

# 4<sup>th</sup> AICIF 2016

## 4<sup>th</sup> ASEAN International Conference on Islamic Finance

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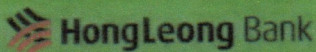


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## **THE ROLES OF MEANING IN LIFE AND MEANING OF WORK IN IMPROVING ORGANIZATIONAL CITIZENSHIP BEHAVIOUR OF ISLAMIC BANK**

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### **Abstract**

The tight competition in Islamic banking industry today requires organizations to have employees who have a strong commitment and are willing to spend the time to finish the job properly. Islamic banking has a market share that is still low if compared with conventional banks, so it has a big challenge to improve the performance and competitive advantage. Employees who are willing to have extra work for their organization will lead to the improvement of their performance and their organization. Voluntary behavior of employees that is free from formal reward system and beyond the role that should be done is very important in an organization. Several studies have examined multiple factors that affect organizational citizenship behavior (OCB), but it is still slightly stressing on the importance of psychological aspects of meaning in life and meaning of work. The purpose of this study is to examine the importance of meaning in life and meaning of work factors in improving OCB in the organization. The sample in this study was employees of the Islamic banks in Central Java, amounted to 100 people. The data collections were conducted by using questionnaires and in-depth interviews. Meanwhile, to analyze the data, the structural equation model with Partial least squares software was used. The results of data analysis showed that meaning in life have a significant effect on satisfaction and organizational citizenship behavior. Meaning of work also has a significant effect on satisfaction and organizational citizenship behavior. An employee's job satisfaction significantly affects the improvement of organizational citizenship behavior.

Keyword: meaning of work, meaning in life, job satisfaction, organizational citizenship behavior and Islamic banking

### **Introduction**

Nowadays, the competition in the financial services industry is very high, so it will affect the performance of Islamic banks in Indonesia. The growth of Islamic bank asset, third party funds and financing in 2016 were estimated at 15%. The Islamic banks in Indonesia still face several constraints and barriers to their development, among others, lack of capital, competence human resources and use of information and technology. The strategic challenge faced by Islamic banking is the ability to generate pace of financial product innovation and Islamic banking. The era of competition today has already been in time-based competition, so the ability and competence of human resources is a key success factor that needs to be prepared to respond to these dynamics. The understanding and mastery of knowledge on Islamic banking and finance products should be owned by every Islamic bank employee. In addition, the willingness of employees to work extra workload exceeds the standards set by organization becomes an important part in improving performance. Organ, Knowsky and Pugh (1994) defined that Organizational Citizenship Behavior (OCB) is a voluntary behavior of employees

that is free from formal reward system and beyond the role that should be done. Voluntary behavior that goes beyond the performance expected will give benefits to the organization, in particular, the increase in performance of Islamic banks in the face of the ASEAN economic community.

Some studies on organizational citizenship behavior (OCB) have been conducted by many researchers including knowledge sharing and job attitudes (Teh, 2012); organizational commitment (Mohamed & Anisa, 2012), employee engagement (Kataria, 2013), organizational justice and LMX (Wan 2011); job enrichment (Mehdi Davoudi, Mehdi, and Davoudi, 2012). Some of these studies only focused more on knowledge and behavioral aspects in improving OCB but did not dig further about attitude and meaning in life and work. The study conducted by Schlechter, 2007 have tested the importance of meaning in life (MIL) and the meaning of work (MOW) in improving public accountant OCB in multinational organizations. The results indicated that there is significant correlation between meaning in life (MIL) and the meaning of work (MOW) on organizational citizenship behavior (OCB). The concept of MIL and MOW is a construct that is currently becoming the focus of research in the field of positive organizational behavior (Luthans, 2002) in improving the performance of employees and organizations that emphasize on positive character. Someone who truly understands and interprets the life and work will tend to be easier to obtain satisfaction in his work and is willing to carry out the work beyond the required standard of the organization. As an organization that is based on religious values and spirituality, the role of meaning in life and the meaning of work in improving the OCB of Islamic bank will be easily implemented more properly. The purpose of this study is to find out the effect of meaning in life and the meaning of work on satisfaction and organizational citizenship behavior.

## **LITERATURE REVIEW**

### **Organizational Citizenship Behavior**

Organ et al (2005) defines OCB as discretionary behavior, indirectly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of an organization. According to Podsakoff (2000) Organizational Citizenship Behavior has seven dimensions. First, Helping Behavior, it is a form of employee behavior that helps co-workers or avoids some incidents related to the problem of work. Second, Sportsmanship, it is a desire to tolerate work that cannot be avoided or disturbances that exist without any problems. Third, organizational loyalty, it is promoting the organization to outsiders, protecting and defending it against threats from outside and remaining committed even in adverse conditions. Fourth, organizational compliance, it is internalization and acceptance of the rules, regulations and procedures that exist in the organization although no controlling party. Fifth, Individual initiative, it is the behavior to be involved in the task, the work for the continuity of the company of more than expected, or at the level of volunteering. Sixth, Civic virtue, it is the willingness to actively participate in the organization. Seventh, Self-development, it is a voluntary behavior to improve the knowledge, skills and abilities.

### **The Meaning in Life**

Frankl (1967) found that meaning in life is a human virtue which is motivated by the search for meaning in life, which is called as the desire for meaningful. Meaning that someone attach to life is a sign of being human and is connected with the spiritual side (which should not be associated with religion) of human nature to search meanings. Meaning in Life will significantly be revealed when someone asks about the purpose in the workplace, the contribution made whether significant or not, as well as something that can be left at the workplace. Virtue is the degree of a person's life that is described as the emotional feelings of the desire to what is accepted as the commitment and positive energy. Someone who claims that his life is meaningful will feel fulfillment and meaningful (Csikszentmihalyi, 1990; Frankl, 1984, 2000). Maharaj and Schlechter (2007) also emphasizes that a meaningful life of an individual is an indication of the balance between work and life. Furthermore, experiencing meaning in life will lead to a feeling of fulfillment and satisfaction beyond the other aspects of life. The explanation of the Meaning in Life by some of the theories that have been proposed above can be concluded that the Meaning in Life is when someone is looking for meaning in his life, has a purpose for his life, and feels his life is important to go through because he has the role of his life. The impact of Meaning in Life is to realize further balance and wellbeing in work and life. Wrzesniewsk et.al (1997) found that a person who has the Meaning in Life in his life has a higher level of job satisfaction than other colleagues who do not have the Meaning in Life. Furthermore, according to Dimitriades (2001), the Meaning in Life is positively related to mental health and performance results, which is then interpreted as a psychological empowerment and affect at work engagement, job satisfaction, organizational commitment, and Organizational Citizenship Behavior (OCB). A person who has the Meaning in Life would have life balance and well-being at work, thus impacting positively on Job Satisfaction. When an employee is satisfied with the job, it will certainly encourage him to engage in work and organization, and be willing to perform extra roles (Organizational Citizenship Behavior). The study conducted by Schlechter (2007) concluded that the meaning in life has a significant effect on satisfaction and OCB.

H1: Meaning in life affects satisfaction

H2: Meaning in life affects the OCB

### **Meaning of Work**

According to Steven (2006) to achieve emotional satisfaction of a job, a person must be competent to affect his life goals and less dependent on their superiors to achieve job satisfaction. Three psychological conditions that determine a person's motivation and job satisfaction are expressed by Hackman, Oldham, Janson, and Purdy (1995), i.e., feeling the significance, one must accept a job as important as its value; feeling a responsibility, a person must believe that he must be responsible personally for the work he has done; and knowing the results of the work, the employee must be able to determine whether the results of his work is satisfactory or not. When these three things are fulfilled, it will contribute to a feeling of satisfaction on the job. The positive feelings will encourage someone further to continue to try to show performance at optimal levels. Meaning of Work is derived from internal motivation and feeling the significance associated with the task and the work such as job satisfaction, work quality and high performance. Harpaz (2002) suggested that the job makes a person feel meaningful in life. According to the study by Fox (1980), on Meaning of Work and job satisfaction has consistently maintained that workers who do not have the expertise tend

to feel low job satisfaction. Meaning of Work can be concluded as the way one views the job, if a job becomes very important or not for one's life. A work turns out to play an important role for the identity of a person; to have a positive self-identity that encourages positive self-esteem, so it will create a balanced life. Someone who has the meaning of Work tend to know what to do on the job, so it can determine the steps that must be taken to perform tasks and work so that they can achieve the Job Satisfaction. Bolino and Turnley (2003) have shown that a person who has high job involvement in his work is more likely to show Organizational Citizenship Behavior (OCB). Organizations can improve the Organizational Citizenship Behavior (OCB) by giving employees a meaningful job that will make them feel up to performance (i.e., Job Involvement or work engagement). Feeling important is associated with motivation and positive work attitudes by Sargent (1973). Bolino's and Turnley's statement is in line with the results of the study by Wrzesniewski et al (1997) which stated that a person with a significant feeling inclines to take the time and effort in his work and not rely on compensation given. In line with Wrzesniewski, a previous study by Van Dyne, Graham, and Dienesch (1994) stated that proactive behavior such as organizational Citizenship Behavior (OCB) will likely follow the increased sense of responsibility and embedded in the organization. Positive work attitude will arise when someone has the Meaning of Work, because he always wants to involve himself in any work as a result of the desire to achieve the higher purpose for his existence. The action of self-involvement is separated from the purpose of compensation, so it tends to have a proactive behavior such as Organizational Citizenship Behavior (OCB). The study conducted by Schlechter (2007) concluded that the meaning of work has a significant effect on satisfaction and OCB.

H3: Meaning of work affects satisfaction

H4: Meaning of work affects the OCB

### **Job satisfaction**

According to Golbasi (2008) job satisfaction is an emotional reaction and expression of the resulting performance based on one's judgment on the performance, the work environment and work life. According to Smith et.al (1969), Job satisfaction has indicators such as satisfaction with salary, promotion, coworkers, supervisor, and the work done. Thus, job satisfaction is an emotional expression of employees as evaluations of the work, work environment, and the evaluation of expectations of what is obtained from the work and organization. According to Bateman and Organ (1983), a person with a level of job satisfaction shows more prosocial attitudes or Organizational Citizenship Behavior. This statement is reinforced by Podsakoff et.al (2000), Organizational Citizenship Behavior is affected by a positive work attitude. This is because employees are more likely to provide behavioral exceed role when they are satisfied with their jobs and committed to the organization (Bolino, et.al, 2002). The study by Murphy, Althanasou, and King (2002) supported by Chiu and Chen (2005) recommended the organization to improve employee intrinsic job satisfaction to encourage Organizational Citizenship Behavior.

H5: job satisfaction affects the OCB

### **Method**

The sample in this study was all employees of Islamic Bank in Central Java covering Bank Syariah Mandiri, Bank BNI Syariah, Bank Mega Syariah, Bank BTN

Syariah, and Bank Niaga Syariah, amounted to 100 respondents. Sampling technique used was purposive sampling, i.e., permanent employees and having worked of more than 5 years. Data were collected by using questionnaire submitted to the directors of the Islamic Banks to be distributed to respondents based on predetermined criteria. After two weeks, a questionnaire that was collected in the respective leaders of the Islamic Bank was taken back for analysis. The variable of meaning in life was measured by using 4 indicators, feeling meaningful, benefits for others, trying to find something that makes life meaningful, and trying to reach the goal of life. The variable meaning of work was measured by using indicators of centrality of work, valued work outcomes, work goals and social norms. Job satisfaction was measured by using indicators of loving the Job, interested in the job, and job suitability. Organizational citizenship behavior was measured by using indicators of Altruism, Conscientiousness, Civic Virtue and Sportsmanship. All indicators were measured by using Likert scale of 1 to 5, in which 1 is “strongly disagree” and 5 is “strongly agree”. Furthermore, the data were analyzed by using Partial Least Square (PLS) analysis.

### Findings and Discussion

The description of each variable’s average score was classified into 3 intervals, namely ‘good’ ranged between 3,68 – 5, ‘fair’ between 2,34 – 3,67 and ‘low’ between 1 – 2,33. The average scores and standard deviation of each variable were shown on table 1. The average scores of the variables meaning in life, meaning of work, job satisfaction and OCB were classified into ‘good’ category.

**Table 1. The Average Scores and Standard Deviation**

Variable	Average	Standard Deviation
Meaning in Life	5,31	1,14
Meaning of Work	3,84	0,84
Job Satisfaction	4,19	0,44
OCB	4,38	0,61

### Source: data analyzed in 2016

During their work, the employees have determined their meaning of life in work and occurred balance in their work and life. Besides, they also feel meaningful relationship between their duties and work results so that it would lead to good work satisfaction and OCB.

### Validity and Reliability Tests

The validity test was conducted through using convergent validity method by partial least square (PLS) software. Convergent validity is a measurement model which describes the correlation between an indicator and its latent variables. The analysis result of this phase was outer loading score of each indicator and was considered to be valid if it results more than 0,5 or more (Ghozali, 2008).

**Table 2. The Result of Convergent Validity Test**

	original sample estimate	the mean of subsamples	Standard Deviation	T-Statistic
Meaning in life				
X11	0.927	0.910	0.138	6.740
X12	0.935	0.923	0.108	8.633
X13	0.900	0.879	0.162	5.547
X14	0.922	0.907	0.108	8.528
Meaning of work				
X21	0.914	0.914	0.019	49.139
X22	0.933	0.936	0.016	57.077
X23	0.922	0.925	0.017	52.824
X24	0.901	0.900	0.028	32.175
Satisfaction				
Y11	0.851	0.856	0.042	20.215
Y12	0.886	0.895	0.039	22.460
Y13	0.774	0.762	0.100	7.744
OCB				
Y21	0.912	0.914	0.022	41.635
Y22	0.876	0.866	0.057	15.395
Y23	0.724	0.703	0.128	5.673
Y24	0.741	0.748	0.076	9.743

**Source: data analyzed in 2016**

**T Table Score: 1,67**

Based on the result of validity test conducted, it is found that all indicators of the variables of meaning in life, meaning of work, satisfaction, and OCB resulted original sample estimate higher than 0,7 while T statistic score was higher than T table (1,67) which means that all indicators were valid and could measure their variables.

The reliability test was conducted through calculating composite reliability score of each variable. Based on table 3, the result of composite reliability of each construct was more than 0,7. According to Chin (1998), an indicator is said to have good reliability if it has score more than 0,70 and can be approved on the scores of 0,50 to 0,60. The composite reliability scores of the variables of meaning in life, meaning of work, satisfaction and OCB were more than 0,7.

**Table 3 The Scores of Composite Variable**

Variabel	Composite Reliability
Meaning in Life	0.957
Meaning of Work	0.955
Satisfaction	0.876
OCB	0.889

Source: data analyzed in 2016

The result of data analysis using *Smart PLS* software led to a finding that the inner model of the variables of meaning in life, meaning of work had an effect on satisfaction and OCB as on the figure 1 below:

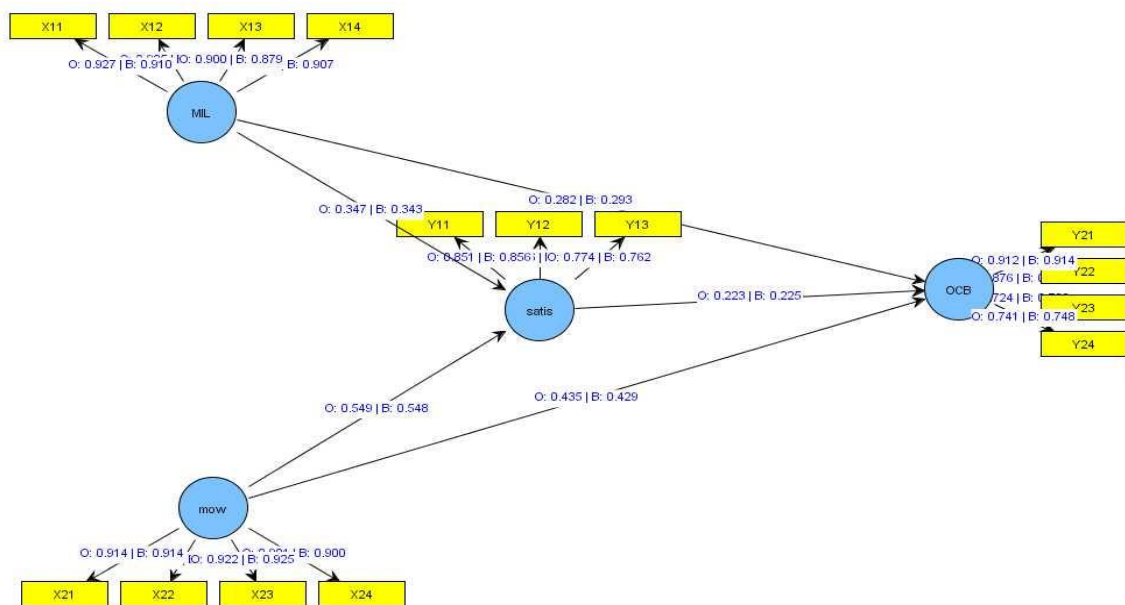


Figure 1. The result of inner model

**Table 4. The scores of original sample estimate and T-statistic of each variable**

	original sample estimate	mean of subsamples	Standard deviation	T-Statistic
MIL -> satis	0.347	0.343	0.104	3.335
MOW -> satis	0.549	0.548	0.108	5.088
MIL -> OCB	0.282	0.293	0.138	2.044
MOW -> OCB	0.435	0.429	0.145	2.989
satis -> OCB	0.223	0.225	0.131	1.709

Source: data analyzed in 2016

### T Table Score : 1,67

Based on the hypothesis test, it obtained original sample estimate score of meaning in life resulting 0.347 with the  $t_{\text{count}}$  score (3,335) >  $t_{\text{table}}$  (1,67), so that H1 was approved. There was a significant effect of meaning in life on work satisfaction, which means that



the higher the level of employees in meaning their life, the easier in achieving satisfaction level in work. This finding also showed that the hypothesis 2 (H2) was approved, the original sample estimate score resulted 0,282 with the  $t_{\text{count}}$  score (2,044)  $> t_{\text{table}}$  (1,67). The higher someone means his life, the higher his willingness to take extra roles. The hypothesis 3 (H3) was approved, original sample estimate score 0,549 with the  $t_{\text{count}}$  score (5,088)  $> t_{\text{table}}$  (1,67). Meaning in work had significant effect on work satisfaction, which means that the higher someone makes meaning of work in his organization, the higher he will acquire satisfaction. The test on the hypothesis 4 (H4) was approved, which means that there was significant effect of Meaning of work on OCB., original sample estimate score resulted 0,435 with the  $t_{\text{count}}$  score (2,989)  $> t_{\text{table}}$  (1,67). The higher someone means a work in an organization, the higher his willingness to take extra roles. The result of hypothesis 5 (H5) test was approved with original sample estimate score resulting 0,223 with the  $t_{\text{count}}$  score (1,709)  $> t_{\text{table}}$  (1,67), which means that there was significant effect of work satisfaction on OCB. The higher the level of someone's satisfaction, the higher employees' potential availability in taking extra roles.

The finding of this study refers to the higher meaning in life, the higher work satisfaction will. It is in line with the study which was conducted by Wrzesniewsk *et.al* (1997) who found that someone with meaning in life has work satisfaction level higher than those who do not have it. The finding of Wrzesniewsk *et.al* (1997) is in in line with the study which was conducted by Steger *et.al* (2006) who found that someone with meaning in life or feeling meaningful in life has lower level depression and feels more satisfied on his work and life, as well as shows higher levels of self-esteem and optimistic, and other positive effects. Wrzesniewsk *et.al*(2003) found that an organization whose members have high meaning in life also reports an identification with stronger team, low work conflict, more honest and trust on governance, higher satisfaction on colleagues, more commitment on their organization and has healthier group process. Schlechter (2007) also explained further that someone's feeling that his life is meaningful is an indication of health and balance in his work and life. This condition later will lead to satisfaction feeling which is more than other aspects in life.

The finding also showed an effect of meaning in life on Organizational Citizenship Behavior. This finding is in line with the study which was conducted by Dimitriades (2001) who stated that meaning in life has positive effect on mental health and work result, where it is then referred as psychological empowerment which is also reported to lead to good work involvement, work satisfaction, organizational commitment, and over role behavior (Organizational Citizenship Behavior). Good meaning in life will have meaningful feeling by feeling beneficial for others. In line with that willingness, those efforts are implemented on over role behaviour which becomes a part of Organizational Citizenship Behavior.

The finding also showed that there was significant effect of meaning of work on work satisfaction. This finding is in line with the study which was conducted by Hackman *et.al* (1995) that meaning of work begins from someone's internal motivation which is in line with other external factors such as work characteristics and the result of the work itself. This meaningful feeling has correlation with work such as work satisfaction, high work quality, and high performance. The finding also showed that meaning of work has significant effect on Organizational Citizenship Behavior. This study is in line with the study which was conducted by Wrzesniewski *et.al* (1997) that someone with meaningful feeling tends to spare his time and effort on his work and

does not rely on compensation given. Van Dyne, Graham, and Dienesch (1994) stated that proactive behaviour such as Organizational Citizenship Behavior (OCB) possibly will be followed by the increase of responsible and planted feelings in an organization. Positive work behaviour will appear when someone has meaning of work, because it always has self-involvement in every work as an effect of willingness to achieve desire in order to obtain higher purposes for self-existence.

The finding found that there was an effect of work satisfaction on Organizational Citizenship Behavior. According to Bateman and Organ (1983), someone with work satisfaction level shows more pro-social or Organizational Citizenship Behavior (OCB). This statement is strengthened by Podsakoff *et.al* (2000), that Organizational Citizenship Behavior (OCB) is affected by positive work behaviour. This is because employees will tend to give extra role behaviour when they feel satisfied with their work and committed to their organization (Bolino, *et.al*, 2002). The study of Murphy, Althanasou, and King (2002) is supported by the study which was conducted by Chiu and Chen (2005) who recommend an organization to improve employees' intrinsic job satisfaction in order to encourage Organizational Citizenship Behavior (OCB).

### **Conclusion**

This study aims to examine the importance of the factors of meaning in life and meaning of work in improving satisfaction and Organizational Citizenship Behavior. The finding showed that employees with high meaning in life and meaning of work will lead to high work satisfaction achievement and willing to take extra roles and finish their work without getting retained of their organization. The managerial implication for an organization is that leader and management must always establish and strengthen organizational cultural values and employees' spiritual in order to have more meaning in life and meaning in work. The more ability of an organization to strengthen meaning in life and meaning of work of its employees, the easier to create employees' satisfaction, OCB, employees' performance and organization's performance.

### **Limitation**

This study needs to be developed further in a religious based organization which has higher scope so that the effect of meaning in life and meaning of work will be stronger in affecting satisfaction and OCB.

### **Further Studies**

The roles of meaning in life and meaning of work in improving satisfaction and OCB still need to have strengthening or moderating variables to be added on. Further studies must also consider spiritual or religious aspect as a moderating variable.

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