Impact of Islamic Value as Strength of Human Resources Management Practice on the Organization Commitment; Conceptual Framework

Zienab I. Balla[1]*, Rosima Alias[2], Abdul Aziz Mat Isa[3], Omar S. Zaroog[4], Yousif Osman[5]

[1]Department of Management, Universiti Tenaga Nasional, Malaysia, [2]Department of Management, Universiti Tenaga Nasional, Malaysia, [3]Department of Language, Universiti Tenaga Nasional, Malaysia, [4]Department of Mechanical Engineering, Universiti Tenaga Nasional, Malaysia, [5]Department of Economics, King Faisal University, Saudi Arabia. *Email: znbmy17@gmail.com

ABSTRACT

The aim of this paper focuses on the implementation of Islamic human resources management (HRM) practices in organizations to boost the knowledge, performance, trust, commitment, and loyalty of employees to work smoothly with the group supervisor. In addition, these practices aid management to improve employee performance and commitment to establish a long-term association with the organization. This association greatly affects organizational outcomes for both employees and the organization to achieve their goals. Islamic HRM practices are based on Islamic principles and include various processes such as recruitment and selection, training and development, and performance appraisal. The study come out with a framework for the impact of Islamic values as strength of human resource management practice on the organization commitment.

Keywords: Human Resurse, Islamic Value, Commitment
JEL Classification: M10

1. INTRODUCTION

There are two issues that interconnect Islam and the organizational management standards. First is the description of decision-making styles in Islam that stresses on the principle of consultation (Shura), and Islamic core values such as the principles of trust (Al-Amanah), honesty (Al-side), justice, team work and cooperation (Al-Ta'waan), fairness in dealing with employees (Al-adl), and perfection/excellence (Al-Ikhlas). Second is the stretching gap between the reality of the workplaces in Islamic countries and the normative Islamic core values (Abuznaid, 2009). With the alliance of thoughts of Rice (1999) and Bashir (1998), three basic values of the Khilafah, Tawheed and Justice were provided that resulted in generally applicable business practices. They also added that Islam is primarily based on three key principles that include the caliphate (Khilafah), monotheism (Tawheed) and the Justice (Al-adl), which form the foundation for destination (Maqasyid) and strategy of Islamic economics. Monotheism is the keystone of Islamic beliefs. It states that everything created has a rationale and humans are the caliph of God on Earth, and have been blessed with all the accessories. The researcher defined piety (Taqwa) as the consequence of man's deep faith in Allah and fear of Him, fear of His punishment, His wrath, and hope of His mercy and His reward. The most important psychological principles include brotherhood, mercy, unselfishness, and courage. In Islam, brotherhood refers to the psychological bond that infuses the sense of love for all who are related with the individual through their bonds of faith in Islam. Mercy in Islam is not restricted to Muslims only, but encompasses forgiveness to all. Unselfishness is the psychological attribute that persuades an individual to prefer others over oneself. Hence, it is no surprise that the Qur'an commands forgiveness in many verses of the book of Allah Almighty. Courage: The Qur'an says that Allah praises those who fear none but Allah.

Islam refers to ethics that is an offshoot of Iman (a Muslim belief system), and it arises from the Islamic interpretation of human

life. Ethics (Akhlak) is a set of Islamic moral values which have been advocated profoundly in the Quran and fulfilled by Prophet Muhammad (PBUH) during his lifetime (Wan-Hamat et al., 2013). Principally, there are two kinds of Akhlak, good (Mahmudah) and bad (Mazmumah). Islam lays emphasis on the necessity and importance of practicing good akhlak (Mahmudah) in all areas of human life and regards it as one of the purposes of human life. His messenger Prophet Muhammad (PBUH) said: "I have been sent only for the purpose of perfecting the qualities of good akhlak" (Imam Malik). The term most closely associated with ethics in the Quran is khuluq (Beekun, 1997). Allah says in the Quran: "And thou (standest) on an exalted standard of character" (68:4).

To refer to the idea of goodness, the Quran also uses an array of terms, such as birr (righteousness), khayr (goodness), haqq (truth and right), qist (equity), ma'ruf (known and approved), "Adl" (equilibrium and justice), and "Taqwa" (piety). Impious actions are termed as sayyiat and pious actions are termed as salihat. Khan et al. (2015) explained that the values and principles of Islamic ethics in human resource management includes seven principles of brotherhood and righteousness (al ukhuwah and al-ihsan), the fulfillment of the contract (ifa al' aqd), justice and fairness (al 'adl), reasonable compensation (al ujroh), the right humans (haquq al 'ibad), trust and honesty (al amanah and al ikhlas), and cooperation (al ta'waan).

It was reasoned by Nor-Azzah and Zaidi (2011) that as God owns all, riches are provided to men to be apportioned correctly. Men only act as executors and overseers who manage its abundance. Thus, it is the responsibility of all Muslims to arrange for the sensible management of their riches according to Islamic values. And yet, avarice and a focus on wealth can result in the overriding of the halal and haram tenets. Thus, unsupervised fortune results in dissipation, fraudulent behaviours, or the immobilisation of those very riches. Concentrating on the facets of worth will meaningfully ensure that riches are derived from a halal or rightful source, are employed in the manner of Allah, and are methodically arranged, beneficially exploited and justly supervised to provide for the future and hereafter. Truly, the tenets of gratefulness, responsibility, wisdom, fairness, diligence, fruitfulness, and providence are to be valued by all Muslims. These will help to direct the arrangement, expenditure and supervision of riches in wisdom, towards ensuring good fortune on this earthly world and in the hereafter (Morteza, 2012).

McGunnigle and Jameson (2000) emphasised that many researchers refer to organisational commitment as one of the most dominant themes of human resources management (HRM) literature. In the common HRM literature, selection of talent or recruitment is often considered as important in attaining employee commitment. In much of the HRM literature, employee training and development are also closely connected with employee commitment. Guest (2002) affirmed that high levels of employee commitment are found to have close relationships with the application of "appropriate" HRM practices. As stated by Chew and Sharma (2005) and Joiner and Bakalis (2006) managers are relentlessly trying to find ways to improve the level of employees' organisational commitment because it is linked with

several desirable outcomes, such as reduced turnover, reduced absenteeism, increased job performance and improved firm performance.

Since Islam believes that work is an important element of man's success in his life, it not only motivates individuals to work but also encourages them to pursue perfection and quality in all that they do. Hence, according to Islamic values, employees must work with their full capability and total dedication and commitment to attain success and distinction for themselves and for the society, and more notably for the life in the hereafter (Yousef, 2001).

1.1. Conceptual Framework

The objective of this study is to build a model that exhibits the relationship between the Islamic HRM practices and their effect on employees' organisational commitment. Beginning with talent selection and advancing to career development in Islamic organisations, the Islamic HRM values must be embedded in all HRM activities (Nik-Mutasim et al., 2013). Nevertheless, the abstract structure that originated from the previous literature will be planned based on this study where the Islamic values refer to the execution of basic HRM functions such as selection, recruitment, training, performance appraisal, and development, which are in accordance with the guidelines of the Qur'an and Hadith (the sayings of Prophet Muhammad [peace be upon him]).

Religious values create a framework for the decision-makers to make appropriate choices, hence, Muslims are driven by their faith, known as iman, that leads them to adopt Islamic practices (Ali and Gibbs, 1998). Islam believes that iman decides an individual's conscience and is the main motivating element for any work. It is considered that all business decisions must be led by iman, which in reality implies abiding by the Sharia law, and participating in the things which are permitted (halal), while avoiding those that are prohibited (haram) (Alawneh, 1998). The teachings of Islam are clear according to Khaliq (2008). Islamic knowledge sources clearly describe the nature of human behaviour. The Holy Quran offers elaborate references to what is right and wrong behaviour for an individual. Embedding the idea of right behavior and its importance in stakeholder management can go a long way in attaining excellence in management.

Islam refers to the activity of recruitment as a way of God that is of immense trust and responsibility. According to Islamic values, the person in charge of recruitment must be pious and just. The second principle stresses that an individual be selected based on merit and his competency. An individual must not be selected on the basis of wealth, blood relationship, friendship, age, race, and political power or alike. The third principle is honesty. Honesty is of great value as it ascertains that the right decisions are made. The fourth is that Islam forbids assignment of work that will surpass the individual's capability. This principle ensures that no job is assigned to an individual, which he/she might not be able to perform owing to his/her inadequacies. This saves the individual and the organisation from some avoidable loss or harm.

HRM training involves nurturing attributes in human resources, which would make them more productive and motivate them to

contribute more towards achieving the organisational objectives. As per Al-Qur'ān, a man's fundamental qualification for being the representative of God on earth is to have the knowledge. As the Almighty said, (2:30-33): "*When the Angels questioned Adam's suitability for representation, God cited Adam's knowledge to convince them*".

In Islam, the performance appraisal is based on normative directives and the practice of the Prophet Muhammad (PBUH) as well as his four Caliphs. During the initial years of the Muslim State, the compensation was centred on five grounds. First foundation is that employment is a contract. Fulfilling the contract is the responsibility of the employer as well as the employee. The Qur'an not just asks believers to conform to conditions but also to evade any effort to go around the contract (7:85), "*Nor withhold from the people the things that are their due.*" Second, Islam stresses that workers should be offered sufficient and rational wages for their efforts, considering the volume and quality of work, their necessities and requirements, and the general economic situation of the society (Ali, 2005; Junaidah, 2008).

Furthermore, compensation should be pre-determined and wages should be paid as soon as the work is accomplished. Prophet (PBUH) said; "*Whoever believes in God and the Day of Judgment, should not employ a worker, until he or she knows what he or she is going to receive.*" Compensation can in monetary or non-monetary form. Fifth, wages and compensations should be preceded by advance agreement and raised as per circumstances. Ahmad (1995) mentioned that Islam prohibits any abuse or embezzlement of an employer's property by his personnel, who are supposed to receive only the mutually agreed compensation.

According to the Qur'an, wages should be determined by mutual discussion and agreement (Qur'an 28:26-28). Islam firmly forbids bullying and forced labor. As described by Abu Huraira, the Prophet (peace be upon him) has said; "*God says that I will act as a plaintiff, on the Day of Judgment against the person who engages some worker on work and takes full work from him but does not give him (full) wages*" (Sahih Bukhari, Volume 3:34:430). Islam also condemns slavery and recommends appropriate respect for the work and employment. As described by Al-Miqdam, the Prophet (PBUH) has said, "*Nobody has ever eaten a better meal than that which one has earned by working with one's own hands*" (Sahih Bukhari, Volume 3:34:286).

2. DISCUSSION

Earlier literature has confirmed the existence of a significant relationship between Islamic value and HRM practices at any organization. A conceptual framework for the impact of Islamic value as the strength of human resource practice on organization commitment was formulated. Figure 1 is the finalized conceptual framework that is being derived by applying numerous literatures. Islamic values in Figure 1 includes Moral (Aklak), Trust (Amana), Justice, Piety, Knowledge, Personal growth, Skill, Vicegerent, Justice Loyalty (Adl), Fairness, Responsibility. Moreover, Islamic value in Figure 1 are not intended to be rigid values but is rather meant to offer a guidance for discussion and further research.

Figure 1: Conceptual framework
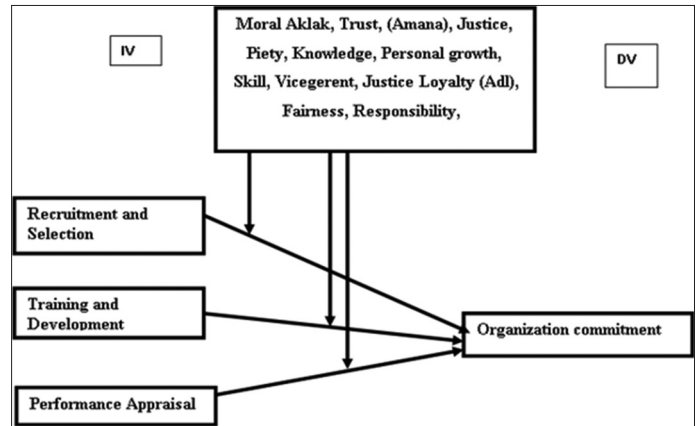
The link between various study variables is analyzed using a quantitative and qualitative approach. The quantitative data offer statistical information and quantitative statistical analysis helps to determine attitudes (Creswell, 2002). In this study, a mixed method will be used to enhance the research; the quantitative approach was used as the core method and the qualitative approach was used to investigate and determine the link between the variables (Islamic work value, Islamic HRM practices, and organizational commitment).

3. CONCLUSION

Despite the fact that human resource management practice have been implemented in numerous organization all over the world for more than five decade, there has so far been agreement on the impact of the religious on human resource practice. Islam as one of the religious is call for the good human behavior and dealing in a matter of Islamic value such as Moral (Aklak), Trust (Amana), Justice, Piety, Knowledge, Personal growth, Skill, Vicegerent, Justice Loyalty (Adl), Fairness, Responsibility. Understanding the human resource practice with implementing of Islamic value helps the organization to increase the commitment and plan for long future. The proposed conceptual framework showed and confirmed a simplified model for implementing the Islamic value to strength the human resource practice and the impact of this strength in the organization commitment.

REFERENCES

Abuznaid, S.A. (2009), Business ethics in Islam: The glaring gap in practice. International Journal of Islamic and Middle Eastern Finance and Management, 2(4), 278-288.

Ahmad, M. (1995), Business Ethics in Islam. Islamabad: International Institute of Islamic Thought.

Alawneh, S.F. (1998), Human motivation: An Islamic perspective. American Journal of Islamic Social Science, 15(4), 19-39.

Ali, A.J. (2005), Islamic Perspective on Management and Organization. London: Edward Elgar Publishing Limited.

Ali, A.J., Gibbs, M. (1998), Foundations of business ethics in contemporary religious thought: The ten commandment perspective. International Journal of Social Economics, 10(25), 1552-1564.

Bashir, A.H. (1998), Ethical norms and enforcement mechanism in

profit-sharing arrangements. The Mid-Atlantic Journal of Business, 34(3), 255-265.

Beekun, R.I. (1997), Islamic Business Ethics. Islamabad: The International Institute of Islamic Thought.

Chew, I., Sharma, B. (2005), The effects of culture and HRM practices on firm performance. International Journal of Manpower, 26(6), 560-810.

Creswell, J.W. (2002), A framework for design. In: Research Design: Qualitative, Quantitative and Mixed Methods Approaches. 2nd ed. Thousand Oaks: Sage Publication.

Guest, D. (2002), Human resource management, corporate performance, and employee wellbeing: Building the worker into HRM. The journal of Industrial Relations, 44(3), 335-358.

Joiner, T., Bakalis, S. (2006), The antecedents of organizational commitment: The case of Australian casual academics. International Journal of Educational Management, 20(6), 439-452.

Junaidah, H. (2008), The quran-based human resource management and its effects on organizational justice, job satisfaction and turnover intention. The Journal of International Management Studies, 3(2), 148-159.

Khaliq, A. (2008), Challenges and practices in human resource management of the muslim world. The Journal of Human Resource and Adult Learning, 4(2), 34-42.

Khan, K., Abbas, M., Gul, A., Raja, U. (2015), Organization justice and job outcomes; moderating role of Islamic work ethic. Journal of Business Ethics, 2(126), 235-246.

McGunnigle, P., Jameson, S. (2000), HRM in UK hotels: A focus on commitment. Journal of Employee Relations, 22(4), 403-422.

Morteza, R.D. (2012), Happiness as an effective factor in organizational commitment of managers. African Journal of Business Management, 6(33), 9460-9468.

Nik-Mutasim, N., Mohamad, A.A.R., Sharmin, S., Mohamad, H., Syed, S.A. (2013), Relationship between Islamic human resource management (IHRM) practices and trust: An empirical study. Journal of Industrial Engineering and Management, 6(4), 1105-1123.

Nor-Azzah, K.M., Zaidi, D. (2011), Islamic wealth management: A review on the dimension of value. Jurnal Syariah Jil, 19(3), 187-212.

Rice, G. (1999), Islamic ethics and the implications for business. Journal for Business Ethics, 18(4), 345-358.

Wan-Hamat, W.N., Zaharah, H., Ahmad-Fkrudin, M.Y., Ahmad-Arifin, S. (2013), Pengaruh media massa terhadap penampilan akhlak. The Online Journal of Islamic Education, 1(1), 17-27.

Yousef, D. (2001), Islamic work ethic: A moderator between organizational commitment and job satisfaction in a cross-cultural context. Personnel Review, 30(2), 152-169.