
The impact of Islamic work ethics on quality -Case study on Sonaric Company-

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Abstract .

This research examines the impact of Islamic work ethics on quality at Sonaric company, where was analysed the relationship between Islamic work ethics dimensions (ability, honesty and responsibility) and quality.

In order to achieve the objectives of the research, the questionnaire used as a main tool for collecting data on the study's variables. The researcher used statistical package for the social sciences SPSS to analyse and test study hypothesis.

The study found a significant impact of the Islamic work ethics on quality and the presence of significant impact of only two dimensions: responsibility and ability on quality.

Key words: Islamic work ethics, Quality, Ability, Honesty, Responsibility

JEL classification codes: L15, J29.

Résumé.

Cet article vise à analyser l'effet de l'éthique du travail en islam (la capacité ; l'honnêteté ; la responsabilité) comme une variable indépendant sur la qualité comme une variable dépendent.

Pour atteindre l'objectif de l'étude nous adoptes l'approche quantitative, en utilisant le questionnaire comme un outil de mesurer avec l'adaptation du programme d'analyse statistique SPSS.

Les résultats de tests d'hypothèses a démontré qu'il y a un effet positif de l'éthique du travail en islam sur la qualité, et que seulement les deux dimensions; capacité et responsabilité, on un effet positif sur la qualité.

Mots clés : éthique du travail en islam ; la capacité ; l'honnêteté ; la responsabilité ; la qualité.

Codes de classification JEL: L15, J29.

1. Introduction:

Work ethics has gained significant interest after the industrial revolution in western world and the failures of Major Corporation like Enron. Therefore, work ethics emerged as an academic branch in 1970's, and since 2009, it has established 16 academic journals like Business ethics quarterly (Hampton Academy, 2015, p.140).

Work ethics are necessary for any organization, though the organization works more effectively and efficiently by adopting an ethical framework that guides and helps to organize their work and to mobilize the success of organization and its employees (Abdi, Siti Fatimah & Nor Zuhairatun, 2014, pp.1-2). Additionally Abdul Jalil, Azam and Rahman (2010, p.145) argued that the ethical practices could help organization to create good relationship with other organizations and long-term relationship with the future possible customers.

Every culture has a set of unique and influential conditions that affect people's life especially the culture with religious background has more impact on people's ethical behaviour and thoughts (Farrukh, Butt & Mansori, 2015, p.125).

In Islam, ethics have a great importance in the Quran and Sunna; though there are 1504 verses of the Quran are concerned ethics, which represents a quarter of the verses of the holy Quran (Al-Sakarna, 2014, p.100). Also Islam interests in work ethics, therefore, Islamic work ethics is not a new concept, it is old as Islam itself, it has been originated for more than 1400 years in the holy Quran and Sunnah.

In modern literature, the Muslim scholars stated research on Islamic work ethics in 1980's. Most of the prior studies investigated the role of Islamic work ethics on organizational commitment (Darwish, 2001; Hayati & Caniago, 2012), job satisfaction (Darwish, 2001; Hayati & Caniago, 2012; Abdi *et al*, 2014), job performance (Novia *et al*, 2016; AlMansoori, 2012; Hayati & Caniago, 2012; Abdi *et al*, 2014) and innovation (Farrukh *et al*, 2015; Khurram & Mehwish, 2012; Kumar & Rose, 2010). Moreover, there are very few studies on the relationship between Islamic work ethics and quality.

This study tries to examine the impact of Islamic work ethics on quality, and seek to answer the following questions:

- Is there any impact of the Islamic work ethics on quality in Sonaric Company?
- Is there any impact of the dimensions of Islamic work ethics (ability, honesty and responsibility) on quality in Sonaric Company?

Therefore, the objectives of this study are:

- To Identify the level of Islamic work ethics at Sonaric company;
- To know the level of quality at Sonaric company;
- To identify if there was a statistically significant relationship between the dimensions of Islamic work ethics (ability, honesty and responsibility) and quality at Sonaric Company.

Hypothesis of the study:

Hypothesis 01: Islamic work ethics has significant positive impact on quality.

Hypothesis 02: Islamic work ethics dimensions (ability, honesty and responsibility) have significant positive impact on quality.

2. Theoretical framework and Literature review

2.1. Islamic work ethics

Rokhman (2010, p.22) defined Islamic work ethics as a set of moral principles that distinguish what is right from what is wrong in the Islamic context. According to AlMansoori (2012, p.109), Islamic work ethics are more way of life for practicing a unique behaviour on daily activities derived from Noble Quran and Sunnah; it is a translation to the book of almighty Allah guidelines ethics manners and morals, which infer applying all Quran and Sunnah rules, polices, guidelines and recommendations in all the people's life affairs.

However Novia, Siti Norasyikin, Shamsul Huda and Bidayatul Akmal (2016, p.196) defined Islamic work ethics as a collection of human's values, traits, attitude and behaviour on how one does his/her job or responsibilities.

Islamic work ethics constitute Islamic expectations with respect to one's behaviour at work, when one has a close relationship with god, one's attitudes, and behaviours would tend to be consistent with the rules and stipulations of the religion (Hayati & Caniago,

2012, p.272). Novia *et al* (2016, p.196) highlighted that Islam strongly requires that Muslim's behaviours should have strong moral values and follow the teaching of Islam in performing their work to seek the blessing of Allah, which is the ultimate objective in life.

Through the reflection on the verses of the Holy Quran, in which there is a reference to Islamic work ethics, we find that the most important work ethics mentioned in two verses. The first is **(Appoint me over the storehouse of the land. Indeed, I will be aknowing guardian)** (Quran, 12:55), and the second is **(O my father. Hire him. Indeed, the best one you can hire is the strong and the trustworthy)** (Quran, 28:26); ability (strength), honesty (trust) and responsibility (guard) are all important ethics that should be found in every employer or job.

Ability is the range of intellectual and physical scientific possibilities possessed by employees. It is what each job requires from its expertise and skills; it calls for the availability of scientific competence, so that the person is an expert in the work, aware of its nature and requirements.

However, honesty is repeated 40 in the holy Quran. It means to ensure the performance of the duties of the job with accuracy, integrity and impartiality.

Responsibility is the commitment of the individual to carry out the acts entrusted to him and bearing the consequences of what results from it. It requires the feeling of the individual to follow him in everything entrusted to him and the realization that he is responsible before God Almighty first, and then before his conscience and society.

2.2. Quality

According to Ogunbado (2013, p.7), quality is a complex term and it is so difficult to be defined, due to its complexity, while that if ten 10 different people were asked to define the term quality certainly there would be ten 10 different answers. This notion authenticated by American society for quality is a subjective term for which each concern person has his or her own definition.

Of the many meanings of the word quality, two are of critical importance to managing for quality: (Juran, 1998, pp.26-27)

- Quality means those features of products, which meet customer needs and thereby provide customer satisfaction.

- Quality means freedom from deficiencies—freedom from errors that require doing work over again (rework) or that result in field failures, customer dissatisfaction, customer claims, and so on.

However, Ogunbado (2013, p.7) considers that Quality has two meanings in technical usage: (a) the characteristic of a product or service that bear in its ability to satisfy stated or implied needs, and (b) a product or services free of deficiencies.

In Islamic literature, words like Ihsan and Itqan as used refer to quality. Contemporary Muslim scholars have acknowledged of the existence of quality concepts in primary sources of Islam (Ishak & Osman, 2016, p.103).

Al-Rawahnah (2009, p.3) defines quality in Islamic economy perspective as the set of characteristics of a product or service that generates (bear in its) the ability to satisfy or implied needs. It thus includes the characteristics of what is produced with Itqan and Ihsan.

Quality from the perspective of the Islamic economy ranges from Itqan, which is the performance of the product tightly and technical accuracy meets all the required specifications (Al-Sakarna, 2014, p.124), to the highest standards of quality, which is Ihsan, when the product includes advantages beyond what the customer expects to exceed the original specifications (Al-Ajlouni, 2005, p.11).

2.3. Relationship between Islamic work ethics and quality

AlMansoori (2012) analysed the impact of the Islamic work ethics on job performance. Their results indicated a positive significant between Islamic work ethics and quality, which represent a dimension of job performance.

Hasliza, Siti Arni and Musaiyadah (2016) analysed the implementation of Islamic quality management system MS1900 and its benefits. Their results indicated that The MS1900 integrates Islamic values into ISO9001. The objective of MS1900 is to develop and integrate sharia requirements into quality management practices and to enhance the effectiveness and efficiency through good ethical practices at all levels of the organization. The MS 1900 has attracted considerable attention from Malaysian organizations, though 27 organizations have thus far been successfully awarded MS 1900 certification in 2014. Similarly Siti Arni & Ilhaamie (2011)

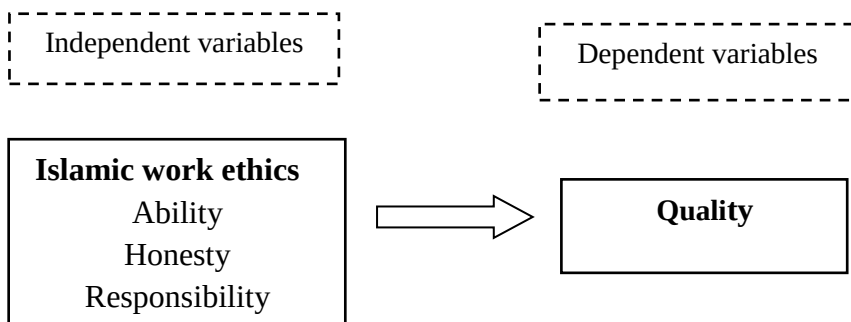
investigated the Malaysian Islamic quality management system MS 1900 from an Islamic perspective. It showed that Malaysia created history again as it launched the first Islamic quality management system in world MS 1900 from an Islamic perspective in 2005. The organization that aims to acquire MS 1900 certification should ensure that the Islamic values practiced, such as teamwork, honesty, transparency, and tolerance.

The study of Al-Rawahnah (2009) analysed the quality in Islamic shariah, it found that achieving quality requires a set of ethics like ability, honesty and responsibility. However, Al-Ajlouni (2005) demonstrated the Islamic concept of quality, and proposed a quality management model based on Islamic approach. Their result indicate that Islam has own vision and approach to quality, and ethics has an important role in achieving.

2.4. Conceptual model and hypothesis:

The main purpose of this study is to investigate the impact of Islamic work ethics on quality. Figure 1 shows the conceptual framework for current study, the Islamic work ethics (ability, honesty, responsibility) are the independent variables while quality is the dependent variable.

Figure 1: research model



Source: Prepared by the researcher

3. Methods

Survey method is used to collect data for this research using questionnaire, which divide into three sections, the first section covers the demographic information of the respondents, the second section measures Islamic work ethics using 18 items (ability 6, honesty 7 and 5 responsibility), and the third section measures quality measured using 9 items. Respondents were asked to indicate

their agreement or disagreement with several statements on a five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree).

A total number of one hundred and twenty three (123) questionnaires disseminated among the employees of Sonaric in Mila, Algeria. 98 questionnaires returned back by the respondent and the response rate was 80%.

Before applying statistical tools, testing reliability of the scale, Cronbach's alpha is the most widely used method.

According to the using of these scales for this study and checked its reliability test by using the SPSS version 22. The under table shows the detail of reliability tests results, in which use the Cronbach's coefficient for assessing the reliability of these multi scales. All shows the adequate range of the reliability, which is from 0.678to 0.823, while the Cronbach's coefficient for these hypotheses is 0.908.

Table 1: Reliability test results

Variables	Numbers of questions	Alpha Cronbach
Ability	6	0.823
Honesty	7	0.678
Responsibility	5	0.758
Quality	9	0.806
Total variables	27	0.908

Sources: output of spss program

4. Analyse and discussion:

4.1. Demographic characteristics:

Table 2 shows the demographic characteristics of respondents.

Table 2: demographic characteristics

Variable	Value label	Frequency	Percent
Gender	Male	98	100
	Female	0	0
AGE	Less than 30	40	40.8
	[30-40[	34	34.7
	[40-50[	11	11.2
	more than 50	13	13.3
Education	Primary school	11	11.1
	Middle school	42	42.9
	Secondary school	32	32.7
	University	13	13.3
Experience	Less than 5	43	43.9
	[5-10[	27	27.6
	[10-15[	6	6.1
	More than 15	22	22.4

Sources: output of spss program

The demographic characteristics of the respondents are given in table (2). It shows that all respondents were mal representing 100%; this is due to the nature of the work, which requires great efforts.

According to the table (2),the distributions of results indicated greater part of the respondents age live less than 30 years old representing 40.8%, followed by [30-40[years old representing 34.7%, then 50 years old or above representing 13.3%, and least is between [40-50[years old representing 12.2%.

Table (2) demonstrates the education of the respondents out of 98 individuals. Distributions of results indicated greater part of the respondents have Middle school representing 42.9%, followed by Secondary school representing 32.7%, then University representing 13.3% and least is Primary school representing 11.1%.

Table (2) demonstrates 98 employees experience in current organization. Distributions of results indicated greater part of the respondents having experience 5 years representing 43.9%, this followed by [5-10[years' experience representing 27.6%, then 15 years' experience representing 22.4%, and least is between [10-15[years' experience representing 6.1%.

4.2. Descriptive analysis

Table (3) shows the descriptive measures for the dimensions of Islamic work ethics, the means ranged between (4.1395-4.1612) with standards deviations ranging from 0.52009 to 0.59093, while the mean of Islamic work ethics is 4.1502 with standard deviation 0.47832. This results indicate that the level of Islamic work ethics and its dimensions in the study sample is high acceptable. It shows that employees in sonaric company are committed to Islamic work ethics.

The mean of quality is 4.0703 with standard deviation 0.52853, which has a high acceptance level.

Table 3: Mean and Standard Deviation for Islamic Work Ethics, and quality

Variables	Mean	Std deviation
Ability	4.1395	0.59093
Honesty	4.1516	0.52009
Responsibility	4.1612	0.56980
Islamic work ethics	4.1502	0.47832
Quality	4.0703	0.52853

Sources: output of spss program

4.3. Test of hypothesis

Hypothesis 01: Islamic work ethics has significant positive impact on quality.

The simple linear regression analysis is used to determine whether Islamic work ethics affect quality and whether a relationship exists if $\text{sig} \leq 0.05$. The results show in the following table:

Table 4: simple linear regression of Islamic work ethics with quality

Variables	R	R ²	Adjusted R ²	β	t	Sig	F	Sig
Constant	0.665	0.442	1.021	0.665	2.902	0.005	76.069	0.000
Islamic work ethics			0.735		8.722	0.000		

Sources: output of spss program

The table show that Islamic work ethics has a strong and positive relationship with quality, where $R = 0.665$, more further, this relation is interpreted by R^2 , which indicated that 44.2% of the variation in quality is explained by the variation in Islamic work ethics, and 55.8% of the variance is explained by other factors.

Islamic work ethics has a positive impact on quality as beta value is 0.665, $p < 0.05$. These results confirmed that there is positive relationship between Islamic work ethics and quality.

Additionally, according to the table (4) t value ($t = 8.722$, $\text{sig} < 0.05$) and F value ($F = 76.069$, $\text{sig} < 0.05$) show significant relationship between Islamic work ethics and quality.

The coefficients of Islamic work ethics (+0.735) represent the effect of Islamic work ethics on quality. The estimated model as following:

$$\text{Quality} = 1.021 + 0.735 (\text{Islamic work ethics})$$

Based on the result we accept the study hypothesis that indicates a significant impact of Islamic work ethics on quality.

These results are consistent with previous findings (AlMansoori, 2012), it demonstrate that achieving quality requires enhancing Islamic work ethics and support them.

Hypothesis 02: Islamic work ethics dimensions (ability, honesty and responsibility) have significant positive impact on quality.

By referring to the formulated hypotheses of the study stepwise regression analysis applied to specify the statistical relationship between Islamic work ethics dimensions (independent variables) and quality (dependent variable). It supposed that changes in quality could explain by reference to changes in Islamic work ethics dimensions. Stepwise regression method has chosen as it is combined method using both forward and backward elimination

procedures, and it is the appropriate method to determine important factors affecting the quality. The results showed in table (5).

Table 5: stepwise regression of Islamic work ethics dimensions with quality

variables	R	R ²	Adjusted R ²	β	t	sig	F	Sig
Constant	0.658	0.433	1.342		4.159	0.000	36.343	0.000
Responsibility			0.374	0.403	3.879	0.000		
ability			0.284	0.317	3.054	0.003		

Sources: output of spss program

Based on stepwise regression method the final model shows that only two dimensions of Islamic work ethics are significantly associated to quality, the estimated model as following:

$$\text{Quality} = 1.342 + 0.374 \text{ ability} + 0.284 \text{ responsibility}$$

The coefficients of ability and responsibility are (+0.374), (+0.284) represents the partial effect of ability and responsibility on quality.

According to results of table (5) the R-value of (+0.658) indicates that the relationship between Islamic work ethics dimensions (ability and responsibility) and quality is strong and positive. This relation interprets by R², which indicates that 43.3% of the variation in quality explains by the variation in ability and responsibility.

Additionally according to the weights of standardized coefficients beta shown in table (5), responsibility with coefficient value of (β=0.403) is the most important factor affecting quality, then ability with coefficient value of (β=0.317), this results indicates the fact that quality is partially dependent on two variables.

Table (5) confirms that the value of F is 36.343 and proves that this study is significant.

Based on the result there is a significant impact of ability and responsibility on quality. This result emphasizes the result of previous studies (Hasliza *et al*, 2016; Siti Arni & Ilhaamie, 2011; Al-Rawahna, 2009; Al-Ajlouni, 2005), it shows that achieving quality requires enhancing of the ability of employees and responsibility. Therefore, managers should choose the employee who has the ability to perform the work and be responsible.

however, there is no significant impact of honesty on quality. This result not in line with findings of previous studies (Siti Arni & Ilhaamie, 2011; Al-Rawahna, 2009).

5. Conclusion:

The study present the theoretical and empirical research regarding the effect of Islamic work ethics, it revealed the importance and impact of the Islamic work ethics on quality. In addition, the study indicates that the responsibility and ability have a positive and significant effect on quality; responsibility is the most importance factor affecting quality then ability. In contrast, the result indicates that the effect of honesty on quality is not significant.

Islamic work ethics is the key drivers of quality, so managers in order to enhance quality need to support the Islamic work ethics in workplace. Additionally, employees should actively participate in the training and educational programs that more emphasis on the application of the Islamic work ethics.

The current study has some limitations. Firstly, the research model has only applied on one organization, for more generalized results the same model can studied on multiple organizations. Secondly, the study was confined a small sample size, it is recommended to use a large sample to enhance the generalizability of the study.

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