

## RESEARCH ARTICLE

# The Mediating Role of Islamic Work Ethics in the Effect of Psychological Capital on Organizational Citizenship Behavior

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## Abstract

**Introduction:** Organizational issues have been centered on psychological and behavioral problems of the employment staff for the last couple of decades. Psychological capital affects the individual as well as the organizational level to a great extent. Higher psychological capital amongst employees is more likely to bring improvement in motivation, engagement, and performance thereof. The present study was undertaken with the purpose of investigating the mediating effect of Islamic work ethics on the influence of psychological capital on organizational citizenship behavior.

**Material and methods:** The method of data collection is library and field methodologies. Based on the type, nature of data is descriptive. All the educational specialists at Yasuj University are considered the population of the research. Thus, it has a sample size of 102. According to Cochran's formula, 81 samples were selected. Standard questionnaires on organizational citizenship behavior, Islamic work ethics, and psychological capital are used for data collection. Data interpretation utilized the SMART-PLS software and the Partial Least Squares analysis method.

**Results:** The direct paths of psychological capital effecting Islamic work ethics, psychological capital on organizational citizenship behavior, and Islamic work ethics on organizational citizenship behavior were statistically significant and positive at  $p < 0.01$ . Moreover, the mediation role of Islamic work ethics between psychological capital and organizational citizenship behavior was confirmed at  $p < 0.01$ .

**Conclusion:** In this study, it can be seen from the analysis that psychological capital has a significant effect on perceived organizational citizenship behavior with Islamic work ethics as a variable that mediates.

## Introduction

Technological advancements and crises have significantly altered organizational structures and employment relationships in recent years<sup>[1]</sup>. Consequently, individuals anticipate that organizations will recognize, appreciate, and understand them<sup>[2]</sup>. Many organizations prioritize the reduction of their overall expenses and workforce through business process redesign to improve efficiency and reduce costs. However, the development of innovative and inventive methods is

essential for the acquisition of sustainable competitive advantages, as they are restricted by the constraints of cost reduction and staff reduction. Research on positive organizational behavior indicates that psychological capacities, including hope, resilience, optimism, and self-efficacy, collectively constitute a novel latent resource termed psychological capital<sup>[3]</sup>. This resource has emerged as a critical element in organizational competitive advantage. Experts assert that psychological capital, focusing on positive psychological characteristics, enhances human capital. Furthermore, it possesses developmental potential and is amenable to management<sup>[4]</sup>. Moreover, organizational success necessitates employees who exceed their designated responsibilities. Organizational citizenship behavior denotes the voluntary and deliberate acts of employees. These spontaneous and deliberate behaviors are not explicitly reinforced by the organization's official reward systems, yet they together enhance organizational effectiveness. The phrase "spontaneous and conscious" indicates that these behaviors are chosen rather than required or role-based, and their omission incurs no costs.<sup>[5]</sup> This process necessitates organizational innovation. Organizational innovation has been significantly influenced by the transition of organizational assets from traditional to modern forms in recent years. Psychological capital is a modern asset in this context<sup>[6]</sup>. A competitive advantage through investing in people can be realized by utilizing psychological capital. It acts as a catalyst for improvement at an individual level in organizations and improves employee performance, influences an organization and leads to achieving a competitive advantage. Psychological capital facilitates job adaptability<sup>[7]</sup>. Psychological capital is a set of four psychological states that enable performance and well-being, leading to better individual and organizational performance<sup>[8]</sup>. Research on positive organizational behavior indicates that psychological capacities, including hope, resilience, optimism, and self-efficacy, collectively constitute a novel latent resource termed psychological capital<sup>[3]</sup>. This resource has emerged as a critical element in organizational competitive advantage. Experts assert that psychological capital, focusing on positive psychological characteristics, enhances human capital. Furthermore, it possesses developmental potential and is amenable to management<sup>[4]</sup>. Moreover, organizational success necessitates employees who exceed their designated responsibilities. Organizational citizenship behavior denotes the voluntary and deliberate acts of employees. These spontaneous and deliberate behaviors are not explicitly reinforced by the organization's official reward systems, yet they together enhance organizational effectiveness. The phrase "spontaneous and conscious" indicates that these behaviors are chosen rather than required or role-based, and their omission incurs no costs. The employment contract does not include organizational citizenship behavior, which is optional and exists independently of formal job responsibilities. Employees also seek to experience a sense of belonging, trustworthiness, integrity, honesty, and confidence within the organization.<sup>[9]</sup> Addressing ethical concerns can mitigate organisational issues<sup>[10]</sup>. Within the Islamic context, Islamic labor ethics are values that differentiate between good and evil. Consequently, organizations in Islamic societies have prioritized ethical values and ethics, as it is probable that employees who adhere to Islamic work ethics will demonstrate increased enthusiasm and energy in their work. It defines Islamic work ethics by the extent to which employees apply Islamic ethical principles in daily working activities. The Quran and the teachings of the Prophet Muhammad (PBUH) inspire Islamic work ethics, which view work as a form of worship that bestows virtue and dignity. Islamic work ethics place great importance on values related to honesty, justice, and unselfishness, which are crucial in ensuring a balance between work and family life<sup>[11]</sup>. The mediating function of Islamic work ethics between psychological capital and organisational citizenship behavior has not been investigated in any studies to date, particularly in light of Iran's distinctive cultural context, which includes the Iranian-Islamic culture.

Organizations are significantly influenced by the cultural context. Furthermore, higher education is of particular significance as a catalyst for societal advancement. Universities experience an increase in psychological security as a result of robust organisational structures and productive employees, which simultaneously reduces expenses and promotes growth. This study investigates the extent to which Islamic work ethics mediate the relationship between psychological capital and organizational citizenship behavior among educational experts at Yasouj University. It addresses the question: Does psychological capital influence organizational citizenship behavior through the mediating role of Islamic work ethics?

## Material and Methods

This study uses a descriptive-correlational research design that is based on structural equations. It is applied in nature. According to the administrative and financial department of Yasouj University, the statistical population comprises all educational specialists, which amounts to 102 individuals. By using Cochran's formula, we projected the sample size to be 81 individuals. We used simple random sampling to ensure each participant had an equal chance of selection. The distribution and collection of these questionnaires took place in person. The responses revealed that 40 respondents were aged between 30 and 40, 30 belonged to the age group between 41 and 50, and 11 were over 50 years old. Additionally, 50 respondents were female and 31 were male. In terms of educational attainment, 5 respondents held associate degrees, 53 held bachelor's degrees, 20 held master's degrees, and 3 held doctorates.

We assessed an 11-item Islamic work ethics questionnaire<sup>[12]</sup>, a 24-item psychological capital questionnaire<sup>[13]</sup>, and a 12-item organisational citizenship behavior questionnaire<sup>[14]</sup> using a Likert scale. We initially evaluated the constructs' internal consistency (reliability). We employed Cronbach's alpha and composite reliability to assess convergent and divergent validity. The Cronbach's alpha values for all constructs exceeded 0.70. A composite reliability and a Cronbach's alpha value exceeding 0.70 indicate the constructs' reliability<sup>[15]</sup>. We employed factor loadings to determine convergent validity, deeming AVE values exceeding 0.50 as acceptable<sup>[16]</sup>. Table 1 presents the reliability and validity results for each construct.

Variable	Cronbach's Alpha (>0.7)	Composite Reliability (CR>0)	AVE
Psychological Capital	0.78	10.95	0.543
Islamic Work Ethics	0.816	20.86	0.743
Organizational Citizenship Behavior	0.75	0.876	0.634

Using Fornell and Larker's method<sup>[17]</sup>, we assessed divergent validity and found acceptable results for all variables.

Table 2 provides the divergent validity results.

**Table 2.** Divergent Validity

Variable	Psychological Capital	Islamic Work Ethics	Organizational Citizenship Behavior
Psychological Capital	0.736		
Islamic Work Ethics	0.511	0.857	
Organizational Citizenship Behavior	0.731	0.534	0.797

This projected the sample size to be 81 by Cochran's formula. The sampling was by simple random sampling to make sure that every participant had an equal chance of being picked. In these questionnaires, the distribution and collection were done in person. The response indicated that 40 of the respondents were between the ages of 30 and 40, 30 fell in age group between 41 and 50, and 11 respondents were over the age of 50 years.

## Results

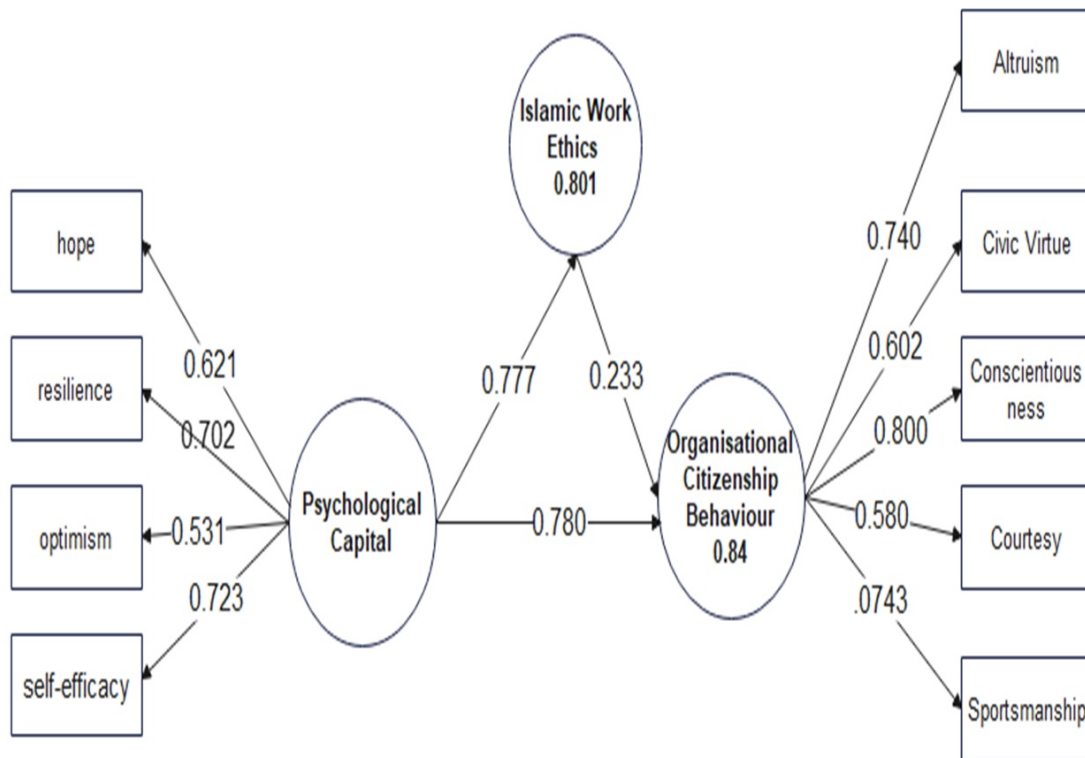
Data analysis was performed using the method of structural equation modelling, which was supported by SMART-PLS. We tested the conceptual model in two outlets: with and without the mediating variable of Islamic work ethics. We used the GOF index, which indicates weak, moderate, and strong model fit, with values of 0.01, 0.25, and 0.36, respectively. Model fitness was also assessed using the  $R^2$  and  $Q^2$  values.

**Table 3.**  $R^2$  and  $Q^2$  Values

Variables	Psychological Capital	Islamic Work Ethics	Organizational Citizenship Behavior
without the presence of a mediating variable	$R^2$	0.69	0.79
	$Q^2$	0.17	0.50
with the presence of a mediating variable	$R^2$	0.74	0.83
	$Q^2$	0.15	0.60
GOF		0.39	

$R^2$  is a criterion for connecting the measurement section and the structural section in the structural equation modelling that shows the effect. This will be reflected in the results. The coefficient of determination,  $R^2$ , measures how much an endogenous variable is influenced by an exogenous variable.. If this coefficient is close to 0.67, it is considered desirable, close to 0.33 is average, and close to 0.19 is weak<sup>[18]</sup>. From Table 5, it is clear that the  $R^2$  value in both models is in a desirable range. After examining the validity and reliability of the research, the SMART-PLS software was used to test the conceptual research model. In PLS, there are two models: endogenous and exogenous. s. So far, this study has

categorized the variables into psychological capital and Islamic work ethics as endogenous variables and organizational citizenship behavior as an exogenous variable. We computed the paths significance in this model by using Z method and t-value by using a minimum of +1.96 t-value criteria identifying a path is meaningful. As shown in Figure 2, the t-value indicates the correctness of the relationships, and the R<sup>2</sup> coefficient measures the impact of an exogenous variable on an endogenous variable. If this coefficient is close to 0.67, it is considered desirable, close to 0.33 is average; and close to 0.19 is weak<sup>[19]</sup>.



**Figure 1.** Output of SMART-PLS Software in the Significance Mode

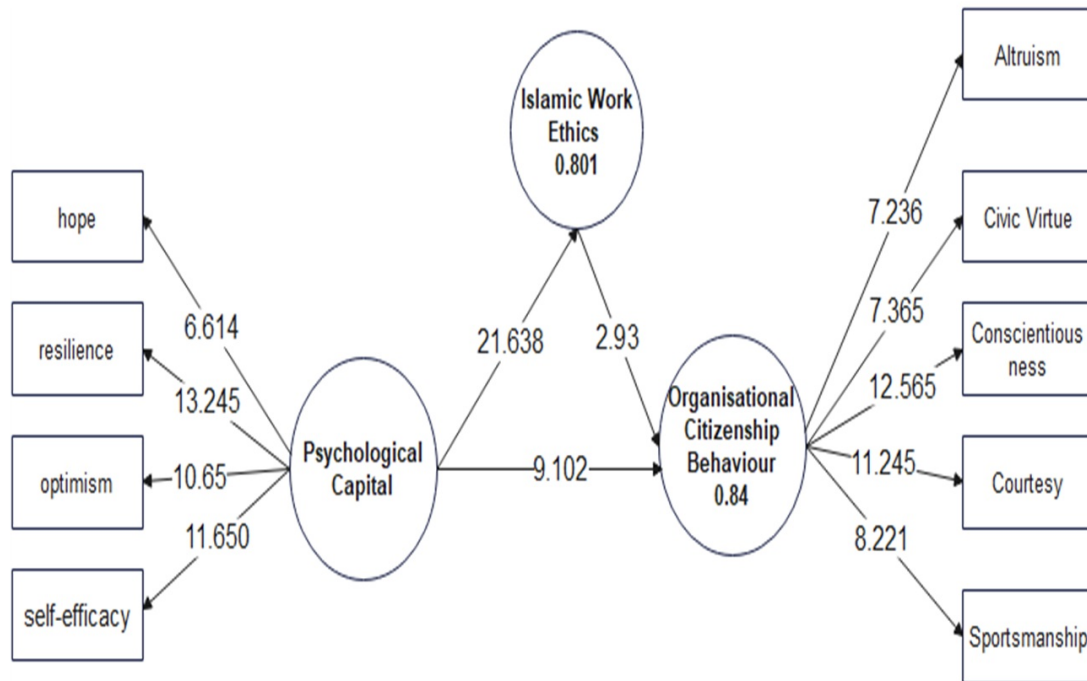


Figure 2. Output of SMART-PLS Software in the (t-value) Mode

The path analysis of the research variables is presented in Table 4. According to Figures 2 and 3 and in line with Table 4, psychological capital has a significant impact on Islamic work ethics because the standardized coefficient is  $\beta=0.777$ , and the significance coefficient (t-statistic) between these two variables is  $t=21.368$ , which is greater than the absolute value of 1.96. Psychological capital also has a significant impact on organizational citizenship behavior, as the standardized coefficient is 0.733 and the significance coefficient between these two variables is 9.102. Finally, Islamic work ethics significantly affects organizational citizenship behavior, with a standardized coefficient of 0.233 and a significance coefficient between these two variables of 2.930.

Table 4. Hypothesis Results

Row	Hypothesis	Path Coefficient	t-value	Result
1	Psychological capital affects Islamic work ethics	0.777	21.368	Confirmed
2	Psychological capital affects organizational citizenship behavior	0.733	9.102	Confirmed
3	Islamic work ethics affects organizational citizenship behavior	0.233	2.930	Confirmed

The Sobel test was used to examine the mediator variable

Table 5. Examination of the Mediating Role of Islamic Work Ethics

Hypothesis	z-value	Result
Psychological capital, with the mediating role of Islamic work ethics, affects organizational citizenship behavior	62.603	Confirmed

Considering that the z-value in Table 7 is greater than 1.96, the effect of psychological capital, with the mediating role of Islamic work ethics, on organizational citizenship behavior is significant.

## Discussion

This study sought to investigate the impact of psychological capital on organisational citizenship behavior, with Islamic work ethics serving as a mediating factor. The results of the factor loadings and the analytical sections of this study indicate that psychological capital has a positive and significant impact on Islamic work ethics, organisational citizenship behavior is influenced by psychological capital, and organisational citizenship behavior is influenced by Islamic work ethics. Furthermore, organisational citizenship behavior is positively influenced by psychological capital, which is mediated by Islamic work ethics. The subsequent section compares each of the research hypotheses to other studies. The initial hypothesis of this investigation was focused on the influence of psychological capital on Islamic work ethics. Various studies have been considered in relation to psychological capital and Islamic work ethics<sup>[20][21][22]</sup>. Lee et al. conducted a 2018 cross-sectional study in Pakistan that discovered psychological capital is positively and significantly related to Islamic work ethics<sup>[4]</sup>. Sahat et al. showed that Islamic work ethics is positively correlated with psychological capital. This study determined that psychological capital has a substantial influence on Islamic work ethics, as indicated by the path coefficient between the two variables. The second hypothesis of this research was to investigate the impact of psychological capital on organisational citizenship behavior. Numerous researchers have investigated the influence of psychological capital on organisational citizenship behavior. In their 2017 study, Gupta and colleagues underscored the impact of psychological capital on organisational citizenship behavior and asserted that one method of improving organisational citizenship behavior is to increase the level of psychological capital in organizations<sup>[9]</sup>. In their 2016 study, Pardahan and colleagues underscored the impact of psychological capital on organisational citizenship behavior, both directly and indirectly through emotional intelligence<sup>[10]</sup>. The third hypothesis of this research was concerning the impact of Islamic work ethics on organisational citizenship behavior. Numerous researchers have investigated the correlation between organizational citizenship behavior and Islamic work ethics<sup>[23]</sup>. Ghulam Murtaza and associates (2016) conducted a study at universities in Pakistan and emphasized that Islamic work ethics enhances organisational citizenship behavior<sup>[24]</sup>. Azhari and colleagues (2023) also discovered in their research that organizational citizenship behavior is influenced by Islamic work ethics<sup>[8]</sup>. Consequently, this investigation established that organisational citizenship behavior is significantly and positively influenced by Islamic work ethics. The fourth hypothesis of this research investigated the influence of psychological capital on organisational citizenship behavior, with Islamic work ethics acting as a mediating factor. The data analysis indicates that psychological capital influences organisational citizenship behavior, with Islamic work ethics acting as a mediating factor. Nevertheless, this influence is insufficient to produce a substantial transformation.

## Conclusion

As per the results of this investigation, there is a substantial correlation between psychological capital and Islamic work

ethics, psychological capital and organisational citizenship behavior, Islamic work ethics and organisational citizenship behavior, and psychological capital with the mediating role of Islamic work ethics and organisational citizenship behavior. As a result, it is prudent to identify the psychological capital component that has the most substantial influence on the enhancement of Islamic work ethics and the component that most significantly contributes to the enhancement of organizational citizenship behavior. It is advised that managers, consultants, and analysts engage in strategies such as empathy, organisational participation, and a clear organisational vision and objectives to contribute to the improvement of psychological capital components. Psychological capital is recognized as a sophisticated organisational behavior that is indispensable for achieving a competitive organisational advantage. In contrast, the organization's psychological capital is diminished as a result of the extreme pessimism of certain employees. As a result, the organization should prioritize the modification or adaptation of these individuals.

## Statements and Declarations

### Ethical considerations

In this research, the principle of trustworthiness of the authors was respected. Also, respect for the dignity and culture of the participants, confidentiality and the satisfaction of the people were taken into consideration.

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