

DOES GENERATION X AND Y DIFFER IN THE ISLAMIC WORK ETHICS: A STUDY AMONG EMPLOYEES IN ISLAMIC BANKS

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Abstract

A generational difference is a product of social construct. Each generation has its own distinctive features of characteristics, attitudes and values. Understanding and knowing the differences are important to handle differences between generations. This study aimed to investigate whether generations X and Y differ in Islamic Work Ethics. It is hypothesized that there is a significant difference between generation X and Y in Islamic Work Ethics. 225 full-time bank employees around Kuala Lumpur were participated in the study. The sample comprised different levels of job positions that represented different generational cohorts. Two measures were used in the study. First, the work ethics was measured by the Islamic Work Ethics Scale (Ali, 1988). Second, generational cohort was measured through a single item question that was their year born. Result suggested that there is no significant difference in scores for generations X and Y in work ethic. The finding supports the existing literature that values and ethics are usually transmitted from one generation to another without being affected by historical events happened in a particular cohort. Implications and suggestions are discussed concerning the possibility of implementation, teaching and promoting Islamic Work Ethics among different generations in the banking institutions.

Keywords: Generation X and Y; Islamic Work Ethics; Islamic Banks Employees

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Introduction

Organizations with multigenerational employees including banking institutions are facing new challenges in improving organizational attitudes, performance and effectiveness of their staff because every generation has varying expectations regarding what they want, factors that can motivate them and what kind of values to be practiced in workplace. Currently, there are four generations of employees (i.e., Veteran, Baby Boomers, Generation X (Gen X) and Generation Y (Gen Y) in banking institution (Cogin, 2012). The veteran and baby boomers are typically at the top management and high leadership positions. Gen X is the majority of the workforce while the number of Gen Y is increasing.

Studies have shown that there are significant differences among generations in their organizational attitudes, behaviors (Moody, 2007; Miller, 2006) and works ethics (Jobe, 2013). For example, baby boomers generation have a high work ethics. They place work as the highest priority over non-work life including family (Crumpacker & Crumpacker, 2007; Fogg, 2009). In contrast, Gen X has a weaker work ethics (Twenge, 2010) and place personal activity at the highest priority than work (Reynolds, et al., 2008). For Gen Y, even though they are technology driven and value fast-paced, they put a balance between personal and work commitments (Myers & Sadaghiani, 2010). Nevertheless, studies have also demonstrated little to no significant generational differences on variables such as organizational commitment (Engleman, 2009), work ethics (Murphy, 2011), and organizational values (Kowske, Rasch, & Wiley, 2010).

In summary, although studies on differences between generations including among those who are in banking workforce have been conducted, the mixed findings in the literature indicate more research is needed to understand the other job related variable that is different between generations, particularly in work ethics. Therefore, further studies to better understand the differences between generations regarding work ethics is necessary as the organization would be able to plan effectively on their human capital especially in learning processes of the major generation groups.

Literature Review

In a dictionary, work ethics is defined as an ethical principle that places greatest value on hard work and diligence. Protestant work ethics (PWE) is known to many organisations because it consists of universal values. However, its applicability to all organisations is less likely to happened as it was developed based on Christian doctrine (Yousef, 2001). In relation to this, Yousef (2001) suggested to Muslims organisations to use the work ethics that is based on *Qur'anic* and Prophet Muhammad teachings. In line with this, Islamic work ethics (IWE) by Ali (1988) is more suitable to be used in organization that majority staff is Muslims. By employing this system of work ethics, Muslims staff are more likely to show ethics at work that are not only comply to organizational expectations but also meet the work values of *shari'ah* that include being competitive, cooperative at work, transparency and morally responsible in their conduct.

With regards to generational differences in work ethics, studies that examine the relationship between multiple generations and work ethics have produced inconsistent findings. For example, Jobe (2013) reported that out of seven dimensions of work ethics, only

three dimensions showed statistically significant differences between generations. Specifically, in leisure dimension, Millennials scored significantly higher than baby Boomer while Gen X scored significantly higher than Baby Boomer in both dimensions of hard work and delay of gratification. However, another study by Ware (2013) found that there is very little variance in the ways Gen X and Gen Y work related values. Based on the mixed results in previous work ethics studies and limited literature about generational differences and Islamic work ethics, it is timely to study this variable in organizations such as the Islamic banking institutions.

Methodology

Research design and participants

This study was a cross-sectional survey. It used self-report measures in examining generational cohort and work ethics. 225 full-time Islamic bank employees around Kuala Lumpur, Malaysia were recruited in the study.

Measures

There were three measures being used in the study. First is measure on demographic characteristics. Items that include in the section on demographic characteristics are such as gender, ethnic groups, educational background, and length of service. Second is a measure on generational cohort that was a single item question on year born (item is included in the demographic section) was asked. Third is a measure on work ethics that was an Islamic work ethics scale (IWE) (Ali, 1988). IWE is made up of four components of work ethics that includes (1) work, (2) competition, (3) transparency, and (4) morally responsible conduct. It is a 5-points Likert-type scale which ranging from 1 for “Strongly disagree” to 5 for “Strongly agree”. The IWE scale consists of 17-items. The total score of participants in the present study ranging from 17 to 85, which low scores indicating a low Islamic work ethics while high scores suggesting a high work ethics. This scale is chosen because in the previous study it has shown a good internal consistency reliability on Malaysian samples (Abdi, Muhamad Nor, & Md Razi, 2014). Results from this study demonstrated that the scale also demonstrating a relatively acceptable internal consistency (Cronbach’s alpha of .60).

Procedures and data analysis

The sample Islamic banking institution was identified and contacted via official letter. After receiving approval to conduct study, all samples who gave consent received a set of questionnaire covering all variables of interest. Every participant was given two weeks to complete the questionnaire. A gentle reminder through either phone or emails was conducted to those who did not complete on time. After submission of the completed questionnaire, participants received honorarium for their participation.

Data analysis was using SPSS software. Before analyzing the data to test the hypothesis, data screening was done in order to check if all data is entered correctly and to

ensure the efficacy of the data. Cronbach's alpha was used to check the reliability of the measures. The hypothesis of this study was tested using the independent samples t-test.

Result and Discussion

The mean age of participants is 34.66 ($SD = 8.18$). The mean score of Islamic Work Ethics variable (IWE) is 71.62 ($SD = 7.01$). The result from an independent sample t-test shows that there are no significant differences in scores for Generation X and Y in IWE. Generation X ($M = 71.28$, $SD = 7.11$) and Generation Y ($M = 71.81$, $SD = 6.93$) ($t(223) = -.56$, $p = .57$).

In general, findings of this study demonstrate that both generations X and Y do not significantly differ in Islamic Work Ethics (IWE). This suggests that IWE can be applied to both generations. Training and learning the knowledge regarding Islamic work ethics can also be given to both of the generations. Although previous studies have indicated mixed findings regarding the generational differences on work ethics, the present study add another evidence that confirm the opinion that ethics and values are not differ between generations because it continuously transmitted from one generation to another generation. In comparison, skills, attitudes towards object or events and perceptions towards tools are influenced by historical events of the cohort.

Conclusion

In conclusion, the findings of this study can be an evidence for strategic implementation of Islamic work ethics in organisation that consists of multiple generations. No significant different between generational cohort in IWE scores suggest that both generational cohorts can apply the IWE in their work values. However, the results from this study are narrowing to Muslim employees who work in Islamic banking. A further investigation to examine the generational differences in Islamic work ethics in organisations or banking institution that consist both Muslims and non-Muslims employees are recommended in order to know whether the results will be scientifically different or not. Having said this, researcher will be able to confirm the effectiveness of Islamic work ethics among different generational cohort from different religious beliefs.

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