THE EFFECT OF ISLAMIC LEADERSHIP STYLE, ISLAMIC WORK ETHICS, ISLAMIC JOB SATISFACTION ON AFFECTIVE COMMITMENT AND ISLAMIC EMPLOYEE PERFORMANCE

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ABSTRACT

This study aims is to examine the effect of Islamic leadership style, Islamic work ethics, Islamic job satisfaction on affective commitment and Islamic employee performance. The population is employees of Pesantren Riyadul Jannah Mojokerto. The samples used are 138 employees. Data is collected by questionnaire 5 point Likert scale. Data were analyzed by analysis by CB-SEM using AMOS software. The research results show that a leader who implement the leadership style of Prophet Muhammad in leading the employees that being Siddiq, amanah, fathanah and tabligh can improve the quality of performance of its employees, improve the application of Islamic work ethics to increase increase the sense of affective commitment of employees, encourage Islamic job satisfaction of employees so that it can improve their affective commitment to company, the creation of a sense of affective commitment of employees, boost the quality of Islamic performance employees, improve employee satisfaction to increase the Islamic employee performance, improve the Islamic job satisfaction so it can boost the Islamic employees performance, encourage the creation of affective commitment of employees, can improve Islamic job satisfaction and this can boost the Islamic employees performance in company, encourage the creation of affective commitment feeling.

Keywords: Affective Commitment, Islamic Employee Performance, Siddiq, amanah, fathanah, tabligh

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1. INTRODUCTION

Several studies have suggested the existence of a linear relationship between the number of entrepreneurs in a region with a level of social welfare (Kuratko, 2007; Mair, 2004). Entrepreneur must be assisted by their employees to run the business. Individuals within entrepreneurial organizations have a valuable contribution to achievement of organizational goals. Islam as a perfect religion offer guidance to people about the halal business sector. Islam encourages the followers to become entrepreneur, as stated in Qur'an Surah Al-Mulk verse 15, “It is He who made the earth manageable for you, so travel its regions, and eat of His provisions. To Him is the Resurgence”, as well as in QS. Al-Jummuah verse 10, " Then, when the prayer is concluded, disperse through the land, and seek Allah’s bounty, and remember Allah much, so that you may prosper” ’and QS. Al-Baqarah verse 275, "... Allah has permitted commerce, and has forbidden usury ". Prophet Muhammad was a merchant and he praise and pray for honest traders. This proves that trade is a noble profession in Islam. When the Prophet Muhammad was 25 years old, he went trade in Sham country.

Pesantren (Islamic boarding house) is a place of Islam educational and cultural in Indonesia. Pesantren plays important role in Islamic education in Indonesia. Pesantren has given great contribution to struggle of education and formation of human resources in Indonesia, both in quality and quantity long before the formal school established (Rashid, 2012). Pesantren are now experiencing a shift value, especially relating to world of work. The entrepreneurship development in pesantren has become a need, especially in relation with education to emphasizes to self-reliance, hard work, discipline and honest. All values developed in pesantren education are soul of entrepreneurship (Ahmady, 2013). Riyahdul Jannah, located at Pacet Village, Mojokerto, is pesantren to teach the student about entrepreneurship. The pesantren instill the basics qualification of Muslim entrepreneurs, such as the Islamic work ethic, leadership Islamic, Islamic job satisfaction and commitment. All that is important as it affects the performance of entrepreneur. It is supported by several previous studies.

Naqvi (1981) says that an ethics should be able to guide human behavior to achieve social happiness as well as spiritual salvation and whatever that contrary to basic ethical values of Islam is unacceptable in an Islamic environment. With this concept, Naqvi (1981) build four basic core of Islamic ethical principles, namely unity, balance, free will and responsibility. Abdi et al. (2014) also shows Islamic work ethics have positive effect on performance. The work ethic could also have a positive impact on employee commitment. One approach to employee commitment is based on affective bonds of employees towards the organization (Steers, 1977). On other hand, research done by Alhyasat (2011) give different results that Islamic work ethic, in this case ethics means giving advice to Muslims, sense of responsibility, fairness and reasonableness, integrity and teamwork, is not related to employees behavior in organization.

Soleimani (2011) indicates that there is a positive and significant relationship between employees' understanding of work ethics and job satisfaction. Job satisfaction felt by employees will also affect on level of their performance. Platis et al. (2015) also showed that there is a strong relationship between job satisfaction and employee performance. Increasing sense of satisfaction in work of nurses will also increase their performance. Commitments also affect human resource performance in organization. Hamid (2011) showed that higher the commitment owned by an agent will have an impact on performance improvement.

The previous researches indicate that there are close relationship between the work ethic, leadership, job satisfaction, affective commitment and performance. However, there are three research gap are leaved by previous research. First, previous studies still not specifically
examine these variables in Islam perspective. Second, there is no a comprehensive study to addresses all of these variables in a single study. Thirdly, there are several studies to show the contradictions results of their research. Therefore, this study aim is to fill the research gap by conducting comprehensive research on relationship of Islamic work ethics, Islamic leadership, Islamic job satisfaction, Islamic affective commitment and employees performance. This study novelty is to further highlight the Islam characteristics in studied variables.

2. THEORY REVIEW AND RESEARCH HYPOTHESES

2.1. Islamic leadership style and Islamic Employee Performance
Griffin (1987) defines performance as a total collection of work within employee. Hersey and Blanchard (1993) defines performance is a function of motivation and ability. Islamic employee performance in this research is the total collection of achievement of work that is in Muslim workers, including the accuracy and speed of work, quality of work and desire to serve customers and payment obligation of zakat. The indicator is based on research Hakim (2012) which states that an employee's performance is based on Muslims what is stated in Qur'an and Hadith.

Hemphill and Coons in 1957 defines leadership as the behavior of individuals who direct the activities of group to achieve common goals. From the Islamic perspective, leadership style should be based on two strongest basis, namely the Quran and Hadith of Prophet Muhammad. Musta'in (2014) concludes in his research at University Darul Ulum Jombang that four indicators of spiritual leadership as siddiq, amanah, fathanah and tabligh give a real contribution to spiritual leadership. The test results found that spiritual leadership improves the employee performance.

Studies of Fry (2011) states that purpose of spiritual leadership is to create a vision and values among organization members, empowering the team to create maximum performance of organization. David (2014) conducted a study in Malaysia with result that quality of Islamic leadership has a positive effect on performance of the members. The results of this study further shows that Islamic leadership qualities contribute to achievement of higher performance than the Islamic insurance agent. Based on above description, it can be stated the following hypotheses:

H1: Higher the application of Islamic leadership style may increase the application Islamic employees performance.

2.2. Islamic Leadership Style, Affective Commitment and Islamic Work Ethics
Organizational commitment is a desire within oneself to stay and become a member of an organization (Colquitt et. Al., 2013). Robbins (2008) revealed that commitment is the identification to specific organization and the objectives as well as the willingness to maintain its membership in organization. Armstrong (2006) states that organizational commitment refers to attachment and loyalty.

Ethics in Ancient Greek is "ethikos", the meaning "arising from habit"). Ethics includes the analysis and application of concepts such as right-wrong, good-bad and responsibilities. The work ethic is about norms rules that encourage employees to take personal responsibility for whatever job arranged for him. It is about values and beliefs attached to them (Yousof: 2012). Riva'i (2012) defines ethics as something done correctly and rightly, did not commit an evil, do the rights in accordance with moral obligation and do everything in a responsible manner.
Johnson (2008) said that leaders act ethics agency in their organizations. Research by Omar Salem (2012) shows that there is a significant positive relationship between management ethics of Islam with three components of commitments, affective commitment primarily has most robust correlation compared with continue commitment and normative commitment. This result proves that management ethics of Islam is acceptable and has a dominant effect among the employees in Libyan bank.

Marri et al. (2012) showed Islamic work ethics affect on organizational commitment at agricultural sector in Pakistan. Professional organizations worked very hard to establish a code of conduct of employees in order to understand and manage their responsibilities. Islam considers ethics as an important factor because it is very comprehensive, stable and fair and also has historically proven to build a great civilization. The organization should continue to emphasize on importance of ethics during the recruitment process, orientation and training programs periodically.

Sayadi (2014) in his research concluded that there is a significant and positive relationship between Islamic work ethics with organizational commitment. This ethic among others gives someone the positive things with higher levels of faith, hard work and seriousness, healthy relationships and responsible behavior to increase the commitment of a person in organization. Based on above description, it can be stated the following hypotheses:

H2: The Islamic work ethic mediates the effect of Islamic leadership style on affective commitment employees.

2.3. Islamic Leadership Style, Affective Commitment and Islamic Job Satisfaction

Locke provides a comprehensive definition on job satisfaction as a reaction or attitude of cognitive, affective and evaluative and stated that job satisfaction is an emotional state that is happy or positive emotions derived from work assessment or work experience. Job satisfaction is a result of employees perception on how good a job they give the items considered important. Job satisfaction according to Islamic perspective is serenity acquired by employees before, during and after the work, based on belief that work is worship done to achieve the pleasure Allah (Sharifah Hayati 2010 in Saadiah).

Munir et al. (2012) proved that transformational leadership play an important role to affect job satisfaction of organization members. Saleem (2015) indicates that there is a positive relationship between transformational leadership and job satisfaction of teachers. This means that transformational leaders could provide a boost in form of behavior that inspired and motivated so that it can provide a positive change in psychological condition of organization members.

Mihalcea (2013) states that an organization with implementation of transformational leadership style have high level of job satisfaction. It is because the leaders with this style very appreciate their openness between leaders and subordinates, they are good at socializing with state of organization, they are more flexible on proposal raised by organization members.

Altinoz (2012) states that an employee comes to work for several purposes. They will get job satisfaction when they successfully reach their targets are. Getting the job satisfaction is a necessary condition in conducive organizational environment to provides the opportunity for employees to develop their quality with regard to decision-making, channeling ideas and organization appreciates their hard work, and ultimately the organization must be able to
ensure the future of their current stay in therein. When employees get job satisfaction here, they will increase the feeling of their attachment to organization.

Furthermore, Yucel (2012) examine the relationship of job satisfaction and organizational commitment at junior high school teachers in Turkey. The findings show that there is a positive correlation between the two variables. Job satisfaction is one of predictors of most frequently used to assess the condition of organization, because job satisfaction is one measure of what is perceived organization members about their work. When organization members feel respected, good communication, full of their rights with regard to remuneration, promotion and career development then they will be satisfied and this will have an impact on their commitment to organization. Based on above description, it can be stated the following hypotheses:

H3: Islamic job satisfaction can mediate the effect of Islamic leadership style effect on affective commitment of employees.

2.4. Islamic Leadership Style, Islamic Employee Performance and Affective commitment

Leadership is one important aspect to create employee commitment to company. Fry (2011) and Mustafa et al. (2015) states that spiritual leadership applied in organization can generate the followers trust, strong motivation and commitment needed to optimize human well-being, social responsibility and organizational performance. The studies results that support the relationship between affective commitment and performance is conducted by Rohman et al. (2011) which explains that affective commitment affect on employee performance and Keskes (2013) said that transformational leadership style affect on affective commitment of the members. Based on above description, it can be stated the following hypotheses:

H4: Affective commitment mediates the effect of Islamic leadership style on Islamic employees performance.

2.5. Islamic Leadership Styles, Islamic Employee Performance and Islamic work ethic

Johnson (2008) says that leaders act as ethics agent in their organizations. Bennis and Nanus (1985) in Floyd (2010) said that "the leader is the person who responsible to a set of ethics or norms that regulate the behavior of people in organization. The leaders create moral characteristics run by organization members ".

Yesil et al. (2012) says that work ethic has positive effect on a person's performance. Ali and Owainhan (2008) says that principles and original thinking of Muslims generation who had been building a conducive business institutions and market economies have noticed the side of fairness and responsible competition. Research by Abdi et al. (2014) proves that Islamic work ethic has a positive effect on performance. The implication is organizations need to take ethical values of Islam into daily business to ensure sustained success in organization. At the end, this study suggest the organization to adopt ethical framework to guide and help them to organize their work with Islamic ethical framework in order to work more effectively and efficiently.

Subsequent studies proved that Islamic work ethic as a good predictor to measure the performance of organization. It indicates that organizations need to focus on Islamic work ethic to make a significant contribution to performance of members, as it affects the norms and values of the members. Furthermore, Islamic work ethic can affect the character and personality of a person. As the X personalities who think that working as a burden, he felt
lazy and reactive. If the applied principles of Islamic ethical values bring good changes to him (Imam et al., 2013). Based on above description, it can be stated the following hypotheses:

H5: The Islamic work ethic mediates the effect of Islamic leadership style on Islamic employees performance.

2.6. Islamic Leadership Styles, Islamic job satisfaction and Islamic Employee Performance

Munir et al. (2012) proves that transformational leadership play an important role to affect job satisfaction of organization members. Management of organization needs to focus on what kind of leadership style appropriate for organization members to increase the satisfaction of their work.

Saleem (2015) who studied 250 teachers in Lahore, Pakistan. showed that there is a positive relationship between transformational leadership and job satisfaction of teachers. This means that leaders with a transformational force could provide a boost in form of behavior that inspired and motivated so that it can provide a positive change in psychological condition of organization members.

Mihalcea (2013) states that an organization with implementation of transformational leadership style will have high level of job satisfaction. It is because the leaders with this leadership style very appreciate their openness between leaders and subordinates, they are good to socialize with organization, they are more flexible on proposal raised by organization members.

Platis et al. (2015) showed that there is a strong relationship between job satisfaction and employee performance. Increasing sense of satisfaction in work of nurses will also increase the performance of them. Similarly, according Farooqui and Asha (2014), employees would like his job in organization when they feel respected by Management Company to provide the things that can increase their job satisfaction. When a person feels satisfaction in his work, then he will try to work harder to improve the quality of its performance. Based on above description, it can be stated the following hypotheses:

H6: Islamic job satisfactions mediate the effect of Islamic leadership style on Islamic employees performance.

2.7. Islamic Work Ethic, Islamic Job Satisfaction and Affective Commitment

The study by Hayati (2012) to 149 employees of Islamic banks in Bandar Lampung shows that there is positive and significant relationship between the application of Islamic work ethics and job satisfaction of employees. This proves that better application of Islamic work ethics (mutual respect, honor and compete fairly) can satisfy employees will in their work.

Soleimani (2011) research result shows that there is relationship between work ethics and job satisfaction. Organizations in this regard should improve understanding of employees to run with good work ethics and abide rules that have been made to create a conducive working environment and work ethical can increase job satisfaction.

Altinoz (2012) states that an employee comes to work for several purposes. They will get job satisfaction when they successfully reach their targets are. Getting job satisfaction is a necessary condition to create conducive organizational environment to provides opportunity for employees to develop their quality with regard to decision-making, channeling ideas and organization appreciates their hard work, and ultimately the organization must be able to
ensure the their future within organization. When employees get job satisfaction, they will increase the their attachment to organization.

Next, Yucel (2012) examine the to junior high school teachers in Turkey about the relationship of job satisfaction and organizational commitment. The result shows that there is a positive correlation between the two variables. Job satisfaction is one predictors that most frequently used to assess the condition of organization. Job satisfaction is one measure on what is a perceived organization member about their work. When organization members feel respected, good communication, full rights with regard to remuneration, promotion and career development then they will be satisfied and this will have an impact on their commitment to stay in organization. Based on above description, it can be stated the following hypotheses:

H7: Islamic job satisfaction mediates the effect of Islamic work ethics on affective commitment of employees.

2.8. Islamic Work Ethic, Affective Commitment and Islamic Performance Employee

Omar Salem (2012) indicates that there is a significant positive relationship between Islamic management ethics with three commitment components, primarily affective commitment has the strongest correlation compared with continue and normative commitment. This result proves that Islamic management ethics is acceptable and has a dominant effect among the employees in Libyan bank.

Marri (2012) also conducted research in agricultural sector in Pakistan with result that Islamic work ethics affect on organizational commitment at agricultural sector in Pakistan. Professional organizations worked very hard to establish a code of conduct of employees in order to understand and manage their responsibilities. Sayadi (2014) concluded that there is a significant and positive relationship between Islamic work ethics and organizational commitment.

Some studies have also proved that there is a significant relationship between affective commitment and performance. Rohman (2011) states that there is a positive and significant relationship between affective commitment to employee performance. Employees who have higher affective commitment will have a higher performance. Employees who have a sense of kinship towards the organization likely have a high performance. Meyer et al. (2002) also states that from three commitments, affective commitment has the strongest effect on organizational performance. Lambert et al. (2013) states that there is a positive and significant relationship between affective commitment and life satisfaction of staff employees at legal institutions. While continuing commitment to have a negative correlation to life satisfaction. He further said that results of this study provide advice on company to improve the life satisfaction of employees as well as health and their performance by increasing affective commitment and decreasing continue commitment. Based on above description, it can be stated the following hypotheses:

H8: Affective commitment mediates the effect of Islamic work ethics on Islamic employees performance.

2.9. Islamic Work Ethics, Islamic job satisfaction and Islamic Performance

The study by Hayati (2012) to 149 employees of Islamic banks in Bandar Lampung shows that there is positive and significant relationship between the application of Islamic work ethics and job satisfaction of employees. This proves that better application of Islamic work ethics (mutual respect, honor and compete fairly) can satisfy employees will in their work.
Soleimani (2011) showed that work ethics affect on job satisfaction. Organizations in this regard should improve employees understanding about good work ethics and abide rules that have been made to create a conducive working environment and ethical to increase job satisfaction.

Platis et al. (2015) showed that there is a strong relationship between job satisfaction and employee performance. Increasing sense of satisfaction in work of nurses will also increase the performance of them. Similarly, according Farooqui and Asha (2014), employee would have liked his job in organization when they feel respected by company management to provide the things that can increase their job satisfaction. When a person feels satisfaction in his work, then he will try harder in works to improve the quality of its performance. Based on above description, it can be stated the following hypotheses:

H9: Islamic job satisfaction mediates the effect of Islamic work ethics on Islamic employees performance.

2.10. Islamic Job Satisfaction, Islamic Employee Performance and Affective Commitment

Altinoz (2012) states that an employee comes to work for several purposes. They will get job satisfaction when they successfully reach their targets are. Yucel (2012) also shows that job satisfaction is one of predictors that most frequently used in assessing the condition of organization. Job satisfaction is one measure of what is perceived by organization members about their work. When organization members feel respected, good communication, get their remuneration rights, promotion and career development then they will be satisfied and this will have an impact on their commitment to stay in organization.

Several studies prove that there is a significant relationship between affective commitment and performance. Rohman (2011) concluded that there is a positive and significant relationship between affective commitment and employee performance. Employees who have higher affective commitment will have a higher performance as well. Employees who have a sense of kinship towards the organization may have a high performance. Meyer et al. (2002) also proved from the three commitment, affective commitment is has strongest effect on organizational performance.

Lambert et al. (2013) states that there is a positive and significant relationship between affective commitment and life satisfaction felt by staff employees working in legal institutions. While continue commitment have a negative correlation to life satisfaction of staff. He further said that results of this study provide advice on company to improve the life satisfaction of employees as well as health and their performance by increasing affective commitment and decreasing continue commitment. Based on above description, it can be stated the following hypotheses:

H10: Affective commitment mediates the effect of Islamic job satisfaction on Islamic employees performance.

3. RESEARCH METHODOLOGY

This research uses explanatory method with aims to analyze the relationships between one variable with another variable or how a variable affects other variables. This research was conducted at Pesantren Riyadul Jannah Mojokerto. Reasons to select it as study location are: 1) Riyadul Jannah is largest Pesantren in Mojokerto; 2) has conducted independent entrepreneur; and 3) has been applying Islamic values to their daily lives, including in entrepreneurship.
The study population was all employees of business units at Pesantren Riyadul Jannah consisting of DM'Riah restaurant and M2M Fast Food. The samples used are 138 employees. The samples are determined by random sampling technique because the population was considered quite homogeneous. The sampling procedure is as follows: exactly selecting 138 respondents. Data is collected by questionnaire 5 point Likert scale. Data were analyzed by analysis by CB-SEM using AMOS software.

4. RESULTS AND DISCUSSION
The result of this research is divided into two main groups, direct effect test and mediation effect test. The study results of direct effect between variables are summarized in Table 1 below.

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Dependent variables</th>
<th>Coefficient</th>
<th>P Value</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Islamic leadership style</td>
<td>Islamic work ethic</td>
<td>0.788</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>Islamic leadership style</td>
<td>Islamic job satisfaction</td>
<td>0.458</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>Islamic leadership style</td>
<td>Affective commitment</td>
<td>0.325</td>
<td>0.006</td>
<td>Significant</td>
</tr>
<tr>
<td>Islamic leadership style</td>
<td>Islamic employee performance</td>
<td>0.164</td>
<td>0.014</td>
<td>Significant</td>
</tr>
<tr>
<td>Islamic work ethic</td>
<td>Islamic job satisfaction</td>
<td>0.494</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>Islamic work ethic</td>
<td>Affective commitment</td>
<td>0.250</td>
<td>0.033</td>
<td>Significant</td>
</tr>
<tr>
<td>Islamic work ethic</td>
<td>Islamic employee performance</td>
<td>0.544</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>Islamic job satisfaction</td>
<td>Affective commitment</td>
<td>0.361</td>
<td>0.011</td>
<td>Significant</td>
</tr>
<tr>
<td>Islamic job satisfaction</td>
<td>Islamic employee performance</td>
<td>0.280</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>Affective commitment</td>
<td>Islamic employee performance</td>
<td>-</td>
<td>0.464</td>
<td>Insignificant</td>
</tr>
</tbody>
</table>

Based on analysis result, the findings can be explained below.

1. The direct effect of Islamic leadership style on Islamic work ethic is shown by p-value of 0.000 (<0.05), so H1 is accepted. It can be concluded that Islamic leadership style has significant affect on Islamic work ethic. Path coefficient value is positive at standardize regression weights of 0.788. It can be interpreted that better the Islamic leadership style will increase the Islamic work ethic, and vice versa.

2. The direct effect Islamic leadership style on job satisfaction is shown p-value of 0.000 (<0.05), so H2 is accepted. It can be concluded that Islamic leadership style has significant effect on Islamic job satisfaction. Path coefficient value is positive at standardize regression weights of 0.458. It can be interpreted that better the Islamic leadership style can increase of Islamic job satisfaction, and vice versa.

3. The direct effect of Islamic leadership style on Affective commitment is shown by p-value of 0.006 (<0.05), so H3 is accepted. It can be concluded that Islamic leadership style has significant effect on Affective commitment. Path coefficient values is positive with regression weights of 0.325. It can be interpreted that better the Islamic leadership style will increase Affective commitment, and vice versa.
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4. The direct effect of Islamic leadership style on Islamic employee performance is shown by p-value of 0.014 (<0.05), so H4 is accepted. It can be concluded that Islamic leadership style has significant effect on employee performance. Path coefficient value is positive at standardize regression weights of 0.164. It can be interpreted that better the Islamic leadership style will improve Islamic employee performance, and vice versa.

5. The direct effect of Islamic work ethic on Islamic job satisfaction is shown by p-value of 0.000 (<0.05), so H5 is accepted. It can be concluded that Islamic work ethic has significant effect on Islamic job satisfaction. Path coefficient value is positive at standardize regression weights of 0.494. It can be interpreted that better Islamic work ethic will increase the Islamic job satisfaction, and vice versa.

6. The direct effect of Islamic work ethic on Affective commitment is shown by p-value of 0.033 (<0.05), so H6 is accepted. It can be concluded that Islamic work ethic has significant affect on Affective Commitment. Path coefficient value is positive at standardize regression weights of 0.250. It can be interpreted that better Islamic work ethic will increase the Affective commitment, and vice versa.

7. The direct effect of Islamic work ethic on Islamic employee performance is shown by p-value of 0.000 (<0.05), so H7 is accepted. It can be concluded that Islamic work ethic has significant effect on Islamic employee performance. Path coefficient value is positive at standardize regression weights of 0.544. It can be interpreted that better Islamic work ethic will improve Islamic employee performance, and vice versa.

8. The direct effect of Islamic job satisfaction on Affective commitment is shown by p-value of 0.011 (<0.05), so H8 is accepted. It can be concluded that Islamic job satisfaction has significant effect on Affective Commitment. Path coefficient value is positive at standardize regression weights of 0.361. It can be interpreted that better Islamic job satisfaction will increase the Affective commitment, and vice versa.

9. The direct effect of Islamic job satisfaction on Islamic employee performance is shown by p-value of 0.000 (<0.05), so reject H9 is accepted. It can be concluded that affective commitment has significant effect on Islamic employee performance. Path coefficient value is positive at standardize regression weights of 0.280. It can be interpreted that better Islamic job satisfaction improve performance Islamic employees performance, and vice versa.

10. The direct effect of Affective commitment on Islamic employee performance is shown by p-value 0.464 (> 0.05), so H10 is rejected. It can be concluded that affective commitment does not have significant effect on Islamic employees performance. In other words, the poor performance is not affected by better Affective commitment, Affective Commitment effect on Islamic employee performance is not significant.

5. HYPOTHESES TESTING

1. The effect of Islamic leadership style on Islamic employees performance.

Hypothesis 1 states that Higher the application of Islamic leadership style may increase the application Islamic employees performance. The direct effect of Islamic leadership style on Islamic employee performance is shown by p-value of 0.014 (<0.05). It shows that Islamic leadership style has significant effect on employee performance. Path coefficient value is
positive at standardize regression weights of 0.164. It can be interpreted that better the Islamic leadership style, then it will affect the performance improvement Islamic employees. Therefore, first hypothesis is accepted.

These findings support the research of Yuan and Lee (2011) which says that leadership is an important function of management to optimize the efficiency in achieving organizational goals.

The mediation test is conducted from direct effect test results. Hypotheses testing for indirect effect are done by Sobel test. The detail descriptions are presented below.

2. Islamic work ethics (IWE) in mediating the effect of Islamic leadership style (ILS) on Affective commitment (AC).

Hypothesis 2 states that The Islamic work ethic mediate the effect of Islamic leadership style on affective commitment employees. Hypothesis test for indirect effect is done by Sobel test below.

\[
\begin{align*}
\text{a} &= \text{ILS path to IWE} = 0.788 \\
\text{b} &= \text{IWE path to AC} = 0.250 \\
\text{ab} &= (\text{ILS path to IWE}) \times (\text{IWE to AC}) \\
&= 0.788 \times 0.250 = 0.197 \\
\text{Sa} &= \text{standard error ILS path to IWE} = 0.080 \\
\text{Sb} &= \text{standard error IWE path to AC} = 0.110 \\
\text{Sab} &= \sqrt{b^2S_a^2 + a^2S_b^2 + Sa^2Sb^2} \\
&= \sqrt{(0.250)^2(0.080)^2 + (0.788)^2(0.110)^2 + (0.080)^2(0.110)^2} = 0.089
\end{align*}
\]

Then to test the significance of indirect effect, it need to calculate the t value of ab coefficient as follows:

\[
t = \frac{ab}{Sab} = \frac{0.197}{0.089} = 2.204
\]

The path coefficient for indirect effect of ILS on AC through IWE is 0.197 at t statistics 2.204 above ± 1.96 (5%). Therefore Ho is rejected. It can be concluded ILS has significant indirect effect on AC via IWE. In other words, ILS has positive and significant indirect effect on AC mediated by IWE, where greater the effect of ILS mediated by IWE will further improve AC. This proves that H2 is accepted.

This study result also consistent with findings of Marri et al. (2012) and Omar Salem (2012) which states that work ethic is very important for employee commitment. Good work ethic can create high organizational commitment among the employees. It encourages them to always remember and strive to work well in company with regard to commendable ethics.

3. Islamic job satisfaction (IJS) in mediating the effect of Islamic leadership style (ILS) on Affective commitment (AC).

Hypothesis 3 states that Islamic job satisfaction can mediate the effect of Islamic leadership style effect on affective commitment of employees. Hypothesis test for indirect effect is done by Sobel test below.

\[
\begin{align*}
\text{a} &= \text{IMC path to ILS} = 0.458
\end{align*}
\]
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\[ b = \text{IMC path to AC} = 0.361 \]
\[ ab = (\text{ILS path to IWE}) \times (\text{IWE to AC}) \]
\[ = 0.458 \times 0.361 = 0.165 \]
\[ Sa = \text{standard error of ILS path to IMC} = 0.098 \]
\[ Sb = \text{standard error of IMC path to AC} = 0.105 \]
\[ 
\text{Sab} = \sqrt{b^2Sa^2 + a^2Sb^2 + Sa^2Sb^2} 
\]
\[ 
\text{Sab} = \sqrt{(0.361)^2(0.098)^2 + (0.458)^2(0.105)^2 + (0.098)^2(0.1059)^2} = 0.061 
\]

To test the significance of indirect effect, it need to calculate t value of ab coefficient as follows:

\[ t = \frac{ab}{Sab} = \frac{0.165}{0.061} = 2.729 \]

The path coefficient for indirect effect of ILS on AC mediated by IJS is 0.165. It show the t statistics value of 2.729 is above ± 1.96 (5%), thus Ho is rejected. It can be concluded that ILS has positive and significant indirect effect on AC through IJS. In other words, ILS has positive and significant indirect effect on AC mediated by IJS, where greater effect of ILS mediated by IJS will increase AC. This proves that H3 is accepted.

These findings support the research of Munir (2012), Salem (2015) and Mihalcea (2013) which states that a leader with Islamic leadership style that can give motivation in form of behavior that inspired then this could provide a positive change in psychological condition of organizations members, including job satisfaction. This study findings is consistent with results of Altinoz (2012) and Yucel (2012). They stated that there is a relationship between job satisfaction and affective commitment. This may imply that more employees feel satisfaction in work, higher the sense of belonging to company that made them stay in company.

4. Affective commitment (AC) in mediating the effect of Islamic leadership style (ILS) on Islamic employees performance (IEP)

Hypothesis 4 states that Affective commitment mediate the effect of Islamic leadership style on Islamic employees performance. Hypothesis test for indirect effect is done by Sobel test below.

\[ a = \text{ILS path to AC} = 0.325 \]
\[ b = \text{AK path to IEP} = 0.061 \]
\[ ab = (\text{ILS path to AC}) \times (\text{AC to IEP}) \]
\[ = 0.325 \times 0.061 = 0.020 \]
\[ Sa = \text{standard error of ILS path to AC} = 0.106 \]
\[ Sb = \text{standard error of AC path to IEP} = 0.090 \]
\[ 
\text{Sab} = \sqrt{b^2Sa^2 + a^2Sb^2 + Sa^2Sb^2} 
\]
Sab = \sqrt{(0.061)^2 (0.106)^2 + (0.325)^2 (0.0906)^2 + (0106)^2 (0.090)^2} = 0.031

To test the significance of indirect effect, it need to calculate the t value from ab coefficient as follows:

\[ t = \frac{ab}{Sab} = \frac{0.020}{0.031} = 0.631 \]

The path coefficient for indirect effect of ILS on IEP mediated AC is 0.020. It shows the t value statistics of 0.631 is below ± 1.96 (5%), therefore accept Ho is accepted. It can be concluded that indirect effect of ILS on IEP mediated by AC is not significant. In other words, ILS has insignificant effect on IEP mediated by AC mediated. This proves that H4 is rejected.

This findings support the research of Ahmed et al. (2014) which states that affective commitment has insignificant effect on performance.

5. Islamic work ethics (IWE) in mediating the effect of Islamic leadership style (ILS) on employees Islamic performance (IEP)

Hypothesis 5 states that The Islamic work ethic mediate the effect of Islamic leadership style on Islamic employees performance. Hypothesis test for indirect effect is done by Sobel test below.

\[ a = \text{ILS path to IWE} = 0.788 \]
\[ b = \text{IWE path to IEP} = 0.544 \]
\[ ab = (\text{ILS path to IWE}) \times (\text{IWE path to IEP}) = 0.788 \times 0.544 = 0.429 \]
\[ Sa = \text{standard error ILS path to IWE} = 0.080 \]
\[ Sb = \text{standard error IWE path to IEP} = 0.087 \]
\[ Sab = \sqrt{b^2 Sa^2 + a^2 Sb^2 + Sa^2 Sb^2} \]
\[ Sab = \sqrt{(0.544)^2 (0.080)^2 + (0.788)^2 (0.087)^2 + (0.080)^2 (0.087)^2} = 0.082 \]

To test the significance of indirect effect, it need to calculate the t value from ab coefficient as follows:

\[ t = \frac{ab}{Sab} = \frac{0.429}{0.082} = 5.260 \]

The path coefficient for indirect effect of ILS on IEP mediated by IWE is 0.429. It show the t statistics value of 5.260 is above ± 1.96 (5%), thus Ho is rejected. It can be concluded that indirect effect of ILS on IEP mediated by IWE is significant. In other words, ILS has positive and significant indirect effect on IEP mediated by IWE, where the greater the effect of ILS mediated by IWE will further improve IEP. This proves that H5 is accepted.

The result findings support the research of Yesil et al. (2012), Abdi et al. (2014) and Imam et al. (2013). They say that Islamic work ethics have positive effect on performance. They also stated that company needs to make Islamic work ethics as a practice in everyday life in organization for sustainable success of organization.
6. Islamic job satisfaction (IJS) in mediating the effect of Islamic leadership style (ILS) on Islamic employee performance (IEP)

Hypothesis 6 states that Islamic job satisfactions mediate the effect of Islamic leadership style on Islamic employees performance. Hypothesis test for indirect effect is done by Sobel test below.

\[ a = \text{IJS path to ILS} = 0.458 \]
\[ b = \text{IJS path to IEP} = 0.280 \]
\[ ab = (\text{ILS path to IJS}) \times (\text{IJS to IEP}) \]
\[ = 0.458 \times 0.280 = 0.128 \]
\[ Sa = \text{standard error of ILS path to IJS} = 0.098 \]
\[ Sb = \text{standard error of IJS path to IEP} = 0.071 \]
\[ Sab = \sqrt{b^2Sa^2 + a^2Sb^2 + Sa^2Sb^2} \]
\[ = \sqrt{(0.280)^2(0.098)^2 + (0.458)^2(0.071)^2 + (0.098)^2(0.071)^2} = 0.043 \]

To test the significance of indirect effect, it need to calculate the t value from ab coefficient as follows:

The path coefficient for indirect effect of ILS on IEP mediated by IJS is 0.128. It shows the t statistics value of 2974 is above ± 1.96 (5%), thus H0 is reject. It can be concluded that indirect effect of ILS on IEP mediated by IJS is significant. In other words, ILS has positive and significant indirect effect on IEP mediated by IJS, where the greater the effect of ILS mediated by IJS will further improve IEP. This proves that H6 is accepted.

These findings support the results of Munir et al. (2012), Saleem (2015), Mihalcea (2013), Platis (2015) as well as Farooqui and Asha (2014) which states that leadership style plays an important role to affect the level of job satisfaction of organization members. This result is consistent with Mansor et al. (2012) that leadership style has a critical effect on level of employee satisfaction.

7. Islamic job satisfaction (IJS) in mediating the Islamic work ethic (IWE) on affective commitment (AC)

Hypothesis 7 states that Islamic job satisfaction mediates the effect of Islamic work ethics on affective commitment of employees. Hypothesis test for indirect effect is done by Sobel test below.

\[ a = \text{IWE path to IJS} = 0.494 \]
\[ b = \text{IJS path to AC} = 0.361 \]
\[ ab = (\text{IWE path to IJS}) \times (\text{IJS to AC}) \]
\[ = 0.494 \times 0.361 = 0.178 \]
\[ Sa = \text{standard error of IWE path to IJS} = 0.111 \]
\[ Sb = \text{standard error of IJS path to AC} = 0.105 \]
\[ Sab = \sqrt{b^2Sa^2 + a^2Sb^2 + Sa^2Sb^2} \]
To test the significance of indirect effect, it need to calculate the t value from ab coefficient as follows:

The path coefficient for indirect effect of IWE on AC mediated by IJS is 0.178. It shows the t statistics value of 2.679 is above ± 1.96 (5%), thus Ho is rejected. It can be concluded that indirect effect of IWE on AC mediated by IJS is significant. In other words, IWE has positive and significant indirect effect on AC mediated by IJS, where the greater effect of IWE mediated by IJS will further improve AC. This proves that H7 accepted.

These results support the findings of Hayati (2012) which states that employees who have a higher appreciation of Islamic work ethics are predicted to have higher job satisfaction. Likewise, Rokhman (2010) in his research shows that employees who have strong support for implementation of Islamic work ethics will feel more satisfied with their jobs. These findings do not support the research of Lambert and Paoline (2008) which states that company must pay attention to affective commitment of employees to increase their performance by doing the right recruitment and selection in order to get employees who have the same values with organization and pride when to join Organization. Likewise, these findings do not support the research of Hamid (2011), Rohman (2011), Zehir et al. (2012), Meyer (2002) and Lambert et al. (2013). They stated that if an employee has an emotional attachment, sense of family and pride to be part of organization’s members will increase their performance.

8. Affective commitment (AC) in mediating the Islamic work ethic (IWE) on Islamic employees performance (IEP)

Hypothesis 8 states that Affective commitment mediates the effect of Islamic work ethics on Islamic employees performance. Hypothesis test for indirect effect is done by Sobel test below.

\[
a = \text{IWE path to AC} = 0.250 \\
b = \text{AC path to IEP} = 0.061 \\
ab = (\text{IWE path to AC}) \times (\text{AC to IEP}) \\
\quad = 0.250 \times 0.061 = 0.015 \\
\]

\[Sa = \text{standard error of IWE path to AC} = 0.110 \]

\[Sb = \text{standard error of AC path to IEP} = 0.090 \]

\[Sab = \sqrt{b^2 Sa^2 + a^2 Sb^2 + Sa^2 Sb^2} \]

\[Sab = \sqrt{(0.061)^2 (0.110)^2 + (0.250)^2 (0.090)^2 + (0.110)^2 (0.090)^2} = 0.025 \]

To test the significance of indirect effect, it need to calculate the t value from ab coefficient as follows:

\[t = \frac{ab}{Sab} = \frac{0.015}{0.025} = 0.598 \]

The path coefficient for indirect effect of IWE on IEP mediated AC is 0.015. It shows the t statistics value of 0.598 is below ± 1.96 (5%), thus the Ho is accepted. It can be concluded that indirect effect of IWE on IEP mediated by AC is not significant. In other words,
magnitude effect of IWE on IEP mediated AC is not significant to increase or decrease of IEP. This proves that H8 is rejected.

These findings do not support the research of Lambert and Paoline (2008) which states that company must pay attention to affective commitment of employees to increase their performance by doing the right recruitment and selection of right in order to get employees who have the same values with organization and pride when to join Organization. Likewise, these findings do not support the research Hamid (2011), Rohman (2011), Zehir et al. (2012), Meyer (2002) and Lambert et al. (2013). They stated that if an employee has an emotional attachment, sense of family and pride to be part of organization's members will increase the performance.

9. Islamic job satisfaction (IJS) in mediating the effect of Islamic work ethic (IWE) on Islamic employees performance (IEP)

Hypothesis 9 states that Islamic job satisfaction mediates the effect of Islamic work ethics on Islamic employees performance. Hypothesis test for indirect effect is done by Sobel test below.

\[ a = \text{IWE path to IJS} = 0.494 \]
\[ b = \text{IJS path to IEP} = 0.280 \]
\[ ab = (\text{IWE path to IJS}) \times (\text{IJS path to IEP}) = 0.494 \times 0.280 = 0.138 \]
\[ S_a = \text{standard error of IWE path to IJS} = 0.111 \]
\[ S_b = \text{standard error IJS path to IEP} = 0.071 \]
\[ Sab = \sqrt{(b \times S_a)^2 + (a \times S_b)^2 + S_a^2 \times S_b^2} \]
\[ Sab = \sqrt{(0.280)^2 \times (0.111)^2 + (0.494)^2 \times (0.071)^2 + (0.111)^2 \times (0.071)^2} = 0.048 \]

To test the significance of indirect effect, it need to calculate the t value from ab coefficient as follows:

\[ t = \frac{ab}{Sab} = \frac{0.138}{0.048} = 2.911 \]

The path coefficient for indirect effect of IWE on IEP mediated by IJS is 0.138. It shows the t statistics value of 2.911 is above ± 1.96 (5%), thus Ho is rejected. It can be concluded that indirect effect of IWE on IEP mediated by IJS is significant. In other words, effect of IWE mediated by IJS to IEP is positive and significant, where the greater IWE caused by IJS will further improve IEP. This proves that H9 is accepted.

The results of this study corroborate the findings of Platis (2015) as well as Farooqui and Asha (2014) which states that if employees feel respected and management also provide the things that can increase their satisfaction, they would like to work in these places and will encourage them to work better. Studies of Javeed et al. (2014) showed that performance of an employee related to job satisfaction.

10. Affective commitment (AC) in mediating the effect of Islamic job satisfaction (IJS) on Islamic employees performance (IEP)
Hypothesis 10 states that Affective commitment mediates the effect of Islamic job satisfaction on Islamic employees performance. Hypothesis test for indirect effect is done by Sobel test below.

\[ a = \text{IJS path to AC} = 0.361 \]
\[ b = \text{CA path to IEP} = 0.061 \]
\[ ab = (\text{IJS path to AC}) \times (\text{AC to IEP}) = 0.361 \times 0.061 = 0.022 \]
\[ Sa = \text{standard error of IJS path to AC} = 0.105 \]
\[ Sb = \text{standard error of AC path to IEP} = 0.090 \]
\[ Sab = \sqrt{b^2Sa^2 + a^2Sb^2 + Sa^2Sb^2} \]
\[ Sab = \sqrt{(0.061)^2(0.105)^2 + (0.361)^2(0.090)^2 + (0.105)^2(0.090)^2} = 0.034 \]

To test the significance of indirect effect, it need to calculate the t value from ab coefficient as follows:

\[ t = \frac{ab}{Sab} = \frac{0.022}{0.034} = 0.639 \]

The path coefficient for indirect effect of IJS on IEP mediated by AC is 0.022. It show the t statistics value of 0.639 is below ± 1.96 (5%), thus Ho is accepted. It can be concluded that indirect effect of IJS on IEP mediated by AC is not significant. In other words, effect of IJS mediated by AC on IEP not significantly affect the increase or decrease of IEP. This proves that H10 is rejected.

These findings support the results of Ahmed et al. (2014) which states that affective commitment has no significant effect on performance. Findings of Harwiki (2016) also show that there is no effect between the Organization commitments that include affective commitment.

6. CONCLUSIONS AND RECOMMENDATIONS

Based on analysis and discussion of research findings above, the conclusion can be summarized below.

1. A leader who implement the leadership style of Prophet Muhammad in leading the employees that being Siddiq, amanah, fathanah and tabligh can improve the quality of performance of its employees.
2. Leaders who apply Islamic leadership style that includes Siddiq, amanah, fathanah and tabligh can improve the application of Islamic work ethics to increase the sense of affective commitment of employees.
3. Application of Islamic leadership style could encourage Islamic job satisfaction of employees so that it can improve their affective commitment to company.
4. Leaders who apply Islamic leadership style can encourage the creation of a sense of affective commitment of employees but this cannot improve Islamic performance employee.
5. A leader who carries out their duties Islamic values can increase the application of Islamic work ethics and it can boost the quality of Islamic performance employees.

6. Application of Islamic leadership style within company can improve employee satisfaction, and this can also increase the Islamic employee performance.

7. Application of Islamic work ethics by employees in a company can improve the Islamic job satisfaction so it can boost the Islamic employees performance.

8. Implementation of Islamic work ethic could encourage the creation of affective commitment of employees, but it cannot boost the Islamic employees performance.

9. Application of Islamic work ethics in a company can improve Islamic job satisfaction and this can boost the Islamic employees performance in company.

10. Islamic job satisfaction of employees can encourage the creation of affective commitment feeling, but it cannot improve the Islamic employees performance.

Based on this research, here are some important things that can be put forward for organization's leaders and practitioners:

1. Leaders should strive to provide good role models for their employees.

2. Leader should enhance the application by Islamic leadership style by reading the references relating to Islamic leadership and also by joining to community of Muslim businessmen so they can support each other in implementing Islamic values in company.

3. Increasing employee participation in implementation of Islamic work ethics can be done by organizing a program such as outbound with materials about Islamic work ethics. In addition, this program is expected to increase the employee's emotional attachment to company and also to fellow employees and also can be inserted information about the company's vision, mission and values of noble company to public.

4. Companies management should maintain senior employees by giving them a definite career development and also delegation of tasks that are important as a form of trust from management with certain compensation.

5. Leaders should make a special division with a contact person who handles employee issues relating to difficulties they face in work and also receiving the proposed ideas for development of company. It shows the company's concern for employees and also emphasized the openness of management within company.

6. Further researchers should use a variable commitment based on Islamic values to fit the Islamic company character. They also should add other variables in mediating leadership style on Islamic employees performance such as Islamic motivations to improve the employee performance (Omar et al., 2016; Rafiki et al., 2014).
REFERENCE


The Effect of Islamic Leadership Style, Islamic Work Ethics, Islamic Job Satisfaction on Affective Commitment and Islamic Employee Performance


