

Impact Of Islamic Organizational Culture On Islamic Work Performance: A Study Of Private Universities In Khyber Pakhtunkhwa, Pakistan

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Abstract

Organizational culture is a very debating area from the last few years in the world. Most of the research studies are conducted in the western countries and they adopted their own religious and societal values in their organizational culture, whereas, less researches are done on Islamic perspectives. Therefore, current study aims at finding values cover the Islamic perspectives at workplace. In order to meet the objectives on the study a sample of 328 employees was selected purposively comprising of employees working at private sector institutions at Peshawar. A total of 400 self-developed questionnaires were distributed, whereas, 312 were returned back, which were analyzed with the help of SmartPLS 4.0. The developed instrument was confirmed to be valid and reliable. The present study signifies that Islamic organizational culture (belief /trust on ALLAH, coordination, mutual trust, hardworking, absolute Sincerity, time for prayer and accountability) brings 89% change in Islamic work performance of employees of private universities of Khyber Pakhtunkhwa. The result of this study communicates significance of the Islamic organizational culture on Islamic work performance. In light of the results of the current study and previous research study results, it is safe to say that the

organization may develop a good work environment which is based on belief /trust on ALLAH, coordination, mutual trust, hardworking, absolute sincerity, time for prayer and accountability to ensure a pleasant Islamic organizational culture to achieve better results.

Key words: Islamic Organizational Culture, Belief / Trust on Allah, Mutual Trust, Absolute Sincerity, Hard Working, Time for Prayer, Accountability.

Introduction

Organizational culture is a very debating area from the last few years in the world. Just like in the society every religion has its own cultural values which are distinct from the others and some values may be a like in many religions. Every organization in the world has its own organizational culture which provides a set of values and practices to be followed by the employees. Most of the research studies are conducted in the western countries and they adopted their own religious and societal values in their organizational culture. As being a Muslim there is a complete code of life was given to us by Prophet Muhammad ﷺ. Being a Muslims there are many characteristics of the Muslim culture provided in the Quran and Sunnah. It is the duty of every Muslim that besides the five pillars of Islam (Iman, Salah, Fasting, Hajj, and Zakat) he must obey the rule of Islamic code of life because Allah ﷻ provided a clear path to every human in Quran and it will lead them to a successful life. There is about 1.8 billion populations in the world with an annual average growth rate of 1.5%. Consequently, it is the growing desire of practicing Muslims to construct the workplace in accordance with Islam, so that they can do each and every task in accordance with the teaching of Islam and gain the greatest rewards in this life and the next. However, the absence of defined recommendations regarding organizational culture from an Islamic perspective is a significant issue. In addition, the authors discovered through a review of the relevant literature that

there is no research focusing on organizational culture from an Islamic perspective.

In light of the Quran, Sunnah, and traditions of the Khalifs (the successors of Islam), this study is a new attempt to construct the characteristics and model of organizational culture in order to assist Muslim leaders, managers, and employees of today. Whoever wishes to construct or restructure their organization's culture in light of Islam will be able to establish and keep a cultured workforce.

Problem Statement

In Muslim countries organizations try to adopt the organizational culture which is provided by the western countries and which missed the Values of the Muslim community in the organizational culture. There is need to include the Islamic values in the existing organizational culture and provide a comprehensive model of organizational culture which will be acceptable for all kind of organizations in the world.

Objectives

The basic purpose of the study is investigating the relationship between Islamic organizational culture and Islamic employee performance in private sector university of Pakistan.

Conceptual Framework

Figure 1 is the conceptual framework where Islamic Organizational Culture and its factors are independent variables and Islamic work performance is dependent variable.

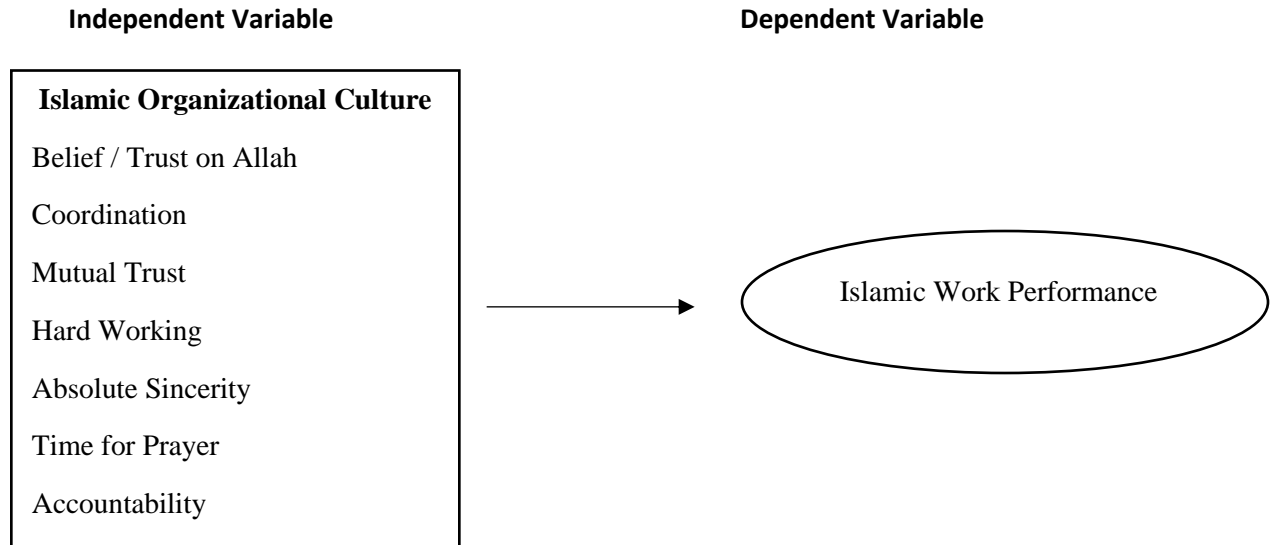


Figure 1 Conceptual Framework

Literature Review

Organizational Culture

Human capital is a critical component of a company's success. In order to gain an advantage over its competition, every company strives to properly manage its human resources. Individual and collective employee conduct are hampered by organizational culture in any firm. It's the nucleus around which all of our individual and communal actions revolve. The culture of a business has a significant impact on both organizational and individual performance. Having an understanding of theoretical components of organizational culture is vital for understanding the philosophies of organizations. A lot of effort has been done in the past, but it is still an alarming and critical issue that has to be addressed. It is essential for any organization to have its own distinct organizational culture, as this significantly boosts the efficiency of the organization. Because workers interact with one another, know the vision/mission, values, and ethics of the organization, which leads to innovation in goods and services, a successful and influential culture is required for an organization to achieve its desired level of

effectiveness. The concept of the power of organizational culture was first conceptualized as a result of the first focus placed on commonly held values (van den Berg & Wilderom, 2004). The organization's values are the most important aspect that demonstrates the health of the organizational culture, which in turn provides the foundation for an agreement between the organization and its personnel (Booth & Hamer, 2009). A company's culture changes from one generation to the next, although it tends to remain relatively consistent over long periods of time. They couldn't agree on a precise definition of organizational culture. Allaire and Firsirotu (1984) defined the organizational culture as corporate culture as an ethno - cultural symbol system created by the surrounding society and the organization's history, leadership, and circumstances, differently communicated, utilized, and changed by players in the process of reacting and contextualizing of organizational events. Another researcher like Schein, (1992) defined organizational culture as it is the interdependence of shared ideas, practices, and assumptions that are established for problem solving, and it must assist new workers in comprehending the basic principles, perceiving reality, and thinking favorably about the organization's success. Hofstede (2011) also defined organizational culture as the members of one group or category are differentiated from members of other groups or categories based on their shared cultural programming of the mind.

Islamic Organizational Culture

The comprehension of the organization's objectives, operational procedures, and significance is facilitated by the amalgamation of rules derived from the Quran, Sunna, Ijma, and Quias, as elucidated by Hoque et al. (2013). It is the procedure of transmitting and able to share belief systems, vision, mission, values, perceptions, standards, knowledge, and skills among the organizational members in accordance with the Quran and Sunnah in order to achieve the goals of the organization efficiently and achieve, thereby gaining Allah's pleasure (SWTA). Both managers and workers are substantially influenced by an organization's culture.

Organizational culture is occasionally steady, but never permanent (Robbins,2013). The components of organizational culture encompass individual autonomy, structural framework, supportive environment, collective identity, recognition of performance, tolerance for disagreement, and willingness to take risks. Hence, it is imperative for the Islamic work culture to cultivate motivation, vigor, and a proactive leadership disposition. Employees will uncover the inherent potential and prowess bestowed upon them by a higher power, encompassing attributes such as creativity, logical reasoning, innovative thinking, distinctive aptitudes, and proficiency in utilizing specific instruments, among others. The concept referred to as organizational culture is discussed from an Islamic perspective by (Astuti et al., 2003).

The culture of Muslim organizations addresses the contemporary era of globalization. Numerous enterprises assimilate foreign cultures under the premise that they possess greater levels of maturity and sophistication. Islam acknowledges that different cultures are neither inherently harmful nor positive. Despite being a fundamental aspect of Islamic teachings, the cultural norms surrounding punctuality and the fulfillment of commitments are sometimes perceived as unfamiliar (Hafinuddin & Tanjung, 2003). Islamic organizational culture encompasses the optimization of life satisfaction through the effect of religious beliefs, cognitive processes, memories, and educational experiences. The Qur'an and the Sunnah of Rasulullah SAW, collectively representing the moral teachings of Islam, serve as the primary source of inspiration and essence for Islamic culture.

In the Islamic religion, individuals are required to engage in prayer as a means of seeking divine intervention and acknowledging their inherent limits. The preference of God is inclined towards individuals who engage in relentless inquiry rather than those who exhibit hesitation, as the latter may just appear affluent. The Quran Surah Al-Mu'min verse 60 Allah says " Pray unto Me and I will hear your prayer. Lo! those who scorn My service, they will enter hell, disgraced." Indeed, individuals who proudly

proclaim their unwavering allegiance to my personage shall find themselves consigned to the infernal abode known as Jahannam, wherein they shall endure a condition of profound humiliation. If individuals consistently engage in diligent effort and exertion, they will cultivate an organizational culture characterized by discipline, strong determination, and resilience against feelings of discouragement. Meanwhile, the individual persists in engaging in prayer and seeking divine intervention and favor, with the aim of ensuring the efficacy of their endeavors. This characteristic fosters a sense of modesty rather than arrogance, and a perpetual consciousness of one's own shortcomings and abilities.

According to Hafinuddin and Tanjung (2003), it is essential to direct the recognition of life's values or meanings, religion, experience, and education towards the cultivation of professional work attitudes. Meanwhile, the cultivation of relevant principles will give rise to ethical values, such as Ash-Sholeh (Good and Useful), Al-Itqon (Stability), Al-Ihsan (Excellence), Al-Mujahadah (Diligent and Optimal Effort), Tanafus and Taawun (Competition and Cooperation), and Traits (Ash-Sholeh, Al-Itqon, Al-Ihsan, Al-Shiddiq, Istiqomah, Fathanah, Amanah, and Tabligh).

Gibson et al. (2012) claim that organizational behavior is influenced by culture. Cultural norms, values, and beliefs significantly influence how people work, evaluate their work, interact with coworkers, and envision the future. Moreover, as stated by Luthans (2012), numerous definitions of organizational culture acknowledge the significance of the identical principles and values that influence the conduct of corporate members.

Robbins and Judge (2015) assert that it is crucial to comprehend an individual's values due to the substantial influence they exert on one's behavior, attitudes, and perceptions. Subjects comprise evaluative elements that manifest an individual's conceptions of what is acceptable, rational, or preferable. An action or conduct that places utmost importance on the preservation of virtue and truth

will inevitably be embraced by the entire community (or organization).

In this sense, Yukl and Mahsud (2010) define values as internalized convictions concerning what is morally and ethically upright or vile, or evil and unethical. Fairness, justice, honesty, equality, freedom, patriotism, humanism, loyalty, self-actualization, excellence, pragmatism, civility, sociability, and collaboration are a few examples. They are crucial because they affect the choices and objectives, perception of problems and events, and behavioral decisions of a leader. Moreover, they underscore the perspectives of several authorities who contend that cultural traditions and values can exert diverse influences on the attitudes and conduct of managers. Managers who were raised in a particular culture may unknowingly internalize discounts, which can have an impact on their attitudes and behavior. Cultural discounts are also present in the social norms and conventions that govern interpersonal behavior.

Ivancevich et al. (2014) define organizational culture as a framework through which one can comprehend the conduct of both individuals and groups within a given organization. Diverting a robust culture from a feeble culture often yields advantageous outcomes. A robust organizational culture is characterized by members who adhere to the same fundamental values. The degree to which employees embrace and concur with fundamental values directly correlates with the strength of the organization's culture and its capacity to shape conduct. The endorsement of leaders and members within an organization is indicative of the cultural fortitude of that organization. Assume that a significant proportion of the membership endorses the requisite standards, policies, and principles, which are operationalized through various means. The organizational culture can be considered strong and firmly established in this particular instance.

Islamic Employee Performance

The performance analysis is conducted due to the rising significance and complexity of current references and managerial practices. Several expert viewpoints might be

consulted on the definition of work performance. According to Mohamad and Nawawi (2020), performance is defined as the results or accomplishments attained while performing a task. According to Sutedjo and Mangkunegara (2013), employee performance (work performance) is the quality and amount of work accomplished by an employee in carrying out his obligations in accordance with his assigned duties.

Understanding employee performance is crucial for organizations and institutions (especially in the business sector). Experts disagree over the necessity of employee performance evaluations. Dessler et al., (2015) explains that the necessity of assessing employee performance is to give information as a foundation for decision making, particularly regarding promotions and compensation, and to create opportunity for workers to jointly examine employee conduct in relation to work.

Simamora (2014) argues that the assessment of an employee's performance serves multiple purposes, including the establishment of goals to be achieved and the evaluation of employee performance at the conclusion of a certain period. Additionally, it serves as a point of reference for the processing of work procedures carried out during that period. Furthermore, it has been disclosed that the ability of an organization to evaluate the performance of its employees and utilize this information to align performance with present demands and enhance it progressively is a pivotal factor in its sustained prosperity.

Examining performance with an Islamic perspective. Zadjuli and Shofawati (2009) assert that the assessment of Islam's performance encompasses the utilization of the subsequent indicators: Intention to workhouses because of Allah; in terms of work, the laws, norms, and sharia must be applied in their full; the objective is to seek "good fortune" in this life and the next. It is imperative to strike a harmonious equilibrium between the pursuit of material prosperity and religious devotion. Upon achieving success in one's endeavors, it is incumbent upon individuals to express gratitude to Allah SWTA and utilize their acquired

sustenance in a manner that aligns with Allah's teachings. This entails refraining from excessive indulgence or undue frugality, and instead engaging in acts such as issuing Zakat, Infaq, and Sadaqah, undertaking the pilgrimage if the necessary prerequisites are met, and providing support to orphans, the underprivileged, the impoverished, and individuals with disabilities. According to Islamic teachings, it is believed that the quality of life is consistently progressing. Individuals possessing rational faculties must strive for success, ensuring that their existence is firmly grounded in principles of faith and moral excellence. The work outcomes were deemed inadequate for assessing the business's progress or endeavors. The aversion to undesirable employment leads individuals to experience financial destitution. In order to avoid being stigmatized as individuals who are unsuccessful, it is imperative for everyone to actively seek a more advantageous trajectory and optimize their time in order to engage in constructive endeavors. Given limited external support, individuals must rely on their own endeavors to enhance their performance and achieve personal growth. Hence, it can be observed that Allah (SWTA) instructs humanity to actively participate in productive endeavors that contribute to the improvement of their overall well-being. In this context, it is incumbent upon individuals to engage in suitable work as prescribed by Allah, in order to sustain their livelihood and enhance their standard of living, thereby fulfilling their fundamental need. The Islamic viewpoint of the correlation between the actions of an individual or collective entity and those of an organization necessitates a foundation rooted in the Qur'an and Sunnah.

Theoretical Framework

Islamic organizational culture is based on the Islamic work ethics theory and which can be categorized under the framework of divine command theory, which posits that religious principles serve as the fundamental basis for determining ethical standards. In the field of Islamic studies, the distinction between right and wrong is unequivocally advocated through the divine teachings of Allah. The Islamic perspective is considered more

appropriate for describing ethics due to its comprehensive, moderate, and realistic nature (al-Aidaros et al., 2013). According to Kaliffa (2003), a fundamental element in conducting business within the Islamic framework is the adherence to honesty and fairness in business transactions. Consequently, it is imperative for every individual engaged in business activities to possess a robust set of ethical values. Suzuki and Uddin (2014) asserts that within the Islamic framework, the market is permitted to play a role and enjoy freedom in trade. However, it is important to note that this freedom is subject to certain restrictions, ethical considerations, and societal standards, which regulate business and financial transactions (Alabdullah and AL-Qallaf, 2023).

The application of Social Exchange Theory Emerson (1987) to Islamic organizational culture elucidates the potential for trust, cooperation, justice, loyalty, and the promotion of psychological well-being to augment social exchanges within the corporate context. Positive interactions based on Islamic principles have the potential to enhance work performance, increase employee satisfaction, and foster commitment. Organizations that prioritize these principles have the potential to establish a favorable atmosphere that fosters employee excellence and facilitates the optimal utilization of their skills and contributions.

Hypothesis of the Study

Based on the above literature review the following hypotheses are formulated;

Global Hypothesis: There is a positive impact of Islamic Organizational Culture and Islamic Employee Performance.

H1: Belief/ Trust on Allah has a positive impact on Islamic Work Performance.

H2: Coordination has a positive impact on Islamic Work Performance.

H3: Mutual Trust has a positive impact on Islamic Work Performance.

H4: Hard Working has a positive impact on Islamic Work Performance.

H5: Absolute Sincerity has a positive impact on Islamic Work Performance.

H6: Time for prayer has a positive impact on Islamic Work Performance.

H7: Accountability has a positive impact on Islamic Work Performance.

Methodology

Population

The population of this study is the employees working in different department in Private sector universities in Pakistan. There are approximately 7000 employees working in the universities Pakistan.

Sampling (Size and Technique)

Using G*Power analysis at the alpha 0.95 the total sample size calculated is 328. Data was collected through purposive sampling technique from the Peshawar city. Data was collected from the employees working in private sector universities in Pakistan like Sarhad University of Science & It, Peshawar, City University of Science and IT, Peshawar, Abasyn University, Peshawar, Qurtuba University Peshawar and CECOS university of Science and IT, Peshawar. About 400 questionnaires were distributed among the faculty members of the said five universities and 312 were returned back and fit for the data analysis. SmartPLS 4.0 used for data analysis.

Instruments

As there was no one composite questionnaire available which covers all the constructs. Each construct instruments were adopted from different authors. The instruments of Belief / Trust on ALLAh SWTA adapted from (Mufti, 2019), Cooperation (Peters, 2020), Hard working (Sharma & Rai, 2015), Mutual Trust (McAllister, 1995), Accountability (Kaboli-Nejad, 2022), Absolute sincerity with organization (Paswan et al., 2005), Time for prayer

(Ismail et al., (2021) and for Islamic Work Performance (Suparman et al., 2021).

Data Analysis

Construct Reliability and Validity

The Cronbach's alpha (α), Composite reliability (CR) and AVE (Average Variance Extracted) are mostly used methods for analyzing the reliability and validity of constructs. The 0.7 is the threshold value for both α and CR, while 0.5 in case of AVE. For current study, The values of Cronbach's alpha (α) and composite reliability are shown in the table which are greater than 0.7 and the AVE value for all latent variables are also greater than 0.5. Thus, it validates the instrument reliability and validity.

Construct Reliability and Validity

| Variables | Cronbach's Alpha | CR | AVE |
|-----------|------------------|-------|-------|
| AS | 0.801 | 0.801 | 0.628 |
| ACC | 0.744 | 0.744 | 0.566 |
| BT | 0.824 | 0.832 | 0.739 |
| CO | 0.865 | 0.880 | 0.604 |
| HW | 0.906 | 0.913 | 0.641 |
| IOC | 0.964 | 0.968 | 0.645 |
| IWP | 0.930 | 0.934 | 0.644 |
| MT | 0.895 | 0.910 | 0.701 |
| TFP | 0.844 | 0.850 | 0.618 |

BT= Belief/trust on ALLAH, CO=Coordination, MT=Mutual trust, HW=Hard working, AS=Absolute sincerity, TFP=Time for prayer, ACC=Accountability, IOC=Islamic organizational culture, IWP=Islamic work performance

Discriminant validity (Fornell-Larcker criterion)

It is the first and foremost method for which is used for discriminant validity determination. For instant, the Fornell-Larcker criteria value of all variables is presented in bold in the table. All these diagonal values are greater than the other values in their respective column, so it confirm discriminate validity.

Discriminant validity (Fornell-Larcker criterion)

| Variables | AS | ACC | BT | CO | HW | IOC | IWP | MT | TFP |
|-----------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| AS | 0.792 | | | | | | | | |
| ACC | 0.587 | 0.839 | | | | | | | |
| BT | 0.712 | 0.752 | 0.890 | | | | | | |
| CO | 0.711 | 0.668 | 0.860 | 0.896 | | | | | |
| HW | 0.717 | 0.549 | 0.778 | 0.611 | 0.872 | | | | |
| IOC | 0.681 | 0.787 | 0.883 | 0.777 | 0.800 | 0.943 | | | |
| IWP | 0.779 | 0.743 | 0.713 | 0.849 | 0.811 | 0.682 | 0.846 | | |
| MT | 0.597 | 0.552 | 0.561 | 0.818 | 0.457 | 0.771 | 0.736 | 0.837 | |
| TFP | 0.787 | 0.655 | 0.758 | 0.684 | 0.910 | 0.902 | 0.803 | 0.546 | 0.786 |

Hetrotrait-Monotrait Ratio HTMT (0.9)

The HTMT is the second method which is used for determination of discriminant validity. In the current study, the researcher has taken 0.9 as threshold for HTMT. The HTMT values for all latent variables are shown in the table below; all these values are in acceptable range which validates that good discriminant validity of all variables.

Hetrotrait-Monotrait Ratio HTMT (0.9)

| Variables | AS | ACC | BT | CO | HW | IOC | IWP | MT | TFP |
|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-----|
| AS | | | | | | | | | |
| ACC | 0.737 | | | | | | | | |
| BT | 0.873 | 0.840 | | | | | | | |
| CO | 0.624 | 0.647 | 0.706 | | | | | | |
| HW | 0.424 | 0.630 | 0.813 | 0.655 | | | | | |
| IOC | 0.600 | 0.724 | 0.696 | 0.481 | 0.715 | | | | |
| IWP | 0.691 | 0.784 | 0.513 | 0.689 | 0.868 | 0.715 | | | |
| MT | 0.662 | 0.631 | 0.765 | 0.761 | 0.450 | 0.688 | 0.758 | | |
| TFP | 0.554 | 0.812 | 0.810 | 0.790 | 0.603 | 0.793 | 0.652 | 0.585 | |

VIF values for all items

In the current study, the data has checked for multicollinearity with the help of Variance Inflation Factor (VIF). The VIF threshold value is 5. The below table shows the VIF values for all items of constructs which are less than the critical value. So, it confirms that the data is free from multicollinearity issue.

VIF values for all items

| Items | Value | Items | Value | Items | Value |
|-------|-------|-------|-------|-------|-------|
| AAC1 | 1.822 | TFR5 | 1.642 | HW4 | 3.536 |
| AAC2 | 1.349 | CO1 | 2.772 | HW5 | 3.169 |
| AAC4 | 1.349 | CO2 | 1.581 | HW6 | 2.613 |
| AAC6 | 1.520 | CO4 | 1.947 | HW9 | 2.157 |
| AS1 | 1.530 | CO5 | 2.186 | IWP1 | 3.553 |
| AS3 | 1.994 | CO6 | 3.420 | IWP10 | 2.414 |
| AS4 | 2.019 | CO8 | 1.537 | IWP2 | 4.104 |
| AS6 | 1.965 | MT1 | 2.952 | IWP3 | 2.241 |
| BT1 | 2.064 | MT2 | 2.673 | IWP4 | 3.138 |
| BT2 | 1.661 | MT3 | 3.579 | IWP5 | 2.872 |
| BT5 | 1.993 | MT4 | 3.644 | IWP6 | 4.126 |
| TFR1 | 2.179 | MT5 | 1.485 | IWP8 | 2.812 |
| TFR2 | 3.060 | HW1 | 1.696 | IWP9 | 3.456 |
| TFR3 | 2.185 | HW10 | 2.002 | | |
| TFR4 | 1.530 | HW2 | 2.234 | | |

Path Coefficient

The t-statistic and p-value are mostly used for calculation of path coefficient. Both t-statistic and p-value have different threshold values (t-test, 1.96 and p value, 0.05). For instant, the given table shows the result of path coefficient; all these values are in acceptable range, so all the proposed hypotheses of the present study are accepted.

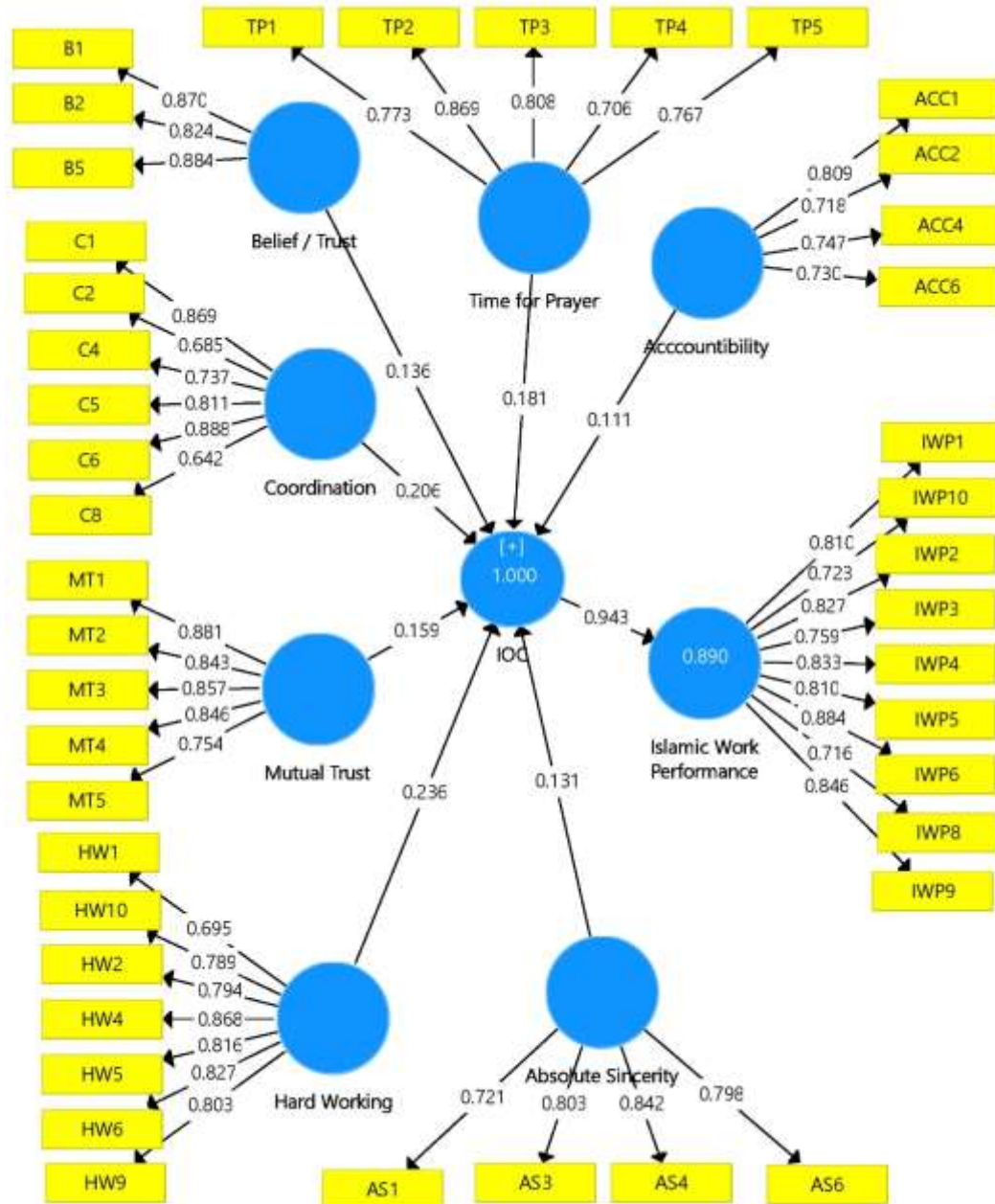


Figure 2 Measurement Model

Path Coefficient

| Relationship | Coefficient | SD | T-statistic | P-value | Decision |
|--------------|-------------|-------|-------------|---------|-----------|
| AS -> IWP | 0.124 | 0.008 | 14.644 | 0.000 | Supported |
| ACC -> IWP | 0.105 | 0.016 | 6.464 | 0.000 | Supported |
| BT-> IWP | 0.128 | 0.010 | 12.484 | 0.000 | Supported |
| CO -> IWP | 0.194 | 0.013 | 14.478 | 0.000 | Supported |
| HW -> IWP | 0.222 | 0.020 | 4.029 | 0.000 | Supported |
| MT -> IWP | 0.150 | 0.018 | 8.341 | 0.000 | Supported |
| TFP -> IWP | 0.171 | 0.013 | 13.250 | 0.000 | Supported |
| IOC -> IWP | 0.943 | 0.015 | 63.760 | 0.000 | Supported |

BT= Belief/trust on ALLAH, CO=Coordination, MT=Mutual trust, HW=Hard working, AS=Absolute sincerity, TFP=Time for prayer, ACC=Accountability, IOC=Islamic organizational culture, IWP=Islamic work performance

IWP (Islamic Work Performance), $R^2 = 0.89$, Adj $R^2 = 0.90$ and $Q^2 = 0.556$

Model fit, SRMR= 0.06 and NFI= 0.951

Moreover, the current model exhibits an R^2 value of 0.89, indicating that 89% of the variations in the dependent variable can be attributed to the independent factors. Furthermore, the Q^2 value of 0.556 provides evidence that the presented model exhibits predictive significance. Finally, it has been verified that the model is most appropriately suited, as indicated by the satisfactory values of SRMR (0.051) and NFI (0.951), which meet the established criteria of SRMR being less than 0.08 and NFI exceeding 0.90.

Discussion and Conclusion

The present study signifies that Islamic organizational culture (belief /trust on ALLAH, coordination, mutual trust, hardworking, absolute Sincerity, time for prayer and accountability) brings 89% change in Islamic work performance of employees of private universities of Khyber Pakhtunkhwa. The result of this study communicates significance of the Islamic organizational culture on Islamic work performance. This study result is supported by the previous research study conducted by different researchers e.g. (Daulay & Kurnia, 2021; Hoque, Khan, & Mowla, 2013; Ifada, Ghazali, & Faisal, 2019;

Prasetyo & Fadhilah, 2022; Suparman, Suryatni, & Azmi, 2021; Wijayanti & Nurhayati, 2021). In light of the results of the current study and previous research study results, it is safe to say that the organization may develop a good work environment which is based on belief /trust on ALLAH, coordination, mutual trust, hardworking, absolute sincerity, time for prayer and accountability to ensure a pleasant Islamic organizational culture to achieve better results.

In a nutshell, the creation of the desired Islamic organizational culture is the result of the coordinated efforts of all organizational members, such as the founders, top-level managers, and operatives. However, the founders must perform a crucial role in this process because they possess the power to choose both managers and operatives in an organization. This study identified the impact of Islamic organizational culture (belief /trust on ALLAH, coordination, mutual trust, hardworking, absolute Sincerity, time for prayer and accountability) on Islamic work environment in addition to aspects of organizational culture. Therefore, it is anticipated that this study will be of great use to those founders who wish to establish an Islamic organizational culture. Finally, it can be concluded that if every member of the organization follows the advice of this study for developing an Islamic organizational culture that depends entirely and completely on ALLAH, it is anticipated that Allah's blessings will arrive, resulting in the success of the organization in the form of increased productivity, and thereby allowing it to continue to grow.

Limitations

This study investigated the direct effects of factors of Islamic organizational culture on Islamic work performance and no mediation and moderation checked. Only educational institutes are investigated hence other sectors are excluded.

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