

Exploring The Dimensions Using Exploratory Factor Analysis Of Islamic Work Ethic Practice In Organization

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Abstract: The development of practical tools for assessing the influence of Islamic values and ethics (IWE) on companies requires the presence of a solid dimension. This study aims to identify the factors that influence Islamic work ethic practice in the organization and to examine the reliability of the factors that influence Islamic work ethic practice in the organization. Data were analysed using the exploratory factor analysis (EFA) through Statistical Package for Social Sciences (SPSS) version 28. The purpose of the EFA is to examine the factor structure of the questionnaire and identify the latent component underlying the application of the Islamic work ethic in organisations. For this study, the Kaiser-Meyer-Olkin (KMO) value is 0.912. Bartlett's test of sphericity shows a significant value of 0.000. five eigenvalues greater than 1. This study is significant as a guideline for researchers and practitioners who what to measure the practice of Islamic work ethics in organisation.

Keywords: *IWE, Islamic work ethic, EFA, exploratory factor analysis, organisation*

1. Introduction

The word "ethics" is derived from the Greek word "ethnos," which describes a person's fundamental outlook on life. A work ethic is a belief that work should be done as effectively as possible and presents the value of diligence and industriousness, minimising the stigmatisation of laziness and adherence to obligations [1]. A strong work ethic may motivate employees, treat them fairly, and foster a sense of loyalty inside the company. Western sociologists believe that a person's perspective is the most important consideration for determining what is good and evil [2,3].

The appropriate Arabic word to translate the word ethics is akhlak. Khuluk is a plural form of akhlak, which indicates a group of distinct personality traits. Islamic work ethics refers to labor-related beliefs or principles taken

directly from the al-Quran and Hadith. For instance, a verse from the Quran may discuss the importance of trust:

"O you who have believed! Do not betray Allah and His Messenger and betray your trusts while you know."- surah al-Anfal [4].

The excellence of an organization depends on various aspects, one of which is the development of the human group, which is defined as human capital [5]. An organisation's human capital development model should produce ethical and noble employees and be said to be valuable assets for the organization. Hence, Islamic ethics with job practices is critical and should be implemented in the workplace as a culture as it covers multifaceted social, political, and economic relationships [2,6].

This paper studies the main factors influencing organisations' Islamic work ethic (IWE) practice. IWE

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enhances the ability to influence people's attraction when doing specific creative professional duties [7]. Furthermore, the IWE can be a medium to boost worker happiness, optimism, and productivity [8] and encourages place of work collaboration [9]. It also showed how poorly established the Islamic work ethic idea was [10]. This study will benefit any organization that wants to measure the Islamic work ethic practice among the employees. From that information, they can develop new company policies and many more.

2. Measuring the Islamic Work Ethic

Initial research on measurement models related to work ethics based on religious and cultural philosophical models has been carried out by several previous researchers. For example, Goldstein and Eichhorn in 1961 built the Protestant Ethic Scale [11]. This model was later developed by [12] and [13] by looking at the importance of work ethics from the Protestant understanding, and the new measurements were named Pro-Protestant Ethic Scale and Protestant Work Ethic Scale. Later, [14] developed The Multidimensional Work Ethic Probie (MWEP), which was developed from the Protestant Work Ethic Scale [13]. The MWEP is a 65-item question that measures seven aspects of work ethics from a conceptual and empirical point of view. It has been the primary reference by most other researchers involved in the study of building measurements related to work ethics. For example, [15] researched the measurement of leisure, extrinsic and social values in influencing an individual's work ethic.

While [16] used the MWEP to measure the work ethics of correctional officers in prisons, [17] used the MWEP to measure the level of work ethic compliance among 266 Export Development Bank staff in Iran. In addition, some researchers have built other measurements related to work ethics. For example, [18] measured work ethics for Chinese citizens based on work-related values and individual attitudes. The researcher [19] developed a Hindu work ethic measurement called the Karma Yoga Instrument, and [20] used psychometric foundations to measure Korean people's work skills and work ethics.

The observation of many previous studies shows that work ethics based on religious philosophy is believed to provide feedback about an employee's attitude in various fields of work, including a person's desire for an activity and the desire to improve one's career. Along with the development of today's management system, Muslim researchers, thinkers, and writers have also tried to highlight the principles and values of work ethics based on the Qur'an and the Sunnah. The examples can be read from [21], [5], [22], [23], [24], [25], and [26]. However, when these studies are examined, these writers highlighted differences in the principles of work ethics. Islamic organizations also list different work ethic values in their

respective institutions [27].

This study believes that for a Muslim employee, excellence in Islamic work management is not measured through skill and seriousness alone, but it also refers to the formation of employees with a particular character that Islamic Sharia guides. This formation needs to start at the top management level of the organization first, then be implemented among executive or middle management, and then practiced and appreciated by supervisors or subordinates [28].

Furthermore, the IWE has not been the subject of much research that used quantitative methods in the context of the time. The abovementioned studies proved their advantages from the theoretical aspect [29] but have been conducted in a qualitative setting. Besides, even though earlier research employed a variety of variables in work ethics studies, just a few tools were considered to quantify IWE practice, and the variables are heavily sourced from the West and Japan, hence requiring a detailed evaluation so that there is no conflict with Islam [30].

The development of practical tools for assessing the influence of Islamic work ethics (IWE) on companies requires the presence of a solid dimension. It is necessary to do a further study since there is a mismatch between theoretical predictions and actual results about the impact of IWE on employees' reactions to change. In this sense, research took the lead by employing the instruments of Islamic work ethic discovered in prior studies. The IWE factors were determined from studies [5] and [8]. Eight factors influencing Islamic work ethic were selected from [5] and 18 from [8].

3. Methodology

This study aims to identify the factors and their reliability in measuring their influence on Islamic work ethic (IWE) practice in the organisation. Using a convenience sampling technique, 100 respondents were asked to answer a questionnaire. The items constructed were adopted from [10] and [5]. This questionnaire consists of two sections which are the demographic and IWE factors. The demographic part consists of nine questions, and the IWE factors consist of 47 questions that contained items measuring the factors of IWE determined from the previous factor studies, whereby they needed to state their agreement with the reflection of the items' selection on the IWE factors based on a numerical scale ranging from 1 to 7 where 1 presents "totally disagree" and 7 "totally agree". By using the google form, a questionnaire, the survey was distributed. The distribution of the survey was through WhatsApp, Telegram, and email. The data were collected within a month.

Of 100 respondents, only 87 answered the questionnaire, and 62 were reliable to be used for analysis without any missing data. All data were then analysed using the exploratory factor analysis (EFA) through Statistical Package for Social Sciences (SPSS) version 28. The

purpose of the EFA was to examine the factor structure of the questionnaire and identify the latent component underlying the application of the Islamic work ethic in organisations.

4. Results and Discussion

The respondents' profile is tabulated in Table 1. From Table 1, the age group of 41 – 45 years old is the most frequent respondent in this study. Almost 60 percent of the respondents are female. Most respondents work in the public sector, which is a government servant.

TABLE 1. Respondent's Demographic

Demographic	Frequency	Percentage (%)
Age Group		
25-30 Years Old	9	14.52
31-35 Years Old	5	8.06
36-40 Years Old	12	19.35
41-45 Years Old	19	30.65
46-50 Years Old	8	12.90
51-55 Years Old	5	8.06
56-60 Years Old	4	6.45
Total	62	100.00
Gender		
Male	26	41.9
Female	36	58.1
Total	62	100
Working Sector		
Government	53	85.5
Private	9	14.5
Total	62	100

The reliability test measures the internal consistency of the questionnaire, as determined by Cronbach's alpha, and ensures that it accurately reflects the measured construct [31]. The overall internal consistency of this study questionnaire shows that the Cronbach alpha value is 0.982. The value indicates good internal consistency and excellent reliability. Table 2 below shows the result of the reliability.

TABLE 2. Reliability Test

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.982	.987	47

The data's suitability for factor analysis is determined using Kaiser-Meyer-Olkin (KMO). Each variable in the data set assesses the sample's adequacy. For this study, the KMO value is 0.912. Reference [31] states that KMO levels

greater than 0.9 are excellent. From this, it can be seen that in this study, the KMO value is excellent and that the sample size is certain to be sufficient for factor analysis. There should be an identity matrix for the original correlation matrix [31]. Bartlett's test of sphericity will calculate the significant value of whether the correlation matrix is an identity matrix. For this study, Bartlett's test of sphericity shows a significant value of 0.000. Bartlett's test of sphericity is the same as stated in the past research by [32]. It means that the original correlation matrix is an identity matrix. Table 3 below shows the result of the KMO and Bartlett's test of sphericity.

TABLE 3. KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.912
Bartlett's Test of Sphericity	Approx. Chi-Square	4222.137
	Degree of Freedom	780
	Significant Value	.000

The extraction in this study employed Maximum Likelihood (ML). ML gives a better understanding of analysing the behaviour of the data [33]. The SPSS result will be given in the "Total Variance Explained" table. In order to maintain factors with eigenvalues larger than 1, SPSS, by default, applies Kaiser's criteria [31]. For this study, SPSS calculates the eigenvalue, with five eigenvalues greater than 1. Table 4 below shows the total variance explained.

TABLE 4. Total Variance Explained

Total Variance Explained						
Factor	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	Percentage of Variance	Cumulative (%)	Total	Percentage of Variance	Cumulative (%)
1	31.536	67.097	67.097	15.026	31.971	31.971
2	2.715	5.776	72.873	10.435	22.203	54.173
3	2.034	4.328	77.201	8.455	17.990	72.164
4	1.422	3.025	80.226	2.721	5.789	77.953
5	1.011	2.152	82.378	0.664	1.412	79.366
6	0.886	1.886	84.264			

In this study, the varimax orthogonal rotation has been employed. The loadings inside factors are spread out as widely as possible by Varimax. It seeks to heavily weigh each element with fewer variables, leading to clusters of factors that are easier to understand [31]. The rotated factor

matrix shows that the factor loadings for the items were separated into 5 Factors for each construct, from the highest loading to the lowest loading. Table 5 below shows the result of the rotated factor matrix.

TABLE 5. Rotated Factor Matrix^a

Items	Statement	Factor				
		1	2	3	4	5
TA11	My intention to work is because of Allah	0.916				
TA21	I do not leave prayer even when I am busy with work	0.895				
TA22	I obey the rules at work as set by the employer.	0.817				
TA33	I sincerely work even if not monitored by the employer.	0.888				
TA41	I am grateful for the job and salary earned.	0.803				
TA52	I am patient and ask Allah for help when facing difficulties at work.	0.869				
TA61	I put my full trust in Allah after doing the assigned task well.	0.897				
TA71	I do work that brings goodness and stay away from work forbidden by Allah SWT.	0.872				
TA81	I always reflect on my sins and rewards in my daily work.	0.858				
TA82	I always reflect on myself to improve the work I do.	0.885				
TA23	I will not obey the employer’s instructions that are against Islamic law.	0.629				
TA31	I sincerely do the work according to the wage rate paid to me.	0.510				
TA32	I work not for human praise and rank.	0.539				
TA34	I sincerely carry out tasks outside the scope of work.	0.755				
TA51	I have a hard time accepting criticism from employers.	0.655				
MS11	I am honest when doing the work entrusted to me.		0.857			
MS21	I am responsible in performing tasks with the best abilities.		0.879			

MS31	I am able to do work related to my field of specialisation.		0.879		
MS41	I do my job according to the principles set by the organisation.		0.898		
MS51	I use the provisions, services and infrastructure provided prudently.		0.864		
IQ11	I can do a job efficiently.			0.864	
IQ21	I am thorough in doing a job.			0.886	
IQ31	I am diligent and earnest in doing a job.			0.903	
IQ41	I am always enthusiastic and viable with colleagues to complete a job.			0.874	
IQ52	I can be tolerant of colleagues to lighten the workload.			0.905	
IQ61	I am able to contribute new ideas to improve work processes in the organisation.			0.853	
IQ71	I always give good cooperation to employers and colleagues in daily tasks.			0.918	
IQ81	I give help to colleagues without expecting anything in return.			0.914	
IQ91	I am trying to increase my knowledge related to work.			0.864	
IQ51	I find it difficult to tolerate when there is a difference of opinion on work matters.			0.531	
AQ11	I work to find sustenance in this world and reward for the hereafter.				0.915
AQ12	I always balance between personal affairs and work.				0.897
AQ13	The work I do is structured and systematic.				0.845
AQ21	I try to be fair in making decisions.				0.880
AQ31	If given the opportunity, I will give an ethical view of meeting.				0.811
AQ41	I will provide a view that prioritizes good to the organization.				0.822
AQ51	I agree with the decision agreed by the majority vote.				0.833
AQ61	I try to implement the decisions that have been agreed in the meeting.				0.882
AQ71	I make sure the workplace environment is always neat and tidy before leaving the workplace.				0.808
AQ22	I do not remain silent when the workload given does not match the remuneration given.				0.247
IH21	I try to complete a work in the planned period.				0.909
IH31	I will help colleagues to complete a job if needed.				0.929
IH41	If the organisation needs help in terms of energy and ideas, I am ready to help as much as possible.				0.913
IH51	I will keep the promises as agreed in the employment agreement contract.				0.938
IH11	I am open in receiving opinions from colleagues.				0.801
IH61	I will not waste time doing something unrelated to work during				0.645

	working hours.					
IH12	I have a hard time apologizing when I make a mistake while completing a task.					0.514

5. Conclusion

This study aims to identify and explore the factors that influence Islamic work ethic practice in organizations, using Exploratory Factor Analysis (EFA) and SPSS software. This study used the indicator proposed by [5] and [10] in the survey questionnaire. The reliability of the whole questionnaire shows excellent value as 0.982 of Cronbach alpha. KMO and Bartlett's test shows the highest and most significant values. Past research proposed 26 factors. After employed EFA therefore it is only 5 factors from 26 factors that describe the main factor of Islamic work ethic practice in an organization. Further study is needed by increasing the sample as per this study because of time constraint, the respondent does not achieve the target. In conclusion, as all of the objectives were achieved, the study succeeded in terms of the covered area and constraints.

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