and well-being of employees. Similarly, Ashmos and Duchon (2000) revealed that inner life, meaningful work and sense of community are three important constructs of workplace spirituality. Scholars of past empirical studies indicate that workplace spirituality, generally known as spirituality at workplace, is brought into practice through different programs by many successful organizations e.g.; DuPont, At & T, Apple Computers, Chase Manhattan Bank (Cavanagh, 1999), World Bank (Laabs, 1995), Ford Motor Company, Hawlett-Packard and Toms of Marine (Burack, 1999). However the notion of workplace spirituality in developing countries like Pakistan which are infested in illiteracy and business intolerance is still outlandish.

Zafar (2010) investigated workplace spirituality and religiosity in Pakistani organization. He found workplace spirituality in practice to some extent, but failed to find any organization where workplace spirituality was being followed in true letter and spirit. Ajmal and Irfan (2014) revealed that significant positive association existed between Islamic work ethics (IWE) and job performance. Wahab (2017) argued to consider IWE with personality traits of Muslim employees, rather that of the Non-Muslims employees. Gocen and Ozgan (2018) supported to extend the significance of spirituality at workplace in context of IWE for better performance. Thus, implementation of Islamic work ethics through spirituality at workplace is pivotal for performance of individuals.

Since decades, the concept of workplace spirituality has engrossed massive consideration in different sectors of economy and specifically in banking industry. In spite of the efforts made at implementing the workplace spirituality, it is difficult for the organization to improve the overall performance of their employees (Garcia, 2003; Usman & Danish, 2010). On the other hand, IWE provide a standard to all the followers of Islam by advocating the principals of work environment (Ali & Al-Owaihan, 2008). The Holy Quran also emphasized the standing of ethics frequently as “You are the best nation has been raised up for mankind; you enjoin right conduct, forbid evil and believe in Allah” (3:110). Thus banking sector in Pakistan, being an Islamic country, has witnessed a rapid shift towards implementation of Islamic sharia laws. Al-Arimi et al. (2016) argued that moderating role of IWE while considering the association of workplace spirituality has not yet received considerable attention. Therefore, taking this opportunity as a gap, the present study investigated the impact of workplace spirituality on employees’ performance while considering IWE as moderator in Islamic banking industry.

The said research gap has been explored under Virtue Ethics theory by Aristotle (Sherman, 1989) as overarching theory in this study, which is further augmented by Expectancy theory of Motivation (Vroom, 1964). As Rachels (1993) argued that Aristotle was the strongest followers of virtue ethics theory who suggested some ethical traits that every individual should have e.g; self-control, modesty, fairness, justice, friendliness, generosity, loyalty, self-confidence and tolerance. This study is based on the principals of ‘virtue ethics theory’ by using the moderating role of Islamic work ethics, as Islam ponders both virtuous ethics and ethical actions in combination (Mohammad, 2005). In Islam, every Muslim must perform in accordance with certain ethical characteristics that are sourced from Quran and Sunnah. Moreover, ‘expectancy theory of motivation (Vroom, 1964) provides a deeper understanding of work related variables such as job performance, job effort, morale, needs fulfillment and motivation for effective performance (Wabba & House, 1974; Vroom, 1964) duly pursued under IWE.

Consequently, this study intends to contribute to the existing body of knowledge by bridging moderating role of Islamic Work Ethics across spirituality at workplace and employees’ performance. This clarifies the misconception of spirituality at workplace to be treated as
religious construct, rather to be considered as performance oriented mechanism across workforce (Gocen & Ozgan, 2018). Similarly, the contribution of present study to Islamic banking literature is two-fold. First, this study provides a framework that will be helpful in knowing the influence of IWE in strengthening the association of workplace spirituality and employee’s performance in Islamic banking industry in Pakistan. Secondly this research could also provide useful insights for policy makers and banking professionals to make strategies to device workplace spirituality (Ozgan, 2017) in accordance with IWE, so as to increase employee’s performance at workplace.

Therefore, as various scholars emphasized that workplace spirituality can play a pivotal role in achieving employees’ performance in banking sector of Pakistan, the primary objective of present study is to determine the impact of inner life, meaningful work and sense of community as factors of workplace spirituality on employees' performance. Moreover, as Islamic principles completely cover all prospects of life including working in any organization; thus, the present study also aims to investigate the moderating role of IWE on determinants of workplace spirituality and employees’ performance relationship.

2 LITERATURE REVIEW

2.1 Spirituality at workplace

Workplace spirituality is a philosophy used in various contexts that pursues to unfold and identify relationship of meaning, interconnectedness and a sense of balance within life at workplace (Prabhu et al., 2017). In academics, workplace spirituality concept has been considered in many ways making it hard to find a comprehensive definition (Tischler et al., 2002). Ashmos and Duchon (2000) defined workplace spirituality as “the appreciation that employees have an inner life that nurtures and is nurtured by meaningful work that takes place in the context of community”. Therefore, in present study, inner life, meaningful work and sense of community are utilized as determinants of workplace spirituality because these three independent elements have been tested in connection of different variables (Duchon & Plowman, 2005; Rego & Cunha, 2008; Rego et al., 2007) and provide stingy approach in consideration of job performance of employees:

2.2 Inner life and Employee’s Performance

Inner life establishes a significant aspect of workplace spirituality. Prabhu et al. (2017) stated that the notion of inner life is stimulated by the certainty that every individual comes at workplace along with all aspects of character. Consequently, employees expect freedom and options at workplace to express every aspect of their life. This concept of spirituality pursues countenance of spiritual aspects of individuals at workplace. Similarly Ashmos and Duchon (2000) considered the spirituality is the field of inner awareness where individuals express themselves as they work with a feeling of interconnectedness, harmony and oneness.

Malphurs (1996) indicated that a person is not supposed to work for any institution either sacred or secular, whose institutional values are not shared by him or her. However, McCarty (2007) indicated that due to workplace spirituality (inner life) the overall confidence and productivity of employee increased that, in turn, resulted in decreased employee turnover. According to Altaf and Awan (2011), workplace spirituality is different from spirituality itself as it is the well-being of individuals in terms of spirituality at workplace including different factor which influence employees’ satisfaction and performance. Therefore, based on previous discussed literature, following hypothesis is developed for further exploration.

\[ H_1: \text{Inner life is positively related with employees’ performance.} \]
2.3 Meaningful Work and Employee’s Performance

Prabhu et al. (2017) maintains that significance of work upholds the dimension of spirituality at workplace known as meaningful work. This explains the degree of employees’ understanding to consider their work valued and important for their own and others benefit. Therefore, the consideration of meaningful work is an exploration of self-worthiness, values and purpose. Many scholars focused on the worthiness of job activities of employees that are being performed on workplace. Morse and Weiss (1955) argued that meaningfulness at work implied that apart from a source of the livelihood, job of an employee is to pursue in-depth meaning in work to attain efficient performance. Thus, when work is considered as passion, it turns out to be more expressive and results in subsequent rise in overall productivity and assurance (Paloutzian et al., 2003; Reave, 2005)

Moreover, Petchsawang & Duchon (2012) argued that when people work with full commitment and spirit, they find meaning and purpose in their work which ultimately means that the workplace can be a place where people can express their whole or entire selves. Thus, while expressing human experience deeply, in the most cases, spiritual level resulted in reduction of stress, conflict, and absenteeism, and also enhanced work performance (Krahkne et al. 2003) and employee’s well-being and quality of life (Karakas 2010). Likewise Krishnakumar and Neck (2002) identified that workplace spirituality enhanced creativity, personal fulfillment and commitment of employees, which led to increased employees’ and organizational performance. Therefore, on the basis of aforementioned arguments following is hypothesized.

H₂: Meaningful work is positively related with employees’ performance.

2.4 Sense of Community and Employee’s Performance

The third dimension of spirituality is sense of community which is also regarded as connectedness with colleagues at workplace and gaining spiritual growth and interconnectedness with others (Marques, 2005). Naylor et al. (1996) proposed community as an engagement of independent people that are dedicated to support and foster each other through participation in terms of body, mind, heart and soul.

According to McMillan and Chavis (1986), community means common faith and sense of belongingness among coworkers. Past empirical studies revealed that employees prefer the workplaces where they are comfortable in feeling as part of that community (Miller, 1998; Mirvis, 1997; Pfeffer & Veiga, 1999). Shared sense of purpose and values trigger employees to unite as they can experience a strong feeling of connectedness (Chappell, 1993). Moreover, Fry (2013) argued that engagement of organizations in “high commitment workplace spirituality practices” provided benefits to both individual as well as organizations. In the same way, Duchon and Plowman (2005) stated that when employees exhibit a strong sense of belonging to a community, the overall performance of employees increased. Thus, based on aforesaid arguments following hypothesis is developed to explore the relationship of sense of community and employees’ performance.

H₃: Sense of community is positively related with employees’ performance.

2.5 Moderating role of Islamic Work Ethics between inner life and employee’s performance

Islamic work ethics (IWE) refer to a comprehensive concept covering all the aspects prevailing in organizational structure including commitment, team work, flexibility, trust in subordinates, effort, loyalty and hard work as these are life line of an organization for continuous
improvement. Athar et al. (2016) argued that the ultimate message of Qur‘ān and Sunnah instructs and orders the best of ethics in social as well as economic life of an individual. Quran (3:110) says, “You are the best of peoples, evolved for mankind, enjoining what is right, forbidding what is wrong, and believing in Allah and let there be from you a group inviting to all to that is good, enjoining what is right (ma‘rūf) and forbidding what is wrong (munkar)”.

Abdi et al. (2014) investigated the influence of Islamic work ethics on job performance and organizational commitment and found that IWE had significant positive impact on the job performance. They argued that organizations must emphasize on implementation of Islamic work ethics to safeguard continuous progression and prosperity. Ali (2001) and Al-Kasemi and Ali (2002) also suggested that for successful growth and development of Muslim societies, implementation of Islamic work ethics is much necessary.

According to Rego (2007) when employees feel that organization provides opportunities for their better inner life, employees, in response, develop great loyalty, commitment, effort and productivity, thus contributing to better organizational performance. Andrisani and Parnes (1983) also suggested that work ethics had a significant positive impact on job performance and the level of job satisfaction of employees. After thorough study of existing literature moderating role of Islamic work ethics was not to be empirically tested between the relationship of inner life and employees’ performance. Therefore, following hypothesis has been developed to explore this relationship.

\[ H_4: \text{IWE moderate the relationship between inner life and employees’ performance in such a way that the relationship is stronger when IWE are high.} \]

2.6 Moderating role of Islamic Work Ethics between meaningful work and employee’s performance

Sadozai (2013) investigated the IWE as moderator due to the reason that the same provide guidelines to believer of Islam, which influence and enhances their capability to perform at workplace. Findings of study revealed that employees working at public organizations in Pakistan are enthusiastic with the idea of implementing Islamic ethics at workplace and found a positive and increased employees’ outcome with lesser rate of turnover in all type of organizations.

Bowie (1998) followed by Immanuel Kant argued that any work can only be considered meaningful when it is done without undue pressures providing employees to perform with independence and empowerment which, in turn, enhances their capacity, get sufficient salary along with moral development. Al-Aidaros et al. (2013) argued that Islamic work ethics are set of complete and truthful values that moderate the association of different factors involved. Islamic perspective of ethics covers all aspects of human life including spiritual, physical and moral doing of individual and collective concerns. Therefore, following hypothesis has been developed to explore this relationship between the meaningful work and employees’ performance.

\[ H_5: \text{IWE moderate the relationship between meaningful work and employees’ performance in such a way that the relationship is stronger when IWE are high.} \]

2.7 Moderating role of Islamic Work Ethics between sense of community and employees’ performance

Sanders (2004), argues that individuals gain identification when they help each other within the organization to achieve larger interest and objectives of the organization. Thus, creating such
environment in the organization that makes organizational atmosphere friendly for employees so that they remain interconnected and its implementation in true sense is the core responsibility of organizational leaders. Scholars further argue that employees’ behavior and attitude are strongly influenced by existence of IWE which help them to distinguish the right and wrong doings at workplace (Ghorbani et al., 2014). According to Abbasi and Rana (2012), attitude of involvement in unethical activities is one of the reasons of unproductive and unsuccessful activities at workplace as employees with such behavior accomplish their decisive anticipated comforts out of greed and selfishness (Ajmal & Irfan, 2014).

Implementation of IWE at workplace is pivotal as performance of individuals acting upon the IWE is much higher as compared to those of unethical one. It suggests a significant positive influence of IWE on organizational performance and job performance (Mohammad, 2005). After thorough study of existing literature moderating role of IWE was not found in relationship between the sense of community and employees’ performance, thus following hypothesis is explored:

H_6: IWE moderate the relationship between sense of community and employees’ performance in such a way that the relationship is stronger when IWE are high

Conceptual Framework

3 RESEARCH METHODOLOGY

The quantitative research method was applied by conducting a relational survey (Kerlinger & Lee, 2000) design through self-administered questionnaire to explore the degree of association among variables (Wiersma & Jurs, 2005). The selected respondents were middle line managers because of their linkage with personnel from top and bottom sides in geographically spread Islamic banks across major cities of Pakistan (Usman & Danish, 2010). Due to specific focus on serving middle line managers, the non-probability sampling technique known as convenience sampling was executed (Battaglia, 2008). Thus, sample size of 347 fully responded questionnaires was considered out of the targeted 480, yielding a sufficient response rate of 72.29% (Singleton & Straits, 2005). Therefore, Islamic banks in major cities including
Islamabad, Rawalpindi, Lahore and Faisalabad executing general banking facilitation to target clients were considered.

Moreover, the demographics of middle line managers were controlled in accordance with finding by Allworth and Hesketh (1999) to seek impartial feedback regarding variables under study. The descriptive statistics of respondents’ demographics depict that the respondents possessed sufficient experience, qualification, age with mostly male dominance and married status to provide sufficient feedback on variables under study. The adopted and adapted questionnaires measured on likert scale along-with results extracted from SPSS 21 analysis are as under:

**Inner life** has been measured using a five-item scale based on the studies by Ashmos & Duchon (2000). A sample item is “I feel hopeful about life”. The Cronbach’s alpha of the instrument is .77. **Meaningful work** has been measured using a seven-item instrument based on the studies by Ashmos & Duchon (2000). A sample item is “I experience joy in my work”. The internal consistency reliability of meaningful work is .84. **Sense of community** has been measured on nine items scale adopted from Ashmos & Duchon (2000). A sample item is “My immediate work unit cares about whether my spirit is energized by my work”. The alpha reliability of sense of community is .79. **Islamic work ethics** has been measured through seventeen item instrument adopted from Ali (1992). A sample item is “Life has no meaning without Work”. The Cronbach’s alpha of Islamic work ethics is .70. **Employees’ performance** has been measured with eight item instrument based on the studies of Tessema and Soeters (2006). Sample item from this scale included “My performance is better than my colleagues with similar qualification”. The internal consistency reliability of employees’ performance is .84.

### RESULTS

Table 1: Reliability and Correlation Analysis of variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>1 (IN)</th>
<th>2 (MW)</th>
<th>3 (SOC)</th>
<th>4 (IWE)</th>
<th>5 (EP)</th>
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<tbody>
<tr>
<td>1 IN</td>
<td>(.60)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2 MW</td>
<td>.102**</td>
<td>(.77)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 SOC</td>
<td>.117*</td>
<td>.649**</td>
<td>(.80)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 IWE</td>
<td>.034*</td>
<td>.049*</td>
<td>.110</td>
<td>(.78)</td>
<td></td>
</tr>
<tr>
<td>5 EP</td>
<td>.113*</td>
<td>.502**</td>
<td>.497**</td>
<td>.193**</td>
<td>(.84)</td>
</tr>
</tbody>
</table>

IN = Inner life, MW = Meaningful work, SOC = Sense of community, IWE = Islamic work ethics, EP = Employees’ performance, ns = not significant, *p<.05, **p<.01, alpha reliabilities in brackets, n = 347

Table 1 reports the reliability and correlation analysis of the study variables. The values possess sufficient reliabilities, in accordance with Warmbrod’s argument (2001) to retrieve slightly low reliabilities with less number of questionnaire’s items against respective variables. Moreover, the correlation coefficients are not more than 65%, representing appropriate association among study variables, as per predicted hypothesis.
### Table 2: Multiple Regression Analysis

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Employees’ Performance</th>
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<tbody>
<tr>
<td></td>
<td>β</td>
<td>R²</td>
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<td><strong>Step 1</strong></td>
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<tr>
<td>Control variables</td>
<td>.019</td>
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<td><strong>Step 2</strong></td>
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<tr>
<td>IN</td>
<td>.064ns</td>
<td>.312</td>
<td>.293***</td>
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<tr>
<td>MW</td>
<td>.336***</td>
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<tr>
<td>SOC</td>
<td>.301***</td>
<td>.312</td>
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</table>

**IN = Inner life, MW = Meaningful work, SOC = Sense of community, IWE = Islamic work ethics, ns = not significant, *p<.05, **p<.01, ***p<.001 N = 347**

Table 2 represents predicted effect of independent variables on dependent variable through multiple regression analysis. Initially the demographics were controlled and showed of R² being 1.9% and then β values for respective independent variables were mentioned showing unit change in dependent variable with t value of 1.34, 4.18 and 4.05 and aggregate R² of 31.2%. The significance and non-significance status against β values clearly shows the acceptance of H₂ and H₃ with rejection of H₁.

Moreover, the F value is 48.071 showing goodness of fit, Durbin Watson = 1.866 showing independence of data as values lie between 1.5 to 2.5; Value of Tolerance lies above .20; Variance Inflation Factor (VIF) is less than 2.5; PP plot values for dependent variable lie on the normality line, in accordance with Garson (2012) recommendations to analyze multicollinearity, normality of data and data independence.

### Table 3: Moderated Regression Analysis

<table>
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<th>Predictors</th>
<th>Employees’ Performance</th>
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<tbody>
<tr>
<td></td>
<td>β</td>
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<td><strong>Step 1</strong></td>
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<td>Control variables</td>
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<td><strong>Step 2</strong></td>
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<td>IN</td>
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<tr>
<td>MW</td>
<td>.351***</td>
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TABLE 3

| SOC  | \( \text{N} = 347 \) |
|------|----------------|-------|-------|
| IWE  | .274***        | .338  | .319***|
| Step 3 |                |       |       |
| IN × IWE | -.002ns        |       |       |
| MW × IWE | .025**         |       |       |
| SOC × IWE | .016*          | .359  | .020**|

IN = Inner life, MW = Meaningful work, SOC = Sense of community, IWE = Islamic work ethics, ns = not significant, *p<.05, **p<.01, ***p<.001

Table 3 represents moderated regression analysis. Initially the demographics were controlled showing \( R^2 = 1.9\% \); then \( \beta \) values for respective independent variables and moderator were mentioned showing unit change in dependent variable with \( t \) value of 1.30, 4.44, 3.74 and 3.66 and aggregate \( R^2 = 33.8\% \). After that interaction terms were regressed; it depicts the significance and non-significance status against \( \beta \) values and \( \Delta R^2 \) of 2.0\%, clearly showing the acceptance of \( H_5 \) and \( H_6 \) with rejection of \( H_4 \).

Moreover, the \( F \) value is 40.743 showing goodness of fit, Durbin Watson = 1.91 showing independence of data as values lies between 1.5 to 2.5; Value of Tolerance lies above .20, Variance Inflation Factor (VIF) is less than 2.5; PP plot values for dependent variable lie on the normality line. This is in accordance with Garson (2012) recommendations to analyze multicollinearity, normality of data and data independence. The interaction plots are mentioned below for consideration of high and low value of moderator, accordingly:

### DISCUSSION

Based on Aristotle’s Virtue Ethics theory (Sherman, 1989) and Expectancy theory of motivation (Vroom, 1964) this study has pursued to determine the impact of work place spirituality on employees’ performance with Islamic work ethics as moderator. Empirical evidence supported most of the proposed hypothesis of the present study.

The first hypothesis of study that inner life is positively associated with employees’ performance (\( H_1 \)) was not supported. This result is not in line with past empirical studies that
indicated that the employees emotionally attached with such organizations that allow them to exhibit their inner self, perform beyond the call of duty. This contradictory result is due to the fact that Pakistan is a collectivist society (Hofstede, 2011) and socio-economic conditions of Pakistan remain unstable. Moreover, in Pakistan, mostly there is only one earning hand in family. Thus, for livelihood individuals have adopted a materialist approach towards life and work, and as such they are tilted more towards monetary gains and acquisition of resources as a part from spiritual gains. Thus, according to conservation of resources theory (Hobfoll, 1989), individuals drive into psychological stress that might occur in three instances, namely when there is a threat of a loss of resources, an actual net loss of resources, and a lack of gained resources following the spending of resources.

Therefore, in this perspective, employees in a state of stress spend all of their time in management of resources and pay less attention towards performance and other ethical values at workplace. Moreover, in Islamic banking sector, the middle line managers are sometimes overburdened due to irrational business targets and threats with regard to loss of job given by the management of private sector banks, family work conflicts and resources deficiency. The individuals feel stressed and they even don’t have proper time to exhibit spirituality at workplace. As per expectancy theory of motivation, individuals adopt a selective behavior because they are motivated to adopt it (Vroom, 1964). Thus at workplace middle line managers have adopted a behavior of self-centeredness due to the prevailing circumstances and their overall focus is on strengthening their financial health.

While investigating the impact of meaningful work on employee performance (H2), the relationship has been found though positive, but relatively weak. Here, the results are in line with the findings of Bowie (1998), who also established that meaningful activities at workplace create interest in job, and organizations earn more due to higher level of job performance. Similarly, Wrzesniewski (2003) found that the employees, who drive the most meaning from their work, i.e. feel called to their jobs experience higher job satisfaction; and because job satisfaction is often linked to performance, there could be a relationship between work performance and workers who see their work as “calling”. Long and Mills (2010) also argued that for the prosperity of both individuals as well as organizations focus on workplace spirituality is significant and necessary. Moreover, as per expectancy theory of motivation (Vroom, 1964), individuals will behave or act in a certain way because they are motivated to select a specific behavior over other. Thus, in Islamic banking industry, employees find their work meaningful which enables them to be motivated to perform better by participating in organizational activities for achieving the overall goals of their financial health.

Significant positive relationship has been found between sense of community and employees’ performance; thus H3 is supported. This result is in line with past empirical studies and indicates that a direct relationship exists between sense of community and job performance of employees (McMillan & Chavis, 1986). Similarly, few scholars have argued that for future organizational life and social change, spirituality, aspiration for meaningful work and employee’s job satisfaction are critical elements (Karakas, 2009; Giacalone & Jurkiewicz, 2003). In support, Komala and Ganesh (2007) in an empirical study stated that individual spirituality at work has a significant positive impact on job satisfaction. Therefore, it can be revealed from the results that to participate and grow in a society, employees require an environment where they are connected like a family, an atmosphere free from greed, personal gains and politics, to gain maximum return for every individual which might be available in Islamic banking industry following the principals of Islamic sharia.
Moderating role of Islamic work ethics (IWE) in the relationship between inner life and employee’s performance (H4) was found insignificant as per the results of the data set of present study. Basically, as no significant relationship was found between inner life and employee’s performance, thus the presence of IWE do not change the mind set of employees and they are busy in monetary gains without taking into consideration the IWE. Moreover as per conservation of resource theory (Hobfoll, 1989), the management and acquisition of resources ultimately results in job burnout, as it directly affect one’s mood and inner life. Although, appropriate IWE stimulate performance with much inner strength (Gocen & Ozgan, 2018), but the present results depict that lacking of inner life satisfaction affects IWE consideration as well. Thus, IWE related principles have no impact on individuals that are already working with stressed mind (Wahab, 2017). The results are also not in line with Aristotle’s virtue ethics theory that emphasizes virtue and moral characters more as compared to duties and rules (Sherman, 1989). But, as a few norms of conventional banking still prevail in Islamic banking sector, employees focus more on fulfilling their respective duties without taking into consideration the ethical concerns. The same fact is supported in other service oriented occupations, wherein spirituality at workplace was tested, resulting in non-significant association against desired performance (Sarmad & Bashir, 2016).

The results for the moderating effect of IWE in the relationship between meaningful work and employees’ performance (H5) are as expected. Thus, the observed positive relationship between meaningful work and employees’ performance is stronger when IWE are high. Khan et al. (2015) indicated that according to IWE, the organizational goals are considered as moral obligations and it’s the responsibility of employees to achieve them even in stressful situations. Vasconcelos (2009) indicated that employees’ perceptions, behaviors and decisions are influenced by tenets of religion. Moreover, in accordance with Aristotle’s virtue ethics theory more emphasis is given on virtue and ethical principles in comparison to obligations and responsibilities (Sherman, 1989). Thus, McCarty (2007) also argued that the participants had reported very interesting results from prayer meetings, which ultimately increased employee morale and productivity, and decreased employee turnover. Therefore, in Islamic banking industry when IWE are high, employees are engaged in meaningful activities at workplace and work in accordance with Islamic principles that ultimately results in job satisfaction and higher performance.

The results for the moderating effect of IWE in the relationship between sense of community and employee’s performance (H6) are in accordance with expectations and thus moderation is found significant. Following the virtue ethics theory of Aristotle as conceptual foundation, this study discovers that exhibition of sense of community at workplace can be managed by implementation of IWE (Sherman, 1989). Debeljak et al. (2008) argued that Islamic work ethics is a way to do a job and consider work as significant strength in the life of an employee. It has direct significant association with employees’ performance (Jalil et al., 2010). Islamic work ethics help in raising level of satisfaction of employees making them more committed and devoted towards work. The appropriate level of performance is pursued, since employees are supported in accordance to the principals laid down in the sharia. Thus, employees’ focus on IWE is augmented to cover-up and balance any lack in interconnectedness among co-workers at workplace to maintain and achieve better performance.

4.1 Practical Implications

The findings of this study have clear implications for policymakers and higher management that can be helpful in attaining Islamic banking goals in terms of performance not only at individual
level but also at organizational level as a shared vision. As Islamic work ethics and workplace spirituality play a pivotal role in terms of performance, so orientation of staff as well as management is recommended to attain continuous benefits with keen focus on employees’ inner life experiences to sustain and to progress towards common vision in Islamic banking.

The management at Islamic banks should understand that the concepts of acceptance and affection within the context of affiliation develop individual’s inner peace, which supports progress and has direct impact on employees’ performance. Similarly management of Islamic banks should pursue trainings for spiritual development across all quarters for better performance of employees.

4.2 Limitations and Directions for Future Research

The main limitations are that the data was collected form a single source (i.e. questionnaire); thus, there is a potential for common method bias and generalization of study. Multiple data sources might be consider by future researchers to remove possible biases. Apart from middle management, the participants with minimal work experience and senior management with extensive life experiences may be considered to get much better insight of this concept. Furthermore, as workplace spirituality and employees’ performance are qualitative constructs as well, therefore, qualitative approach may be used to better quantify the effects of workplace spirituality on performance measures of employees as well as organization. The sample size may be increased to sustain validity of measurement model in all perspectives.

Further research is suggested by extending the investigation to blue color employees, considering a special pillar in organizational growth. Such working class is an integral, but under privileged part of any organizations. Combining them with white color employees will not only disclose interesting facts regarding their perception about Islamic work ethics and workplace spirituality, but also give them confidence to work in organization with whole self.

References


