



## The Impact of Human Resource Management Function on Organization Commitment from Islamic Perspective

**Dr. Zienab Ibrahim Elmakawi**

Department of Management  
School of Management  
King Faisal University  
Kingdom of Saudi Arabia  
zelmakawi@kfu.edu.sa

**Dr. Yousif Osman Abdelkarim**

Department of Economic  
School of Management  
King Faisal University  
Kingdom of Saudi Arabia  
yyoysif@kfu.edu.sa

### Abstract

*This study brings into focus the extent of Islamic human resource management in Islamic bank in Sudan and its impact on organizational commitment. The purpose of this study was to identify Islamic Human resource practices and organizational commitments that affect employee retention in Sudan with emphasis on banking sector. The Islamic HRM practices proposed in this study, such as recruitment and selection, training and development and performance appraisal. To accomplish this task, quantitative research approaches engaged. The surveys consisted of demographic information, Islamic human resource. The research study indicated significant correlation between Islamic human resource practicing and organizational commitment. As with many organizations worldwide, staff retention problems affect organizational productivity and performance.*

**Keywords:** Organizational Commitment, Islamic Perspective, Islamic HRM Practices.

### Introduction

Islamic Human Resource Management practices are gradually becoming a strategic subject that consider essential key for achieving organizational commitment productivity and efficiency that are the most main issues of organizational management. The effective Islamic values effect economic development as well as organizational commitment and it is largely a major subject in socio-economic life of the countries and the values that implemented in organization. However, this survey attempts to explain the concept of Islamic value and human resource management practices from Islamic perspective and its impact on organization commitment. The present management is facing different issues related to human resource management (equal opportunities, recruitment, and fair compensation schemes across different genders, In addition there are a rise number of Islamic banks, most of them providing interest-free banking services to the customers. Unfortunately, this expansion of banks is seen with negativity because of the weaknesses in their operations, lack of qualified staff, lack of human resource policies, and lack of planning and training to speed up the growth of business of the banks (Junaidah, 2010).

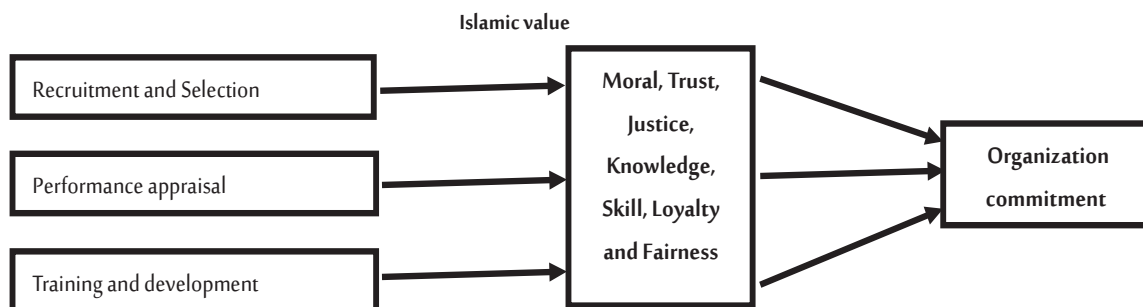
### Theoretical Formwork

Earlier literature has confirmed the existence of a significant relationship between Islamic HRM practices and organisational commitment. The theoretical framework shown in finger 1, displays the existence of relationships amid these variables (Zienab, 2016).

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**Finger 1. Theoretical Formwork**

### ***Research Objectives***

The primary goal of the current research is to investigate the impact of HRM practice in terms of Islamic views, and to comprehend how Islamic HRM practise affect organisational commitments. This report does expound on prior authors’ debates about the issues surrounding Muslim business organisations, and seeks methods of progress with the hope of contributing information. The connections between Islamic principles and the development of human resources and organisational commitment have to be examined.

The study’s primary goals are as follows:

- 1- To identify the relationship between Islamic values in work and organization commitment.
- 2- To determine to which extent the Islamic HRM practice (Recruitment selection, performance appraisal, training and development) can encourage the employ commitment to their organization.

### ***Hypotheses***

The following hypotheses (Zero hypothesis) are used to address research queries:

- H1: There is no significant relationship between Recruitment principles and organisational commitments in Sudan’s Islamic banking institutions.
- H2: There is no significant relationship between Performance appraisal’ for organisational commitments in Sudan’s Islamic banking institutions.
- H3: There is no significant relationship between Training and development and organisational commitments in Sudan’s Islamic banking institutions.

### **Importance of the Research**

The goal of every globalised organisation is to improve outcomes as well as to retain its best workers. Islam provides much motivation in all areas of Muslims’ lives. They further assert that it offers all the meticulous rules needed in their material lives as specified in the Quran. Thus, the Quran offers rules to address the primary human requirements for dealing with life’s issues while accounting for the natural worth of the earth’s resources.

It can also be said to establish criteria for the utilisation of mineral resources; specify rules on inheritances, finances, and banking; and highlight the significance of educational and employment attainments, financial and healthcare investments, socialised safety nets, and so on. It is believed that Islamic value in human resource management plays a major role in enhancing the prospect of Muslim staff in any institution. The current research will undertake to present clear insight on Islamic-oriented in HRM practices and their impact on organisational commitments. This research would be a major referential resource for others who teach Islamic-oriented management methods as well as for researchers performing further studies in this field as a consequence of the increasing global population of Muslims. The Research Centre indicate that the global Islamic population stands at around 1.6 billion and is anticipated to increase at double the

rate of the world's non-Muslim population in the succeeding decades – at an annualised rate of increase of 1.5% on average for Muslim populations in contrast to a rate of 0.7% for non-Muslim populations. The current study aims to investigate scheme for Islamic-oriented HRM practice from the study of workforce commitments in Islamic banking institutions. This is achievable via a focus on the significance of Islamic-oriented human resource management as a way of intensifying a workforce's organisational commitment. The research would also contribute to information and principles by particularly describing connections between established HRM practices and Islamic principles, which intensify staff dedication. It will also offer HRM practitioners with the knowledge to secure the best methods to institute successful human resource management in Islamic banking institutions. This will be beneficial to Sudan's Islamic banking institutions, as it would help them establish staff dedication to their organisations.

In addition, their managerial ranks would be better able to apply Islamic principles in their banks' corporate cultures that support their authoritative positions, and they would also be better able to distinctly outline their institutional aims. This will allow HRM traditions to be ruled by the essential drive to attain efficiencies and effective outcomes as major organisational strengths towards achieving institutional objectives. Islamic banking institutions would be better able to promote campaigns to upgrade human capital, by instituting their main aims and objectives for the attainment of which they can motivate and train their staff, as it remains the responsibility of a retainer and vicegerent of the almighty to delineate moral behaviours in earthly activities.

A further importance of this research would be to encourage Islamic institutions to distinctively design and shape their working conditions in light of Islam's values. Such research once applied would benefit staff and experts as they would better accomplish every and all work as guided by Islam's principles, and thus warrant in their earthly and hereafter lives the most rewards that could be attained via evident behaviours and quantifiable objectives. The results should also be applicable for the management of both Islamic as well as established western banking institutions, by beneficially recognising crucial Islamic principles in their workplaces. These results will assist the researcher in enhancing the strategies behind schemes to improve HRM practices and employment conditions in Islamic banking institutions, which would be to the advantage of both managerial and rank staff. It would also expand the field's literature in many ways, by filling in research in Islamic principle human resource management and practice through a systematic study of Sudan's Islamic banking institutions.

## Research Data and Methodology

The research categorised research methods into two section: quantitative and qualitative. The qualitative method is employed to uncover meanings that help understand the phenomena under study (Creswell, 2002). Quantitative research is commonly employed in historical, descriptive, and correlation research (Salkind, 2003). Both methods are suitable to design questionnaire and interview as these help define and establish relationships between research variables (HRM practices, Islamic value and organisational commitment). This research study includes the steps below:

(1) conduct a literature review, (2) construct the survey instrument by integrating the existing instruments and adding questions that help measure Islamic values in work, (3) carry out a baseline study, (4) perform pilot survey, (5) gather research data, (6) examine collected data and (7) display the results of the study. The initial stage involves collecting basic demographic information of the participants such as (a) age, (b) educational level, and (c) socio-economic status. Based on the information, the instrument measures the score of each participant for (a) Islamic values in work, (b) HRM practices, and (c) organisational commitment. Also, the instrument helps analyse the impact of Islamic values in work and HRM practices on organisational commitment. This study uses Organisation Commitment Questionnaire developed by Junidah as the study instrument.

### ***Research Method***

The principle objective of the study involves collection of quantitative data, background information of participants, and other research questions aimed at establishing relationship among variables. The quantitative methods were used to collect and analyse data for the study. The qualitative method is gaining popularity for investigation in social sciences and applied fields like regional planning, education, social work, and community development and management. However, using this of this method would be beneficial for the researcher. This will help researchers to fortify their contributions and collect and analyse data through deeper understanding of the views and personal opinions of people on these variables. After completing collecting the data from the employee data entered to SPSS for analysis.

### ***Appropriateness of Design***

Many researchers studied the link between the Islamic work ethic and loyalty, job satisfaction, individualism, role ambiguity, organisational commitment and locus of control in international countries. All these researchers used a quantitative design.

The link between various study variables is analysed 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, we used the quantitative method to enhance the research; the quantitative approach was used as the core method and the qualitative approach was used to investigate and determine the relationship between the variables (Islamic work value, Islamic HRM practices, and organisational commitment).

### ***Sampling Procedures***

A set of people who have same characteristics is referred to as a population (Creswell, 2007: 151). A sampling element is obtained from the population, which has been called as a pool. A subgroup extracted from the target population, which the researcher plans to study for generalising about the target population, is a sample (Creswell, 2007: 151). Two types of sample designs are commonly used in the academic era: probability sampling and non-probability sampling. While the probability sampling is based on random selection, the non-probability sampling is based on 'non-random' sampling (Kothari, 2004). In this study, a sample was obtained from its target population in Islamic bank . A probability and stratified sampling was used to extract the sample, which helped the investigators to allocate (stratify) the population on certain specific features (e.g. banks sectors).

Furthermore, a simple random sampling was carried out to draw samples from each subgroup (stratum) of the population (e.g. Islamic banks). That is, a stratified sampling was used to select specific Islamic banks from a large pool of Islamic banks in Sudan. The sample comprised the Islamic banks in Sudan, where 250 questionnaires were distributed. The analysis conducted to determine the Islamic HRM practices. The suitable sample size for any study should be greater than 30 and less than 500. Nevertheless, only 300 questionnaires were issued to the employees of the Islamic banks.

The expected return rate was 140, which implies that the data collection was considered complete only when 150 employees returned the completed surveys. The primary sample comprised general staffs .In the first stage of the study, the level of Islamic HRM practices and their relationship with organisational commitment were examined using the questionnaire adapted from Junaidah (Junaidah 2010). The questionnaire consists of three parts: background of respondents, Islamic HRM practices, and organisation's commitment. Islamic HRM practices deal with three vital functions of an organisation, which are recruitment and selection, training and development, and performance management and organisational commitment. Each respondent from the Islamic bank will fill in the survey based on the 5-point Likert scale (1: strongly disagree, 2: disagree, 3: neutral, 4: agree, and 5: strongly agree).

The link between the Islamic human resource management and organisational commitment was determined by using a descriptive analysis, which was carried out with the data gathered from the completed questionnaires. A reliability test was used to assess the outcomes of the first stage at baseline, in which the level of Cronbach's Alpha was examined for each variable by using SPSS. While the relationship between variables will be studied using the structural equation modelling (SEM) PLS in the pilot study, the AMOS technique analysis will be utilised to determine the same in the actual research.

### **Actual Research**

There were 37 banks in Sudan . The questionnaires were translated to Arabic and 200 questionnaires were circulated among the employees. The main aim was to assess HRM practices from an Islamic perspective and its impact on the organisation commitment. The data gathered was analysed by SPSS to establish a HRM model based on Islamic values.

### **Validity and Reliability**

the reliability of the instrument should ensure that various administrations of the instrument results are the same and consistent, which are free from measurement errors (Creswell, 2002). When repeated tests provide the same results, the test is considered reliable (Salkind, 2003). There are two factors that lead to unreliable data: (a) ambiguous and unclear questions on instruments and (b) varying and unstandardized procedures of administration test (Salkind, 2003). Validity is defined as the level to which the indicators precisely gauge what they are supposed to gauge (Hair et al., 2010). when a researcher is able to infer meaningful and justifiable results from scores attained from a sample, the test is considered valid.

Validity of content makes sure that the survey instrument fully addresses the hypotheses that guide the research study as well as the research question. The validity of a survey instrument is established when the survey actually measures what it intends to measure (Salkins, 2003). The pilot study will include the reliability and validity analysis for all three sections of the study, the pilot study could entail a small size of individuals.

### **Test of Hypothesis**

In this part of the field study, the researcher tests every hypothesis of the study to achieving the objectives of the study by using appropriate statistical tools.

Test of the first study hypothesis: "There is no significant relationship between Recruitment principles and organisational commitments in Sudan's Islamic banking institutions". For test, the validity of this hypothesis was used chi-square test.

Table (1) shows the result of chi-square test. The result shows the value of Pearson-chi square (212.252) with sig.(0.000) less than confidence level (0.05) we accept the null hypotheses. That means there's a significant relationship between Recruitment principles and workforces' for organisational commitments in Sudan's Islamic banking institutions.

Test of the second study hypothesis: "There is no significant relationship between Performance appraisal' for organisational commitments in Sudan's Islamic banking institutions". For Test the validity of this hypothesis was used chi –square test.

Table 2 shows the result of chi-square test. The result shows the value of Pearson –chi square (160.18) with sig.(0.000) less than confidence level (0.05) we accept the null hypotheses. That means there's a signifi-

**Table 1 The Result of the Test for the Hypothesis:**

Pearson Chi –square	Df	Sig.
212.252	180	0.000

Source: prepared by researcher from the results of Field research 2018.

**Table 2 The Result of the Test for the Hypothesis:**

Pearson Chi –square	Df	Sig.
160.18	272	0.000

Source: prepared by researcher from the results of Field research 2018

**Table 3 The Result of the Test for the Hypothesis:**

Pearson Chi –square	Df	Sig.
111.02	165	0.000

Source: prepared by researcher From the results of Field research 2018

cant relationship Performance Measurement and workforces' organisational commitments in Sudan's Islamic banking institutions.

Test of the third study hypothesis: "There is no significant relationship between Training and development and organisational commitments in Sudan's Islamic banking institutions". For Test the validity of this hypothesis was used chi –square test.

Table 3 shows the result of chi-square test. The result shows the value of Pearson-chi square (111.02) with sig.(0.000) less than confidence level (0.05) we accept the null hypotheses. That means there's a significant relationship between Training and development organisational commitments in Sudan's Islamic banking institutions"

### **Results:**

- 1- The evidence gathered from the analysis of testing the H1 shows there is a significant and positive influence of Islamic values on HRM in Islamic banking.
- 2- The results of the data collection determined high percentage degree between the relationship exists in Islamic recruitment and selection practices which is highly enhance employees to commit in the organization.
- 3- Practicing HRM functions from Islamic perspective could be great solution for the organization to predicate employee intention to leave so it can provide program to retain them back.
- 4- The implementations of Islamic HRM function will effectively increase the employee commitment to the organization.
- 5- Results of the analysis indicated that there are statistically significant correlations between human resources management functions and organizational commitment, which is matching with H3.

### **Recommendations**

- 1- Future research of this field can be supported more by increasing the sample size on different sectors in Sudan.
- 2- Conducting study on different Islamic institutions and understanding their implementation Islamic HRM would be beneficial for study field.
- 3- The estimation and challenge to discover the relationship between Islamic HRM practices with other relevant factors such as job satisfaction, organization trust, tenant management performance.
- 4- It is suggested that for future study to apply a qualitative design such as Structural equation modeling (SEM) and developing model for human resource management function from Islamic point view to provide greater understanding for the existed knowledge.

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