The Mediating Role of Intrinsic Motivation between Islamic Work Ethics and Job Satisfaction: A Case Study on Islamic Bank Employees in Bandung City, Indonesia

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Islamic work ethics is a concept of ethics that is based on Islamic teachings and principles which rely on faith. Islamic ethics is a principle of right and wrong which designate to demonstrate what a human ought to do based on the teachings of the Quran and shown in the great life of the Prophet Muhammad. This study was conducted to investigate the mediating role of intrinsic motivation between Islamic work ethics and employee job satisfaction. This study used a quantitative model, and it uses a sample of 150 employees of Islamic Banks in Bandung City, Indonesia. The study found three direct relationships and one mediating relationship. All the direct relationships were significantly related with each other and the mediating variable showed a partial relationship. In this particular study, Islamic work ethics have been used and our results show that the organizations where Islamic work ethics are being practised, these ethics improve employee job satisfaction. Therefore, the proposed hypotheses found the significance of the results through statistical analysis. In this study, all proposed hypotheses are supported and have found significant results and consistent with previous studies.

Key words: *Islamic bank, Islamic work ethic, intrinsic motivation, employee job satisfaction.*

Introduction

Islamic work ethics (IWE) has become an interesting topic for researchers who study employee attitudes and behaviour in Muslim societies. Many researchers have studied on

Islamic work ethics and acquired credible and productive results. The researchers have worked on Islamic work ethics with work-related variables and have had diverse results in different countries and regions. Until now, a large number of studies on IWE have been published (Ali, 1988; 1996; Yousef, 2000a; 2000b; 2001; Arslan, 2000; 2001; Ali & Al-Kazemi, 2007; Rokhman, 2010; Hayati & Caniago, 2012; Zaman et al., 2013; Rachmawati & Sudarma, 2016).

The study of ethics was first carried out by Max Webber (1905) who linked Protestant ethics with the spirit of capitalism. Later, Muslim scholars began to work on Islamic ethics and values. Since Max Weber's treatise on Protestant ethics, the problem of productivity and economic development and its relationship with religious beliefs have achieved an increase in popularity (Furnham, 1982; Furnham & Rajamanickam, 1992).

IWE are closely related to employee job satisfaction (Zaman, et al., 2013; Yousef, 2001; Koh & Boo, 2001; Viswesvaran and Deshpande, 1996; Vitell and Davis, 1990). Understanding the relationship between work ethics and employee job satisfaction is essential in determining methods of intervention and strategies for extenuating factors that reduce satisfaction towards the work conditions (Yousef, 2000).

Employee job satisfaction as a collection of feelings that an individual holds towards his or her job. This means that an employee who has a high level of employee job satisfaction will hold positive feelings towards their job and vice versa, resulting in their best in work (Robbins, 2005, Weiss, 2002; Spector, 1997). Employee job satisfaction portrays how a person is motivated towards their job. People remain happy and satisfied with their jobs. Jobs are also designed with the aim to enhance employee job satisfaction (Haroon et al., 2012).

The Qur'an is a complete code of life and the duty of every Muslim is to abide by the Qur'an and *Sunnah* value system. People are prepared through the Qur'an and *Sunnah* value systems and demonstrate these qualities in their personal and professional lives. An Islamic value system provides a comprehensive management pattern that protects all community stakeholders (Zaman, et al, 2016).

IWE is an Islamic aspiration in relation to a person's behaviour in the workplace which includes business, dedication, cooperation, responsibility, social relations, and creativity. Essentially, when someone has a close relationship with God, one's attitude and behaviour will tend to be consistent with religious rules and regulations (Rahman, et al. 2006). According to the philosophy of Islamic work ethics, Muslim professionals must always give priority to the interests of the public whenever they have to choose between personal interests and the public interest (Kheder, 2001). IWE is a behaviour and a technique to do the best job. While one works under the Islamic code of ethics, the excitement or motivation that comes

from inside someone reflects outwardly and they look satisfied. This may be an intrinsic motivation and which also leads to satisfaction (Haroon et al., 2012).

Intrinsic motivation is a motivation that comes from inside of an individual rather than from any external reward, such as money or grades. The motivation comes from the pleasure one gets from the task itself or from the sense of satisfaction in completing or even working on a task. In a neutral environment, IWE directly affects intrinsic motivation (Deci, 1971).

This study was conducted to investigate the mediating role of intrinsic motivation between Islamic work ethics and employee job satisfaction. This study was conducted on employees of Islamic banks in the city of Bandung, Indonesia (Baykalova et al, 2018: zhaleh et al, 2018).

Literature Review

Work ethics are also closely related to employee job satisfaction (Yousef, 2001; Koh & Boo, 2001; Viswesvaran & Deshpande, 1996; Vitell & Davis, 1990). Robbins (2005) described employee job satisfaction as a collection of feelings that an individual holds towards his or her job. This means that an employee who has a high level of employee ob satisfaction will hold positive feeling towards their job and vice versa, which will result in their best work. Employee job satisfaction is related to how a person is motivated towards their job. People remain happy with their satisfying jobs. Job Satisfaction is not the same as the motivation and aptitude, but it is linked with it. Jobs are also designed with the aim to enhance job satisfaction (Haroon, et al., 2012).

Intrinsic motivation refers to doing something because it is inherently interesting or enjoyable (Ryan & Deci, 2000). According to Hood Jr et al., (2009), Protestant work ethics (PWE) in the context of employment and workers is the motivation to achieve. Training children in the home for later independence is to positive correlate of achievement motivation, and earlier independence training and achievement motivation go together, further supporting the underpinning of the PWE. He found that until the late 20th century, Catholic mothers were more satisfied with lower-status occupations that offered stability and job security for their children, opposite to their Jewish and Protestant counterparts. The results of Nithyanandan (2010) showed that the group has a high PWE also have a high intrinsic motivation. Based on some of the views and the results of these studies indicate there is a relationship between the work ethic to intrinsic motivation. Intrinsic motivation has significant relationship with job satisfaction (Karatepe & Tekinkus, 2006; Ahmed et al., 2010).

Figure 1. The Mediating Role of Intrinsic Motivation Between Islamic Work Ethics and Job Satisfaction
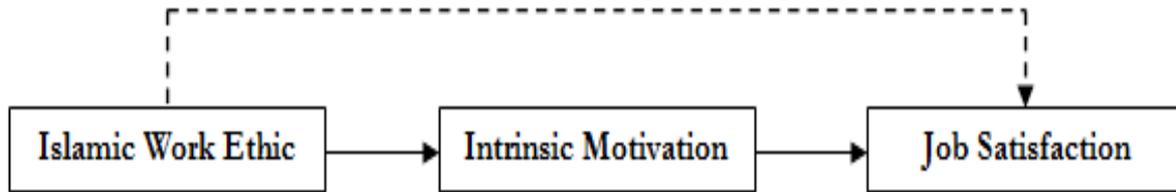
Islamic work ethics is taken as an independent variable. IWE has the positive and strong relationship with intrinsic motivation and intrinsic motivation is serving as an intervening variable. Intrinsic motivation leads to job satisfaction which is a dependent variable in this relationship. Based on the literature reviewed, four following hypotheses have been generated for this study. Therefore, the hypotheses are:

H1: Islamic Work Ethic will be positively related to Intrinsic Motivation.
H2: Islamic Work Ethic will be positively related to Job Satisfaction.
H3: Intrinsic Motivation will be positively related to Job Satisfaction.
H4: Intrinsic Motivation will mediate the relationship between Islamic Work Ethic and Job Satisfaction.

Method

This research uses the survey method (Sugiyono, 2014). The populations in this study were employees of the Islamic Banks in Bandung City, Indonesia. Samples were taken using Slovin's formula with alpha 5% = 150 respondents, with the proportional random sampling. Data analysis techniques use confirmatory factor analysis and Structural Equation Modelling (SEM). To measure the Islamic Work Ethics, 13 items, including a short version instrument developed by Ali (1992), were used with little modifications. The employee job satisfaction is measured through 6 items scale developed by Agho et al. (1992). The third scale was the intrinsic motivation scale developed by Warr et al., (1979). It comprises 6 items. In this study, measurements that were previously developed and validated are used, and are often used to measure variables. Respondents were asked to answer statements using a five-point Likert scale. Five points represented strongly agree while one point represented strongly disagree with the statement given.

Results and Discussion

The results indicate four supported hypotheses.

H1: Islamic work ethic has a positive and significant effect on intrinsic motivation. Correlation shows that there is a strong and positive relationship between the two constructs (0.792).

H2: Islamic work ethic has a positive and significant effect on job satisfaction, correlation shows that there is a strong positive relationship between the two constructs (0.551).

H3: Intrinsic motivation has a positive and significant effect on job satisfaction, the correlation shows that there is a strong and positive relationship between the two constructs (0.691).

H4: Intrinsic motivation will mediate the relationship between Islamic work ethic and job satisfaction, the results that the intrinsic motivation mediates the relationship between Islamic work ethic and job satisfaction, can be considered a major contribution of this study. These results demonstrate that improving job satisfaction requires enhancing intrinsic motivation, and support of the Islamic work ethic.

Table 1: Correlation Analysis

Correlations		IWE	IM	JS
	Pearson Correlation	1	.792**	.551**
IWE	Sig. (1-tailed)		.000	.000
	N	150	150	150
	Pearson Correlation	.792**	1	.691**
IM	Sig. (1-tailed)	.000		.000
	N	150	150	150
	Pearson Correlation	.551**	.691**	1
JS	Sig. (1-tailed)	.000	.000	
	N	150	150	150

**. Correlation is significant at the 0.01 level (1-tailed).

a. Cannot be computed because at least one of the variables is constant.

The correlation analysis of the three variables shows that there is a significant positive relationship among the variables. Job Satisfaction is significant with Islamic work ethic and intrinsic motivation with intensity of 0.551 and 0.691 respectively. Islamic work ethic is significantly correlated with intrinsic motivation (0.792). The results that the relationships of the Islamic work ethic on intrinsic motivation, job satisfaction, are positive and significant are consistent with previous findings (e.g. Nithyanandan, 2010; Yousef, 2001; Rokhman and Omar, 2008; Othman et al, 2004; Grbac and Loncaric, 2009; Ali and Al-Owaihan, 2008). The result shows that the relationship between intrinsic motivation and job satisfaction is in line with the findings of previous studies (Karatepe & Tekinkus, 2006; Ahmed et al, 2010). This result indicates that those who are more motivated intrinsic with their jobs are more satisfied with their organizations.

Table 2: Regression Analysis

Coefficientsᵃ					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2598	.132		16.273	.000
IWE	.110	.024	.551	5.321	.000
IM	.284	.032	.691	6.234	.000

a. Dependent Variable: JS

The relationship of the three variables (job satisfaction, Islamic work ethic and intrinsic motivation) describes that job satisfaction has a significant relationship with Islamic work ethic, significant relationship with intrinsic motivation (p= 0.000), it favours our hypothesis that intrinsic motivation has a mediating relation with job satisfaction and Islamic work ethic.

In this study, two direct relationships and one mediation relationship have been discussed. One is independent variable i.e. Islamic work ethics and the other two are mediating variables, which is intrinsic motivation and the dependent variable is employee job satisfaction. In this study, it has been found that there is a direct relationships between Islamic work ethics and employee job satisfaction, Islamic work ethics and intrinsic motivation, and intrinsic motivation and employee job satisfaction. The most important part of this study is to find the mediating relationship of intrinsic motivation between Islamic work ethics and employee job satisfaction. The first hypothesis established the direct relationship between Islamic work ethics and employee job satisfaction. Our data fully supported our first hypothesis. The second hypothesis is related to the relationship of intrinsic motivation with employee job satisfaction. The data also supports this relationship. The third hypothesis of this study is the relationship between Islamic work ethics and intrinsic motivation. The data also supports this relationship. The last hypothesis finds the mediation effect between Islamic work ethics and intrinsic motivation.

Conclusion

The study found three direct relationships and one mediating relationship. All the direct relationships were significantly related to each other and the mediating variable showed the partial relationship. In this study, the researchers have used IWE and our results show that the organizations where IWE are being practised, these ethics improve employee job satisfaction. Therefore, the proposed hypotheses find the significance results through statistical analysis. In this study, our all proposed hypotheses are supported and have found significant results and consistent with previous studies.

The findings and conclusions from this study are only suggestive and must be interpreted, keeping in mind the following limitations. First, the sample was selected from the Islamic Banks in Bandung City, Indonesia. Furthermore, the respondents are all Muslim. This limits the comparison between Muslims and non-Muslims and limits generalizations to other banks. Second, the sample size used is only 150 employees of the Islamic Banks of Bandung City, Indonesia. With a larger sample size, it can make comparisons on different professional characteristics such as educational background, age, and position of the respondent. Future studies must use a larger sample to enable comparison and see non-Muslim perspectives (Islamic Banks and Conventional Banks).

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