

PROMOTING ISLAMIC VALUES TO ENCOURAGE LABOUR PERFORMANCE AND PRODUCTIVITY: EVIDENCE FROM SOME INDONESIAN INDUSTRIES

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ABSTRACT

This study aims to analyse principles of Islamic Labour and its practices in Indonesia and brought the evidence from some Industries concerning how to promote an Islamic values toward work ethics, motivation, organizational commitment, labour performance and productivity. Questionnaires were distributed purposively to 77 respondents from sharia hotel, food manufacture and sharia financial institution. This study has verification and descriptive nature by utilizing partial least square to analyse data. The result shows that labour concept developed in Indonesia as a form of ratification of ILO conventions, set forth in most of the rules and regulations that have been made and enforced in accordance with the concept of labour in Islamic perspective. On the implementation context, some companies have implemented Islamic business ethics and Islamic work ethics in the company's operations. However, many are not in line with the values of Islam and even deviate from these values. Based on the path coefficient from the empirical analysis show that it is important to promote Islamic values in order to enhance motivation of the labour, within the valuable of motivation, it will significantly influenced their work ethics, organizational commitment and at the end significantly encourage job performance and productivity.

Keywords: Islamic values; Motivation; Work ethics; Organizational commitment and job performance and productivity.

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1. INTRODUCTION

Many problems related to labour, especially that addressing the needs of life and efforts to improve the lives (Rosadi, 2007). Problems of subsistence, both the need for items such as food, clothing and houses; as well as services such as education, health and safety is the main cause at the same time becomes driving factors behind labour issues. Labour in Islamic system considered as a production factor and participating in production process (Azid, 2005). Most of Study laid in to impacts of Islamization in economy on the productivity and efficiency positively such as research by Iqbal and Molyneux (2005), and Ahmed (2004). In the Islamic system, the activity and the performance of all the economic, social, political and religious agents are under the guidance of religious knowledge (Azid, Alamsi, and Abubakar, 2013).

In the Islamic perspective, the labour issue is very clear and solution in this matter is quite comprehensive. In solving the problem of Islam understand that the solution needs to take into account the main causes of employment issues (Rosadi, 2007). The concept of labour in Islam emanates from a concept of intrinsic value as the real worth of a produced thing as well as factor of production (Azid, Alamsi, and Abubakar, 2013). Labor problems that occur because of the state policy in political economics, according to Islam, the state is responsible for solving those problem. While the employment issues arising from employer and employee relationships, it can be resolved by the employers and workers concerned. Islam has explained in detail how the employer-employee labour contract through the laws concerning *ijaratul ajir*.

Indonesia is a country with predominantly Moslem. Labour is also a serious problem and must be managed well. Various problems were faced in the country, including: (1) The labour force were great while employment opportunities are small, (2) low quality of labour, (3) Uneven spread of labour, (4) Low wages, (5) Difficulty of access for job information (6) Outsourcing workforce and (7) Unemployment.

The principle of employment in Indonesia under Article 3 of Law No. 13, 2003 stated that manpower development was organized on the principle of functional integration through cross-sectorial co-ordination centre and regions. In essence, what already exists in the Act No. 13, 2003 on employment and on other regulations that have been imposed have been very ideal. From the Islamic point of view, what is outlined, indicating compliance with Islamic law. However, at the level of implementation such as worker-employer relations, wages, outsourcing practice, the fulfilment of the rights of labour and other things are still very far from the values of Islamic labour concepts.

Therefore, required an in-depth of study on the concept and principles of Islamic labour and its implementation and whether the concept and implementation of labour regulation in Indonesia at this time are in accordance with Islamic values? Empirical studies need to be done in view of the critical importance of the labour issue because it concerns the dignity and human values. Additionally, this problem also concerns the interests of the nation and the current state and future.

The objective of study including (1) To recognize that the principles of Islamic concept in matters of labour. Determining whether the concept and implementation of labour regulations in Indonesia is in conformity with the concept of Islamic labour perspective; (2) To determine the influence of Islamic values in labour toward work ethics, motivation and work performance and productivity.

Indonesia, as the country with the largest Moslem population in the world has a strategic position in the Organization of Islamic Conference (OIC), so it has a very important role to propose the implementation concept of Islamic values in the labour management. Furthermore, the results of this study can be considered in the formulation and implementation of Indonesia's labour policies. At the micro level, results of this study can be considered as basis for policy and managerial decisions related to the Human Resources Management (HRM).

2. LITERATURE REVIEW

2.1. *Labour in the Perspective of Islamic Teaching*

Islam is a system of human life contains the order value in managing all aspects of human life, both related to the social, political, cultural, legal, and economic. Islamic Sharia contains an order value associated with the aspect of faith, worship, morality, and mu'amalah, including labor management issues. Working in Islam is compulsory, as in the Qur'an *Surah Naba': 11, Al-Jum'ah: 10, Al-Mulk: 15 and QS. Al-Muzzammil: 20*.

According to Yusuf Qardhawi, the goal of prescribed of working is to be sufficiency of needs for a life. Based on the sharia law, a Muslim is required to work to achieve several goals. The first is to be sufficiency of the private needs with halal property, preventing it from humiliation to beg, and keeping his hand in order to remain on top. The key to fulfill of basic needs in Islam is requiring each individual to work. Subsistence of goods, namely food, clothing and houses, as well as services such as education, health, and safety, then Islam has laid down some laws to implement the strategy. The strategy of meeting the needs of goods can be carried out in stages, in accordance with the needs and the results obtained from the implementation of the strategy. The stages are:

- a. Ordered to each household to work. Islam encourages people to work, seek good luck and effort. Even Islam has made the law seeking sustenance is obligatory (fard). Many verses and hadith which has given impetus to earn a living, such as the word of Allah in the Qur'an *Surah Al-Mulk:15, QS. Al-Mulk: 15, QS. Al-Jumu'ah: 10*.
- b. State creates employment opportunities in order to everyone who is able to find a job. The scholars stated that mandatory on government (ulil amri) facilitate employment to job seekers. Build employment is the state's obligation to the welfare and prosperity of the people.
- c. State ordered to each heir or relative to take responsibility for meeting basic needs of certain people, if it turns out the head of his own family is unable to meet the needs of people who become dependents. If an individual is still unable to work and unable to meet their living family members who became his responsibility, the obligation to make a living was charged to the relatives and heirs, as Allah SWT says in QS. Al-Baqarah: 233.
- d. Requiring the nearest neighbors were able to meet temporary basic needs (food) neighbors were starving Rasulullah SAW said: "No faith in me, do not believe in me, do not believe in me, people at night to sleep in a state of satiety while his neighbor is hungry and he knows it." (HR. Al-Bazzar).
- e. States directly fulfill the needs of food, clothing and houses of all citizens who can not afford and need. According to Islam as the state treasury serve as trustees of the weak and

the needy, while the government is the custodian and regulator affairs of the people. Allah SWT says in QS. At-Taubah: 103.

Furthermore, the fulfillment for basic needs of services such as education, health and security. Meeting the needs of educational services, health and security of the state fulfilled directly to individual people. This is, due to the fulfillment of three including the issue of public services (*ri'ayatu ash-uun syu*) and the most important benefit of life (Rosadi, 2007). State is obliged to provide salaries to the teachers, to build facilities, infrastructure and educational places. As for dealing with health insurance, the state should provide health facilities, hiring the doctors and other medical devices. Furthermore, the security issues are also a requirement of service, where the security of all people can perform all activities such as worship, work obligations, including the obligation in *muamalat* implementation include runing of governmental activities in accordance with the provisions of Islam without that guarantee's security implementation. Mechanisms to ensure the safety of every members of society, is through the application of strict rules to anyone who would compromise the security and soul, blood and property of others.

Islamic concepts in problem solving employer and employee relationships embodied in the form of labor agreement. A cooperation agreement between employers and workers should be mutually beneficial rather than conversely. Not to be a party despotic and feel despotized by the other party. In order to these partnerships can work well and all parties involved in mutual benefit, Islam set clearly and in detail with laws relating to *ijaratul ajir* (contract of work). *Ijarah* is service ownership of an *ajir* (contracted people) by *musta'jir* (people who contracted people), as well as the material possessions of the *musta'jir* by an *ajir*. In other words, *Ijarah* is a transaction to a particular service, accompanied by compensation. Terms of valid and whether the *Ijarah* transaction is contracted their services should be permissible services. It is not allowed to sign an *ajir* to provide services that are forbidden (*haram*). Matters related to the employment contract can be described as follows:

- a. Working conditions, *Ijarah* is utilizing the services of someone who is contracted to be exploited labor. Therefore, in his employment contract, shall be determined form of work, working time, wages, and strength. Kind of job should be explained, it becomes clear, because *Ijarah* transactions are still unclear in law is *fasid* (broken) and time to be determined, e.g, daily, monthly, or yearly, in addition, his wages must also be established.
- b. Form of work, every *halal* job then contract is also *halal*. In the *Ijarah* must be written type or form of work to be done an *ajir*.
- c. Working time, *Ijarah* transaction should be mentioned period of work which is limited by the term of the agreement or the completion of a particular job, in addition, there must also deal of time working for the *ajir*.
- d. Work salaries, honorariums also required in order to *Ijarah* transaction is clear, with evidence and traits that can eliminate fuzziness (Huda et. Al., 2008).

With regard to the problem of labour wages, Indonesia has regulations that govern, among which are: Article 97 of Law No. 13 of 2003 on Labour, Government Regulation No. 78 Year 2015 regarding wages, ILO Convention No. 100 regarding on the Granting Equality in term of Wages For Workers Men and Women and the Law of the Republic of Indonesia Number 87 year 1957

regarding the approval of the International Labor Organization Convention No. 100 concerning Equal Remuneration of Labor For Men and Women for Work of Equal Value.

The limit of any minimum wages should be adjusted to the real inflation rate and minimum wage system linked to current inflation rates has been done in the country. Indonesia's current context, in determining the provincial minimum wages, there are several elements to consider. These elements including food, clothing, and houses, etc. (there are 43 items as set out in the form letter of the Ministry of Manpower and Transmigration No. 889 HK, 01.32.2002, dated September 10th, 2002).

In the Islamic concept, the wage is very important because it concerns the rights and life. Hadith Prophet Muhammad SAW narrated by Imam Al-Bayhaqi, "Give salary to the worker before his sweat is dries, and let his salary conditions, to what to do." Wages in Islam called "*Ujrah*". Rasulullah SAW stressed the importance of the feasibility of wages in a hadith: "They (the slave and servant) are brothers, God put them under your nurture, so whoever has a brother under him should be given as to what their ate (alone) and give clothing like what their uses (alone), and not impose on them a very heavy task, and if you charge it with such a task, then let help them (to do it)." (HR. Muslim).

In Surah At-Taubah:105, which means: "And say: Work ye, then Allah and His messenger and the believers will see your it work, and you will be returned to (Allah) who knows the will of the occult and the real and then He gives you what you do." and Surah An-Nahl: 97, which means, "Whoever is doing charitable pious, both men and women in a state of faith, verily shall We give him a good life and verily We shall give a reply to them with a better reward than what they have done. "

Another interesting issue about labour in Islam, is a matter of competence and workload. God has arranged, that one is not allowed to charge a worker beyond its capacity, as God does not require a person to do something beyond his ability (Surah 2: 282). God does not require every Muslim to perform an act of worship, but that such actions can be performed by humans. Likewise, God does not require every Muslim to believe in something beyond the ability of the soul to believe in it. Despite the above verse translated many of the scholars on the themes of faith and worship, but logically can take a syllogism, that anyone should not employ others outside of its capacity, both in terms of competence, physical strength, or even work environment. Not justified to hire someone over the time limit a person's capacity to work, and not justified hiring someone with loads beyond the limits of one's ability to do it. The workload should be distributed among all employees.

Starting from these principles, any company, organization or agency that employs the workers, should prepare, at least three strategic programs to increase worker productivity, namely:

- a. Job training programs to improve skills or professional expertise in the field of the core business of the company, thus increasing its expertise and productivity of the company also increased.
- b. The depreciation calculation program's potential and brought workers in companies with aging and shrinking their work force. Depreciation is calculated and it should be given compensation to employees when they retire.

- c. The program to improve the working environment, in order to workers can work well, healthy, not infected with diseases caused by poor work environment. And periodically workers obtain health care.

Furthermore, Islam developed a justice that is the balance between the working frequency with the amount of income. God has been confirmed in one word Qur'an Surah 2: 278. Through this verse, God would like to assert that the business must be serious, fair and not to cause harm to others. Therefore, exploitative working system of labor is prohibited, as God forbids of usury, the lending and borrowing system by folding the obligation to pay the principal amount of debt provided. God forbid that the economic model exploitative by employing workers beyond the limits of working time without calculating overtime, or do business with usury as well as *nasiah* usury (double its debt payment obligations amount of money borrowed), or *Fadhhal* usury (buying and selling by adding the price of the selling price has been calculated to include the capital, management fees and profits according to *uruf*) (Ismail, 2016). The business practice is strictly prohibited by God, because He spread the spirit of mutual help, mutual help, *Sadaqah* and even *infaq*. Exploitation and usury practices contrary to the spirit of Islam.

Paradigm of exploitative working relationship with overburden of work over their capabilities, extending working hours without payment calculations, or doing business by usury way, is a major sin. Instead, each worker has to work hard. Work is the obligation of prayer, fasting, zakah and other acts of worship. And everyone will gain from what he was doing. Thus, this principle implies some important principles, namely:

- a. The owner of the company, may not seek huge profits by hiring employees outside of time without fair calculation of their payment.
- b. And conversely, workers may add working hours with the addition of the remuneration calculations, but do not hurt the company with was not optimal work.
- c. Spirit of Islam is to help each other, help each other, and even stronger must help the weak in the form *shadaqah* or even *infaq*, both of which could be included in the management system of employment in the company.

In addition, another important issues of labour stipulated in Islam is a matter of rights and obligations of employees or labor toward company. In this context, religion does not distinguish between Muslims and non-Muslims. All workers have the same rights. Even when a worker can not work for reasons of power failure or disruption in the workplace, he is still entitled to give wages because of good intentions to work, although not able to work not on his own.

However, God delivered a reference norm that can be understood in accordance expression, also at the same time understandable meaning sign. God affirms in Surah 83: 1-3. Through this verse, God would like to assert that one form of cheating business is to reduce the rights of others and ignoring its own obligations. Habits to reduce the rights of others people through scales or dose reduction is a crime, and God threatening the perpetrators with the threat of severe punishment in the Hereafter (Dimasyqy, 2002). Simultaneously, the same verse also implies that those who reduce the frequency of work during working hours, or use those hours productively for other work outside the duties and functions, then worker could be exposed to the threat of reducing of remuneration, because of their productive time not used for company.

Another important issue is the relationship of employers and workers or labor. In the QS 5: 1 and Surah al-Isra 17: 35 describe for this relationship. Through this Word of God to remind all mankind to fulfill the promise. If someone has already promised to believe in God, then promised to follow all the implications that arise because of the promise of faith, whether to implement the orders of worship to Allah, implement business practices according to the rules of Allah (Taufiq, 2008). Along with that, the verse also convey the teachings in the form of pronunciation cue, that a person who had promised to sign the contract with the employer, the employer or any other party, then he has an obligation to meet all the bills of contract that have been signed. The obligations of mutualistic symbiosis, namely labor obligations become rights of the employer, and vice versa labour also have rights which become obligations of the employer.

The basic of spirit in the contract between workers and employers, if they are Muslim, which brought religious spirit is to develop an attitude of brotherhood, fraternity who will bear responsibility for their respective parties. Workers are bound by contract to work seriously and contributive to the company's progress. Therefore, a worker is not allowed to wasting productive time with other activities outside of his profession as a worker, and vice versa, employers are also bound to fulfill the rights of workers in the spirit of brotherhood which have for one another. Therefore, employers must meet all the labor remuneration, including the fulfillment of old age insurance, health insurance, and also provide a healthy work environment, which they can work well.

2.2. *Work Ethics, Motivations, Performance and Productivity of the Labour*

Work in Islamic perspective is an obligatory activity and a virtue in light of the needs of human beings and the necessity to establish equilibrium in one's individual and social life (Ali, 1988). Islam values work because it is through work that a person can express herself and contributes to the society (Syed and Ali, 2010).

The basic of Islamic Philosophy is ethics while western emphasis on knowledge (Goodman, 1992). Islam is focused on an intuitive understanding of the role of the divine in human existence (Syed, 2008). According to At-Tamimi (1992) provide limitation on Islamic work ethics is working with honesty and responsibility, trustworthy, always keeping promises, tolerance for others, always keep the mouth of a sense of jealousy towards others and avoid slanders. Thus, it is clear that the Islamic work ethic is working that always pay attention to the environment, does not justify the means, while at the acquisition results of operations need to pay attention to the elements that exist in the Islamic economic system. According to Asy'arie (1997), the work ethic is is the nature, character and quality of life of human, moral, spiritual and aesthetic styles as well as their inner atmosphere. It is the expectations of one's relations with respect to his behavior at work (Aldulaimi, 2016). Work ethics are including effort, dedication, cooperation, responsibility, social relations and creativity of employee (Rahman et al., 2006). Another definition concluded by Najib (2015) as someone's beliefs about the work that indicated with hard work, discipline, to be honest, efficient, a visionary, the rational, cooperation, and achievement.

The values of the Caliphate charged creative, productive, innovative, based on conceptual knowledge, while the values of servanthood charged moral, obedient and submissive to the laws of religion and society. Islamic work ethics defined as a set of values or system of beliefs derived from the Qur'an and Sunnah concerning work and hard work (Ahmad and Owoyemi, 2012).

Furthermore, Ahmad nad Owoyemi also argue that some attitudes which are central to Islamic work ethics from the Sunnah of the Prophet Muhammad including attitude to wealth, attitude to livelihood, attitude to time and attitude to leisure.

Motivation is part of work ethics (Ahmad and Owoyemi, 2012). According to Rivai (2004:455), Motivation is a set of attitudes and values that influence individuals to achieve specific things suit individual goals. The attitude and the value is out of the invisible which provides power to encourage individuals to behave in achieving its objectives. The motive can only be inferred by the behavior, but also the motivation and implementation are not synonyms. Implementation is influenced by several factors, namely the expertise, skills and prevailing conditions. The motivational theory in Islam considered two dimensions of human behavior, there are the inner human body which is concern with the spirit or iman and the outer human body which dealt with material needs such as physiological needs (Ahmad and Owoyemi, 2012).

The term of performance is derived from the word of job performance and actual performance or achievements mean actual performance achieved by someone. Decline in a workethics can lead to a lower level of job performance (Yandle, 1992). Performance can be defined as work result that can be achieved by a person or group of people in organizations, according to the authority and responsibilities of each, in order to achieve the objectives of the organization legally, do not break the law and in accordance with moral and ethical (Prawirosentono, 1999). Business is a result of motivation that indicates the amount of energy (physical or mental) that used by an individual in performing a task (Kusumawati, 2008). Robbins (1996), said that the performance is a result achieved by the worker in his job according to certain criteria to prevail for a job.

According to Wayne F.Cascio in the book "Managing Human Resources" (2003:25) said that "Productivity is a measure of the output of goods and services relative to the input labor, material and equipment". Employee productivity by Ravianto (2001) is as a concept that demonstrates a link between output (work) with the time it takes to produce a product of a labor force, meaning that a labor productivity is closely associated with the work obtained against the time required to produce it.

An efficient employee is the one who has the skills and capabilities required to perform specific job and is the more productive will be (Aldulaimi, 2016). Islamic values on labour matters clearly encourage productivity of labour. Islam obligade human to endeavor or work, not lazing or resigned to waiting for fordoom. Islam encourages human to work and for finding sustenance. Moreover, Islam has been implementing laws in finding sustenance is obligation (fardhu). Many verses and hadith which has given encouragement to earn a living, such as the word of Allah in the Qur'an Surah Al-Mulk verse 15.

Many Empirical studies was conducted in several countries found that Moslem employees and individuals gain the high score in term of Islamic work ethic. Moreover, Islamic work ethic showed the correlation among variables including individualism, loyalty, locus of control, work commitment and satisfaction (Abu-Saad, 2003; Ali et al., 1995; Yousef, 2001). The centrality of work in Islam, the religious and social reasoning for work represents, at time, a major development in projecting work as an instrument for personal independence and a means for serving the community and faith (Syed and Ali, 2010).

The labor is indeed one of the factors of production, is not only power, skills, expertise, and even loyalty to work well, but also the honesty that will generate trust, everything is there in human resources workers. Therefore, preparing, recruit, manage and develop labour is a serious job, which is governed by various regulations in order to become a world reference with all stakeholders of the industry. Not only regulations that resulting state institutions, even now a variety of religious thought developed thematic of employment, continues to be explored and developed, with the result that the development of the HR (Human Resources) in Indonesia was on the right track, not only in the perspective of regulatory of law, but also in the perspective of the doctrine and religious thought. And in certain contexts, the teaching and the inherently religious thought becomes spirit and moreover become part of which is explicitly regulated in legislation.

Labor or worker is a factor of production, as they always participate in the production process (Azid, 2005). Worker is a very important factor, as well as financial capital and material goods to be processed in an industry, to produce goods that can become a commodity of business. The higher skill and expertise of workers would be higher their productivity, and the greater contribution on profit/ loss of the company. And the better moral and ethical of workers would be higher the level of work comfort. And the higher the level of comfort would be higher productivity of the company. Therefore, worker aspects with various skills qualifications, skills, moral and ethical integrity has always been a concern in the process of recruitment, placement and training of workers.

3. METHODOLOGY

This study used a documentation technique, literature reviews, and survey. The activity focused on the description of the concept and implementation of labour matter in Indonesia from the perspective of Islam. This research conducted in Indonesia from October 2016 until November 2016. Samples includes companies that have been recognized to implementing Islamic values in their labour management. Data were collected of 77 respondents purposively chosen from infinite population. Verification will be done to view the relationship among variables by utilizing the method of partial least square (PLS) as follow: Islamic values (Azid, Alamsi, and Abubakar, 2013), Work Ethics (At-Tamimi, 1992; Asy'arie, 1997; Rahman et al., 2006; Najib, 2015) Motivation (Ahmad and Owoyemi, 2012), Organizational Commitment and Job Performance and Productivity (Chang and Chi, 2007; Ravianto, 2001; Cascio, 2003). Diamantopoulos et al. (2008) stated that researchers had many difficulties when they put their best effort to set constructs of variables and their indicators, the logic of researchers seemed inconsistent in determining reflective or formative indicators of a variable. Therefore, in this study each variable will be tested formatively and reflectively. Anderson and Gerbing (1988) mentioned that to distinguish between formative and reflective measures is quite important because proper specification of measurement model is necessary to assign meaningful relationship.

4. RESULTS AND DISCUSSION

4.1. *Respondent Profile*

The number of samples was 77 respondents from three different companies there are sharia hotel, food manufactured, Islamic financial institution in Jakarta and Cirebon, Indonesia. By using descriptive analysis of respondents' profile obtained following description: Sex (gender) found that male were 40 respondents (51.9%) compared to female 37 respondents (48.1%), Obtained employment type description as follows; permanent employees about 64 respondents (83.1%), non-permanent employees 2 respondents (2.6%), outsourcing 3 respondents (3.9%), while others were 8 respondents (10.4%). The type of job describe as follows; operational employees of 31 respondents (40.3%), manager of 15 respondents (19.5%), administrator 27 respondents (35.1%) and Other 4 respondents (5.2%). While the group of age obtained the following description; below 18 years of 16 respondents (20.8%), 19-28 year of 44 respondents (57.1%) and 29-39 years of 11 respondents (14.3%). In terms of income obtained following; below Rp. 1 million of 5 respondents (6.5%), between Rp. 1-3 million of 58 respondents (75.3%) and between Rp. 3-5 million of 13 respondents (16.9%) and between Rp. 5.1 to 10 million of 1 respondents (1.3%). For the location of residence, obtained a description as follows; near by work location 16 respondents (20.8%) and far from work location with more than 10 KM distance of 61 respondents (79.2%).

4.2. *Partial Least Square (PLS) Analysis*

4.2.1. *Outer Validation Model*

The outer model specifies the relationship between latent variables and their indicators. It can be said that the outer model defines how each indicator relates to its latent variables. Cronbach's Alpha test results for job performance and productivity variables are 0.855, organisational commitment is 0.780 and work ethics is 0.721, all of them meet the requirements above 0.6. Rho A test results also meet the requirements for each variable, which is equal to 1,000 for Islamic values, 0.872 for job performance and productivity, 1,000 for motivation, 0.767 for organizational commitment and 1,222 for work ethics. Composite reliability values for job performance and productivity and organizational commitment meet the requirements > 0.8, which is equal to 0.877 and 0.811, only the composite reliability value of work ethics is below the requirements, which is 0.586.

4.2.2. *Inner Validation Analysis*

Predictive power counts the path coefficients significance test in term of the models ability to contribute the relevance. Path coefficients significance might shows , as follow :

Table 1: T Statistics and P Values

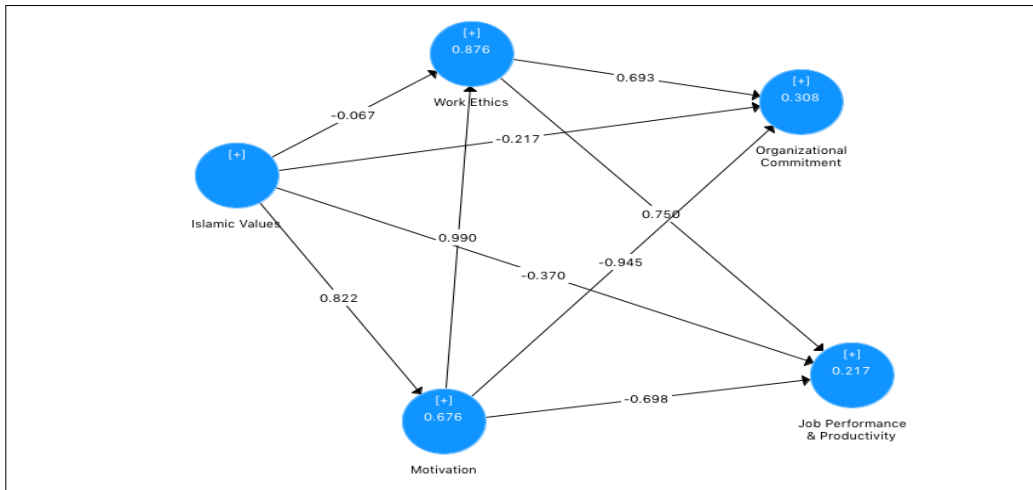
Path	T Statistics	P Values
Islamic Values – Job Performance	0.662	0.508
Islamic Values – Motivation	3.272	0.001 ***
Islamic Values – Organizational Commitment	0.419	0.675
Islamic Values – Work Ethics	0.179	0.858
Motivation - Job Performance	1.717	0.087 *
Motivation - Organizational Commitment	2.418	0.016 **
Motivation – Work Ethics	1.958	0.051 *
Work Ethics – Job Performance	2.056	0.040 **
Work Ethics- Organizational Commitment	2.244	0.025 **

Source: Processed Data

Note. * significant on $p < 0.10$; ** $p < 0.05$; *** $p < 0.01$ (Df 84; two tail test, T Table value 10% =1.66 , 5% =1.98, 1%= 2.63).

Islamic Values as an exogenous variable has significant influence only to motivation, motivation has significant influence to job performance, organizational commitment and also work ethics. Work ethics also has significant influence for both job performance and productivity and organizational Commitment.

Figure 1. Path Model



Explanatory power assesses the R-square (R^2) and explores the effect size of the whole model construction. Then assess the change of R^2 , which also known as the size effect tests to investigate the substance impact of each independent constructs towards dependent construct. In processing the data set, the biggest R-square value is the relationship among Islamic value and motivation toward work ethics, it is 88% predict empirical phenomena, while 18% other is explained by other not included variable. The second biggest is the relationship between Islamic values toward

motivation, it is 68% predict empirical phenomena. The third one is the relationship among Islamic values, work ethics and motivation toward organizational commitment, it is predict 30% of empirical phenomena. The last one is the relationship among Islamic values, work ethics and motivation toward job performance and productivity, it is only predict 22% of the empirical phenomena.

Table 2: Validation Output of R² Structural Model

Path	R Square	Adjusted R Square
Job Performance & Productivity	0.185	0.217
Motivation	0.672	0.676
Organizational Commitment	0.280	0.308
Work Ethics	0.873	0.876

Source: Processed Data

The results of the study show that within the framework of promoting Islamic value, labor motivation is very important to be influenced first. Valuable motivation will be able to develop the work ethic of the labour who will ultimately give a commitment to the organization well and of course to have better performance and productivity. Islamic values cannot just influence a person's work ethic by ignoring his motivation to deeply attaching Islamic values on work. Thus the government and related parties must pay attention to the motivation of workers first and then request an increase in ethos, commitment and later performance.

Rivai (2004) explains that motivation is a set of attitudes and values that influence individuals to achieve specific things in accordance with individual goals. For this purpose religious values can be promoted to be part of a set of values that affect individuals. Attitudes and values that come out of the invisible that provide the power to encourage individuals to behave in achieving their goals and its start from individual work ethics. Aldulaimi (2016) argue that work ethics in an organization, according to an Islamic perspective, are capable of directly influencing job satisfaction and work performance level of an organization. In term of relationship motivation, works ethics, organizational commitment and work performance there are some research in line some previous finding as its mentioned by Hayati & Caniago (2012) they are Rokhman and Omar (2008), Grbac and Loncaric (2009) and Ali and Al-Owaihah (2008).

5. CONCLUSION

From the analysis and previous discussion, the results of this study can be summarized that the concept of labour developed in Indonesia as a form of ratification ILO conventions set forth in most of the rules and regulations that have been made and enforced in accordance with the concept of labour in the Islamic perspective. In terms of implementation, some have been in accordance with Islamic values even at some companies have implemented Islamic values in labour and Islamic work ethics in the company's operations. However, many are not within their Islamic values and even deviate from these values. Based on predictive power of the empirical analysis demonstrate that its important to promote Islamic values in order to enhance motivation of the labour, within the valuable of motivation, it will significantly influenced their work ethics,

organizational commitment and at the end significantly encourage job performance and productivity.

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