INTERACTIVE EFFECT OF ISLAMIC WORK ETHICS ON THE RELATIONSHIP OF SUPERVISOR SUPPORT, COMPENSATION, TRAINING & DEVELOPMENT WITH ORGANIZATIONAL COMMITMENT

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Abstract
The purpose of this paper is to analyze the impact of compensation, supervisor support, training and development on organizational commitment with moderating role of Islamic work ethics. 250 respondents from convenience sampling have been used in data collection by self-administered questionnaire. The study model is helpful in the measurement of relationships of these variables through regression and correlation techniques. The findings revealed that training & development, compensation and supervisor support have a positive significant impact on organizational commitment. Additionally study also found that Islamic work ethics have an impact on organizational commitment including its dimensions like normative, affective and continuance commitment.

Keywords: Supervisor Support, Compensation, Training and Development, Organizational commitment, Islamic work ethics
INTRODUCTION

It is an open secret that employees play a vital role in the success of any organization in today’s competitive world. Employee commitment is a major determinant of employee performance and other related outcomes. Organizations are striving to enhance the commitment of their employees in order to outperform their rivals.

A glance of previous research shows that scholars have always been interested in exploring the predictors and consequences of organizational commitment. According to Chughtai and Zafar (2006), it is very important to enhance employee commitment in the organization as it results in longer employee stay with the organization, better employee performance and higher employee involvement at the workplace. Moreover, committed employees are more loyal to the organization (Dey, Kumar, & Kumar, 2014).

Organizational commitment is affected due to many factors. As per Pfeffer (1994, 1995, 1998) pay can be used to enhance employee’s commitment and motivation to achieve organizational goals and objectives. When employees observe, consider and recognize that purpose of payment plan is to provide internal equivalence, they depict increased level of employee commitment (Stum, 1999).

Along with compensation training and development is also a predictor of organizational commitment. Literature defines training as a process centered towards the enhancement of skills, knowledge, and abilities of an individual. Organizational practices that affect the development and promotion of employees in an organization can also affect the commitment level of employees towards their organization. Gaertner and Nollen (1989), explored that those employees who are promoted have a high level of commitment compared to those who are not promoted. So developmental and promotional policies are a prominent contributor towards the commitment of the employees. Supervisor’s support another determinant of employee commitment. Research evidence shows that Supervisor’s support is significantly positively related to the employee (Bycio et al., 1995; Settoon, Bennett, & Liden, 1996).

Islamic work ethics are the wished workplace values deducted from Divine theory and Sunnah. What is right or wrong in Islam has clearly stated by Allah Almighty in His Holy Book. Honesty and fairness in dealings and actions are ordered by Almighty. Islamic work ethics were strongly correlated to employee commitment (Marri et al., 2012). Research on these variables proved an optimistic association between Human Resource practices and commitment of employee but very limited researches were conducted with Islamic work ethics as a moderator variable between these two variables. In fact, very scant research has done in the context of Pakistan using the combination of variables of the current study. This study focuses the
moderating effect of IWE on the relationship of Supervisor support, Compensation, Training and Development with Organizational Commitment.

Next section covers are view of the literature on compensation, training and development, employee relation, employee commitment and Islamic work ethics has been which served as a basis for the development of the model and hypotheses. The research methodology used in this study, results and discussion and findings are explained respectively afterward.

LITERATURE REVIEW

Organizational Commitment

The most broadly accepted description for commitment with organizational was presented by Mowday, Porter and Steer (1982) as “the relative strength of an individual’s identification with and involvement in a particular organization and can be characterized by a strong belief in and acceptance of the organization’s goals and values, willingness to exert considerable effort on behalf of the organization and a strong desire to maintain membership in the organization”. In this definition author emphasis upon individual’s willingness to stay in the firm and work efficiently for it.

According to Buchnana (1974), organization commitment plays a role of the strong bond between organization and employees. Organizational commitment links employees and to their organization and psychology involved in this linkage due to which employees want to remain in this organization (Meyer and Allen, 1991). A model introduced by Allen and Meyer about organizational commitment which designates its three dimensions; normative, affective, continuance commitments that fasten workers to their organization. These three types of commitments are helpful in describing employee organizational commitment as individually or collectively.

Affective Commitment: Employees who possess such type of commitment are emotionally attach with the organization. Due to such feelings, employees are an acquaintance to remain within the organization (Meyer and Herscovitch, 2001; Meyer and Allen, 1991).

Continuance Commitment: Workers have a site upon the cost of leaving to that organization. If that cost is higher as compared to the cost of standing than employees are willing to stay in the organization. (Meyer and Herscovitch, 2001; Meyer and Allen, 1991).

Normative Commitment: That commitment shows the obligation of employees as they regard it their strong compulsion to stay in this organization. (Meyer Herscovitch, 2001; Meyer and Allen, 1991). The significance of organizational commitment had been renowned in the literature. The organization is very interested having those employees who are highly devoted.
towards its goals and objectives. Due to that dedication outcome of the organization become very profitable like turnover rates become low, the motivation of employees is enhanced, OCB is better and as a result organization support is achieved. (Kwon & Banks, 2004). Moreover, employees’ commitment is a sign of greater constancy and improved yield (Porter, Steers, Mowday & Boulian, 1974). In this way, it can be argued that numerous advantageous behavioral outcomes can be achieved with employee commitment like more employee retention, productivity, work quality, and compliance to make forfeit for the sake of attractive organizational icon and act (London, 1983; Randall, 1990). Above discussion explored that organizational commitment immobile holds a momentous premise and as it has constructive implications on organizational success. For instance, it can be said that organizational commitment is the key aspect in formative organizational competitiveness which ultimately increase the motivation and appointment of employees (Azeem, 2010). Organizational commitment also exhibited a significant impact on employee actions and performance. If an employee feels faithful to an organization, the rate of his or her bunking off and turnover will be minor (Igbaria & Greenhaus, 1992). Therefore it is essential to observe organizational commitment which significantly impacts overall the whole organization performance.

**Supervisor support to Organizational Commitment**

If the performance of an employee is renowned by his superiors that it is expected that he will perform more efficiently than he officially does (Pare & Tremblay, 2000). According to (Dockel, 2001) if supervisor provide support and care to employees in the highly technical environment than employees feel a job difference due to the use of a lot of skills and feedback for effective performance on the job. If employees get the confidence that organization will always provide them support than it will make a strong positive relationship with affective commitment (Mayer et al, 2002). Supervisor support that provides different assignments to employees that give opportunities to them for career development, skills, get aspiration, learn about subordinates, support subordinates and supervisor support help staff in this regard. Various studies showed supervisor support plays a significant role in organizational commitment (Kidd & Smewing, 2001; Ko, Price & Mueller 1996; Kinicki & Vecchio, 1994).

    Supervisor support is an important concept in which employees get support and encouragement from supervisor (Burke, Borucki and Hurely, 1992). Perceived supervisor support in which employees observe that their input is valued by their supervisor (Eisenberger et al., 2002).
These arguments are adequate to show in which supervisor support has a positive significant association with organizational commitment and due to this relationship, it is an independent variable and has relation with organization commitment that is being tested in the current study.

\[ H_1: \text{Supervisor support has a significant positive impact on Organizational Commitment.} \]

**Compensation to Organizational Commitment**

Compensation is considered a very effective tool to increase commitment as this argument is supported by Dulebhon, Feris, and Stodd (1995). Ishigaki (2004) evidenced that employees will have more commitment level if they are awarded fairly for their effective efforts towards the organization. In this way, organization will get a high rate of retention of the employee. Johns (2005) argued that whether earning rate is positively linked with commitment but it is not significant. The increase in wages only decrease perception towards alternatives for employees but that increase has no impact on the alignment of employees goals with organizational goals (Ingraham, Selden & Moynihan, 2000). Perception of an employee for internal and external equity and concerning issues related to compensation, benefits packages, promotion and performance evaluation less likely they leave the current employment (Pare and Tremblay, 2000). HR practices also play a vital role in reducing employees turnover rate (Chew and Sharma, 2005).

\[ H_2: \text{Compensation has a significant positive impact on Organizational Commitment.} \]

**Training and Development to Organizational Commitment**

Most important and necessary asset for an organization is human capital (Olaniyan and Lucas, 2008). To get the required goals and objectives which are mentioned in vision and mission statement of an organization need those employees who are competent and knowledgeable. These skilled employees used their skills for well being of the organization. (Adeniyi, 1995) mentioned that positive and effective contribution of employees is necessary to get the success of an organization. Indeed training and development have a vital part in the development of skilled and valuable employees. Through training and development, their contribution is enhanced towards the achievement of organizational goals. To provide training and then support to it is effectively helpful in the motivation of employee towards learning all that have a significant and positive impact on commitment (Ahmad & Bakar, 2003). Bartlett (2001) argued that support for training have a direct relationship with the effective level of commitment. When employees perceived that attending organizational training program has a lot of benefits both for the organization and themselves than they show higher interest towards these programs and in turn, these programs provide better results (Facteau et al., 1995). In 2003, Ahmad and Bakar
explained that those workers who get the advantage of attending training program are more committed to the organization. They also argued that affective organizational commitment and training program are strongly related to each other. Training development program positively impacts job satisfaction which ultimately reduces the intention of turnover (Shelton, 2001). Hafeez and Akbar (2015) suggested that level of employees performance is enhanced if the level of training they received is improved. To get competitive advantage knowledge, skills and capabilities of employees are considered very essential for better performance and development of commitment.

So training and development have emerged another important independent variable which has a relationship with organizational commitment. That's why it is taken in present research and its effect on organizational commitment.

H5: Training and Development has a significant positive impact on Organizational Commitment.

Moderating Effect of IWE

Islamic work ethics are beliefs, which are helpful in providing guidelines to employees towards their attitudes and behaviors at a workplace like attitudes towards work activities, towards financial or not financial rewards and aspiration for better career opportunities (Cherrington, 1980). In 2010, Rokhman explored Islamic work ethics is an important concept in Islamic context which has a set of spiritual norms and these norms are effective in differentiating what is wrong from what is right. A person who has a close contact with God his activities and behaviors are according to Islamic rules and laws (Rahman, Muhammad & Othman, 2006). Therefore employees who have strong belief towards Islam are more committed and their role in organization development is more as compare to others (Meyer & Allen, 1997). Workers who are more committed to the firm showed better productivity, prefer to stay in the organization, have a high level of motivation, less absenteeism and have positive behavior towards change (Nelson & Quick, 2012). The Holy Quran provides the roots for Islamic Work Ethics (IWE), Prophet Muhammad (S.A.W) stated, “To accomplish help devotion”, and in which “ALLAH features close friend associated with tricky member of staff, which helps his fingers, their sins are absolved not a single feeds on greater food than truly what he feeds on away from his work”. There are several researchers examined Islamic work ethics with impact on organizational commitment (Rokhman & Omar, 2008; Yousef, 2000). The connection of work values and organizational commitment by investigating workers of Singapore and argued that internal work values have a direct relationship with organizational commitment as compared to external values of work (Putti, Aryee,& Ling, 1989). Yousef (2000) surveyed a number of organization in UAE and studied IWE as a moderator which have an impact on the relationship
between organizational commitment and job satisfaction. Then he argued that IWE have a
direct impact on organizational commitment. IWE effects the association of organizational
commitment with job satisfaction (Peterson et al., 2003; Rokhman and Omar, 2008). In 2004,
Othman et al. conducted the study, which also mentioned a significant positive connection
between commitment and IWE. Therefore, above-mentioned literature demonstrated that
relationship of organizational commitment with supervisor support, compensation, training, and
development is moderated strongly by IWE. And according to above discussion following three
hypotheses can be developed.

\[ H_{4a} : \text{IWE moderates the relationship between Supervisor support and Organizational Commitment.} \]

\[ H_{4b} : \text{IWE moderates the relationship between Compensation and Organizational Commitment.} \]

\[ H_{4c} : \text{IWE moderates the relationship between Training and Development and Organizational Commitment.} \]

**METHODOLOGY**

**Sampling and data collection**

Data collection is an important step for the validity of research process. The main objective of
this study is to investigate the impact of supervisor support, compensation, training, and
development on organizational commitment. Data is collected from targeted sample of different
private and public sectors universities of Pakistan and banking sectors. More over data is
obtained via self-made questionnaire, 300 questionnaires were distributed among targeted
areas and 250 respondents were received which were useable for further analysis. A Cover
letter was attached with a questionnaire, which represents the confidentiality and purpose of
research. Participation was unspecified to have an unbiased opinion. 41.9% respondents were
male and 58.1% were female. Age of 83.8 % respondents were 20 to 30 years. Moreover,
73.8% had a master level education while 26.3% were Bachelor level.
Measurements

**Organizational commitment**

In the current research, organizational commitment is dependent variable and measured by six item scale of Myer, Allen, and Smith (1993). Dockel (2001) also used that scale to measure the organizational commitment of employees of South Africa and in present study, Cronbach’s alpha was 0.650.

**Compensation, Supervisor Support, Training and development**

These are independent variables in the current study and 11-item scale is used for measurement of compensation, the 6-item scale is used for measurement of supervisor support, and 5 item scale is used for measurement of training and development. Sample items for these variables are respectively as “How the company administers pay”, “Sufficient time is allocated for training” and “I feel undervalued by my boss”. In this study, Cronbach’s alpha for these scales were 0.865, 0.747, and 0.722.

**Islamic Work ethics**

This variable is used as a moderator in this study. 17 item scale developed by Ali (1992) to measure IWE was used in this research work. A sample item was “Good work benefits both one’s self and others”. Cronbach’s alpha for that scale was 0.786.

**ANALYSIS AND RESULTS**

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<td>2. Age</td>
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<td>3. Education</td>
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<td>.246**</td>
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<td>4. C</td>
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<td>5. TD</td>
<td>-.021</td>
<td>.091</td>
<td>-.162*</td>
<td>.272**</td>
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<td>6. SS</td>
<td>.217**</td>
<td>.155</td>
<td>.072</td>
<td>.505**</td>
<td>.339**</td>
<td>1</td>
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<td>7. IWE</td>
<td>.264**</td>
<td>.136</td>
<td>.084</td>
<td>.323**</td>
<td>.144</td>
<td>.324**</td>
<td>1</td>
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<td>8. OC</td>
<td>-.256**</td>
<td>.095</td>
<td>.077</td>
<td>.231**</td>
<td>.251**</td>
<td>.213**</td>
<td>-.082</td>
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Note: OC= Organizational commitment, C=Compensation, T&D=Training and Development, SS=Supervisor Support, IWE=Islamic Work Ethics

**p<0.01, *p<0.05**
Results indicate that compensation has a significant positive correlation with organizational commitment \( r = 0.231, p < 0.01 \). There is a significant positive degree of association among training & development and organizational commitment \( r = 0.251, p < 0.01 \). Similarly, Supervisor support has also a significant positive correlation with organizational commitment \( r = 0.213, p < 0.01 \). However, IWE has no correlation with organizational commitment.

**Table 2: Moderated Regression Analysis**

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<th>Predictor</th>
<th>Organizational Commitment</th>
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<td>( \beta )</td>
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<td><strong>Step 1</strong></td>
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<tr>
<td>Compensation</td>
<td>.142*</td>
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<tr>
<td>Training and Development</td>
<td>.131*</td>
</tr>
<tr>
<td>Supervisor support</td>
<td>.141*</td>
</tr>
<tr>
<td>Islamic Work Ethics</td>
<td>.245*</td>
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<tr>
<td><strong>Step 2</strong></td>
<td></td>
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<tr>
<td>IWExC</td>
<td>.848**</td>
</tr>
<tr>
<td>IWExTD</td>
<td>.109**</td>
</tr>
<tr>
<td>IWExSS</td>
<td>-.922**</td>
</tr>
</tbody>
</table>

**p < 0.01, *P < 0.05 ns = not significant.**

In the light of result, Supervisor support has significant positive impact on the organizational commitment which means hypothesis 1 is supported. Similarly, Compensation, Training & Development and Islamic Work ethics also have a significant positive impact on organizational commitment (\( \beta = 0.142, p < 0.05 \), \( \beta = 0.131, p < 0.05 \) and \( \beta = 0.245, p < 0.01 \)) indicating support of hypothesis 2, 3. Furthermore, moderated regression analysis results indicate that IWE moderates the relationship of supervisor support with organizational commitment (\( \beta = -0.922, p < 0.01 \)) which supports hypothesis 4a. Also, IWE moderates the relationship of Compensation with organizational commitment (\( \beta = 0.848, p < 0.01 \)) which supports hypothesis 4b. Moreover, Also, IWE moderates the relationship of Training and development with organizational commitment (\( \beta = 0.109, p < 0.01 \)) which supports hypothesis 4c.

**DISCUSSION**

In the first hypothesis, supervisor support is positively and significantly related to OC. Dockel (2001) also supports these findings. Soulen, Raabe, and Beehr (2003) explain that relationship which was negative. Results obtained from questionnaire indicated that employees of different
sectors get positive feedback and support from their boss, which ultimately increase their commitment level with their organizations. Therefore, if supervisor provides positive feedback and employees feel that their boss is positively performing and encouraging his employee’s participation in work activities ultimately their level of commitment towards organization will increase.

Compensation is significantly positively related with OC. On basis of past study conducted by Dockel (2001) and Johns (2005) argued that earning and continuous commitment are positively related with each other. Therefore on basis of results of a current study, it can be concluded that if proper incentives and rewards are offered to employees believe an organization is increased and they will be more committed towards their organization.

Training and development also showed positive significant influence on organizational commitment results of the current study are also in line with it. Ahmed and Bakar (2003) also get the same result. They argued that T&D and Support towards training are positively related to OC Current study results showed that if proper training and support is provided to employees, they get more opportunities towards development and in turn level of employee commitment is also enhanced. Dockel and Shelton (2001) support these findings whether these findings were positive but not significant. So if organizations devised detail training programs for employees than they can get a better understanding of new technology and in this way get satisfaction for the organization and the level of commitment is increased. Training program provided some new learning points to employees due to which they are able to do work in a competitive environment by using new technologies. In this way, these employees get better opportunities of participation and they become more committed to this organization.

Moderation hypothesis was proposed to investigate that whether IWE moderates the relationship between compensation and organizational commitment or not, i.e. does it strengthens the relation or not. The result of the current study revealed that compensation and OC are positively and significantly moderated by IWE. Similar, in the case of supervisor support, training and development relationship of these variables with organizational commitment is significantly moderated by Islamic work ethics.

**IMPLICATIONS FOR PRACTICES**

Managers should focus to increase the commitment level of employees for their organization. Analysis is necessary to do in Training and Development, which helps to advance the performance. Officers direct a traumatic life due to droning job summary and private problems. Therefore, workshops are necessary to conduct to instruct officers how to keep up the work-life balance. Measures such as Yoga, Meditation, organizing family parties, etc. can be considered.
These activities are helpful in dropping the stress of everyday usual profile. If managers provide certain incentives and rewards to employees on behalf of their performance. Confidence and encouragement of these employees also become more, which in turn increased their loyalty to that organization. Therefore, compensation programs are helpful for enhancement of the level of commitment.

Similarly, if supervisor support is positively provided to employees and employees get positive feedback on their performance activities from their manager or supervisor they will perform well until that better performance will be beneficial for the organization.

Islamic work ethics is a very effective tool to increase honesty level. Therefore, manager should introduce Islamic rules for business so that employees become more loyal and honest towards their duties and become more committed to their organization. Some limitation of the current study includes sampling technique, sample size, resources, and time. Future studies are recommended to use random sampling technique or clustering technique and should add sectoral or industrial dummies to understand the effect sector or industry wise. Moreover, research can enhance model generalizability by increasing the sample size, which will strengthen the results.

REFERENCES


